

## Everton EGM Questions & Answers - September 3<sup>rd</sup> 2008

Mark: Mr. Chairman, what concerns me most about this situation is that I believe you are moving us to Kirkby purely to enhance the value of the club prior to a sale. I believe your motivation is driven by the £52m subsidy that will increase the value of both yours and mine shareholding. You have gone on record to say that you do not want to be the man that oversaw the departure of Everton football club from its traditional home and yet you will be. I would like to know, had you had sufficient resources, would you still be moving the club to the poorly accessible site that is Kirkby. In light of the money that is pumped into clubs like Manchester City, do you believe a wealthy owner would even contemplate such a risky venture?

B.K.: The first statement was totally incorrect. There is nothing about this move that is nothing about the value of my shareholding. The value of the club, it is everything to do with. I love this club as much as anyone in this room. Do I believe a wealthy owner, I can't put an answer to that, I would have hoped that if I'd found a wealthy owner, that maybe that £250m project that we saw there would be viable. From my point of view, as chairman of this football club, it's not viable. I personally can't go on the way I've been going on,. As I've said every AGM, borrowing every year, to get transfer funds. We can't get any extra income for this football club. Do I want to be here, answering this question Mark? You know I don't. Do I find any alternative to it, you know I don't. I have tried and I will continue trying and if, in the next weeks, months, years, before this project goes forth, a new owner comes in, a new board comes in and they don't believe this is the right project, the right move, then it's up to them to say so. I cannot see an alternative. I cannot see any other way, of providing more funds for David. This summer has been the worst summer I've ever known in the transfer market and it's going to get worse and worse. The Arabs buying Man City will make things even more difficult for a football club like Everton. There was a chart in the Guardian on Monday that showed the top 13 owners in football. We weren't in it. This does not include Tottenham, Daniel Levy. It does not include Blackburn, which we know had a wonderful millionaire behind it. It does not include Sunderland, which has four multi millionaires behind it. And there was another club. So we're not in top 17. I'm a pauper when it comes to other chairmen. I do my best. I borrow. I bounce balls up in the air every season to try and support this man. Is this anything to do with my shareholding? No. And anyone who believes that, they've got the wrong chairman.

Mark: All I'd like to say in response to that is, we've seen Man City twice in 18 months been taken over by billionaires. I would rather see a takeover and a new owner who can offer us a deliverable stadium within the city. I would like to see the club achieve the most money and the best business plan to back David Moyes. That's what we all want to see. I hope that can happen through a change of ownership.

B.K: I agree with those statements. I would like the club to have a billionaire who can support David Moyes, not as a friend, not as a member of this football club, not in the way that David supports me and I support him but with more money. I think you're in fantasyland. I think there are people out there and I'd be very surprised... It's difficult for me to say anything because everytime I say something, you take a bit of it. Again, I don't want to be the chap who takes this club to Kirkby and I didn't want to be the man who sold Wayne Rooney but I am and I probably will be. I don't want to be here next year. I do not want be standing in front of you saying it's been another tough season. I don't know where the money is. I want you to have everything you want, which is a billionaire. Whether it's a Sheik, whether he's a Russian, whether he's American, whether he's one of the 14 or 15 people who I've probably met in the last 12 months. I want to give you that and I want you to say, okay Bill, now stand down. Now you've got your billionaire. And I want to give that to every single one of you. Why, because I want him [Moyes] to have money, because he and I fight every single year. He fights as much as I do for player's salaries. We are a cabaret act when we meet players, about this football club, the salaries we can afford, about the transfer fees we can afford. We had 91/2 hrs together the day before yesterday getting in a substantial signing for this football club. That was not easy, that was really difficult. That was nothing to do with a chairman who wants money.

That is a chairman who actually wants to fulfil a promise to this football club. That's all I want. I so want every single one of you to have your billionaire. It's not me, I apologise, it's not me.

Tony: I find it amazing that Robert could stand up and give us all the facts and figure about staying at Goodison and re-developing, more or less to the penny, yet it took us a long time to get this deposition together and I don't it's answered any of the questions, esp. 1.1. I fully expected the board not to tell the truth and to hide behind commercial sensitivities tonight. I think a lot of people expect that. Because, if planning permission was given a few weeks ago, to make this project viable [ ], according to the planning application, work would have had to start immediately. As I remember Keith Wyness saying the spade will be in the ground by July. To make it viable, bearing that in mind, you would have had to have the finances sorted out now. My question was to ask have you got a potential buyer for Goodison Park, have you got a potential buyer or bidder for the naming rights or are you going to be relying on the clubs sleeping partner and proxy shareholder, sir Phillip Green, to go guarantor for any future loans?

Bill: Sorry, I object to that. Phillip Green is a friend of mine. You want to talk about Phillip Green, I'll talk to you about Phillip Green. Phillip Green was there when a lot of you were behind me to buy this club. He was my friend, he still is my friend. He's there 24 hrs a day for me. If you could find any fault in Phillip Green, one of the greatest businessmen in the world, giving me advice that I pass onto this football club, I can't see it. He is not a silent shareholder.

Tony: Does he hold any shares?

Bill: He owns no shares in this football club. Nil. He is my friend and consequently your friend.... I don't know why you think that's funny but he's a great friend to this football club. I promise you.

Audience: In what way?

Bill: If you have a friend who is one of the greatest business brains in the world, who is available for you 24hrs a day, will give you advice, would you not use that friend? Because I certainly do. He's been there for me and consequently for you. Through six very difficult years, even years before the six years. He became my friend in 1998 when we in big trouble. He quickly latched onto my passion for this football club and he's been there, through thick and thin ever since. He's my friend.

Robert Elstone: The £78m pounds of funding is manageable and is achievable. It's broadly set out, we know what our parameters are. But it's surely sensible not to disclose what our targets are on stadium naming. That would be silly, that would be like telling an opposition manager how much David's got to spend. Equally the sale of Goodison Park. We want to negotiate the best price. I don't want that figure to go into the public domain. Rest assured, that' £78m, in broad parameters, is set out and fundable. If it goes up and it's not clear yet by how much, it's not clear, as yet, who's going to pay for that.

Tony: The point being, to make it viable in your own report, work would have to start immediately to be ready for 2010, so what I'm saying that the funds aren't available if work were to start today.

Robert: No, we are not saying that. We are saying that if the point is making it viable that we start in 2010, then the overrun might make it more expensive. It is not going to change, as yet, how much this club will have to pay. We know how we will fund aspects of it. We won't have to find the whole £78m on day one. We believe we can manage that funding,

Tony: Bearing that in mind, then after the November inquiry, the earliest decision will be possibly be June or July next year and if accepted there will be judicial reviews, appeals, village green applications and also legal proceedings from the residents of Kirkby who are being thrown out of their houses with CPO's. You've only got to look at the Edge Lane project to see how long that takes. Bearing in mind the planning application, a delay of one year will cost the club circa £6m, excluding fit out, also the

[.....] on stadium design, could further increase cost. So how much is it going to cost the club for each yearly delay and, where is this money coming from, if you can't get the £78m together.

Robert: We are not saying that. What we are saying is that we have not yet established what the cost of a one-year delay would be and who will bear that cost. We haven't yet done it on a two-year basis. We will have to manage that as we go. We are currently managing that situation. We have the broad parameters in place and we will have to deal with things like that as they arrive.

Tony: I just find it incredible that you know all the costs about redeveloping Goodison and what it's going to cost us in lost revenue but you haven't got a clue about what it's going to cost us with the delays over Kirkby. You can't come up with any figures.

Robert: I can't explain it any more clearly I'm afraid.

Paul Cook: I think it's an absolute disgrace to have the manager of this great club sitting here at an EGM. This is to discuss business and to divert away from Davey, he shouldn't be here. I've got a couple of points. Will the Arcadia group be a partner in the retail side of this development?

Bill: No is the answer to that question as far as I know.

Paul: Can you categorically state that the Arcadia group will not be part of..[ ]

Bill: I cannot categorically state that but as far as I know, no it's never been..[ ]

Paul: But there's every possibility that the Arcadia group could benefit from the retail development in Kirkby?

Bill: No

Paul: How do you expect the current 10,000 fans to walk to Kirkby? How will the transport strategy accommodate all fans access to and from Kirkby in a safe manner? What price will it cost, additional, to the park and ride system being proposed? Where do you expect 10,000 fans to park their vehicles in and around Kirkby? Where will the extra fan base be built from on the basis that we are going to lose 10,000 walking fans going to Kirkby?

Kara [SDG]: First of all I'd like to say it's definitely going to be different from you are used to here at Goodison and I think that needs to be taken into the spectrum when talking about the new stadium. In terms of car parking, we have a sister site in the surrounding seats and have concluded that within 1.5miles or a 30? min walk, there's the potential for 5, 700 spaces for cars, so that's more than enough. They will be secure car parks, managed by Everton football club.

Paul: Will that additional cost be bourn by Everton?

Kara: [.....] I'm not sure.

Paul: Can you give me a ball park figure of Everton's contribution to the transport strategy that needs to be put into place for the Kirkby project, and if so what is the cost that is going to be bourn by Everton?

Kara: The transport strategy's capital budget is in excess of £10m.

Paul: That's Everton's contribution to improve and accommodate the transport? The current transport infrastructure dosen't accommodate what this stadium befits[?] What is Everton's contribution to the current transport strategy?

Kara: The £10m is for improvements to the current Kirkby railway station and the construction of a new coach park and a new bus station next to the stadium.

Paul: Kirkby's current railway station is a single line. There's only Kirkby station. It's a single line. What are we going to do? Are we going to ship in...[ ? ] Not being an expert but I think it's a four carriage maximum train to Kirkby. Now currently, let's say you can get 300 people in that, one train, per hour, in Kirkby, going back to Liverpool. How are you going to accommodate from Liverpool to Kirkby, transport wise?

Kara: Currently the trains are 3 carriage trains and Merseytravel has agreed to double those to 6 carriage and we will be accommodating 960 people per train. 15 mins frequency per hour.

Paul: Legally, Kirkby train station can only take and accommodate 3 carriage trains.

Kara: That's not true, the platform is long enough to accommodate 6 carriage trains.

Paul: I assume that's going to be reviewed. So again, it's only got one line to Kirkby. Is it a to and fro service?

Kara: No, it's the end of line so they will turn back to Liverpool. So it's 960 people, per train, every 15 mins. That's just under 4,000 an hour.

Paul: When I go the match, I'm a walking fan. I like to walk. I would prefer to use the bus system. How again, you're going to be talking 20, 30 buses buses an hour?

Kara: There's one point I'd like to mention. Tesco's will be funding the rail improvements and the bus and coach station.

Paul: So the £10m is not Everton's contribution?

Kara: No, it's Tesco's. In terms of the buses, you've got 68% of Everton season ticket holders that live within Merseyside so there's a great opportunity to use public transport. What we're proposing is to introduce 15 non-stopping buses to Kirkby stadium, from residential areas, from major stations and from the town centre. That's 15 new buses which are solely for the purpose of getting fans to the new stadium.

Paul: So, the park and ride system..

Kara: The park and ride?

Paul: It's the system to drop us off at Aintree and take us all to Kirkby.

Kara: The park and ride sites will be chosen. They'll be close to motorway junctions. You'll be able to get off the motorway, park your car and there will be really frequent, high quality shuttle buses that will go between the park and ride sites and the stadium. Now, they'll be dropped off across the road from the stadium and it'll be about 10, 5 min ride on that bus.

Paul: So, it's going to take me, are you happy to put an hour on my journey alone and people who live outside the borough, you'd be happy to put another 2, 3 hours on their journey.

Kara: Everyone's journey is going to be different. You tell me where you live, I can...

Paul: will you provide me with a park and ride....?

Kara: You could catch the train, that's a twelve minute walk to the stadium.

Paul: I could also catch a helicopter to the nearest....?

Kara: You could catch a bus that will drop you off right at the front door. There's many options of public transport available. If you wanted to drive, you could drive and use a park and ride site. You could also use one of the Everton managed park and walk sites.

Paul: My final question is basically, where are you going to get the extra 10,000 fans from Bill? This is straight to you, as the chairman. We follow you, you're the main man, you're the bones of this club. At one point I loved you, now I think you're an absolute disgrace. Now that's my own personal opinion, you've given me an opportunity to say so.

Bill: You'll always have an opportunity to say it. I don't believe that we will have to get an extra 10,000 fans.

Paul: 10,000 fans didn't vote in your ballot. They decided against voting in your ballot. They're not fully supporting you Bill.

Bill: They'll fully support Everton.

Paul: But you're accommodating us with an extra 10,000 seats here. Where are you going to get....

Bill: I'm not. What I'm trying to do is give you a way forward financially for this football club. It's all to do with money. Football is all to do with money and that's what I'm trying to do for you.

Paul: Just finally. I live in Walton, it's already a dump, you're now putting us in the bin mate. You're taking half the economy away from Walton. A lot of it. You're an absolute disgrace and I think it's terrible for the people of Walton.

James Asquith: I'd like to follow up on a couple of points. You said that there would be 4 trains an hour, one every 15 minutes which would take 960 people...

Kara: 960 is the number given to us by Merseytravel and it's the number they use at large events such as Aintree for the Grand National.

James: So the last of those 4,000 people, assuming only 4,000 people come to the match by train, the last of those 4,000 people would just be getting on a train, 12 minutes walk from the ground, an hour after the final whistle and then when they get back into town, they've got the rest of their journey to do as well.

Kara: There will be some people who will have to wait close to an hour, that's correct.

James: And you're assuming only 4,000 people are going to come by train?

Kara: What we've done is map all the train stations within a 45 minute catchment of the stadium and that's what we've based our analysis on.

James: And how many people get to goodison by train or get the soccerbus and walk up?

Kara cannot answer at this point so Robert helps out.

Robert: It's fair to say that one of the requirements here is a satisfactory amount of people leave the stadium within an acceptable space of time. 85% of our fans will have left the Kirkby stadium within an hour. That is deemed to be acceptable.

James: So 15% are still going to be about?

Robert: Well Kirkby is a redeveloped site, people will want to stay around the stadium (laughter)... people stay around the Emirates after the game and have a drink. Stay on the concourse and watch TV. It's a business opportunity for us.

Kara: 12% of visiting supporters catch the train.

James: What's that in numbers? About 4,000? Okay. Moving on, a couple of questions on your presentation Rob. One of the things you said was that we've got a wonderful financial reporting system here at the club and we monitor cash flow on a day to day basis. A little bit later on, you then got to wage figures for ourselves and other clubs. They seem to come from the accounts two years ago. Do we not know what the figures up to May 2008 at least?

Robert: we are making comparisons with other clubs and we have to rely on publicly available information. The parameters surrounding that chart will be not much different from 2007/8 to 2008/9. It what's publicly available information.

James: Okay. One of the other things you said about the space being available in Kirkby but there isn't in the city, there's not enough room. Isn't the reason for that, that people want to be in a city. They don't want to be in a town on the outskirts of a city. That's why big businesses are in Liverpool, that's why big businesses are in the centre of Manchester.

Robert: So where does that leave us if we need the space.

James: Well, that's where the commercial opportunities are as well. I know it's difficult, I'm not saying that's a positive in terms of the land values in Liverpool.

Robert: Is that like saying build a stadium on Regents Park in London because that's where the business is?

James: What I'm saying is any enabling development in Liverpool would be worth more [...] because the land's more expensive. No?

Silence from the top table

James: Okay then. One of the key things about the exclusivity deal which was signed, is it two years ago now? What benefit to us, has that exclusivity deal had? To Everton football club, what was the benefit?

After more silence

Robert: The benefit was, we were wedded to two excellent partners who were supporting us through this project and it was our demonstration of commitment to them.

James: But it prevented any other partners offering us anything.

Robert: Absolutely not. The door was always open to approaches...[shouts from the floor]..

James: So what was exclusive about it?

Robert: We weren't able to go and source it, we weren't able to go and look but if any options were presented to us we could look at them and in two years, none of them came forward.

James: So the director of Bestway, or the Chairman of Bestway didn't come forward and contact anybody at the club?

Robert: He didn't come forward with a workable solution. He didn't come forward with anything that merited us revisiting the agreement we had with Tesco and Knowsley. We have asked repeatedly to see plans, repeatedly asked to see how we might make this thing work and nothing has been forthcoming.

James: I must have misunderstood then because I thought that the chairman of Bestway had made public statements in the national media that he'd [attempted to engage with the club]? Maybe we ought to take him to task on that?

Chris Potts [Savilles]: I'd greatly like to assist with the answer. In terms of, as a site, I mean clearly the planning application that we've been talking about contains details of many of the sites that the club has looked at over a period of time, including reference to the Bestway site. I'm aware of comments that have been attributed to the developer and landowner. I have never seen information, proposals, site area, funding strategy, masterplan or any information I could provide guidance to the board on whether there's a viable project there. So, it's fair to say that the club haven't engaged. There hasn't been any information to engage on and certainly the work we have done on assessing that particular site led us to the conclusion that it's not viable.

James: I'm sorry, are you saying that the statements made in the national media [attributed]? to Bestway, are incorrect?

Chris: I'm not aware that Bestway, or any other party associated with that deal or that proposal, have furnished the club with any information in terms of a masterplan, a programme of feasibility, appraisal. I'm not aware that that information has been submitted to the club.

James: But you encouraged them to submit such information to enter into negotiations.

Chris: Well clearly if you've got someone promoting a site, the first thing they would do, as indeed Tesco did with Kirkby, is approach the club with a well thought out proposal so the club could sit down and consider. Certainly on any sites that have been raised as potential alternatives, I'm not aware that anyone has gone into particular detail in order to entice the club to sit round the table.

James: You said that, 4 or 5 weeks ago you'd asked the partners to re-look at redeveloping Goodison. You has a list of sites, the timeline that you put up, starting with the Kirkby golf course proposal from Peter Johnson and moving through. I think it was in 2006 that you had there you looked at a number of sites and one of them was Scotland Rd. Is that right? Where about on Scotland Rd. was that, do you know? Because presumably that wasn't the Loop site?

Sir Philip Carter: Yes, the 2006 situation was the loop site. The Scotland Rd. situation was something that came through Tesco because they had been approached about a site on Scotland Rd. At the time, we were discussing the problems of Everton at Goodison and Tesco had been approached to say would they consider it as a site for retail for the development of north Liverpool. At the same time Scotland Rd. was put to the as a possibility of an alternative site and the discussions that they had, because it was really out of our hands, was that neither of those sites were suitable for a Tesco development. Eliminated us completely.

James: So the tunnel loop wasn't suitable for a Tesco development but we never looked at it for a stadium development?

Sir Phil: No, I didn't say that. Don't put words into my mouth.

James: So they only talked to Tesco about Scotland Rd.?

Sir Phil: It came through Tesco, the Scotland Rd. site. It came through Tesco, not to us. It wasn't considered as a site for Everton. They, then, discussed it with us because we were talking about the site here so they had to talk to us. But the loop site, we've had no direct contact in the sense that this is a proposal with the actual dimensions. I think one of the difficulties facing us all, facing me for that matter, is that we look at this site here and say, well that's the size of it. In actual fact, you saw from the plans put before us. The site is enormous for a development. [...] enhancement that we want to actually make it viable for the club. From that point of view, if I go back now to the number of sites that I have personally have seen over the past 10, 20 years, way over 20 and in each case it's been primarily the size, the actual size. I can remember 12 years ago we weren't talking about development, we were talking about a site for a football club. You remember down on the docks, when we were talking then about that site and the amount of work that went into that. We then started to talk about Anfield, should we have a joint and that went down the Swanee [.....] some of which have been unacceptable, some of which have been worth looking at. But in terms of the overall size, this is the problem. Kirkby actually, at the moment gives us that size and fortunately gives us the money to go with it.

Someone in audience: We couldn't find £30m for the Kings Dock.

Sir Phil: That's not true.

Audience: Well why didn't we go then?

Sir Phil: I'll tell you why we didn't build it. We started off with a problem of £120m for the actual site itself. After that we had discussions. Don't forget, we had the local authorities, we had ourselves and we had the North West Development people. All of these were interested in this particular development. I was chairman of the NDC remember, down there with the development of the Docklands and we were...

Audience: This isn't about the King's Dock, let's move on.

Tony: Can I ask you [to Chris Potts] what you're an expert in?

Chris: I'm a town-planning consultant.

Tony: You mentioned there that when Tesco came to Everton with a proposal, they came with a masterplan, costings, and stadium drawings. A proper business plan.

Chris: Tesco's had commissioned a design team at their own cost, at their own risk. They put in place a strategy for land acquisition, their views on why the site was suitable. Their preliminary thoughts on accessibility. They set out a funding strategy and a programme for deliverability.

Tony: Also, costings and a stadium plan?

Chris: They are very well aware of the clubs requirements are. Indeed, I think the clubs requirements for a new stadium are pretty well documented as they've been searching for a number of years. So Tesco were able to work on those assumptions in order to come up with their initial proposals.

Tony: So when we voted at the ballot, the board were well aware that this wasn't going to be a world class stadium, with a very poor transport plan and it wasn't going to be effectively free because Tesco had already brought the plans to the table.

Robert: I think the information that Tesco had provided; they'd undertaken quite a lot of the feasibility work. The discussions that then continued [...] were able to work on the proposals in further detail. I don't think Tesco or Everton were misleading on those points.

Tony: But you were much more aware of the facts than what's produced in this brochure?

Robert: Most of the details in there remain valid. They've been subject to a lot of testing, evidence, scrutiny, assessment of the last two-year period.

Tony: So we are still getting a world-class stadium, effectively free and the best transport policy as far as you're concerned?

David Keirle (KSS): You've heard comments from Mr. Elstone about the quality, the cost per seat, about the engagement of professional advisors to make sure it's a design of a tradition to Everton's standards. Transportation. You've heard one of the other experts here this evening talk about the support of Merseytravel, the Highways Agency. Many consultants have looked at this in detail and their belief is that the strategy will work.

Colin: Two questions to you Robert, because of your presentation. [...] around the statements you made, going beyond the £78m. It's no good having a stadium you can't afford. The DTZ report, section 3.1, contract sum analysis and it reads 'the stadium construction costs, calculated in Qu.3 2007 is £90m. There's an additional levy, 11% phasing, inflation,[ added to]? this £10m. The fit out and moving costs, £30m. We all know the total cost is £130m. This 11% phasing forecast, I understand is coming from Barr. It's quite realistic actually, 3 weeks ago the Royal Society for Chartered Surveyors Building Cost Information Service (BCIS) stated that raw material and labour costs have risen by 12.2% over the past year. They have an additional forecast that it will rise by 12% over the next 2 years. Due to the delay caused by the Government inquiry, which is unlikely to deliver a verdict until Qu. 3 2009 and the probability, as T.B. mentioned, that further delays such as Kirkby residents objections, CPO's going to the European courts and supplementary legal challenges of which there are quite a few. It would be unrealistic to expect construction to begin before Qu. 3 2010. That's a two-year delay. That's not uncommon on large building projects. This means that by applying the BCIS inflation figures, you are talking of total construction costs in 2010 of £151m. That's a £21m increase on today's figures. We are all aware that Tesco are providing a cross subsidy of £52m but who will pay these additional costs? May I remind you that the cross subsidy is dependent on the size of the retail. It is this element of the planning application that has brought all the objections from the neighbouring authorities.

Robert: As was said in the presentation, the precise costs of the specifications of this stadium has not yet been determined. There are broad parameters on the stadium specification and we know broadly what our funding requirement will be today. Absolutely, there are likely to be cost increases thrown up by delays and what we have to do is manage those with our partners, discuss them and manage them and find solutions. As we stand here today, we don't know the extent of the delay, we don't the extent of those cost increases and we have to deal with them as they arise.

Colin: I appreciate what you're saying but the DTZ report is part of the planning application and that's what's sitting on Hazel Blears desk. Not what the board or anyone else might think, it's the planning application. And it's also the transport. It's no good looking at it after, it's what's getting looked at now. And what's getting looked now is £130m. Now I'm not going to argue with the Royal Society of Chartered Surveyors. They're saying, that using their figures, it'll be £151m. You're saying it will be difficult to manage anything in excess of £78m. Clearly, that's in excess of £78m.

Silence.

Colin: I'll ask my next question. Will Tesco provide the £73m or will Everton now need to find £99m through the funding options stated in 2.6 of the DTZ report. I now you've claimed commercial sensitivity but if you could give us some information. How is this broken down and what is the total monetary expectation from each stated option? They're in the DTZ report, it's not commercially sensitive, are we going to get a massive stadium naming rights deal or are we going to have to go and borrow the money? If we are going to borrow the money, what's it going to be borrowed against?

Robert: Colin, as we sit here today, I cannot state what we will get for stadium naming rights, nor can I say what we will get for the sale of Goodison. There has already been work undertaken on stadium naming rights and we've had some encouraging meetings. The two things we don't know are the extent of the delay and we don't know the impact that's going to have on any cost. Secondly, we cannot state what the precise funding mix will be. The DTZ report, as you've said, sets out 6 different funding sources and they will all be considered. Indeed, all of them have been considered.

Colin: [Fine] Another debt?

Robert: Whoa, how is sale of Goodison, how is stadium naming right debt?

Colin: You won't get that value from...

Robert: How do you know?

Colin: You won't because you're going to securitize the money.

Robert: Didn't Arsenal get a substantial up front payment from Emirates?

Colin: So is that what you're saying, you looking at an Emirates type value, in Kirkby?

Robert: No.

Colin: No. I know you're not. So, you say you don't know, I'll just remind you. The board were told repeatedly that this application was undeliverable because it represents a major departure away from existing planning policies and you were told repeatedly that it was going to get called in. It got called in and now we are telling you that it's going to go on and on because of these other problems. People are going to put in legal challenges, that's before the planning even gets through. I want to ask you something, Mr. Chairman. Aren't these figures a far cry from being effectively free, or even close to the claim by Sir Terry Leahy during the ballot, when with [...] accuracy, he stated that Everton would be obtaining a £150m stadium. I'm just reminding you of that £150m because that's what it looks like it's going to cost. A £150m stadium for an investment of around £35m. Do you Mr. Kenwright, believe that you still hold a mandate when it is clear that information given to obtain that mandate was inaccurate?

Bill: I don't believe that was part of any mandate. I'll take you back a little bit to how this started because as I told the AGM last year. It was at the Man City game four years ago and we lost 5-1. Terry Leahy was on the same train as me and he said is there anything I can do to help out? I said we've got to find finance from somewhere. He [...] over the next two years. Tesco came forward with 30? possible locations with LCC and they got nowhere. They were told, in no uncertain terms, there's no will to support a stadium and retail development. Just over two years ago now, he quoted those same figures to me but it was actually, if I remember, a £150m stadium: £50m enabling funding; between £30m, £40m, £50m from us; £50m of value in the site, in the infrastructure, in the fact that we would get no developers profit and because of Tesco's involvement. When I saw the first designs I was, no I want more, I want this, I want that and that's why it started going up. [...] another 10,000 seats which will cost another £25 m. I've never doubted Terry Leahy's integrity or his support for this football club.

Colin: Do you want me to ask you the question again? I'll just point out that Kirkby, I think you need to read the planning application; it's not going to go over 50,000. It's stipulated in that. I'll ask you the question again, do you believe, Mr. Kenwright, that you still hold a mandate, as claimed on the website and by the previous Chief Executive, given that the information used to gain that mandate was inaccurate?

B.K: I don't believe it was inaccurate and I do believe we hold a mandate.

Colin: So, you told the fans that they would be paying up to £100m? The club would have to fund £100m.

B.K: I don't know what you mean, sorry.

Colin: It's effectively free and Keith Wyness...

B.K: I never said effectively free.

Colin: That's what the fans were told, effectively free and Keith Wyness' first figure was, it would cost approximately £15m. Within a matter of weeks it had gone up to £30m and then Mr. Leahy came out in a statement and said it would be £35m. The DTZ report, as it stands now, says £78m and it looks like, if you put the phasing in, it's going to be £100m. So would you agree that the fans were misled?

B.K: I told you, as far as I was concerned, it was always going to be a circa £50m investment and because I wanted more for the stadium, it's gone up.

Colin: So they were misled then because you thought it was £50m, £78m.....[....?....]

B.K: £78m. That is the figure that we put a cap on because it would be very difficult for us to go above that.

Colin: That's what it says in the DTZ report, it breaks it down.

John: Bill, I've got two questions for you. At the last AGM Trevor Skempton, who we all know, I don't know if he's here tonight, [...?...] redevelop stadiums such as Newcastle's stadium, said to you that he believed he could make Goodison into a world class stadium again. You asked for his details and said you'd be in touch. Did you ever get in touch with him because I believe you didn't and, if so, have your team been in touch with him because they've made statements, that [are] diametrically opposed to what Trevor Skempton said. Now, I know the background, the history and the ability of Trevor Skempton, I don't know about these people. I mean no disrespect..

B.K: Robert has met Trevor, has spoken to him and Chris Potts, I'm not sure he knows Trevor but he's...

John: Was he the chap we laughed at last year. Yes? You're the one we laughed at last year.

B.K: That's totally inappropriate..

John: It's a fact though Bill.

B.K: You might have done, I didn't.

John: All these people did.....

Has someone actually spoken to Trevor Skempton?

B.K: Yes, Trevor's been spoken to and Chris Potts is down there and we actually had a meeting before [....?....]

John: My second question. It's a hard time for you Bill, the credit crunch, people not queuing up to see Joseph; it's a hard time for me as well. Why don't you just sell up?

B.K: I'd love to.

John: Well, why don't you?

B.K: Because you need a buyer.

John: Are we the only team that can't get buyers? We don't know who's buying because they never tell us.

B.K: I would like to. I think I did make that speech before. I think I did say [...?...]

John: Is it for sale?

B.K: It's been for sale since the day I bought it.

John: You don't actually say that Bill. What you do say is that you are looking for investment and that's a different thing. Are you now saying the club is for sale?

B.K: I'm saying the club is for sale. My shares have been for sale since the day I bought the club. In fact...

Audience: The planning application says the club is not for sale.

Trevor: Can I ask first of all, a simple question about the presentation and then if I can expand the enabling issue again. Robert, on your presentation on Goodison Park which you said was the best, you put forward a scenario of the best way of spending £78m. You didn't show any enabling at all in that equation. It's common knowledge, or a lot of people have put forward the idea that for Goodison, there might not be retail enabling, there might be other forms of enabling. Hotel or leisure. When you're talking about an exercise to spend £78m on the existing stadium, I think few people would believe that blowing it all on the Bullens Rd. stand was the right way to do it. Was any consideration given to enabling development at Goodison?

Robert: Absolutely Trevor, yes but I will let David and Chris speak but in the brief that we gave them we looked and asked them to as favourable and as positive as possible and to look and find the space to bring in suitable enabling development. Enabling that would generate a reasonable level of funds. That was part of the brief.

David: In order to get reasonable development you need value and the site area that's available, you're not going to get much retail, if any, on the site. People talk about leisure and hotels, they don't really offer a great deal of value. They don't have a great deal of subsidy to hand across. Therefore, we haven't attributed much value to those but they were looked at and I think on Robert's presentation, there was space for potential enabling development. It's very modest; we think the value would be very modest.

Trevor: I would argue for redeveloping Goodison. What redeveloping Goodison offers is incremental development, rather in the way the team is being developed at the moment. Year on year, without the need for multi billionaires but with a business plan which is geared to gradual improvement in bite size chunks. That's what Goodison could offer. Not the only way forward for the club but it seems to many of us the healthiest way forward. Now, if you are going to examine Goodison, the first thing

you've got to do is look at what enabling is available, even if that's quite small. It's patently obvious that enabling development, in a city where hotels are still in short supply, where leisure is still a growing market despite the credit crunch, that that kind of enabling development would be available at the Park End. Even if it were reasonably modest within the context of £78m of development, something could have been done which would have had a contribution from enablers.

Now, that's my answer to the question there. I would say that the whole question of enabling on the basis of out of town retail is a one off shot. It's a short term way of exploiting loopholes in the planning system. Now, it's been successful with relatively small developments and perhaps medium size developments like Coventry, if you regard them as successful. I would say that that loophole is first of all firmly closed, because out of town development now is frowned upon by government and by the vast majority of people involved with planning. I think that having let the cat out of the bag and not being able to bounce this through on the first bounce, the chances of success at a public inquiry are very, very small but I would talk to Ladbrooks about that.

I would say that if you want enabling, you look for where the high value is and that's in the city centre. You have to share the stadium with somebody, absolutely agree. It could be shared with events organisations in the way that the Kings Dock was put forward. It could be shared with leisure, it could be shared with city centre type development. It could be shared with another football club, possibly. It could be shared with [.. ?..] other organisations. Most of the organisations that are compatible with a major football club are in the city centre. There are sites in the city centre with could be looked at, which should be looked at if this limitation of exclusivity could be removed. It's a fast moving area, the Loop site came up during the exclusivity period and there are other sites coming up. For example, there is a site at the Kings Dock now which is likely not to be developed and you've got an arena developer possibly looking to expand. There are all these opportunities. By being locked into an exclusivity, based on out of town retail, which I think is undeliverable. Apart from undesirable, I think it's undeliverable. To pursue it is going to be to throw good money after bad. I think that the city centre offers multiple sites, it's a shifting market and the sooner the club starts taking a lead, not expecting supporters or other people to come forward with worked out proposals but the club, taking a lead in discussions with potential partners, with the city council. Yes, there have been informal meetings. Yes, we are all on the same side, we do chat informally but there has been no proper leadership given by the club in approaching the city council or people like Bestway, who really have been very upset that Everton haven't taken them up on their [offer]?

B.K: May I invite you to meet KSS and Savilles, now, tonight, tomorrow, whenever you want and go through it with them and there will be no animosity whatsoever in that.

Tony Barton: I'm going to put a different angle on it. I'm a resident of Kirkby and in all this, what we've been told tonight, very little has been asked of thought of, how the Kirkby residents actually perceive and think about a football stadium being built within our town centre. I'd like to thank Robert and he must be filling Keith Wyness' shoes... With respect to what he said, what we've been getting and what we've got again tonight, is another spin if you like, another way of telling us the benefits of this proposal, this development, in Kirkby. We've had it for 18 months, we've been spun round so many times. We've been told how it's going to benefit job creation, etc. etc. Regeneration is a great word, regeneration. But it's not, it's the reinvention of Kirkby. Because the land that is going to be taken by this proposed stadium, is green, open space land and it's being given away by our council to Tesco, on behalf of Everton. A few words Robert said there: affordable, achievable and deliverable, I wrote them down. Well it's affordable by like I just said, the residents, us, are giving away the land for next to nothing. That's how it will be affordable. It's achievable because 70 homes will have to be demolished in the process and all those families will have to be relocated and scattered, like refugees, from the community. They've only been up 15 years, those homes, by the way. It's deliverable, it could be argued because the greed of Tesco, the ignorance of Knowsley council and some would argue, the incompetence of the Everton board which has brought us to this situation where we are now. It's an Everton needs led project and that's what we in Kirkby object to. We don't want to be told, dictated to that because Everton need somewhere to go, then it's got to come up to Kirkby and disrupt everybody's life up there. We don't feel that's fair and we haven't had a chance, and I appreciate the chance to be able to get up and speak in front of yourselves because we haven't had a

chance in Kirkby. Now, with the planning inquiry, with it being called in, which we said all along, we have got the chance so we welcome that.

My second point is to the experts here, SDG. They quite eloquently put across the argument about the transport. Well I don't know if the lady has ever been in Kirkby and tried to get out on a train on the late night christmas shopping. It doesn't take 15 mins and trust me, it's jam packed and that's with only 3 carriages. With 6 it's going to take twice as long. I'm not an expert at maths but with twice as many people on a railway station platform, it takes twice as long to get out. Not forgetting, that when a train comes in, people have got to get off and people have got to get on and it's got to go back, all the way down. 15 mins, as I'm sure everyone knows, is going to be doubled. All that's been said, and I've read the transport assessment by the way, is that's if everything works like clockwork. And as we know, it doesn't work like clockwork anyway.

One thing they haven't said. Kirkby, from town, stops there. There's another side from Bolton, that's the other side of the platform. What happens when they come, the away fans?

Kara: That's the Wigan line you're talking about? There's a very low demand there at the moment, there's only a handful of people using it.

Tony: But on matchdays, the away fans. You've got Wigan, Bolton, Manchester. Are they all going to arrive at the same time?

Kara: [In]? terms of other forms of transport...

Tony: What if they want to get the train?

Kara: If they want to get the train, we've had discussions with the operator and they'd be willing to increase the services. At the moment, we are not forecasting a heavy use of that line. Most of the people will be using the Liverpool line.

Tony: So, what you're saying is, the people from Wigan, Bolton, Manchester, you'll increase the services from there. So you'll have more trains coming in from there, more trains coming in from town. I just don't know how it's going to work.

Kara: The numbers of people using the Wigan line will not be as much as people using the Liverpool line. The demand is for people using the Liverpool line and a 15 min.....

Tony: With respect, you don't know that, you're just hypothesizing.

Kara: We will be monitoring the Kirkby railway station, there will be a [..?..] in the car park that will be carefully managed by the police and Merseyrail and only a safe number of people will be allowed on the platform.

Tony: In theory I agree, it sounds great. In theory anyone who's been to an away match, a home match, got the train, knows what it's like, so that's something for you to consider. Secondly, just to reiterate what somebody said again, I think it was Robert. The chance to expand to 60,000. As Colin Fitz said, in the document itself, it says there will be no expansion, it's in black and white, there will be no expansion so why do people keep using that. Uefa and, we could do this and we could do that, it says we cannot expand the ground, it can't be done. It needs to be sunk into people's heads, that is the truth, if you care to read the document it's in there.

David Keirle (KSS) : Can I just respond to that. The stadium has been designed for 50,000 but it has the capability to be expanded to 60,000. It would have to be subject to a separate planning

application in due course. The club would have to make a case for that. Let me get it straight, the stadium is capable of expansion to 60,000.

Tony: But the document says it wont be.

David: The document says 50,000 is for planning application. It has the ability to be expanded to 60,000 with planning application and you make a case.

Tony: There's no guarantees then, if that's what we're talking about. One last question. This whole thing has been put across like someone is going to wave a magic wand. Everton will be sorted, Kirkby will be sorted, Tesco will be sorted. No such thing. It's the biggest gamble, probably, in the history of Everton Football Club. It's the biggest thing that's ever going to happen to Kirkby. It's going to be the biggest Tesco, I believe, either in England or in Europe. It's flawed, that was admitted by Knowsley council's CEO, it's controversial, it's contentious, it contravenes policy law: local, regional and national policy. It's a bad idea, ill conceived, so wrong on many levels and, some are arguing, it could well be the end of Everton Football Club if it does happen. The residents will fight. The CPO's will be like Edge Lane, they will fight, tooth and nail, for it not to happen. Some people say that it could be a fight against Everton but I argue it's a fight for the benefit of Everton: to be surrendering the city; to be marooned on a retail park next to Tesco in a small town on the borders of Lancashire. This goes to Mr. Moyes, who's thinking about signing a new contract, think about that in the future, where you will be, because that's what will happen.

So, my question is Mr. Chairman, why not stay in the city?

B.K: I have to say I believe you put your case very eloquently and very well. I agree with you, the transport doesn't sound great, it doesn't sound great to me but I know there are people working on it diligently and I look to improvements all the time. Why don't we stay in the city? No one has come up with an alternative proposition that works. That's the reason, that's what I've been saying, that's what Philips been saying, that's what Tescos have said. I don't believe, maybe I'm naive but I don't believe that this is put forward by Terry Leahy solely for Tesco. The man is a great businessman but I think he has his Everton hat on in this.

Tony: Just to finish off, that's what I'm trying to say, it's not going to work and we'd be best staying in the city. Where's the a will, there's a way and although it's challenging, I throw the challenge down to what you're saying. The challenge is to stay in Liverpool city centre.

Daniel?: To Robert Elstone please. Can you clarify as to what date we are bound by the exclusivity agreement?

Robert: Bound into the exclusivity agreement throughout the inquiry period and there are certain clauses which allow us to escape in certain situations. We are currently within it and we will continue through the planning phase within it.

Daniel?: Are you confident that if we leave Goodison Park, that there is a suitable hotel, leisure or supermarket facility that is interested in investing in this part of Liverpool?

Robert: At this stage, we haven't entered into any discussions regarding the sale of Goodison. It may well be a construction of that nature, it may well be residential, we don't know that at this stage.

Daniel?: My final question is, perhaps to the room. If people took their blue tinted spectacles off and their rose tinted spectacles off, how would they have felt if Everton and Liverpool football clubs had, from the outset, as opposed to this moment in time, had joined together, with the co-operation of Liverpool city council and started from the beginning on one project as opposed to where we stand today where we might be conceived to be the lesser partner, being bolted onto a potential ground with Liverpool Football Club. How would people feel if we had started together as opposed to where

we stand now? Would they be so opposed to such a situation, from both sides of the city, if that was the case. Do people have an opinion on that?

B.K: I'll give my answer on that. I've been to several meetings many, many years ago on that and I didn't feel good about it.

Warren Bradley [LCC]: First and foremost, I'm not here to make statements. I'm here to ask questions. I missed the presentation unfortunately. I'm here to ask questions about some of the answers I've heard. Can I just say, firstly, LCC objected to destination Kirkby solely on retail on development grounds based around planning policy: national, local and regional planning policy. We believe that there's a contravention in the planning application. On a point before Sir Philip said about Scotland Rd. in 2006, there was some dialogue held with Tescos and Everton Football Club about a site on Scotland Rd. I was leader of the council at that time and have been heavily involved in Project Jennifer, which has been an integral part of the redevelopment of north Liverpool, esp. Scotland Rd. Throughout that, Tescos have been an active partner, up till a couple of weeks ago. Can I ask when did Everton Football Club approach LCC, who are the accountable body? Alternatively, when did Tescos or their agents go to LCC about Everton Football Club looking at a site on Scotland Rd? Because, as leader of this city, I'm not aware of it and I don't believe any of the officers of council are aware of it who've led on the Project Jennifer application and subsequent approval that we are moving on with.

Someone on the board: What's the question Warren?

Warren: When or who had dialogue over a site in 2006, as Sir Philip mentioned before, about a site on Scotland Rd. The first time Scotland Rd. was mentioned, the Bestway site, was in a meeting that I had with Bestway who were looking to relocate from the tunnel trumpet site for expansion. They were looking at other sites in north Liverpool, around the Vauxhall Rd. area. We seem to now have secured that. It was at that point that the Bestway tunnel trumpet site became an option and some work was done, in feasibility by LCC and Bestway, to see if a football ground could actually be delivered in that location. So when, in 2006, did Tesco approach LCC, or Everton Football Club to LCC about a site on Scotland Rd.?

B.K: All I can tell you is that the conversations you and I have had about Bestway, which confirm to what you just said.

Audience: Then answer the question.

B.K: I've answered part of the question, I'm asking Philip to answer the 2006 question.

Sir Philip: I think, you'll have to go back here Warren, to remember, err, Keith, who was at that stage our Chief Executive....[couldn't answer further]

Warren Bradley walks away.

Paul?[proxy for Neil McCann]: The word, enabling development has been used a lot here tonight so a question to Robert. Whether it be here at Goodison or on a new site at Kirkby, what does that actually mean in respect to income for the club. Is it literally that we've got hotels and shops around the thing which bring people to the stadium when they then spend money in the stadium or do we make money out of the shops directly and the stuff around the edges?

Robert: The enabling development is a contribution generated by the developer which will be put towards the capital costs of the development of the....

Paul?: So it's Tesco's facility. So do we get that money?

Robert: I don't understand the question.

Paul?: It's Tesco's project that we're just piggybacking on, isn't it? It's not our project. We don't own the stadium, we're just renting it from them? Keith Wyness' peppercorn rent for 999 years.

Robert: It's essentially our stadium

Paul: I pay rent on my house. If the value of my house goes up, I don't make any money out of it.

Robert: We have full rights [...] any commercial activities of the stadium.

Paul?: Of the stadium, yes, but not the shops around it?

Someone in audience: You don't have access to it all the time, because the council have it 2 or 3 days a week so don't say that.

Robert: That will not present any significant commercial incumbrment on Everton Football club.

Paul: Just in respect of what was mentioned before about misleading people. The brochure that was given out. I'm not sure how many people were aware that the actual project that was put forward in the brochure was actually scaled down, I believe, at a later stage. So that some of the conditions were brought into it, such as no music concerts were allowed to be held at the stadium, as Johns just said, there were only X amount of uses, non EFC amount of uses a year and things like that. So, the information that was in the brochure and all the numbers, not that there were many of them, in the brochure that was saying 'we're going to make an extra £10m a year', were all based on the original plans which have now been scaled down. That's why the thing about the mandate was....

Robert: I understand but we are confident that we can generate £10m, £11m of incremental revenue from this new stadium. Absolutely right, we will not be allowed to host pop concerts. We don't believe that will have a material impact on our business plan. It would be nice to be able to do it but it is absolutely not the reason why we are moving to Kirkby stadium.

Paul?: So, just to reiterate. Even though we are renting the stadium, any non EFC use of the stadium, we will get the income from that, we will get the money from that? It is effectively our stadium in that respect, it's not Tesco's.

Robert: Absolutely and there is a minimal grant that is currently being negotiated, a grant of time and access to Knowsley council, but that is still being negotiated. There are no commercial constraints, unreasonable commercial constraints being put on the stadium.

Paul?: Another one, just simple question then. We are talking about £78m going forwards, possibly more than that and you've done your figures for how much it would cost to develop Goodison. You're obviously very accurate with your numbers so could you tell me how much you have spent so far on the Kirkby project?

Robert: It will be made available in published accounts. We've spent, as a club, in excess of a £1m on this project.

Paul?: Only £1m. Everton have spent only £1m on all the brochures and the balloting and....

Robert: In excess of a £1m but less than £2m. The number has not yet....

Paul?: All these experts down here, for the last two years you've hired these people to do all these studies, into Goodison, into....

Robert: There has been considerable investment in professional fees from Tesco, Knowsley. As you rightly hit on, this is about a tenth of what Liverpool football Club spent on their professional advisors...

Paul?: I'm just asking how much you've spent, I just want a number.

Silence from the board

Paul?: So you haven't got a number.....

Silence from the board

Paul?: I'd also like to reiterate that the people were misled by the brochure and the thing has now changed and people should be made aware. I think the mandate would give a very different view if it was brought forward again today, inaccuracies such as Goodison failing its safety certificate. I believe the mandate is no longer valid and I would like another vote.

Joe Anderson: Chair, one of the things that strikes me is that everybody in this room would probably prefer Everton Football Club to stay within Liverpool City Council's boundary. I'm not going to stand here and argue with your professionals about the financial, commercial issues in regards to whether Everton move or relocate but there is a number of inaccuracies, misleading comments and people being economical with the truth. The fact of the matter is I met with Warren Bradley and Keith Wyness in March of this year and we wanted to constructively discuss with him alternatives, other than Kirkby, within LCC's boundaries. We were categorically told, absolutely, under no circumstances, would we break that exclusivity deal and we wouldn't enter into any negotiations. Now I can accept that if that was the case, that there was an exclusivity deal that was to run and run but the problem for me and for Everton Football Club is that I believe that we are now in a situation where we will bury our head in the sand because we believe that the Kirkby project will proceed. The fact of the matter is, there's a hell of a long way to go before that decision, it will take at least 2 years. I personally, because of the issues around planning, it won't be given the go ahead. Therefore, I believe we have a decision to make: do we bury our head in the sand or do we look at alternatives and discuss with people that want to look, in the best interests of EFC, into keeping Everton within the city boundaries.

I don't believe for one minute that we have exhausted all of those particular sites. LCC and for instance, the development of Everton, of the footprint of Everton. Its said the school causes a problem. We've got building schools for the future programme, millions of pounds within the city where we can easily relocate that school within the ward and within easy accessibility to all the kids that are sent there now. That's not a problem. We've also got housing market renewal so we can compulsory purchase or look at taking over the properties within there, so we can develop the footprint. We own the freehold of the garage, we can negotiate with them to relocate them. So the footprint, with the will of LCC and EFC, can be achieved.

I also believe that the Bestway site and other sites within Liverpool, Edge Lane, Long Lane, can all be looked at. With a will and a way, both parties could agree to do something. What I want from you, Chair, tonight is a commitment from you, that if you allow Warren Bradley, he's here tonight, and me, whatever, to broker a deal so we can talk to one another, with the NWDA, with EFC, with Bestway and with other people to try and see if we can broker a deal. Because if we don't have a plan B, we're going to look absolutely stupid in 2 years time, with egg on our faces, when Destination Kirkby is destined to hit the buffers.

After a minutes applause and shouts of 'answer the question, Bill'

B.K: I don't believe the exclusivity agreement stops anybody putting a viable proposal to EFC. I have never believed that Joe. I remember the meeting with Keith Wyness. As far as I'm concerned, you come up with a viable proposition, you and Warren, for Everton Football Club and yes, we're there...

Audience: shouts of 'make a commitment...'

B.K: If you come up with a viable proposal Joe

Mark C: Why don't Everton come up with one?

B.K: We are there with you, thank you.

Tom Cannon: Mr. Chairman. Tom Cannon (loud jeers and shouts of 'sit down'). I'm a shareholder rather than a proxy (shouts of oohhhhhhhh). The first point is, can I just thank Robert, for probably the most comprehensive explanation of the scenario we have had. Can I ask you, Mr. Chairman [...?] permission [...?] communication programme of that quality for the future.

B.K: Yes Tom, I agree with you. I though the presentation was terrific. I think Robert, in the 5 weeks he's been at the job, has done an extraordinary job. I think he'll continue to do an extraordinary job. When Keith Wyness left, he and I had a meeting within 24 hrs and I said there is a feeling in the football club that communications are not good. I want an open door policy and all the different factions about this, about everything. It's an emotional issue, which should be listened to and supported. I agree with you, he's done a fantastic job in the 5 weeks that he's been here and supported by a really terrific team at Everton Football Club.

Tom: Second question, Mr. Chairman. Has anybody at this meeting, denied to anybody, LCC or any other local authority, the ability to come and put forward a viable proposal. In my understanding, what you are saying is, if somebody comes forward with a proposal which is viable, both in terms of the size of the site, in terms of the funding of the site, in terms of the viability of the site, in terms of the ability to deliver on the project, using the criteria that Robert states. If anybody indicates that you, or the board, or the officers of the board won't talk to them, can you confirm that you are willing to talk to them if they come up with viable proposals? I liked Joe's comments you know but I was one of those people who stood there and supported the Kings dock and felt stupid afterwards when a certain local authority that shall remain nameless, let this football club down over that development.

Shouts of 'we couldn't come up with the money'

Tom:.....?...]proposals, that there is an open door to them, but they've got to come up with them because they haven't come up with anything yet.

B.K: What I am saying is, I think Warren and I have become, I think friends over the past few years and he knows the door is open. I thought Joe did a terrific speech and I support dialogue with you, Joe and hopefully you and warren can get together. Again, if there is a viable proposal to Everton Football Club, it will be listened to. Right at this moment, there is a viable proposal from Kirkby and from Tesco. They've been terrific partners, I'm loyal to them and I'll follow that partnership through. That is not to say that I will not listen to other proposals because I will.

Tom: There's been an awful lot of speeches rather than questions so I'm going to take the opportunity, as a shareholder, to make a comment. I happen to believe that this football club currently faces an almost unique experience in the 50 years that I've been supporting this club. That is because our friends across the park have had a major setback, not only in the development of their stadium but in terms of their whole funding mix. I'd like to see this club move forward and if moving forward means getting an outstanding stadium in the Merseyside area, in the area that I was moved to from where I lived in Kirkdale, into a Liverpool council estate in what is now Kirkby. I certainly have no objection to it. I see the opportunity, and a unique opportunity with our friends across the park facing a distinctive set of major problems. This gives us the chance to jump over them, to jump ahead of them [laughter.....?...] The people I want to beat most are over the park and I think the Kirkby development, or a similar development with comparable funding?...? Quality, with the funding can do that. If we turn our back on Kirkby now, with no alternative, then you can say goodbye to the best

chance we've had in the last 20 years, to overtake Liverpool as the premier club, not only in the city but in the whole of England.

Mark Denny: I'm a supporter first and a shareholder second. Couple of points I want to make, or turn into questions if you want. It's to do with transport and I work in transport. With regards to Kirkby stadium, when Keith Wyness tried to sell this stadium in Kirkby, he talked about corridors of new fans coming from basically untapped sources. I don't know where he thought he was talking about, Lancashire is already full of Manchester fans, Liverpool fans, Everton fans. They're already there, they already come to Goodison. The fact is, these untapped people. I've just been told that the train coming from Bolton or Wigan will be under used and won't have the ability to come in with more fans so how are they going to get there for a start off? No trains go, after 7 o'clock from Kirkby to Wigan. These people go to Lime St. now, night games they will have to go back to Lime St. unless Merseytravel invest millions, and I mean millions of pounds, and Greater Manchester transport, into funding transport to Kirkby. They will not do it, for once or twice a week. You know that, everyone knows that.

Another thing, when you talk about increased income for the manager. We all want that, I've spoke to David many times, and recently, and we all want the same thing. We want money for David to build a team what we are proud of. You talk about £10, £11m Robert, extra income. When we talk about [...?...] and you hope to raise it by this, by that, by the other. What if it's all debt? Debt's got to be paid back whatever way you look at it. £10m on top of our existing debts, on top of our increasing wage bill, that £10m doesn't half get smaller. Someone mentioned about shops around the stadium. We know what's going on there; we'll not get any extra income from them, that's all. That's what Tesco want to do, they want people in that area to spend for them, not for Everton. We all know Tesco are only interested in Tesco, they're not interested in Everton. They're a big business, it doesn't matter who the chairman is. We really need to re-look at Goodison and I've seen your spin, it's basically regurgitated spin from what we had off Peter Johnson basically. It's just moved on a little bit. You've got pretty graphs instead of drawings on a chalkboard like what Peter used to do. Do you all remember them? The fact is, Goodison can be rebuilt. Yes it will cost, yes it will take time but at the end of the day we're Everton, we're not Arsenal, we're not Manchester United, we're not Liverpool. We want to do as well as them on the pitch but at the end of the day, they're in Mars and we're on Earth.

B.K: In response to that, which wasn't a question, in response to that Mark, you know I agree with your view. The truth is, every single year it becomes more and more difficult. Every year to find the money, becomes more and more impossible. A new stadium or a redeveloped Goodison that is worth something is an asset on a balance sheet. I presume people look at that, I presume that will make us more attractive. All I know is, and this is for all of you to hear, it is impossible to continue in the financial way we are doing at the moment. Last year, as you know, we spent 23, £24m and I explained it to you, painstakingly, at the last AGM. I went through it bit by bit. I said to you what you could get [...?...] PFA levy, agents fees. So this year, we got that in from the sale of a few players, we got back in, I think, £10m. So we overspent by 13, £14m. We done well, we made a profit thanks to this man [Moyes], that's all thanks to this man. And I have to say, thanks to the staff at Goodison who I do say, run a good ship and it's getting better all the time. That brought us in a profit, I don't know how much but it's an okay profit to us. It's a profit that we can go to the bank and say, look, we made 4 or £5m. But it still leaves us with an 8, 9, £10m deficit. I'm not clutching at figures, I don't know what the final figures are but it leaves us with a deficit to add on to last year's deficit of 8, 9, or £10m. If you remember Joe Beardwood, a shareholder and a fan who I admire, brings the figures to you every year. He says, all we're doing is adding to the debt. True. Adding to the debt because of a board that guarantees more. We will have to guarantee some more this year because we've spent again. Next year, next January David will want more players. Next year he will want more players and I will be there wanting to support him. He and I talk about this, 5, 6, 7, 8 times a day. It can't be done any more with this situation. I don't know how better I can serve you other than with the relationship I've got with the bank, with the relationship the board's got with the bank and continually going and saying, we need more. You know what, we were 5<sup>th</sup>, I think we can get to 4<sup>th</sup> but to get to 4<sup>th</sup>

Someone in audience: Sign your contract David, that's how you can help

B.K: But to get to 4<sup>th</sup>, we need more money. Bank, will you lend us more money. We know what's going on at the moment in the world, the banks are tighter than they've ever been. Our bank's fantastic to us. All I can tell you, with absolute, genuine honesty, I don't know what to do anymore other than to get more money

Shout from audience, sell it then.

B.K: Sell it. You're right. If I can sell it, it will be sold tomorrow, the next day or the next day. There's a man called Keith Harris who I'm sure you all know, he did the Randy Lerner deal, hes done most of the big deals in the last few years. He's out there looking for me, John's been out there looking for the last ten months. We are out there with an open door policy. Everyone knows this football club needs investment. I don't know what more I can do to serve you, to serve the football club and to get you the success that you deserve.

Shout from audience: The planning application said the club is not for sale.

Andy: Just to go back the Goodison part of the presentation. Am I right in saying that that was commissioned 5 or 6 weeks ago, what we saw, Robert?

Robert: It wasn't commissioned 5 or 6 weeks ago, it's really a refresh of a lot of existing work that's been going on at Goodison.

Andy: I think I'm right in saying Mr. Chairman, there was a discussion last year about a plan B and towards the end of the AGM you came to the conclusion that plan B would need to be Goodison. I think I'm right in saying that at the end of that meeting you instructed Mr. Wyness to go away and start looking at a potential plan B. Is what we've seen today the outcome of that or is there more that was done in that process?

David (KSS): We first looked at the redevelopment opportunities at Goodison about two years ago. We've been refreshing those over the last 3 or 4 months while looking at various other options. I've also looked at a number of presentations that have been submitted to the club, many of which are well intentioned but are completely not possible, they're not viable. They are totally unrealistic. So what we have produced in the last 3 or 4 months is really a rationalisation of the last 2 years of work.

Andy: So that reference to a 5 week time scale, that wasn't relevant to Mr. Wyness' departure, a new look taking place...

David: It was put together for this presentation.

Andy: So it was written once the EGM was in place. In terms of what we were shown there, there was the high level figures, there is the high level of loss with that part of the ground, loss of income. Is there more detail behind that can be given about that to the shareholders?

Robert: I'm not sure why [...?...] make it available. There was considerable detail behind that. It was our finance team that looked at the likely costs of renting a stadium, potential gates and that's when they came up with the losses and costs of moving away and we looked at the incremental revenue in a reasonably diligent way. We are confident that those numbers are broadly accurate.

Andy : So there wouldn't be anything made available should the shareholders want to look at it in more detail?

Robert: I think there's commercial sensitivities. Absolutely, why would we disclose what our future ticket pricing strategy is going to be? We can't do that.

Andy: Okay, maybe not on the income side but in terms of capital expenditure, the phasing implications and all that sort of stuff. I only say because, over the years there's been 3 or 4 other options at Goodison been talked about and there's still the information on the Internet. I think it's quite interesting to compare what you come to now and to where you've sometimes been in years gone by. Same as the phasing, how that will work?

David: I made it clear to the board that I was happy to sit down with Tom Hughes and Trevor Skempton and one or two others if they want to sit down and see what we've done and see the reasons why, to debate that. I'm happy to debate any ideas. I've been doing this for 25 yrs around the world, designing and devising stadium. I know what I'm talking about. There are 2 other major sports architects who've looked at this site, both have come to the same conclusion. If someone's got a great idea, great, I'll listen to it but I can tell you now, I don't think there's one out there.

Andy: Just to pick up on my last question, in terms of where the Kirkby stadium will sit.....quality.

David: It would be a good quality stadium.

Andy: Is there a stadium you could.....compare.

David: I worked on the City of Manchester stadium and that cost less than this stadium will cost.

Andy: In terms of what it delivers?

David: It's a very good spectator experience. As it is now, it will be a very good stadium.

Ian: Can I ask the lady a couple of questions on public transport please? On a Sunday, the train service to Kirkby is every half hour. Last year, on 6 occasions, network rail, without asking anyone's permission, closed the line to put in engineering work. What happens then, if I want to get to Goodison?

Kara: I can't talk on behalf of Network Rail but I would assume that they would plan their engineering works around the football fixtures.

Ian: They won't. They'll put a replacement bus on and it's a 70-seater bus to serve a 300 and odd seat train.

Kara: I can't answer on behalf of Network Rail.

Ian: So I can't go and watch Everton in Kirkby then?

Kara: I'm not going to answer a question about Network Rail. It's beyond my control.

Ian: You did the public transport plans.

Kara: Sure, but that's a Network Rail decision and I'm sure Network Rail will work with the club...

Ian: Haven't you asked them that question then, in your detailed study?

Right, second question. If Everton are in the second leg of a cup or European game and it goes to penalties like Fiorentina and I get out about 10.40pm. I live in New Brighton, how am I going to get home?

Wag in audience - 'Swim'

Kara: Can I just say one thing? Rail problems exist with any football stadium and they deal with it with contingency planning and alternative transport. If you are travelling by coach...

Ian: Can you answer my question please?

Kara: It depends which mode you're travelling by. If you're driving...

Ian: I want to get home by train. I'll be 67, 68 then. I won't be able to run down to the station to get the first train. So I'll be waiting an hour. So if I get on a train at 11.40, which gets me into Liverpool at midnight, that last train to New Brighton has gone.

Kara: I'm sure Network Rail would put contingency plans in place....

B.K: Can I just say, I think some of the transport problems have been expertly asked tonight and what I think we should do is, I think we should have a open door policy for a fans committee to come and sit with our advisors and see if we can come up with any answers.

Michael: I wasn't going to say anything. 50,000 was mentioned, then I heard the words 60,000. 6 quick questions and 6 quick answers will do. Perhaps Robert can... Last Saturday, 3pm KO, not on TV, what was the attendance? 34,000.

Can people on Merseyside now watch live TV game in pubs, illegally or legally or indeed watch them live on the internet?

Robert: Absolutely, illegally.

Michael: Don't you think that puts some people off, Sundays and Monday evenings, attending games?

Robert: Yes.

Will ticket prices at Kirkby be cheaper than at Goodison Park?

Robert: That's a sensitive question.

Michael: Has any research been done by our consultants into the employment and unemployment levels in the City of Liverpool and Merseyside? Going beyond, I hasten to add, the official statistics, which are very poor and patchy these days.

Robert: Not that I'm aware of.

Michael: Could I make a request for the consultants to do so? With particular emphasis on youth unemployment levels and the number of people under 25 in jobs.

Robert: Michael, are you asking are we going to fill Kirkby?

Michael: This isn't the Home Counties. Does the board believe that given the change in the economy, technology, the number of people living in Merseyside attending games at Everton FC, or even Liverpool Football Club, will be as high in 20 years time.

B.K: My crystal ball doesn't extend that far.

Michael: My point is, I think we're going to struggle, even with the best of luck, I think we're going to be struggling to fill 40,000, never mind 50,000 and especially if we move to Kirkby.

Robert: Michael, are we a big club? Are we an ambitious club? Are we a club that has half a million users to it's website every month? Are we nearly full every week at Goodison when you take out obstructed view seats? We are ambitious, we are a big club and we fill 50,000.

Michael: Robert, don't get me wrong. We are the greatest club as far as I'm concerned but there is a change in technology. You've said yourself, people watching on the Internet.

Mark: Thank you Mr. Chairman: The resolution that we'd like to propose at the meeting tonight is:

In the best interests of Everton Football Club, the shareholders of the company request that the board extricate the club from the exclusivity agreement with Tesco followed by the immediate withdrawal from the destination Kirkby scheme and forthwith, commence negotiations with Liverpool City Council to ensure that the club can redevelop Goodison Park or relocate to a central location of the clubs choice within the City of Liverpool.

After a several hour delay the club's solicitor announced the result of the poll taken from the 700 people present, 622 in favour of the resolution, 26,553 against. The club's solicitor declined to announce the individual votes for and against on the night.