
Whitehaven Independent Supports Trust Meeting

Wednesday 29th September 2010

JJ McKeown Bar, Whitehaven

1. Dave Farrell thanked those present for their attendance.
2. Karl Connor confirmed that he had spoken to Dick Raaz earlier in the day. A 'legal glitch' meant that the takeover of the club had been delayed and this was in no way the fault of the consortium. In relation to the alleged Winding Up Order which had been issued Dick confirmed that HMRC were working with the consortium. Laura Harrison had also spoken with the RFL's lawyer who had confirmed the winding up order was due to an administrative error. As the order had not been heard in court it would not prevent the club being taken into administration. The RFL have granted a playing license to Whitehaven for the coming year. The RFL also confirmed it is their understanding from discussions with the consortium that they are happy to work with the Supporters Trust.
3. Laura Harrison of Supporters Trust Direct gave a brief overview of a supporters trust and how Supports Trust Direct can assist. The role of any supporters trust is to engage the community and help ensure their clubs sustainability. There are over 200 trusts in England with a combined total of over 250 thousand members within the UK. 26 clubs, football and rugby league, are wholly owned by trusts including Rochdale Hornets and Bramley Buffalos. 61% of trusts have a club director on their board. Every member of the trust can stand for election to the board. Each member gets a vote regardless of what subscription cost they have paid to join the trust. Accounts for the trust are published on a yearly basis. A trust allows supporters improved communications with club officials and the communities the club sits within. Trust representatives will also gain access to grants and training courses to allow them to carry out their duties.

Further information on Supports Direct and the services they provide can be found at their website www.supporters-direct.org.

4. Norman Steele, Chairman of Carlisle United Supporters Trust (CUST) addressed the meeting giving an overview of their trust and its history. Norman also sits on the club's board representing the supporters. CUST were formed 10 years ago and agreed a Shareholder Agreement with previous Chairman John Courtney in 2003. The agreement allowed CUST to buy up to 49% of shares within the club for £600,000. New Chairman Fred Storey disagreed with this arrangement and a High Court settlement in 2006 saw CUST awarded 25.1% of shares within the club. At this time Norman was also accepted as a club director. Norman highlighted the advantages of a trust for supporters. A trust allows for governance, everyone involved knows where the trusts monies are and what they are funding. There is greater community involvement and the protection of club assets. The trust increases fund raising opportunities and is accountable for its own decisions.

5. Questions were taken from attendees by the panel.

How do board/trust communications take place at Carlisle United?

Norman Steele confirmed that confidential matters are handled appropriately and that a vehicle for communications between CUST and the major shareholder is in development at the present moment.

How will Dick Raaz's lack of knowledge of community based sports such as rugby league affect the relationship with the trust?

Laura Hamson confirmed that discussions between the consortium and the RFL have been positive with regards to the trusts involvement. By building a strong trust he would not be able to afford to ignore the benefits it will bring to the club. Karl Connor added that as Dick is funding the club with his own money he need to ensure money is brought into the club, this is something the trust will be able to assist with.

Given that the share percentage of CUST reduced with the change in management at Carlisle United there would be concerns here that the same thing could happen to the Whitehaven supports trust?

CUST were able to take the new board at Carlisle to court and challenge their decision. The original share agreement was for three share issues, two of 20% and one of 9%, at the time of the takeover CUST did not have 49% of shares within the club.

If the new consortium were to give a seat on the board to a trust member what is to stop them being overturned by other board members? Why bother?

At present the trust will provide help and fund raising for the club, they will not be putting money into the club. All members of the trust have the right to vote as to what the trusts money is spent on to ensure return in value. Monies will not be held by the club and any money donated to the club would be voted on. The trust is a democratic body.

There would be some liability for any individual taking a seat on the board.

It was confirmed that three out of four of the existing support groups have unanimously agreed to set up the trust and amalgamate.

Shares in the trust are not returnable.

There has been no confirmation from the consortium that a share issue will take place.

Is there commitment form the board to work with the trust?

Dick Raaz has confirmed that the club need help from the supporters. The boards preferred route of communication to supporters is through the trust.

A memorandum of understanding will be put in place between club and trust. Raaz and other members of the consortium have confirmed they are happy to work with the trust.

Can the local press be used to get pledges from individuals to help with trust funding?

Yes, however the trust must be legally registered before it can start taking money from members.

Next Steps - Steering group members to liaise with Supporters Trust legal team to register the trust with the FSA. This usually takes 4-6 weeks. The trust also need to open a bank account to accept memberships.

The trust committee is open to anyone and everyone to apply. elections will be held when the trust has been set up.

The steering group have 4 key objectives for the trust;

Re-establish club as a community club

Communication between club and fans

Work with the club to ensure a sustainable club on and off the field

Ensure supporters views are considered when important decisions are made.

6. A proposal to form an independent trust was put forward by Brian Maudling and seconded by John Hurst. A unanimous vote was made for the steering group to take the trust forward. There were 61 people in attendance.