



Hereford
United Supporters Trust

Minutes of the Annual General Meeting held on 20th October 2016

The meeting was chaired by HUST Chairman, Richard Tomkins, and was attended by vice-chairmen Russell Cheasley and Craig Goodall, treasurer Mike Langford, board members Andy Carr, Frank Williams and Tristan Edwards, along with 21 HUST members.

1.00 Apologies

Apologies were received from Eric Nottingham, Mark Nottingham, Bill Thomas, Nigel Preece, Elaine Harrison, Derek Pritchard, Graham Goodwin, HUST Membership Secretary Peter Davies, and outgoing HUST board members Chris Williams and Andy Swift.

2.00 Minutes from the Special General Meeting – 9th June 2016

The minutes of the June SGM were offered to the meeting for consideration and acceptance. Richard Tomkins proposed acceptance and was seconded by Craig Goodall, and the minutes were unanimously accepted.

3.00 Chairman's Report

Chairman Richard Tomkins addressed the meeting, and his first action was to thank outgoing HFC Chairman, Jon Hale, for his efforts and enthusiasm on behalf of the HUST Board and all HUST members. He commented that Hale had 'driven the club forward' and 'the record will always show that he was our first Chairman'.

Next, the Chairman reminded the meeting that the current HUST Board has been in post since February 2016 and spoke of the issues that had been addressed in the intervening period. Three members of the board had decided to step down as of the date of the AGM – Andy Swift, Chris Williams and Frank Williams.

The Chairman continued to talk about the priorities that had been set by the new board – namely addressing governance issues which had dogged the 2015 board elections, the appointment of an independent secretary, improved communications and greater focus on fundraising. After an enforced six-month hibernation prior to the election in February, he now felt that HUST had an established firmer base from which to move forward.

The Chairman praised Supporters Direct for the advice and guidance they had offered following his appointment to the role, and in particular highlighted a 'Board Member Development Training' course in Cardiff he had attended, which

provided a lot of useful information and contacts, and prompted the Supporter Survey which HUST undertook early on in the season.

Since its formation, the new board had addressed issues raised by the Election Management Group in the running of the February election, and had also overseen the 'Fifth Benefactor' ballot at June's SGM, which led to the board's proposal being accepted by the membership.

The membership renewal process had also been overhauled, including improvements to the online process and the move to a rolling 12-month membership rather than the previous 'AGM-to-AGM' policy. The board had advertised for and trialed two potential candidates for the Independent Secretary role, and David Evans would be formally offered the post at the next board meeting. HUST had bought a further £30,000 worth of shares in Hereford FC with profits from the 50/50 draw, and other fundraising avenues including a HUST-branded beer were being explored. The Prize Bull lottery is to be relaunched, with UITC potentially coming on board as a fundraising partner, in an effort to cement community ties and co-ordinate fundraising efforts. It was noted the HUST had recently paid the cost of using the Edgar Street floodlights at a recent UITC match.

In July, HUST had also co-hosted a 'Festival of Football' in High Town alongside HFC and UITC which had been a great success. The board had met twice with the HFC board to discuss future plans, and had shared the findings of a Supporter Survey which attracted over 500 responses, with 50 supporters offering to provide further detailed feedback or assistance to the HUST board. These supporters had all been contacted, with varying degrees of response.

Communication with members had been vastly improved, with a revamped website launched and the appointment of a dedicated Press Officer.

In closing, the Chairman thanked all members for their continued support and commented that HUST was 'here for the long term' and that a strong and vibrant Trust was key to the future at Edgar Street.

4.00 Treasurer's Report

Treasurer Mike Langford was next to address the meeting. He noted that for the past two financial years, Hawkins Priday of Bridge Street, Hereford, had produced unaudited accounts for HUST for the periods ending 31st May 2014 and 31st May 2015. The format of these accounts had been acceptable to both HMRC and the FCA. As part of good housekeeping, the Treasurer had approached Hawkins Priday to enquire whether less exhaustive accounts could be produced to reduce the outlay incurred by HUST but was advised that this was the bare minimum level of information required by the above-named authorities, and that the cost of £795 + VAT was already subsidised by the firm to support the Trust.

However further checks revealed that under the Supporter's Direct constitution adopted by HUST at its formation, fully audited accounts should be produced each year unless a resolution had been passed at the previous AGM disapplying this requirement.

With this in mind, the Treasurer confirmed that although unaudited accounts had been completed by Hawkins Priday, he would not be presenting them at the meeting. Hawkins Priday had been approached to quote for preparing fully audited accounts and had advised an extra over cost of £3000 + VAT. A second quote had been sought from Thorne Widgery, who confirmed a cost of £2500 + VAT.

The Treasurer was, however, able to advise some headline figures from the unaudited accounts, although they are of course subject to the forthcoming audit.

- Turnover rose from £37,704 to £77,994.
- £46,572 was raised from the 50/50 draws on license from HFC.
- Prize Bull takings rose from £5874 to £13,285.
- Membership fees fell from £16,862 to £11,222, but in mitigation the £16k included a huge spike in membership when HUFC went into liquidation.
- Donations fell from £12,618 to £6915.

It was noted that the 50/50 draw continues to be well supported by fans, but that the recent run of eight Saturday away games in a row had been a hindrance as Tuesday games are historically not as well attended. There had also been a lack of home friendlies at the start of the season which had impacted on sales. Elimination from both the FA Cup and FA Trophy will also mean fewer opportunities to sell draw tickets in comparison with last season.

Profit from the 50/50 draw last season raised an amazing profit of £24,996, for which the Treasurer offered his gratitude to all of the volunteer sellers who give their time at each home game. Given the above considerations, predicted profit for the current season is somewhere around £20k.

The Prize Bull lottery is in decline, from a peak of 264 weekly entries in March 2015 to an August 2016 figure of 160 weekly entries. Income is therefore likely to be less than £4000 unless this decline is arrested – a fact that is not lost on the HUST Board, hence the plans to revamp the competition and open it to a wider audience.

The Treasurer thanked Peter Davies and Russell Cheasley for their tireless efforts to promote HUST membership. It was noted that the Trust has a very solid base from which to build, but that concerted efforts were needed in terms of fundraising, as the Treasurer did not feel that the target of purchasing £250k in shares was achievable unless things improved, even given the extension of time brought about by the Crawford share proposal.

Finally, the Treasurer announced that he would be standing down from his post at the next board meeting as he felt his ability to do the role had been questioned by another board member. He confirmed, however, that he wished to remain as a HUST Board member at this time.

The Treasurer then invited questions from the floor.

A member asked if previous years' accounts would also need auditing, given that the constitution required that they should have been. Craig Goodall confirmed

that he had asked this question of Supporters Direct, who advised that a lack of available information and access to previous board members would probably render the exercise worthless, as there would be no way to verify any figures. The member agreed with this statement, saying that having had 25 years' experience as an auditor, he would agree that a fair and accurate assessment would be difficult to come by.

Other members asked if Supporters Direct require a full audit, or whether they would accept less detailed accounts, and what the implication of not going ahead with an audit would be. Craig Goodall replied that HUST would lose its Supporters Direct membership, and that the FCA could refuse to accept the unaudited accounts and in theory order a retrospective audit. Richard Tomkins expressed his regret that the Trust finds itself in this position, and advised that Supporters Direct would accept an independent view of the accounts moving forward as long as the requirement for an audit had been disapplied, but for now it appears that HUST will have to bite the bullet and undertake a full audit.

It was asked whether there were 'Trust friendly' auditors who specialised in small organisations and would be prepared to offer their services at a discount. Craig Goodall stated that this had been investigated but it did not appear that any such companies exist. A comment was offered from the floor that auditors would not be interested in offering such a service. Another member thanked Mike Langford for his efforts as Treasurer, a sentiment which was echoed by Richard Tomkins.

5.00 Appointment of Auditor

Craig Goodall, Vice-Chair (Governance), addressed the meeting and put forward a proposal to appoint Thorne Widgery as auditors for the 2015/16 financial year, and for a Special General Meeting to be called before 31st December 2016 to receive the audited accounts. Both proposals were seconded by Richard Tomkins and approved by majority vote.

6.00 Resolution to received unaudited accounts for 2016/17 financial year

Craig Goodall continued and put forward a recommendation to receive unaudited accounts for the 2016/17 financial year. He explained that this would circumvent the need to pay for a costly full audit, and that an independent examination of the accounts by a qualified financial professional would be acceptable in terms of HUST retaining its Supporters Direct membership, but that ultimately the decision lay with members as to whether they considered this to be a sufficient level of scrutiny of the Trust's financial affairs.

A member asked if the prospective independent examiner could be named or introduced at the proposed December SGM. The board members present agreed that this seemed reasonable and that every effort would be made to accommodate this suggestion. Another member indicated that he may be able to assist, in his position as a financial professional, and agreed to speak with the Chairman after the meeting.

The resolution was seconded by Richard Tomkins and approved by majority vote.

7.00 Membership Report

Richard Tomkins introduced the Membership Report prepared by Peter Davies, and thanked him for his efforts. It was noted that current membership stands at 632, of which almost half are from outside Herefordshire, including a good number of overseas members. Membership numbers had fallen from a level of just over 1600 at the April 2015 AGM, but the Chairman commented that this was a time of 'great crisis' and that the current membership level was still favourable compared to his time as HUISA Chairman in the late 1990s.

8.00 2016 Board Member Elections

Richard Tomkins noted that four board members – Chris Williams, Andy Swift, Frank Williams and Craig Goodall – were standing down from their posts, and that Craig Goodall was standing for re-election in accordance with HUST policy.

At this point the Chairman apologised that some members had not been notified by email of the forthcoming AGM and the election process, but confirmed that the EMG appointed to oversee the election was satisfied that by publicising the details via other channels such as the HUST website, Twitter, Facebook and Bulls News, that those members could reasonably be expected to have been informed in other ways.

The Chairman noted that there were therefore up to four positions on the board vacant, and invited members who may be interested in putting themselves forward to get in touch. It was felt that a full HUST Board would be invaluable in moving the Trust forward and achieving the aims previously stated, and also improving areas which perhaps had not been given full attention in recent months.

At this point, Frank Williams addressed the meeting to confirm that his decision had been taken on the grounds of ill health, and that he would continue to support the board where required in his role as Press Officer. He also invited members to put themselves forward for the benefit of the Trust. The Chairman thanked Frank for his efforts and noted that the improvement in communication had been well received by fans.

The Chairman then proposed that Craig Goodall be re-elected to the HUST Board. The motion was seconded by Frank Williams and approved by a majority vote.

9.00 Approval of Revised Constitution, Additional Policies and Procedures

Craig Goodall addressed the meeting and started by offering his thanks to the Governance Working Group who had offered a tremendous amount of assistance in putting together and tightening up the Trust's governance documentation.

The HUST Constitution and side policies had been reviewed and minor changes made to the sections on quorum, elections and terms of office, standing orders

for board meetings, the disciplinary policy, the election policy and the board member conduct policy.

The changes to the Constitution were proposed by Craig Goodall, seconded by Richard Tomkins, and approved by a majority vote.

The changes to the Board Member Conduct policy were proposed by Craig Goodall, seconded by Richard Tomkins, and approved by a majority vote.

The changes to the Disciplinary policy were proposed by Craig Goodall, seconded by Frank Williams, and approved by a majority vote.

The changes to the Election policy were proposed by Craig Goodall, seconded by Frank Williams, and approved by a majority vote.

The changes to the Standing Order (General Meeting) policy were proposed by Craig Goodall, seconded by Frank Williams, and approved by a majority vote.

The changes to the Standing Order (Board Meeting) policy were proposed by Craig Goodall, seconded by Richard Tomkins, and approved by a majority vote.

Craig Goodall then put forward a proposed policy for selecting Fan Elected Directors (FEDs) to represent HUST on the Hereford FC board. This was based on a policy used by Cambridge United which was felt to be an excellent basis to work from.

A member (Graham Johnson) commented that shortlisting of nominees (Page 50, Point 2 of the issued information pack) and HFC involvement in interviews (Page 50, Point 4 of the information pack) were unnecessary. Craig Goodall stated that the policy was very much a draft version, as feedback from HFC also needed to be taken into account.

Frank Williams proposed that the policy should be incorporated as a framework rather than deferred any longer, as governance was getting in the way of what he felt were the real issues to be faced by the Trust. This view was seconded by another member (Tim Brown) who suggested a two-week consultation period with members should be offered before adopting the policy. This revised proposal was approved by a majority vote.

Craig Goodall then introduced a new policy for the appointment of Co-opted Members and External Directors. This would show to members that anyone involved with the board would have gone through a selection process, would have a stated term of office, and could be removed should members so wish. A member commented that HUST was in danger of 'drowning in governance' and that the Board should be capable enough to appoint worthy Co-opted Members or Executive Directors. Craig Goodall commented that the policy was intended to negate any accusations of cronyism. Frank Williams commented that this was the last piece of governance to be addressed and that once it was in place, the board could get on with 'the real work of a supporters trust'.

It was proposed by Richard Tomkins that an interim policy be adopted until the SGM in December, when a potentially streamlined policy would be reviewed. Russell Cheasley seconded the motion and it was approved by majority vote.

A further new policy for appointing an Independent Secretary was put to the meeting, and in light of the previous feedback it was proposed by Richard Tomkins that an interim policy be adopted until the SGM in December, seconded by Craig Goodall, and the motion was approved by majority vote.

At this point a member asked whether it was correct that three independent secretaries had been appointed by the board, and why this was felt necessary. Craig Goodall explained that two prospective independent secretaries had been working with the board on a trial basis, and that one had since withdrawn his interest in the role due to family commitments. David Evans has been a real asset to the board and it is recommended that he be appointed on a permanent basis. It was confirmed that both the Independent Secretary and Membership Secretary roles are non-voting, advisory positions.

A break was taken and the meeting reconvened with a Question & Answer Session.

Q: Could fan representatives in outlying areas of the county (and beyond) help to boost HUST membership in the way that FC United of Manchester have done?

A: Frank Williams said that the introduction of an 'Exiles' Facebook page had been very popular and that there were already 'satellite' groups such as the London Bulls, Northern Bulls, Stourbridge Bulls etc. If anyone wishing to become an informal representative wanted to come forward the board would be delighted to speak with them. Richard Tomkins said that a meeting with Kidderminster Harriers Trust had shown a good example of how to engage with exiled fans.

Q: Is it the HUST Board's intention to purchase the full 50% of shares available to them?

A: Richard Tomkins said that the board has a duty to see that all profits from the 50/50 draw are used to purchase shares in Hereford FC, but that the board also has to consider its community status when looking at expenditure. At the moment, the mandate from members was to focus on buying shares but opportunities to support UITC, for example, should not be overlooked.

Q: Was it not clear from the fan survey that the wish of supporters was for HUST to concentrate on buying shares?

A: Frank Williams said that it was his personal belief that the board should buy shares whenever a £10k tranche could be purchased, as this was more beneficial to HFC than waiting until a larger increment could be afforded. A member commented that not all respondents to the survey were necessarily HUST members, and that democracy dictates the actions of the HUST Board – if members prefer money to be spent elsewhere then that should happen. Richard Tomkins said that there is great power in share purchase, and that this is an opportunity members should relish. A member commented that fans should expect to contribute more financially as the club grows and moves up the leagues, and that the best way to do so was through share purchase. Richard Tomkins agreed and said that the built environment of Edgar Street needs

constant attention. Mike Langford added that the renewal of the food kiosks and toilets was a prime example.

Q: Is it not a shame that Hereford's game on 5th November clashes with Westfields' FA Cup game, and can it not be rearranged so fans can attend both?

A: Richard Tomkins said that the HUST Board wishes Westfields well in their game, but that there was no suggestion Hereford's game would be moved.

No further questions were asked, so the Chairman thanked the members for their attendance and the meeting concluded at 9.45pm.