

## **CUFC STATEMENT**

It became abundantly clear in the course of last season that CUFC, despite enormous local appeal, was substantially under-performing. Indeed, its status in the Football League was under threat.

The causes of this potential demise were many, but certainly included disjointed ownership, lack of funding and a clear business plan involving all parts of the Club.

Given the above circumstances and as a lifelong Carlisle supporter, I offered my services to try and effect a restructure of the Club whilst restoring it to stability. I have considerable business experience and in football, having been a successful director of Motherwell FC for almost ten years.

I have spent the last nine months extensively consulting with all interested parties culminating in bringing together a consortium of local business people, whilst ensuring the Trust retains significant control. This plan involved no single person or party having absolute control of our Club.

Putting together this plan was costly both in terms of time and expense and final agreement was reached, subject to the normal legal documentation.

I and other colleagues were therefore completely stunned to be advised by the existing majority shareholders that they wished us to suspend this process whilst they engaged in discussions with unnamed potential purchasers, who I understand to be from overseas. I would emphasise this was done without consultation with myself or any of the proposed new investors and in essence, appears to displace our local money and expertise.

I am also conscious that the timing of any deal is critical given the Club's atypical business cycle. In short, in our view, the deal needs doing by end of June to allow proper planning for on field and off field next season. We will be able to meet this deadline and believe any other deal is likely to be months behind us, bearing in mind it has taken nine months to get here.

In conjunction with the current Board, we were at the point of appointing a new MD and a new Commercial Director to take the club forward. This would be with a restructured balance sheet, a virtually debt free Club with adequate funds to take the Club to the next level. It should be

emphasised that every pound raised under our plan would be going directly into the Club and not to any existing stakeholder.

I would therefore urge the majority shareholders to make public who they are in discussion with, whether they are local, national or overseas and on what basis their investment is being made so that the wider Carlisle community can evaluate the approach.

My fellow investor Robin Brown and the Trust have made the following statements.

Robin Brown:

“Myself and other local businessmen are 100% behind Andrew’s plans and ideas. One of the key aspects of Andrew’s model was sustainability and avoidance of over reliance on any one individual. Most of the new business investors are either fans or sponsors or both, but all are committed to investing only under Andrew’s plan.

As a recruitment professional, I want to add that I was genuinely excited by the quality of appointments the Club were on the verge of making. I’m very concerned these candidates will move on to other options.”

Norman Steel:

“The Trust remain 100% behind “the Lapping Plan”. Andrew has been entirely open and transparent in his dealings with us and we were incredibly excited at the prospect of the new structure and management. We think it would have placed the Club in its most exciting position since May 1974 when we won promotion to the old First Division.

As a 25% shareholder, we are dismayed not to have not been consulted about yesterday’s announcement and can assure our members that if any new plan involves dilution of our shareholding, we will be starting negotiations completely afresh and nothing should be taken for granted whatsoever in that regard.

We liked both the sustainability and business-like approach of Andrew's deal/structure. We have been impressed by his honesty and integrity and his obvious desire to achieve the best for the Club. We remain hopeful this deal can still happen and we will do what we can to facilitate it."