Minutes of The Exeter City AFC Supporters' Society Limited

2020 Annual General Meeting

held on 21 November 2020

by Zoom

Trustees present:

Nick Hawker (NH) [Chair]; Elaine Davis (ED), Clive Harrison (CH), Peter Holding (PH), Neil Le Milliere (NM), Mark Cordell (MC), Jon Beer (JB), Doug Gillard (DG), Yasmin Western (YW)

Also Present:

Phil Burden (Trust Secretary)

Steve Chudley (Trust Finance Officer)

John Street (Returning Officer)

Pete Cordwell (Minutes Taker)

Stephen Bright (Trust Auditor)

Trust Members:

61 members, including those listed above and below, attended the meeting.

Exeter City AFC Ltd. Representatives: Richard Pym, Club Board Chairman; Keith Mason, Club Finance Director; Julian Tagg, Club President and Director of External Affairs.

Apologies:
Brian Jeary
Phil Crook
Christopher Woolcott
Russell Sadler

Welcome

NH welcomed members to the Exeter City Supporters Trust Annual General Meeting.

Apologies

Apologies were received as noted above.

Approval of Previous AGM Minutes

There were no amendments or corrections required.

Motion. The 2020 AGM accepts the minutes of the 2019 AGM.

Proposed by: Gary Nelson

Seconded by: Estibaliz Ayo

The motion was carried. Votes for 84%, Against 0%, Abstentions 16%

Matters arising:

There were no matters arising

Approval of the Exeter City AFC Supporters Society Ltd Financial Statement from May 2020

Significant increase of £12,000 in the admin expenses. This is explained by the detailed expenditure figures towards the end of the accounts that show sponsorship increased by £14,000, with a very significant donation of £12,000. Cost of sales increased by £9,000, primarily due to production costs of the SJP 125th Anniversary book, which is almost sold out and will produce a small profit. (not shown in accounts yet)

Membership and subscriptions rose by £3,500. Donations dropped by £6,000. We are looking into the reasons for this as part of a wider investigation.

Questions about the accounts.

1. How many members were retained this year?

2. How many members pay the minimum subscription?

The answers to both questions will be posted on the website in due course and are included at Appendix 5.

Motion. The membership approve acceptance of the Trust Accounts.

Proposer: Michael Higgins

Seconder: Martin Lawrence

The motion was carried. Votes for 94%, against 0%, Abstentions 4%

Reappointment of the Trust Auditor

Steve Bright pointed out that some might consider his independence could be reduced by the fact that he had been trust auditor for 17 years.

Pete Holding said the Trust thoroughly endorses Steve as auditor, pointing out that he does “a great job, on time and is very helpful.”

Proposal: To re-appoint Stephen Bright as auditor for the Exeter City Supporters Trust

Proposer: Neil Le Milliere

Seconder: Dave Moore

The motion was carried. Votes for 72%, against 0%, abstentions 3%

The Chair thanked Steve Bright for all his help putting the accounts together and with the Finance and Governance group. Thanks also to Steve Chudley for his help with the finance.

At the end of this official business, The Chair wished to place on record his thanks to previous Chair of the Club Board, David Lee, who is not only “good at building Grandstands,” but has also been a great friend to the Trust. He has helped broker much of the Trust’s progress over the last few years.

Presentation by the Exeter City Club Chair, Richard Pym

The full text of Richard’s presentation can be found at Appendix 1.

<u>Brief summary.</u>

Richard passionately believes in the community owned football club. His objective is to achieve sustainability for the Club and the Trust.

His vision is for the club to be a sustainable member of League One, capable of pushing for promotion.

Our strategy, he says, is that gate receipts and add-on sales pay the wages; transfer receipts pay for investment.

We have the financial reserves to survive the current crisis.

He thanked, therefore, Julian Tagg, the Academy staff, the coaching staff and the players for developing our “home grown” strategy. Along with everyone, he enjoyed following Ollie Watkins’ journey. Our role is to provide pathways for others to follow him.

Richard praised our young squad for their amazing performances so far this season and the character they’ve shown in abundance. He paid tribute to Matt Taylor and all his playing and coaching staff.

Answers to members’ questions for Richard can be found on the Trust website and are included at Appendix 5.

Presentation by the Exeter City AFC Finance Director Keith Mason

The full text of Keith’s presentation can be found at Appendix 2.

Brief summary

(Note. We received our share of the money from the sale of Ollie Watkins after these accounts were completed).

Major adjustment. When OTR purchased the old school building it should have been recognised as an asset but wasn’t. Adjustments to profit and loss accounts have been made over last couple of years.

Turnover has increased by almost £500k.

Increases in gate income; commercial income; football league income.

Administrative expenditure has been reduced and furlough payments have meant other income has increased.

Operating loss this year was £994k compared to £1.588m last year.

Transfer income is lower at almost £450k

Total loss after tax £495k

Covid has affected the Balance Sheet. Shop stock is higher than expected and with many businesses closed for lockdown, payments have been slower than normal.

As always, we are constantly reviewing our long term budgets and cash flows in order to ensure we maintain stability at the club.

Since these accounts were completed, the sale of Ollie Watkins and our share of the proceeds have transformed the bank balance. Our goal of a break even position each year remains unchanged, however.

Answers to members’ questions for Keith can be found on the Trust website and are included at Appendix 5.

Presentation by the Exeter City AFC Club President, Julian Tagg

The full text of Julian’s presentation can be found at Appendix 3

Brief summary.

External Affairs.

Sits on a variety of boards and committees across the City, County and nationally.e.g. Liveable Exeter Place Board and Visitor Recovery Boards

Football. Ensures the Club and Trust are well presented and have a strong say at the EFL and FA and Premier League.

Is the nominated L2 support to the divisional representative; occupies a seat on the EFL Commercial Board.

Has a seat at the table of the EFL Youth and Player Board. Here, the unfairness of the EPPP system is addressed.

Director Responsible for Football

Seen as an “aid to the manager”

The role of President is a massive honour.

Last season was another year of positive progression, with many highlights (whilst not mentioning Wembley)

There is usually a 5 year cycle in building a cohesive, dynamic team. Can be accelerated by signings of a couple of talented players who should be in league above or “splashing the cash” eg Salford. The big question is how will clubs like this last? We have to understand all this.

For us, succession planning is beyond critical. Our staff have largely been appointed form within the Academy. Our manager was a past player, and U23’s coach.

No coincidence that our team is stacked with local talent (see appendix for list of players)

No rest until the unfairness of EPPP is addressed and it is changed. There was progress before the pandemic arrived.

Great success for our other groups.

U18’s are into 3rd round of FA Youth cup

U16’s Southern Champs and beat Crewe Alexandra to win National Floodlit trophy (all category 2 &3 clubs). Takes time to build a club.

At the Cliff Hill Training Ground (CHTG), you’ll see that the whole youth to first team process is fully integrated. Congratulations and thanks to the whole CHTG staff.

There is no Category 3 Academy, not even Category 2, even close to achieving what is being achieved by ours. We are no ordinary club with no ordinary academy and no ordinary determination to do things differently.

Unfortunately, the indoor facilities at CHTG are probably the worst in the division. Much consideration is being given to how they can be improved.

A mention of the City Community Trust, another member of the ECFC family. Their work in the local community ensures the reputation of ECFC is held in high regard everywhere.

Tots, Junior Grecians and success of women’s development centre, with two, soon to be three, teams are all encouraged and developed. Thanks to the Club and the Trust for their help in so many ways.

Thanks to all for your magnificent effort and dedication towards the cause that is the ECFC family.

Answers to members’ questions for Julian can be found on the Trust website and are included at Appendix 5.

Declaration of the 2020 Trust Board Election Results.

John Street, The Returning Officer for the Trust.

This is the first time the elections have been conducted by electronic means. For this year only there were a small number of ballot papers sent to Trust members for whom we did not have an email address.

In total, 1095 electors voted electronically with a further 28 voters returning their ballot papers within the allotted time That's a total of 1,123, which translates to a turnout of 34.67%, considerably up on what it has been previously.

The votes cast for each candidate were

Mark Cordell 684*

Doug Gillard 621*

Nick Hawker 835*

Luke Jones 470

Kayleigh Jade West 809*

Alistair Yates 342

*elected

Congratulations to the four elected and to all those taking part. John also thanked those behind the scenes for helping to make his first foray into electronic voting a success.

The Chair thanked John for his work and the comms group for its work in introducing electronic voting.

Presentation by the Exeter City AFC Supporters Society Trust Chair, Nick Hawker.

The full text of Nick's presentation can be found at Appendix 4.

Brief summary

This update is for year ended 30th June and also the 5 months that follow.

Thanks to members and supporters who donated £61,767; £100,000 was donated via the Trust; £12,000 raised for the Academy. Total £173,767. "Truly humbling"

Cash Flow. Our budgeting looks at achieving break-even or avoiding running out of money. The Ollie Watkins sell on money doesn't really change that. We continue to work on basis that we don't want to be reliant on transfer windfalls or cup runs.

Thank you to Keith Mason for his multiple forecasts in the current ever changing environment.

Last Year's Resolutions

Malcom Tipper's resolution concerned spreading information about our ownership model. We have successfully managed to spread the word and will continue to do so.

Update

Two documents on Trust website. 1.Trust Strategy document. Our 5 year plan

2.Review of the Trust. An Audit.

Please have a read and feedback to us.

At Club board level, the Trust appointed directors have been very active. Prominent in areas such as safeguarding, gambling sponsorship and governance and finance.

At Trust Board, we are sad to say goodbye to one of our stalwarts, Pete Martin. We thank him for all the time, energy and commitment he has given.

Goodbye also to Clive Matthews, former membership secretary who kept excellent records and a tidy membership database. He's been replaced by Celia Lowman, who we're looking forward to working with. She was a volunteer at Borussia Monchengladbach so we're learning how Bundesliga clubs attract new members.

We have set up a "friendship" with Exeter Community Initiatives charity.

We are migrating our membership database into the Club's new ticketing sortware.

We've been instrumental in ensuring that the Club's new Articles of Association are now with Companies House and that we now have a definitive Club shareholders'register. Huge thanks here to Nigel Banks. The Trust shareholding has increased from 53.92% to 57.85%. We're on the way to our aim of reaching a 75% shareholding.

We have temporarily ceased, at the request of the club, paying the monthly instalments that make up our £100,000 donation to the club. We are assessing liability for Corporation Tax, following the Ollie Watkins sell on income. We'll be seeking members' views on how to proceed with this.

The Future

The Trust has recently requested that the Club repay the loan of £830,000 to the Trust. This has been done with the full co-operation of the Club and on the understanding that the Club will not be disadvantaged.

The Trust Board massively regrets being unable to properly celebrate our 20th anniversary. But it does give us a chance to reflect on all the previous Trust pioneers have achieved so far. More importantly, it's a chance to look forward.

We are in a moment of time that is quite extraordinary. We have a fantastic, ambitious manager; a young, fearless team; a thriving Academy and two boards, Trust and Club who want to prove that our model of ownership can deliver the success that, after these 20 years, we richly deserve.

It may seem strange, but now, more than ever, we need your support to meet our targets. These targets are no longer about survival. They're about progress and success.

We are no ordinary football club – but Trust and Club, trust me, are stronger together.

Answers to questions from members to Nick Hawker can be found on the Trust Website and are included at Appendix 5.

Nick thanked all contributors to today's meeting. John Street, Peter Holding, Steve Bright, Keith Mason, Richard Pym, Julian Tagg.

Thanks to all members for taking the time to attend. Thanks for your support.

On a personal note, thanks to Trust Board and Officers for all their help and support for me over last 3 years. It's been a real honour and a privilege to Chair the Trust Board.

Nick

Appendix 1

Club Board Chairman Richard Pym Remarks

Thank you for inviting me to this meeting.
It is an honour to be club board chairman this season, being the centenary of my Grandfather's last season at City, before he transferred to Bolton.
Of course Club legend has it that Grandad's transfer money bought St James Park, and family legend has it that he didn't share in any of it.
In those days footballers got paid little, and he got just five pounds bonus for each of the three cup finals he won.
Which segues into the Ollie Watkins transfer this summer which has transformed the financial position of the Club.
It is as significant now as was Dick Pym's transfer money a century before.
……
For me the last five months since I became chairman on July 1st, has been a game of two halves, as they say.
When I joined on July 1 the finances were grim.
Little money coming in, lots of money going out.
The second half has changed all that with money coming from the late summer transfers, of which Ollie's was of course the most significant.
Whilst we still don't have regular income coming through the gates, we do have the financial reserves to survive the crisis.
It also provides further cash flows over the next two years as it hasn't come in one big lump.
Our strategy is that gate receipts and add-on sales pay the wages, and transfer receipts pay for investment.
If you muddle the two and use transfer receipts for paying the wages, if transfers have a bad year, then the club is in trouble.
My objective whilst I am doing this job is to achieve sustainability for the Club and the Trust.
We do not want to ever have to rely on external investors.
…….
But we also have a very real opportunity to drive this club to a higher level.
Our Vision for the club is to be a sustainable member of League One, capable of challenging for promotion.
A combination of the transfer income and the new wage cap makes that Vision now more achievable.
Some of our competitor clubs are in trouble. Their previously rich owners poorer, their wage structures unsustainable, throwing money at expensive player recruitment now impossible.
Our relative position has never been better in a strategic sense.
Never have we had a better opportunity to succeed, thanks to the work and generosity of the supporters over the last twenty years.
……
I would not be here today in this role if this club were not community owned.
I passionately believe in the principle of community ownership.
There is something inherently romantic in a community getting together to buy their own football club.
But community ownership has to be supported by commercial management balancing the passion of supporters with the harsh reality of financial discipline, and that is where I hope that my experience in consumer businesses and banking can be helpful.
The income we have received this summer and continue to receive over the next two years, is a tribute to the work of the Academy team and the coaching staff.
I would like to pay tribute to Julian Tagg, the Academy staff, the coaching staff and of

course the players themselves for their success in pursuing our “home grown” strategy.
Which leads me to the current season.
……..
During the summer we let go a lot of experienced players.
Our squad is young and this season was always going to be a transition, and one where performance wasn’t guaranteed.
Of course we have all been delighted by the performance. Absolutely brilliant.
In football though it isn’t just about results, it’s also about how you get the results.
And in that we have seen the most amazing performances where our young men have shown massive effort, resilience and talent.
One of the characteristics that Matt Taylor looks for in his player selection is character, and we have seen that in abundance.
So, I would like to pay tribute to Matt Taylor and his team, both coaching and playing.
They have managed a difficult mandate from the board quite brilliantly.
……..
I talked about the romance of community ownership, but there is also the romance of watching local players and seeing them develop.
I started with Ollie Watkins.
He has managed his career brilliantly, developing skills every step along the way.
We have enjoyed following his journey.
And we have a role in providing pathways for other Ollie Watkins coming behind, giving their best for City and then moving on to greater things.
Just like my grandfather did one hundred years ago.
Thank you.

Appendix 2

Club Finance Director Keith Mason

ECFC 2019/20 Annual Accounts

As usual I will show and explain 2 schedules, the Profit and Loss account (or as it is called in these documents Income statement) and Balance Sheet.

Firstly the Profit and Loss account.

I probably ought to start with a fairly major adjustment to the accounts, our auditors Haines Watt were not given full information when OTR purchased the old school building some 10 years ago to secure it for the club and subsequently rent it to the club so consequently it was not accounted for properly. They were not aware that the club had the option to buy the building and therefore it should have been treated as an asset but wasn't.

In the profit and loss account you can see a prior year adjustment of £145343 reducing the loss, there is also an adjustment in the 2019 accounts of approx. £22k, the original reported loss in the 2020 accounts has been reduced too.

Turning to the 2020 accounts

In spite of Covid turnover is increased this year by almost £500k, partly due to the generosity of fans and commercial supporters not requesting refunds for games not played.

Gate income is up by more than £250k in spite of not playing 5 games, more than half of this increase can be attributed to the EFL trophy run including win bonuses, Commercial income is up by £100k and Football League income by £150k.

Cost of Sales have increased by £500 over last year, the major cost within this is wages and labour costs, they account for £3.8m of the cost and have increased by almost £400k – this includes players wage costs.

Administrative expenditure is reduced this season over last year, we have made an effort to reduce costs as part of a renewed drive to try to make sure we can balance the books in the near future, the reduction has also been helped by having to close the offices due to covid.

Other income is increased by more than £400k over last year, almost all of this increase is due to income received from the government for furlough payments.

All of this means that the operating loss for the year was £994k compared to £1.588m last year.

Transfer income is lower at almost £450k this being the sale of Jay Stansfield and income from the loan of Ethan Ampadu from Chelsea to Leipzig.

Income received is down because we have less funds in the bank and interest rates have reduced.

The total loss before tax is £560k compared to £680k last year, due to the loss we expect a tax refund so the loss after tax is £495k.

Balance Sheet

It is not immediately obvious but there are two figures restated in the 2019 accounts, Tangible assets now include the old school building and creditors have been restated to include the debt to OTR.

Stocks have increased, mainly due to the effects of covid, as shop stock are higher than we would normally expect.

Debtor are also increased and again covid has had an effect with many businesses closed

for the duration of lockdown and subsequently payments were slower than normal

The bank balance is reduced reflecting the loss in the year.

In creditors you can see a shift between short term creditors and long term, in total the comparison is similar.

As I have reported previously we are constantly reviewing our long term budgets and cash flows in order to ensure we maintain stability at the club, these budgets showed us the need to review and reduce costs as reported previously. Of course the sale of Ollie Watkins and our share of those proceeds have transformed the bank balance since these accounts were completed but our goal to reduce costs and bring the club to a position where we can break even each year remains unchanged.

Appendix 3

Club President and Director of External Affairs Julian Tagg

Steven Hawkin is quoted as saying, forgive me if I don't do the voice, "Intelligence is the ability to adapt to change".

With the excellent addition of a hugely experienced Board Chairman in Richard Pym to control the board room, and i use that phrase advisedly, and Nick Hawker our Trust Chair involved integrally in all aspects of the business across the piece, we are doing just that. So, after 7 years as Chairman I'm addressing you from a different seat this year. My remit now is two-fold. "External Affairs" is an ever expanding role which involves representing our club on a variety of boards and committees cross the City, the County but also nationally. Important locally, is the seat on the Livable Exeter Place Board and the also Visitor Recovery Boards, amongst others, chaired by Steve Smith and Charlie Courtney respectively have ensured that the club is at the forefront of understanding and direction that our City may need to take to, in the first place survive, and ultimately thrive.

Looking at the national football picture, with the fluid and ever changing and threatened position faced by the Championship L1 & L2 EFL divisions, a picture that moves ever faster and becomes ever more complex, emphasizes the need to ensure we have a strong voice not only at the EFL table but also an ability to liaise with and influence other EFL divisional members thus maximizing our opportunity to ensure that the plethora of changes and proposed changes, Project Big Picture being just one example, aimed at the national rules and objectives of and for football not only at the EFL but importantly also the FA & Premier League at all times reflects our own Clubs position direction and intentions of our club and Trust.

With weekly calls and meetings and a veritable deluge of communications ranging from COVID direction to fixture considerations to financial problems and issues, to various discussions and views on football matters this space is busier than ever. Now in my third year as the nominated L2 support to the divisional representative as well as the seat I occupy on the EFL Commercial Board my role has been to liaise regularly with half of the division over the plethora of issues across a multitude of problems hugely amplified since March.

Further, our dedication and commitment to Academy football dictates that we must have strong representation, again to protect our principles and vested interests in this area, something that has enabled me to gain a seat at the table of the EFL Youth and Player board. It is here that progress on the unfairness of the EPPP system were being addressed and gaining traction until we hit the current pandemic crisis.

Both positions facilitate the opportunity to advise guide and influence the L2 football family.

Outside of that the role of Director responsible for Football is a remit I have held for some 20 plus years. Anybody who ever heard Steve Perryman speak would know, and he said it on numerous occasions that he was not, as titled, Director of Football but as he described it, an "aid to the Manager" so in that context nothing has changed. As for the President bit well .... It's a massive honor for which I am extremely grateful and as always I will use it to promote our club in any and every way possible.

Last season was massively disrupted, not to mention convoluted, due to the Covid crisis we all still face today. A destined top three finish, a position, or above, that we had occupied for most of the season and indeed the week before the season ended that would have meant automatic promotion, culminated in yet another visit to Wembley. The less said about that particular event probably the better.

What can be taken from last season was that it was another year of positive progression. The highlights perhaps were two great semi-final matches, a game at Wembley which we already agreed we won't talk about, being narrowly beaten with a very young side in front

of a full house in the Carabou Cup against Portsmouth and so much more. The manager and his boot room, all of whom I will talk more of later, not to mention the playing squad, many of whom have that fateful day we don't talk about fresh in memory, alongside the lessons and learning that accompany such a devastating defeat, live to fight another day.

Having been at the coal face of the Football Direction at ECFC since our inception in 2003 I've learned, having lived through it, at least 4 times, a reoccurring pattern that ultimately emerges. What does that mean? It means that there is usually a 5 year cycle in the evolution of a squad of players into a cohesive dynamic team.

Sometimes, that process can be accelerated. One way is to inject a serious amount of cash as we've seen so many clubs do and continue to do, or another, sign a couple of particularly talented players, that should perhaps be operating in the league above, usually on a disproportionate wage, accompanied by a competent squad of depth and some developing youth players, then that process can sometimes be accelerated. Four years maybe even three years. If all that is considered it must do so alongside which teams arrive into the league from above and equally importantly from below, who are "splashing the cash" or going bankrupt. It's from that point a promotion assault on the League can be not certain but at least the points outlined give us the opportunity to understand what's required what's possible and our efforts and intent can be better quantified and directed. As an example, somebody suggested i should be delighted about the arrival of Salford. My reply was that I look forward to meeting the 4 millionaires and the billionaire! Now it will be 2 film stars, Ryan Reynolds and Rob McElhenney who have chucked in two million, backed soon it looks like by Russell Crowe, we should understand they may be a spoiler in our league in the not too distant future... but the big question is how long will they last.

My point is, we as a fan owned club cannot just always behave just as fans, we have to understand the realities as pointed out previously and continue, as we have always done, to punch above our weight. To that end the succession planning process of appointing the right staff into the boot room and of course most importantly the appointment of the right manager is beyond critical. Marcus Flitcroft our analyst came from the academy, Dan Green came from the Academy, Wayne Carlisle came from the Academy and our manger was not only a past player but came to us as the U23's coach a position financed by the Academy. It's not there just to produce players and it's not an accident.

Therefore it is not an accident that the team is quite literally littered with home grown talent & whilst we are all well aware that the clubs progress has been underpinned by income from player sales, Storey, Ampadu, Stansfield, Chrisene and of course Watkins, all relevantly recent, facilitating a much needed and welcomed injection has been always important but even more so in the current circumstances.

But equally importantly it's what the boys who stay with us facilitate, Jay, Collins, Sparkes, Key, Randell, and those that get ever closer Seamore, Dean, Kite, Nelson not only on Saturdays but also keeping us inside the new salary cap. Despite being immersed within it, even I find the volume of hugely talented players emerging hard to believe and indeed there's more to come. You will of heard of Sonny Cox just 16 years old, two goals for the U18's last week and not forgetting 15 year old GK Harry Lee on the bench for the first team, make no mistake we may have injuries but they are both good enough in their own right. However.... within the Academy we have recently hatched a "cunning plan"! Our plan, from now on is that all players will play out of position, all under false names, in new kit... the new kit will incorporate a huge hoody, this will continue until they are signed as full professionals for us. Seriously I can't and won't rest until the unfairness of the EPPP is addressed and changed. Progress, as I said earlier, I felt was being made until the pandemic took over.

What of the other groups of players. Our U18's are into the 3rd round against Bournemouth, of the Youth FA Cup after beating Plymouth in the second round recently.

The U16's having won away at Luton to become Southern Champs... on Wednesday night they went on to beat our long term, excellence target, in style, Crewe Alex 7-3 to win the National U16's Floodlit Trophy (all Catagory 2 & 3 clubs) I'll return to that but if I can refer briefly to my opening statement that it takes time to build a squad, we may with a bit of luck be in front of schedule, but imagine for a moment how good this very very young team might be next year. Success this year is possible but should be considered a huge bonus. To be in this position, twelve unbeaten, is testament to the skill, expertise and a determination to succeed alongside a quite ridiculous work ethic which exudes from our manager and is manifested, to a man, in his staff in the boot room.

A final word on the Football. If you go to the Cliff Hill Training Ground (CHTG) you'd find it hard to see or find any difference between Club staff and Academy staff. The whole youth to first team process is absolutely and fully integrated designed and committed to achieving our own Big Picture. Our youth is something that has always been defended and supported by the whole club. It's something we can all be very proud of and the whole CHTG staff are to be congratulated thanked and if they can get their noses away from the grind stone, enjoy the accolade. There is no Category 3 Academy even close to achieving what is being achieved by ours. Importantly neither is there a Category 2. We are no ordinary club with no ordinary academy and no ordinary determination to do things differently.

Finally a word about the Cliff Hill TG facility where the success emanates from and an immense amount of pure hard graft and long hours takes place. I'm sure that's something you all realize and recognize. Whilst we have, arguably, one of the best training grounds in our division, when the outdoor facility is considered, however we probably, less arguably, have the worst indoor office gym boot room changing room and admin facility in that same division. It reminds me a bit of our old away end !! I'm pleased to say that there is much consideration in all boards as to how this can be improved as soon as feasible and possible which will be great motivation and equally just reward for our football staff for the immense contribution that it makes to our club.

It's not my remit here but allow me the grace to thank another part of the ECFC family, the CITY Community Trust (CCT) and Elaine who is a valued Trustee. The work they have done, and continue to do, for our local community and Greater Exeter on behalf of our club ensures the reputation of ECFC is held in the highest regard in highest of places. It is the birthplace of our Tots sessions that are the next generation on the pitch and it's the conduit for the Junior Grecians that fulfill the same objective off of it. Equally important is the advancement of the profile, opportunity and success of our women's development Centre and its two, soon to be three, teams. CCT is extremely well supported by the club in every way possible. It is therefore only right to thank the club and particularly the Trust for the important part they play in so many ways.

I commend this report to the AGM and thank you all from the heart for the magnificent effort and unrelenting dedication you all show toward the cause that is the ECFC family.

Julian Tagg 21/11/2020

Appendix 4

Exeter City AFC Supporters Society Trust Chair, Nick Hawker

In this paper I will try to update you on everything that has occurred during the year ended 30th June 2020. However, it is fair to say that a significant amount of work has been accomplished since then and given we are now 5 months into the new year, I think it appropriate that I mention some things that have occurred since.

Of course, I should begin by thanking all of our members and the wider support for their incredible generosity as the pandemic kicked in, not least because between the closure of the 2019/20 season and the start of 2020/21 season, members and supporters donated and forewent refunds to the value of £61,767.00. This is in addition to the £100,000 donated via the Trust and your subscriptions, and the £12,000 raised in respect of the Academy. A grand total of £173,767.00.

It's truly humbling. Thank you to you all – members and non-members alike.

Cash Flow

Last year, our members expressed concern at the evident falling of cash reserves and the looming cliff edge that would mean we'd run out of money within 2 years. Even before then there was a dedicated sub-committee of the Club Board looking into this and that committee continues to work hard. Since then the Budget Options Group had suggested cuts and controls, that the Club have adopted, that would bring us into a break-even or cash positive state by the end of season 2022/23, but in any case, avoided the scenario where we run out of money. This process has not been altered by the good fortune of the Ollie Watkins sell-on. We have worked, and will continue to work, on the basis that we do not want to be reliant upon windfalls from player sales or cup runs.

In mentioning this, I must thank Keith Mason for producing the multiple forecasts required to reflect the ever changing environment with regard to when fans may be allowed back into the stadium which is, of course, critical to our overall planning. I understand that Keith has given up his EXCEL spreadsheet for a crystal ball!!!

As I say, that work continues and will help to shape the future, both in preparing forecasts but also, justifications toward capital projects that we may require to drive revenue generation, or indeed, when appropriate, revenue protection.

Last Years' Resolutions

Last year Malcolm Tipper's resolution was to require the Trust to inform various authorities around the blueprint of our ownership model. Largely due to COVID, I have to say, there has been some attention on us and we have taken every opportunity to publicise how we go about things, most notably through radio and TV interviews on TalkSport, programmes like Good Morning Britain, and the BBC world-wide service. We've also been covered by American sports magazines, largely due to our links with Chattanooga FC. We will continue this work, promoting Trust ownership to anyone who has the will to listen! We are active members of the FSA and have made our MP aware of the Westminster Hall debate next week in relation to the governance of our game. All of this will continue, and we thank Malcolm for this resolution.

Update

Earlier this we year published onto the WEB site the Trust strategy document, a five-year plan where we make it very clear, our aspiration is to be 'a sustainable League 1 Club, so I invite you to take a look at that document and please, feed back to us your thoughts. Of course, Dr Mike Finn's review of the Trust, the audit, that was requested by Dr Dave Treharne, is also viewable on the WEB site. So again, please take a read and feed-back us. They are both documents that we would intend to refer at Trust Board during the next 12 months.

At Club Board level the Trust appointed board directors have been very active – we have been prominent in such areas as safeguarding, the Club's stance on sponsorship from gambling, and regularly (and often uncompromisingly) challenge on matters of governance and finance. Elaine Davis represents the Trust on the Board of the Exeter City Community Trust and ensures that the Club upholds our ethical approach to matters. Pete Holding is a key member of the Governance sub-committee and the Budget Options Group, and Clive Harrison is the Director responsible for safeguarding.

Moving on to the Trust Board itself, we are sad to say goodbye to a stalwart of the Trust, Pete Martin. We were able to present Pete with an engraved goblet during the week and I can only thank him, on behalf of us all, for the time, energy, and commitment he has given. Pete was, in fact, the Communications & Engagement Lead and over a number of years built a team that, this year, has delivered real benefit, creating video content, POD CASTS, increased social media activity, and a restyled WEB site. Will Barrett elected last year, has taken over this role.

We have also bid farewell to Clive Matthews, our former Membership Secretary. Clive has been instrumental in helping to manage our Corporate Membership, as well as keeping excellent records and a clean, tidy membership database. Clive's role has been taken by Celia Lowman. You may have seen Celia's introduction on the Trust WEB site. We are already learning about how Bundesliga Clubs attract new members; Celia was a volunteer at Borussia Monchengladbach. Celia joined us during COVID and opportunities to meet in person have been extremely limited, but we are all looking forward, very much, to working with Celia.

Doug Gillard, our Community Lead has been instrumental in setting up our 'friendship' with the Exeter Community Initiatives charity. COVID has sadly limited our capacity to do too much with ECI at present but please, check out their WEB site. ECI engage in some amazing activities and are an excellent fit for a community focused, Trust owned football club.

Richard Knight, our Ownership & Members working group lead, has arranged a number of ZOOM forums, has arranged today's AGM, and, along with Celia, is about to migrate our membership database to a new solution that will be accommodated within the club's new ticketing software. There will be more on that in due course from both ourselves and the Club.

The Finance & Governance Group, lead by Peter Holding, has had the unenviable task of not only guiding the Club's new Articles of Association, Governance Manual and Club Trust Agreement, recently uploaded to Companies House following a general meeting, but has also produced a definitive Club shareholders register. I really must thank Nigel Banks for the excellent and painstaking work he undertook, re-uniting over 3,000 shares with their lost owners. In doing so, and upon the writing off unclaimed shares, the Trust shareholding has increased from 53.92% to 57.85%. This work now opens the door for the pursuit of our strategic aim to reach a 75% shareholding. I'm not sure if Nigel is listening but sincerely, thank you very much!

It would be remiss of me not to mention other individuals involved in the share register work, in particular Dr David Treharne, Paul Farley, and Mark Cordell.

More recently, I must tell you that on the request of the Club we have temporarily ceased paying the monthly instalments that make up our £100,000 annual donation to the Club. The money is being held securely by our Finance Officer whilst the Club assesses this year, and for subsequent years, our potential liability for Corporation Tax, following the Ollie Watkins sell-on income. We do expect this to restart but beforehand, we will be seeking members consideration on whether upon restart, this money should continue as a donation, or revert to a loan. With the advent of the new capped playing budget rules, the reasoning for making these payments a donation has now passed.

The Future

Everybody on the Trust Board massively regrets that we were unable to properly celebrate our 20th Anniversary. It's right and proper that, at the appropriate times, we look backwards and reflect upon the massive effort made by those who started the Trust, and those who have carried it forward to where we are today… and I can think of no better compliment to those Trust pioneers, to those who sat on the various incarnations of the Trust Board, to the volunteers, our members, and indeed, the Club staff who have supported our efforts, to reflect on where we go next… We are in a moment of time that quite is extra-ordinary. A fantastic, ambitious manager; a young, fearless team; a thriving Academy, and two boards, Trust and Club, who perhaps can acknowledge that it is time to stop being satisfied with simply being sustainable, and to want to prove that our model of ownership if capable of being, and delivering, the ambition and success that after those 20 years, we richly deserve.

I must report to you that Trust have recently requested that the Club repay the loan, some £830,000, to the Trust. We have done this with the full co-operation of the Club, and on the absolute understanding that the Club will not be disadvantaged. As I said earlier, we will strive to make the Club self-sufficient by 2022/23. The only guarantee I can provide is that there is both the will and the determination to make this happen.

It may seem strange, but now more than ever, we need your support. We need to grow our membership – we have an excellent membership secretary, and we will have the technology to aid this. We need to continue raising money and you should expect that we will be asking you to donate more during the coming year. The Trust will ensure that we hold appropriate cash-reserves on behalf of the Club; we have funds to pursue our aspirations around shareholding and to assist the Club in delivering on the ambitions and targets we set ourselves. These targets will be more about progress and success, and less about keeping our heads above the water.

We own our football club… there are those here this morning who helped save it, those that have progressed it, and those who I hope, will want to drive it forward. It's what you all deserve!

Of course, success will ultimately be about what happens on the pitch, but we want to make SJP and the Clifford Hill Training Facility the best in its class, a ground where each of you can sit in your seats, or stand on the Big Bank and think… I did this; we did this. Together we are stronger.

No one individual will ever be able to lay claim to our success, or even our failures. We must stand together – Trust and Club, co-operate, collaborate, be transparent to one another, put our members, our supporters first, and most of all, appreciate one another. It's not always been easy, Richard Pym's reflection on the romanticism of supporter ownership made me smile – I understood what he meant of course, but I doubt that many Trustees, past or present, will reflect on their time as being particularly romantic, unless it's some kind of gothic, maybe even some Arthurian romance where gallant Knights get torn limb from limb in a battle to save a Princess who ultimately runs off with your arch-enemy. I'm joking of course, but this is for real, and I guess the point Richard was making was that we all have to be equal to challenges of living with our competitors, who may well steal our prize assets, but as importantly, equal to the ambitions of our football manager, team, and the Club as a whole!

We are no ordinary football club – but Trust and Club, trust me, are stronger together!

Nick Hawker

21st November 2020

Appendix 5

Members AGM Questions and Answers

Q. How many members are retained this year?
NH: We currently have 3845 members including 548 juniors. This compares to 3583 a year ago with 521 juniors. 36 corporate members compared to 31 a year ago are also included in both figures.

Q. Do we know how many members are paying the minimum?
NH: At the membership rate of £2 a month, 456 members pay annually, whilst 884 pay monthly, giving a total of 1340 (34.8%). However, another 490 pay £25 a year.

Q. Did you mention a book? Sorry what book?
WB: *The Story of Exeter's St James' Park – Land of Grecian Glory*. The book was released last year and with the first run having sold out, a small amount have been purchased for a re-stock.

Q. Are the voting members recorded by vote, just out of interest. How many people are on line?
NH: We do not record the names of individual voters and their choices. For the AGM, the number of people on-line was typically between 90 and 100.

Q. What is the present state of the share structure of the club, there was a vote?
NH: This will be the subject of a separate post to the website, which is currently being compiled.

Q. Richard [Pym], I was interested to hear that the Club's ambition is to become a sustainable League One team. How will we achieve that?
RP: Competitively we are advantaged by the new salary cap as we have a strong academy but ultimately sustainability in League One depends on gate income, profitability and being able to afford to retain a strong squad and that is what we are focussed on.

Q. Richard, what are your personal targets of achievement for the Club over the next couple of seasons?
RP: We have a vision to be a strong League One club and my personal ambition is to lead the board in achieving that vision by making smart business decisions which support success on the pitch.

Q. There has been talk of a financial bail-out from the premiership is that the case and how do you think that will be divi'd up amongst Divisions 1 & 2? As we are 'doing ok' would we miss out and the imbalance of funds available throughout the Divisions continue?
JT: As reported the PL have said there is £20m as a gift and £30 million as a loan. None was to be made available to the Championship. The offer was rejected on grounds of solidarity between leagues. The EFL (as do the Government) want the PL to gift the £50m. I am not party to negotiations so the next bit is an educated guess that whilst negotiations continue, I suspect the PL will be trying to negotiate something from the deal. As I understand it negotiations continue.

Q. With recent windfalls, which I know will be invested wisely over a number of seasons, is it not time for the trust to stop paying in "loans" to the club, retaining funds for perhaps trust instigated infrastructure projects. In addition, could the club not start to repay some of the huge funds the trust have already donated. This may have tax benefit for the clubs accounting also.

NH: As you will have heard the Trust have asked the Club to repay the long-term loan of £830k. This has been agreed. The £100k pa that we pay in has been stalled for the time being whilst we consider the impact of Corporation Tax following the Ollie Watkins windfall. Typically, short-term loans from the Trust are used to develop projects that the Trust might experience some benefit from, always promoting our ownership model.

Q. What % of the club is owned by the Trust members?
NH: 57.85%

Q. What presumption has the club made in its financial forecasting and modelling for this season about matchday income being possible?
KM: We have constantly remodelled our forecast to accommodate the various scenarios. At the start of the season it was believed supporters would be allowed back in October (limited number), increasing to full capacity in January 2021; we also considered the same scenario but commencing in January (limited capacity); and more latterly without attendance for the entire season. Of course, we are now reconsidering not just the admission of supporters, but the rescue package put together between the EFL and Premier League.

Q. What will the Ollie Watkins money be invested in?
NH: We are exploring a number of capital projects at present, most of which present income generation opportunities.

Q. Who is OTR?
NH: Old Tiverton Road Limited – this is a company set up during the dark days by those close to the club to purchase the building in which the bar is situated.

Q. Can we get a ballpark as to wages as part of the £3.8m? Given £1.5m is the new cap it would be a useful guide.
KM: Within the £3.8m the players wages were well in excess of the salary cap, this season they are lower and next season Matt is well aware the salary cap applies and he will have to fall in line with it.

Q. Has the club taken advantage of HMRC R&D tax credits? I believe they are available?
KM: We are currently in discussion with our tax advisors about R&D tax credits.

Q. Do you have a provision for bad debts and if so, what is its value?
KM: We have a bad debt provision of £8k to cover two specific debts. Historically our bed debts have been very low and I consider this sufficient.

Q. With e-sales booming online, what is the clubs plan to increase web sales. The business I work with have 100% growth in this area?
NH: The Club Shop has always had an on-line presence and during lockdowns and furlough we ensured it has been staffed in respect of despatching purchases to. Our new head of ticketing retail is now also in post and will be driving this as part of a broader retail strategy.

Q. Are you concerned that our creditors total £2.5 million and who is the largest creditor?
KM: I am not concerned. The largest creditor is the trust, the next largest is OTR where we have an option to purchase the building, then it is the Inland Revenue.

Q. Why such confidence that money due from creditors will eventually come in?
KM: Most of the people owing us money are committed to the club and will make every

effort to pay, history tells us that our bad debts are low, it is that that gives us confidence.

Q. The immediate liabilities have ramped up by £1m - are we able to postpone any of this?
KM: The increase in immediate liabilities is the trust loan move from long term creditors to short term, the cash we received from the sale of Ollie Watkins means there are no issues in paying creditors.

Q. Have ECFC any plans to restrict heading during training etc?
JT: No but we are considering the practicalities/possibilities of joining a research study with Exeter University.

Q. Crewe in the 90s built a production line and become known for it and it led to them punching above their weight in the championships: Can we be the new Crewe?
JT: At a meeting of the EFL, a chairman of a club that had a significant youth record suggested that we had already achieved that goal. Its not for us to say but do know there is no other team regularly and genuinely, in League matches, fielding 8/9 players in their squad. The recent under-16s national final, and the 7-3 result achieved against Crewe, is not proof but it is and indicator that we are doing pretty well.

Q. What is the strategy for retaining our excellent academy talent, so that we gain the benefit, rather than having to sell our young players, to maintain our financial position?
JT: Due to the EPPP rules adopted by the EFL in exchange for significant funding meant that rules (which I am campaigning and working to have reviewed) prevents any serious attempts although we commit significant time energy and finance to retain players before the cut off age of 16.

Q. Why are so many transfer fees classified as undisclosed?
JT: It varies, perhaps because teams do not want their competitors to know levels of spending, sometimes to keep pressure away from a player. There may well be other reasons.

Q. What measures are we bringing in to keep our academy stars at the club, so they don't become another Chrisene or Ethan?
JT: There is little we can do due to the EPPP rules adopted by the EFL in exchange for significant funding from the PL some years ago which meant that rules (which I am campaigning and working to have reviewed) prevents any serious preventative measures. That said we commit significant time energy and finance to do everything we can to retain players before the cut off age of 16.

Q. Any plans to become category 2?
JT: We aspire to level 2 and everything we do we do our best to emulate the category 2 stipulated requirements. Our stumbling block presently is that you must have an indoor facility 60 x 60, on site, That is still a possibility but we would lose grass area which we can ill afford with the number of teams U8's thru U18's. its on hold for now.

Q. How are you going to promote Trust membership in the media moving this year? Local community, Club electronic boards, programmes, club website, it appears separate to the club - why?
WB: An excellent pair of questions there. On the first, we have recently produced a new comms strategy for 2020-2025, which seeks not only to increase the volume of communication but also our reach; at both local and national level. This process began through our first annual comms cycle, which can be evidenced by the new website and

increase in content across our platforms, including the new podcast. However, there is much still to do and the comms team will be working hard to develop content and to continually develop our approach in reference to the strategy. Additionally, it is crucial that communication is not only one way but also that we find ways in the views of the membership reach the Trust board on a more regular basis. With regards to the separation of content, the club media team do an exceptional job in communicating and engaging supporters of the club and the wider community. In terms of Trust content, our aim is to not create too much of an overlap with the club comms so that the messaging is clear and that supporters of the club - whether members of the Trust or not - are both engaged and well informed. The priority for ourselves as a Trust is to promote the aims, activities and achievements of the Trust, the ECFC family, and supporter/community ownership in football. Sometimes it may appear that the content is separate but we continue to work closely together behind the scenes to achieve our mutual goals. For further reading, the comms strategy can be found here, and as always I would be happy to speak to our members about our communications, so please do feel welcome to drop me an email at will.barrett@ecfc.co.uk

Q. How much money have we/will we receive from the Watkins transfer?
NH: We cannot disclose the actual amount, but social media and local press have recorded it fairly accurately! It's important to remember the amount is to be paid in four instalments.

Q. It's an aim of the Trust to reach 75% shareholding of the Club in order to amend the Club's Articles. What do the Trust want to amend, and what is it we can't do without amending the Articles?
NH: The 75% shareholding aspiration has been a strategic aim for many years. Since we have now completed the Governance Manual and Club /Trust Agreement our view is that the interests of the Trust are very well protected. I'm not aware, as this time, what we would amend that either a. we haven't already; or b. couldn't is we chose to.

Q. Why do the Trust want the Club to repay the loan? What would the Trust do differently to the Club with the money?
NH: Loans should be repaid! A large portion of this money will be set aside as a reserve for the club, to protect against periods of strained cash-flow, as observed by members at the 2019/20 AGM.

Q. Have the two Club/Trust work groups that were established a couple of years ago related to "Risk" and "Club Board Performance" met formally during the past year and does a Club Risk Register now exist and have targets been established and monitored for Club Board members?
NH: Yes – both groups have met this year. The risk committee has created a risk register but has stalled due to the independent Chairman of the group being unavailable during COVID. The Performance & Audit Board have interviewed most key Board budget holders (up to COVID) and approved the first draft of the annual accounts. Budgetary targets have been set as have improved process and procedures.

Q. Having achieved my objective of having a contested election, I am disappointed to see the turnout increased by circa 8%? Given the excellent process is only a 2-minute click process. How are you going to reach the circa 3550? (1200 voted) members at present. Can we promote the election in the local press, national press, electronic boards, club programme, club media releases 'ParkLife'. There appears to be radio silence from the club channels? Can we develop electronic voting (which I pushed behind the scenes this year with the election Officer) to make sure we vote on issues - Trust player of the Month/Year, Player Kits? [There were great improvements, but more to be done! with only 2% members at the AGM, 1%

members at Trust Hustings.] Let's keep pushing and no rest on our laurels.
NH: I think we improve a little every year, especially given the volunteer status of our team. We have our own pages in match-day programmes and the collaboration with the Club media team has grown and will continue to grow. We will look to expand participation of our membership.

Q. Would Exeter City Council be willing to discuss a community asset transfer for SJP to the trust?
NH: We enjoy a particularly good relationship with Exeter City Council and, as you will know, we have recently signed a 25-year lease on SJP. We have also applied for SJP to be registered as an asset of community value.

Q. Can we look at developing revenue streams for the Trust, linking with community organisations to obtain grants, can we look to develop people in the area and then on benefit the club? Housing development projects etc.
NH: There are a million things we'd like to do but our volunteer status means that things must be prioritised. However, we are always looking at and for opportunities – such as our partnering with Exeter Community Initiatives.

Q. How can trust members volunteer during these current times? As physical volunteering can't really happen right now is there anything that can be done virtually? A challenge the trust maybe? Where all members can get involved to seek solutions to any current issues.
NH: There are always opportunities to volunteer and if members are interested, they can get in touch. Volunteering will usually be organised via one of our working groups (e-mail: enquiries@weownexetercityfc.co.uk), which are Finance & Governance, Owners and Members, Community and Communications. Although each of these groups are led by a Trustee, they all have very active volunteers.