

SPORT 4

The constitution issue: Should it change or stay the same

FOR

We asked Wycombe Wanderers to explain why members should vote for the biggest change in the club's history next Thursday and here is their reply in full

THE Board of directors of Wycombe Wanderers have held a number of meetings with members, both individually and collectively, over the last four months regarding their proposals and recommendations for the future of the club.

The proposals have been explained in detail to members and input about their thoughts, concerns and issues incorporated into the documentation presented and discussed at a formal meeting on 18th May.

A clear consensus of the members at this meeting gave the board their support to proceed with the legal and accountancy framework surrounding the proposals. This framework has been set out in the documentation sent to members in advance of the EGM scheduled for 29th July when voting will take place.

The board have no hidden agenda or personal motives for wanting change and the proposals put forward are associated directly and completely with the future prosperity and stability of the football club.

There is clearly a very welcome opportunity to attract new investment into the club in a way which does not compromise the interests of the existing membership and at a time when available cash

resources are extremely thin the board believes this opportunity should be taken.

Manager Tony Adams is very much in tune with the board's philosophy and all those associated with the club must surely welcome the prospect of additional resources becoming available to support the core business of the club as it seeks to regain its former status within the Football League and even surpass it.

The club's board of directors have given due diligence, and much time and energy to this matter and believe the proposals represent the best option and the solution for the long-term future of Wycombe Wanderers Football Club."



WANDERERS want to change their constitution to allow outside investors to buy shares. The club say if members don't vote for change the alternative could be administration. To push the changes through they need the support of 75 per cent of the membership with whom they have held consultation sessions.

But not all members are happy. They fear it is being sold on the cheap and are concerned not enough safeguards have been put in place to protect Blues' long term future. Here we track the story ahead of next Thursday's crucial vote and explain how the proposed new plc would work.

What are they doing?

Wanderers want to change their constitution, which currently prevents them from raising money through outside investment. They want to issue shares to raise fresh money.

A company called Trekdream PLC has been set up by chairman Ivor Beeks and director Brian Kane. It will become known as Wycombe Wanderers FC plc if the vote is passed.

Trekdream was formed on June 25 with an issued share capital of £50,002 divided into £1 shares. Kane holds 50,001 of the shares and Beeks holds the remaining one.

Both will hold founder shares and both have indicated their interest in converting their previous loans to the club into ordinary shares and subscribing for additional shares.

The vote must be passed by members, creditors, the Football League, the FA and the courts. A meeting of the creditors takes place on July 29, before the members vote at 7.30pm.

If it gets the go-ahead, Trekdream would take over the assets and liabilities of Wycombe Wanderers FC Limited, with the club's 500 members becoming founder members of the club.

Directors are hoping to raise £1.5 million from the share issue and have already had indications of support totalling £600,000.



Breaking new ground: Wanderers directors who have overseen the development of Adams Park now want to change the set-up of the club

Directors must be considered suitable to hold office under the new 'fit and proper' rules by the Football League.

Why are they doing it?

The club owes around £2.3 million, including a bank overdraft with Lloyds TSB of £1.2 million and a £600,00 loan from brewers Greene King.

Interest on the brewery loan and overdraft stands at £92,000 per year, which the directors believe is unsustainable.

Wanderers still owe £126,000 to players after

they deferred part of their salaries last year. They also owe £130,000 to ex-manager Lawrie Sanchez, with the training pitch used as security against the loan.

Compensation to Sanchez and his assistant manager Terry Gibson, coupled with the money paid to interim boss John Gorman, totalled £240,000.

The club has devised a business plan to reduce their losses and start making a profit.

Wanderers expect to lose £700,000 up to June 30

2004, but they reckon it will be down to £79,000 next year under the business plan and expect to report a profit by the following year.

Planning for the future: Wanderers' three year business plan includes budgeting to return to Coca Cola League One in 2006/07.

They are also expecting to continue groundsharing with London Wasps Rugby Club for a further four years and are budgeting to save £200,000 on administration and running costs.

Against

Alun Crockford, who stood unsuccessfully for election to the board last season, explains why he'll be voting against the plans to change the constitution

I WOULD ask members to vote against the motion to sell the club to Trekdream plc.

● The only way to guarantee the long-term future of Wycombe Wanderers is within the protection of the current constitution. The constitution protects the club from any future group of individuals buying into the club in the future and then asset stripping.

● The membership has not been allowed to question the proposed change in sufficient depth and has not been given any other alternative options; this is not the way to form a balanced opinion with regard to the long-term future of our club.

● Attempting to convert the club to a plc while it's at its lowest ebb, makes no commercial sense. For all we know, under Tony Adams we could be about to embark on our most successful period since the FA Cup run. If the club has to be reconstructed it might be better to do it on the back of a promotion season.

● The proposed change is a short-term fix, there is no guarantee that a share issue will be fully subscribed, this will effectively mean that the club's assets, which have been estimated to be valued at around £5,600,000 will have been handed over to the new company for as little as around £495,000.

● The board has told us that the share issue is the only way to avoid

administration and yet in Tuesday's Free Press Midweek they have categorically said that the brewery and bank loan are not in urgent need of repayment. This is a direct contradiction to what the membership was told four weeks ago.

● The directors, who have led the club into the position of debt we find ourselves in, are the very people who propose to take over the running of the new company.

● The owners of the new company are obliged to work for the benefit of the shareholders; this effectively means that if the club was to make a profit from selling the training ground or any of our players the shareholders could be paid a dividend rather than the money being reinvested into the club.

● The more secure way for Wanderers to grow is by working with the council and community to encourage new supporters. Our fan base has reduced year on year since the FA Cup run. The club has failed to address this. Efforts should be made to enlarge the membership letting more people have a share of the club. In effect encouraging season ticket holders to keep supporting the club.

● Finally, I'd like to remind members that 26 per cent of the voting membership must vote against the proposal to stop it.