

# Our Town, Our Club

## Holt Speaks at Members' Meeting

The TrustSTFC Board asked Bob Holt to address the latest Members' Meeting, to give an update on the current situation at the club.

Bob first became involved with the club prior to it going into administration and was fully aware of the tough task ahead when he was appointed to the interim Board in December last year.

He started by explaining why the club went into administration and how it came out of administration after the CVA was agreed.

Essentially, Danny Donegan, Ian Blatchly and Terry Brady; via their property company STPL, arranged a debenture of 1.2m secured on STFC assets. They also purchased a quantity of un-issued shares, with a value of the package "purported" to have come from STPL in the region of £2m.

Bob became involved again when he was asked by Cliff Puffett and the consortium to have a look at the club finances, when a partnership with Danny Donegan and Ian Blatchly was being considered.

It was apparent that after all the costs involved, the club was left with around £75,000, which was not enough funds to run itself.

Bob believes that the problems arose because Terry Brady spent between £1m -£1.5m on players, without injecting further funds and when he asked Danny Donegan and Ian Blatchly to pay for the players, they refused, leading to their falling out. He was keen to point out that Terry Brady was a 'football man' and that Danny Donegan and Ian Blatchly were 'property developers', who would have sold their interest if they had got planning permission on the Front Garden.

After looking at the books and seeing where payments were being made, he advised the consortium not to put any money in as he was con-

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## TrustSTFC AGM

The formalities of the first TrustSTFC Annual General Meeting passed quickly and painlessly!

The financial report was extremely short, as it covered the period from the Trusts' incorporation on 12<sup>th</sup> July 2001 until 31<sup>st</sup> July 2001, our Financial Year End.

As TrustSTFC never launched until 8<sup>th</sup> August 2001, there was no income or expenditure during our last financial year, so a zero return is being made.

We also needed to confirm the appointment of our auditors. However, we have yet to identify an auditor that understands the workings of an Industrial and Provident Society, that meets our budgetary constraints!

Finally, the new TrustSTFC board was formally revealed.

The democratic nature of the Trust stuttered, as only eight nominations were received, so the actual ballot for the eight elected places on the Trust Board became a non-contest and the cost in carrying it out was saved.

However, it did show that anyone can put themselves forward and make a difference to the running of TrustSTFC, as member John Tayler was nominated and joins the Board.

The other Board members are: Tony Norris, Andrew Ratcliffe, Anna Tuersley, Mark Ratcliffe, Justin Tomlinson, Peter Woods and Leigh Collett.

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cerned that "funds were being depleted".

In April 2001, Sir Seton Wills put in £50,000 to pay the wage bill. Negotiations continued with Danny Donegan and Ian Blatchly in the hope of being able to buy them out.

In September 2001, a buyout figure of £200,000 was agreed between the two parties. A last minute demand by Danny Donegan and Ian Blatchly of £500,000 if planning permission was granted on the County Ground caused the deal to collapse.

The ousting of Donegan and Blatchly then took until December 10th, whilst meanwhile debts at the club rose. Once they had full access to the club, they found that the books were not correct, and in some cases that no records were kept.

They found that the club had debts of £1.5m that were immediately due, in addition to the £1.2m debenture to STPL.

The widely publicised debt of over half a million pounds to the Inland Revenue and Customs and Excise, required swift negotiation to prevent the club being put into receivership, and a stay of execution was granted until the end of February.

In the meantime, Sir Seton Wills has put in £150,000 to keep the club going. Bob commented, "If ever a new stadium is built, it should be named after Sir Seton Wills".

Bob explained some of the financial and administrative issues the club had been through and in some cases are having to face the consequences of.

The club had CCTV installed at a cost of £100,000, which attracted a grant of 75%. The bill went unpaid and the grant can no longer be obtained. Many other bills were not paid and consequently suppliers are not willing to do business with the club.

Commenting on Roy Evans departure, Bob explained that Roy Evans and Neil Ruddock's salaries totalled in excess of

£500,000 per year. Roy Evans told him that he wanted to leave as he knew the position of the club was different to what he believed when he started and that the club could not afford his services. The Board tried to get Roy Evans to stay until the Manchester City cup tie, however, he wanted to leave before Christmas for



*Bob Holt Speaks at the TrustSTFC Members Meeting*

personal reasons.

He then gave his views on the way forward.

Discussions with Bryant Homes have been very helpful and supportive, wanting the club to survive. Hacker Young, the administrators of the CVA have also been very helpful.

Funds of £1.2m have been made available, with contributors including Sir Seton Wills, Cliff Puffet and Willie Carson. The major and real concern at present is that STPL would foreclose on their debenture if these funds were injected into the club. Bob stated that "The debenture needs to be got rid off".

There is a possibility of a deal being reached with STPL by 8<sup>th</sup> February, but it would appear that there is a lot to yet be done. Bob said "Things are not going to be easy and news could be alarming over the next two weeks".

Once this is over, and the club back in a stable financial footing, he is looking forward to Andy King having some money to spend.

Finally Bob Holt gave his views on Andy King and other matters. Before he came back, Andy King had not been paid since August 2001 and since his return, he has done a good job, with five

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games without a loss prior to the Huddersfield match, which has seen relegation fears put on the back burner.

Getting the club to a stable financial position is important, because all but six players are out of contract at the end of the season, one of which is Neil Ruddock who Bob claimed will not play again due to injury. Controversially, Bob commented "He has a three year contract, given to him by his next door neighbour".

In later questioning from the floor, one member objected strongly to Bob Holt's views about Neil Ruddock. Stating that 'Razor' and Roy Evans had improved the team and given entertainment and leadership. Bob Holt questioned whether the club could afford a "34 year old, on a three year deal, earning £200,000 per year", a better contract than Stuart Pearce has got at Manchester City. He also asked, "is it right that a player should be earning ten times as much as a fellow team mate playing alongside him in defence".



AK should have signed Ruddock?

When asked if there was any insurance policy on Neil Ruddock, Bob Holt replied that there was not.

In reply to further questions about Neil Ruddock, Bob Holt stated that Danny Donegan had asked Andy King to sign him on. Andy King refused and shortly afterwards was sacked.

Bob Holt answered a great number of questions from the floor. There were too many to include all of them, we simply don't have the space! But they included:

**Will Terry Brady come back?** Terry Brady is not coming back. He is now acting as advisor to Milan Mandaric at Portsmouth. His recent visit to the County Ground was to look at a player.

**What is the required breakeven attendance?** The club is losing £100,000 per month. With 'good housekeeping' and 'vigorous marketing' this can be reduced to £50,000 per month, which is sustainable. Attendances of around 8500 would then be required to break even.

**The possibility of a creditor closing the club down?** He was not totally aware of all of the details of the CVA, but the Crown Debts are a preferential and have to be paid. Creditors will get 100% of their money if the club gets planning permission by 2003, if not then the creditors get 10p in the pound. The CVA has been breached with respect to the Crown debts.

**The possible formation of a new company similar to Bristol City?** Since the Bristol City solution, the league have

changed the rules and this is no longer straight forward to transfer the ownership of the club's one share in the Football League. Other members cited the case of Chesterfield. Bob was unaware of the detail of this action, although it was believed that the new football company had taken on all of the previous company's debts. Restructuring of the club was under consideration with the idea of splitting the football from the commercial and property sides. This has the benefit of protecting the football organisation and it's share in the Football League.

**Future legal actions against Danny Donegan and Ian Blatchly?** The department of Trade and Industry may get interested only if the club goes bankrupt - "There doesn't seem to be much interest in white collar crime otherwise".

**Future development?** He feels that the County Ground could be developed but accepts that others may have higher/different ambitions. There is a possibility of a partnership with a developer, the council (providing they get paid) and the club, which would see the club paying rent to this partnership.

**Trust representation on the Board?** TrustSTFC representation at board level is essential.

**The health of Peter Rowe?** Peter Rowe is suffering from stress - "possibly as a result of working with the previous regime". He became ill on the way to Notts. County game and is still signed off sick.

**The lack of an AGM?** Bob commented that the AGM not being called yet is an embarrassment. The AGM has not happened because it would cost £15,000 to stage due to monies owed to the auditors and share registrars. The money is not available at the moment, but hopefully would be after the Reading game. If they cannot resolve the situation, then they will call a creditors meeting first.

*... all but six players  
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the end of the season ...*

## The New TrustSTFC Board

The new TrustSTFC Board have met to agree roles for the coming year and after a short and unanimous discussion, the following positions were decided upon.

Tony Norris and Andrew Ratcliffe will continue in their roles as Chairman and Vice Chairman respectively. Leigh Collett will continue as Treasurer and as Chair of the Finance and Administration sub-committee.

A new Board position of Community Relations Officer was created, which will also act as Chair of the Community sub-committee. Anna Tuersley is our first Community Relations Officer.

The position of Communications Officer was also created, with responsibility for chairing the Marketing & Communications sub-committee. For the time being, Tony Norris will assume this role.

## Safe Standing Survey

The Safe Standing Survey was a resounding success, with nearly 500 votes returned. 89% were in favour of some form of safe standing, and 85% of those, said they would use it.

We ran the survey because the survival of the club is dependent on investment in an improved stadium, so its important to understand what people want now, not once it's built.

Nobody advocates a return to the terracing of old, but there are ways it can be safely designed now, and that can only be good for fans, the atmosphere and the club.

TrustSTFC will be generating information on what to do to ensure that we can benefit from Safe Standing areas in the near future.

## Finance Update

Membership is creeping up to 200, a milestone figure, but we really need to double that to have real influence with the local council.

To date, we've raised over £18,350. The majority of our expenditure has been on printing (brochures and leaflets), merchandise and the refurbishing of the old ticket office, as our base at the County Ground. We currently have £10,001 in the TrustSTFC Loan Fund account, and another £3,700 in the TrustSTFC account and in cash.

In addition, Peter Woods has agreed to remain in the role of TrustSTFC Secretary.

The TrustSTFC Board must also have at least four co-opted members, representing various aspects of the community or football in Swindon. Seven groups have been identified and are currently being approached to ascertain if they would be interested in co-opting someone to the Board. They are: STFC Supporters Club, STFC Disabled Supporters, STFC PFA representative, Junior Robins, a Club employee and Swindon Town Ladies.

It would be normal to include a representative from the local council, however, as Justin Tomlinson is a local councillor, it was felt that he could effectively represent the council on the TrustSTFC Board.

## Community Initiatives

A number of initiatives that TrustSTFC have been organising have been slow to get of the ground.

As usual, time tends to be the biggest stumbling block, however we're hopeful of starting several projects in the near future.

The STFC Community Office works throughout the community promoting football, from primary school children, to children from deprived backgrounds or with learning difficulties. With funding being reduced, we hope to be able to sponsor one of their projects to help maintain the great work they do.

We also hope to be able to run an Under 11 Primary School football tournament, with some form of involvement with the club.

For this year, the aim was to base it around schools in Swindon itself, however, we take on board the need to involve schools from farther a field, such as Devizes and Cirencester, etc..

*A Fan is for Life, not just a season ticket*

