



The Stadium Shares – the FACTS

As HTSA's Aims & Objectives clearly state:

"To strive for an explanation and possible resolution to the share issue that HTFC supporters are aware of surrounding The Galpharm Stadium or to continue to monitor the same."

We know this topic is repetitive, and some people may find it boring, and we know most people think they have heard it all before, but unfortunately, due to the morally corrupt attitude of our still incumbent chairman, this issue is as relevant today as it was when it was first discovered several years ago.

The History

If you visit the official internet website of Huddersfield Town it tells the story of the Huddersfield Association football ground company armed with £500 setting about purchasing a site for a football ground. Here are the summary details.

In 1908 Leeds Rd was ready for the birth of Huddersfield Town. It tells of the plans for the stand and paddock and eventually of a finished stadium holding 34,000 supporters and in 1910 we gained election to the football league and in 1911 due to the cost of relaying the pitch we fell into financial trouble and finally were liquidated in May 1912.

The Club was then re-launched but due to lack of attendance once again fell into financial trouble in 1919. Then along came the idea to move to Leeds which sparked a public backlash and galvanised the club and the public of Huddersfield into forming a club that went through it's most successful period in the glorious 20's. Crowds rose from a measly 3000 to 60,000 by the end of that decade.

The official site also pays mention to a time when in the 1930's The Directors showed a lack of adventure by purchasing a stand from Fleetwood that only held 1300 supporters. During the 1940's there is also a time when the directors were praised for getting it right. After seeing a RECORD 67037 supporters in the ground and witnessing a lot of injuries it was decided to upgrade the terracing with such strong barriers they still passed a test of fitness in 1970.

There was also a time in 1961 when the club required floodlights. Denis Law was transferred for a sum of £55,000 to finance the acquirement of these floodlights. Leeds Road eventually succumbed to father time and eventually we moved to the present stadium. That is part of the history off the Official website.

Ken Davy, Andrew Watson and Roger Armitage have tried to tell us on countless occasions that Leeds Rd didn't belong to HTAFC and Andrew Watson stated that the only thing that Huddersfield Town brought to The McAlpine table was a £5 million figure

The council paid to buy HTAFC out of the leasehold which could have been considerably more if food retail outlets had been granted permission on the B&Q retail park which was formerly Leeds Rd our home. They or anyone else have failed to point out when we lost the ground and all that went with it.

In the past the Supporters Trust and FFA (Fight for Answers) asked the questions regarding The Share issue within KSDL and to be honest and frank with you the representatives of The Club have tried at every turn to belittle HTAFC's contribution to building of The then McAlpine Stadium.

Choosing to ignore the £5 million, the European grants and football associated grants which accounted for a large slice of the finances these people continue to try and smooth over the stadium share transfer to a private company which is Huddersfield Sporting Pride.

The flagship that is Huddersfield Town football club in the last 15 years have partly financed a number of projects.

The North Stand is still being paid for by way of loan repayments by HTAFC and eventually £1.5million will have been repaid and we won't own any of it!



The Sports Barn included funding believed to be over £1 million and we've been told we now have to pay to train there!

The Zone was acquired by representatives of Huddersfield Town and is now a private. charity run enterprise.

The latest Huddersfield Town costing that appeared at recent meetings was a sum of £25,000 was invested to upgrade the pitches at Storthes Hall. We don't own Storthes Hall, Huddersfield University do and they have no problem finding funds to sponsor the Giants so you've got to ask why?

The Supporters Trust asked questions of Ken Davys intentions way back in 2005 after finding out about the Stadium share transfer that he promised would never happen. Fight For Answers picked up the baton and ran with it because Davy showed nothing but contempt for the supporters of the club and his silence spoke volumes. Eventually when FFA did get to meet him we did get some of the answers and for the good of the club we decided to try and run with it.

The intervention of Adam Pearson and then the official application and consequent announcement of the HDONE project opened up old wounds and the picture was complete. The reason Ken Davy will not make the stadium shares available in our opinion becomes quite clear.

We have consequently asked questions of Begbies Traynor, the Administrators and members of the KMC representatives on KSDL along with KSDL themselves.

The sale of 40% of the shares in KSDL at a price of £2 was understood by The Supporters Group at the time was made with HTAFC and the shares being as one. Huddersfield Sporting Pride at that time had the stadium shares valued at £15 million. The joint venture agreement which keeps getting quoted was an agreement between HTAFC, the Giants and KSDL. That is no longer the case as Huddersfield Sporting Pride owns 60% of the shares and KMC 40%.

The Actions of Ken Davy

Here is a brief explanation of the situation surrounding Ken Davy and his actions while acting as chairman of Huddersfield Town:

Ken Davy (with the backing of the council because unlike the existing bid, his bid had HTFC repaying debts to them that were to have been wiped off in admin) took over HTFC and with it the clubs 40% share of the stadium company, Kirklees Stadium Development Limited.

At the time he publically stated the makeup of KSDL (40% Town, 40% KMC and 20% Giants) would not change. Literally days later he transferred Town's 40% into his holding company Huddersfield Rugby League football Club Ltd. This was not publicised.

He changed the name HRLFC Ltd to Huddersfield Sporting Pride Ltd, selling it as some kind of umbrella company for both Town and the Giants. In fact Town weren't any part of it and had no assets in this company.

The transfer wasn't discovered for 15 months.

When confronted with the transfer, he (rather begrudgingly) gave the reason that this was done to protect HTFC from KSDL's debt liabilities.

He seemingly forgot that KSDL is a rather healthy business that makes a very sizable profit every year AND that around the time of the transfer he had also publicly said that 'all the doubts hanging over KSDL had been removed', when KMC took almost half the then £7m debt liabilities away from the company.

When asked when and under what circumstances the shares would be returned ,he chose to describe those asking as myopic, bigoted troublemakers of the worst kind and tried to get the police to stop them informing the wider fan base of the fact Town had had their assets stripped from them.

After being repeatedly asked and asked again, he finally said there were NO circumstances where the shares would be returned to HTFC. An admission that flew in the face of the reason he claimed the shares were removed, and confirmed many fans fears about his motives for taking over the club and his desire to ever put the club's interests before his own financial gain.



Plans are unveiled of huge development of KSDL property with the HDone project. Perhaps a more plausible reason why Davy took Town's assets in KSDL away from the club.

In the foreseeable future-

Town continue to be hamstrung financially by the stadium the club wholly developed and largely financed, never recouping any of the vast amounts of money the club has put into it since well before it was built right up to the present day. HTFC will continue to pay a large amount in basic rent (about £800k per annum currently) and on top of that will also lose all catering and ground sponsorship revenue to KSDL as well (catering revenue is around £500k per annum going by Bradford's deal with the same firm).

The club will also be charged by Davy when using any KSDL facility on top of normal match day use, such as taking a suit for the Player of the Year evening etc).

If you want a grim example of the financial noose Davy has placed around the club's neck then season 2005/06 is a great example.

That year Town averaged 13,000 fans in the 3rd division. Had all but paid off existing debts to former players. We had the cash bonanzas of a cup game on TV, a cup game at Chelsea, a 100k sell on clause when Stead went to Sunderland and lucrative play-offs against Barnsley.

The recommended % of turnover payable to players is 60%. That year Town only paid 29%.

Yet despite all these things, the club only just broke even!

If the Shares were recovered.....

Any investment in the stadium, such as the scoreboard or new pitch, would be financed, as it was, by KSDL not the clubs. Don't forget KSDL is a company that makes a very healthy year on year operating profit.

What would change is that we would go back to the original business plan for the stadium and Town would eventually be rewarded for all the vast INVESTMENT the club has put into the stadium over the past 15 or so years.

The original plan was that eventually, when KSDL's debts are repaid, the ongoing profits that KSDL make (from the sporting clubs, sponsorships, rent from the cinema, bars, golf range, catering contracts, corporate days, other events etc) would be paid out in dividends to its shareholders, of which HTFC would receive 40%.

This 40% would pretty much offset the amount the club pays to use the stadium, meaning the club has little or no costs, maybe even make a profit. Money that can then be invested in the team instead.

Where we are now is that HTFC's 40% dividends will go to Ken Davy and after his death, to his family ad infinitum. The club will continue to finance KSDL to the tune of roughly £1.4m a year through rent and loss of catering income etc, and will never receive a penny from the stadium, despite mainly financing it from day 1.

In addition don't forget, despite being mere tenants now, we are still lumbered with repaying a large share of the separate debt on top of the rent taken for the Fantastic Media stand, . i.e. paying for a stand we don't own any of.

If Huddersfield Town and Dean Hoyle cannot recover the shares, then Huddersfield Town could be in dire financial trouble.



What can we as Supporters do?

Mr Davy, and his supporters, are relying on supporter apathy and the thought that eventually no-one will listen and supporters will tire of asking the same sort of questions, and getting the same non-committal answers in return.

Huddersfield Town cannot afford to carry on financially as the club is set up now. Things do have to change and this is probably the only way we, the supporters, have of changing them.

Dean Hoyle and Nigel Clibbens, no doubt, have their own plans for how to try and achieve the return of the club's shares. We, the fans, can only continue to do what we can. To question, to inform, to keep the topic in the public eye, and to request that our local Councillors and Members of Parliament are informed and asked what they can do to help. These people represent each and every one of us. They need your support, and it is their civic duty to investigate local issues. We would urge each and every one of you to contact your own Councillors and Members of Parliament. If you don't know what to say, there is Draft Letter available to download from the HTSA Website and a full list of Councillor email addresses.

In the next week or so, we're hopeful that an investigative piece will appear in a broadsheet newspaper (The Guardian). The journalist has met with us, and we have sent him all the history of this issue (with all the 'facts' backed up by links which are in the public domain). He's also done his own research by asking relevant persons from the club's, and stadium's history. He may even have spoken to Mr Davy!!!

Once that's published we're hopeful that the Examiner will do a piece, including the KSDL questions/answers as well.

Then there's the next Patrons Meeting, on Wednesday 6th May, when Mr Davy will be the guest for the second half of the meeting (the first half is Lee Clark). Please try and attend.

Inform as many of your friends and family as possible

There's also what Dean & Nigel have in store. They have the capability, to ensure every season ticket holder (past and present) gets to know the exact position, if they so wish.

It's a long process....but Mr Davy is going to have some nerve if he's able to ride out of Town with his reputation still intact.

Far be it for HTSA to suggest that Mr Davy, or KSDL, has done anything illegal throughout this process but around the time of the removal of the shares, the Huddersfield Sporting Pride accounts show that KSDL's involvement in the stadium to be nominally valued at £15m....Town's 40% share of that would be valued at £6m....which leads you to wonder why the shares, at the time of administration (and allowing for all the related debts at the time) were sold to Mr Davy for £2.

What is without question though is that Mr Davy's actions were, and continue to be, morally & ethically corrupt. What he has done, and what he refuses to rectify, is tantamount to taking the Leeds Road stadium, and all its associated history, and putting it into his own family's pension scheme!!

If, as he insists, he removed the shares to protect the football club from future debts, why won't he give them back when Dean Hoyle takes over? It won't be his problem any more! Surely the chairman of the football club, at whatever time, should have the assets and the subsequent capability to manage, and protect, the club's debts?

He should give them back, as they belong to the football club.

If he won't do that, and he really is in it for the profit as the businessman he is, he should sell them back. He's been asked to, and he refuses to.



In Summary

Leeds Road History

The original 99-year lease (from Huddersfield Corporation as was) had been extended to 150 years in the 1980s.

The Club and Council subsequently agreed to make all the money from the sale of the ground available for funding the new stadium. This amounted to more than £5M.

Kirklees Stadium Development Ltd

First stage funding as above, plus significant additional football-related funding, plus £2M from Kirklees.

Second stage funding included Kirklees £1.83M, Town £1.2M, Giants £0.2M

Joint Venture Agreement – not in the public domain: Kirklees 40%, Town 40%, Giants 20%

Post Administration (2003)

- August 2003: Stadium shares registered with Capital Rewards – a company owned by Town's new owner, Ken Davy, who stated publicly that there would be no change in the stadium ownership.
- December 2003: Town's 40% share transferred to another Davy-owned company, Huddersfield RLFC (1994) Ltd.
(Giants' 20% share also similarly transferred earlier.)
- February 2004: Huddersfield RLFC (1994) Ltd renamed as Huddersfield Sporting Pride (HSP).
- May 2004: Huddersfield Sporting Pride accounts for Year Ending November 2003 value KSDL at £15M
- March 2005: Supporters Trust publicises, for the first time, the 2003 share transfer. Ken Davy then explains it as a means of protecting the football club from the liabilities of the stadium debt.
- June 2005: HSP accounts for Year Ending November 2004 confirm that HSP now owns 60% of KSDL, which is therefore classified as a subsidiary company. So too is Huddersfield Giants Ltd, 75% owned by HSP.
But not HTAFC, which is no part of HSP.
- August 2008: Development plans announced by KSDL for HDOne.
- April 2009: No prospect of return of shares to HTAFC.
Questions raised with Ken Gillespie (Kirklees Director), Secretary to KSDL. Also with Councillors Calvert and Smithson, Board members of KSDL.
Information circulated to all Kirklees councillors plus local MPs.