

SUPPORTERS' TRUST AT READING

Reading Football Supporters' Society Limited,
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Club Ownership, Financial Governance and Wealth Distribution Policy

This policy has been produced by the Reading Football Supporters' Society Limited (trading as 'STAR') and adopted at its Board meeting held 11th February 2010.

STAR believes that there should be minimum standards of financial governance and ownership across the whole of English football (at football clubs of all levels including Reading FC).

STAR believes that :

- football clubs should be run on a sustainable basis, with the minimum of debt; and any such debt to be incurred on capital projects rather than on-going playing expenses;
- owners and majority shareholders of football clubs must be subject to an improved Fit and Proper Persons Test; this Test to be applied before transfer of ownership or control commences;
- all club ownership should be fully open and transparent, and should be direct ownership (i.e. not through shadow companies or other non-transparent/tax-exempt companies). If corporate acquisition is unavoidable, it is essential that the names of the individuals owning, or ultimately owning, the acquiring company are disclosed, to enable a robust fit and proper persons test to be carried out;
- the use of "Sporting Sanctions" deducting points from clubs going into administration, should be replaced by an "early-warning" system that detects and sanctions clubs with a vulnerable financial position, including excessive debt, before it leads to administration;
- The Football Association should take responsibility for overseeing financial governance of football clubs at all levels, including the performance of the fit and proper persons test as primary responsibility, and should perform this role robustly and consistently;
- the distribution of revenues within football should be more equal, giving clubs outside the Premier League a larger share than currently received.

Notwithstanding the above principles, STAR will, unless the Board or membership decides otherwise for a specific policy/policy area, support principles for Club ownership and financial governance proposed by Supporters Direct.