

President Address to Members – Amalgamation Proposal with Norths Collective – 2nd April 2022, 10:30am

Good morning, Ladies and Gentlemen welcome to this special members meeting of the Bangalow Bowling and Sports Club.

My name is Rowan Keast, I have been a board member since 2017 and held the office of Club President since April 2019.

Up the front here we have our two other executive board members Atosha Clancy Vice President and Ian Holden Treasurer.

Our guests today are representatives from Norths Collective:

Luke Simmons – CEO Norths Collective

Steven Wah – GM Risk & Special Projects Norths Collective

Stuart Burrows – GM Seagulls (& Strategic Development Norths Collective)

Terry Keen – Director Norths Collective

Bob Anthony – Director Norths Collective

Aroha Wezner – Seagulls Marketing

Over the next hour or so we will be discussing the future of the Bangalow Bowlo, in particular, a presentation from Norths Collective that we announced last Saturday to you, our members.

Before I invite Luke from Norths Collective to give their presentation, I would like to take a few minutes to reflect on some things with you.

The Bangalow Bowlo “Our Community and Sports Club”.

This Club holds a special place in every person’s heart who has turned up here today. Whether you are a Bowler, Cricketer, Netballer or play Soccer for the Blue Dogs, or Rugby for the Rebels, whether you are a local family (either new to Bangalow or from multiple generations gone by) this place is and always should remain one of most important centre pieces of our beautiful town and its community.

The Club has a rich history since its establishment in 1910. The Club house itself has only been on this site since the 1960’s, having been originally built in 1964.

Over the years it has played host to many significant milestone events for people of this town and surrounds, from weddings, birthdays, anniversaries, graduations, sporting presentations, memorials and wakes, to live music, theatre, comedy and much more. It is these such events that makes the very existence of this Club so important.

This year marks the 10th anniversary since reopening from having been placed in voluntary administration, which was a truly devastating time for the Club and this town.

The journey of the past 10 years has been extraordinary, as any current or previous board member or manager will tell you.

The efforts of former President Brian Mackney and the Rescue Committee who breathed life back into the Club through coordinating the capital raise for a unit trust, funded entirely by our community and membership to buy the administrators out so the Club could reopen again.

Many tradies and friends stepped up to refresh the club for that April 2012 re-opening.

Tony Hart was elected President of the new Board in August 2012, with Gerry Swain as Treasurer. When Tony stepped down, Gerry stepped up to take on the President role, and brought with him his tireless sick kick Jeff "Blocka" Nolan; (as a side note), Blocka retired from the Board in 2019 but continues to this day to pay our weekly bills among other things.

A new Secretary Manager Luke Wilson ran the club virtually on his own, before Shane Ironside took over in 2015. Shane began, with the Board and the now famous Stockpot Kitchen to build a whole new business from the ground up.

To more recent times, where our current board together with our experienced and dedicated General Manager Chris Watson and his team have navigated other influences, most specifically a global pandemic, which has made for a challenging operating environment not only for us but hospitality venues all over the country.

In order for this Club to ensure a sustainable future there are some critical components that need to be addressed, which is the primary purpose of us gathering here today.

These components require us to look deeply at some of the core requirements to operate a successful business in our everchanging economic environment.

They require us to look closely at what skills, expertise, resources and financial capital are required to ensure this Club can remain relevant and sustainable for not only the current Bangalow families but future generations to come.

It is the Board and Management's job to ensure this Club is purposeful and sustainable, and it is my job as President to transparently deliver information to you, our Members.

Whatever the outcome in relation to whether we progress down the path of Amalgamation, I assure you it will be you, our members that will make the final decision on the future of this Club.

My skill set in my professional life is financial planning and corporate governance. Running this Club requires a significant and ever-increasing amount of planning and governance compliance.

It is evident to me after having served five years as a Director of the Club that we need to explore what options are available to us in order to secure a sustainable future.

This may require us to consider the option of partnering with a group that brings these essential planning and governance skills, significant and much needed financial capital for the building and its ongoing maintenance, and depth of industry knowledge to help successfully navigate through the twists and turns of running a complex business in the modern era.

The Club is trading well, in fact, just last week we had one of the best week's trade that we have had in months, but in reality, we have been treading water financially since the start of the pandemic. We are not moving to the next level as we'd hoped and planned for in our strategic vision. We lack capital to implement our strategic vision, and even 'when' or 'if' we are in the position to consider further capital raising in the future, how much will be enough? And on what terms can we genuinely afford to take on further debt risk as a small Club, and who will be the volunteer board of Directors that are prepared to sign off on it?

Another notable issue is Board succession: an enormous amount of voluntary time from a Board of skilled people is required to keep this Club afloat.

Board members both past and present have donated countless hours to assisting in running this place and choose to do so because they have a deep connection with the place and want for it to succeed.

Attracting and retaining volunteer Board members from a range of different skill sets is becoming more increasingly difficult. As evidence of this, in the 5 years I have been on this board I have made numerous attempts to encourage newcomers to join the Board from a broad cross section of skill sets, and the most common response I get unfortunately is "I'd really love to help but I just can't commit the time".

The demographics of this shire are changing rapidly, and the amount and quality of competition faced by the Bowlo in the food and beverage market will continue to increase. If something is not done to boost our financial capacity soon then I fear the efforts of the past decade may go to waste.

I know many of you when you review the proposal from Norths Collective will be concerned about what might happen in ten years' time when the proposed initial term of the MOU expires.

Luke and his team will hopefully alleviate many of these types of genuine concerns in their presentation and Q & A session today and over the coming weeks and months.

How did we get to this point?

The board and management have held regular strategic planning sessions over the years, where we take time to consider our requirements for the next 12 months, 3 -5 years and 10 years and beyond.

We have many standing agenda items in these sessions, such as a financial management, a master building plan, site and building upgrades including the asbestos roof and increasing our solar power generation, sports sponsorship, community inclusion, local council engagement, legal and constitutional compliance, as well as reviewing internal systems such as stock control, IT, HR, member services, marketing and communication.

In preparation for our 2022/2023 strategic planning, and to gauge what some of our options might look like for the future, we contacted our Clubs NSW representatives who advise Clubs on strategy and development. We were introduced to Norths Collective for an initial discussion as they have a current expression of interest for Amalgamation with other Clubs. The Board and Chris Watson met shortly after with an enthusiastic Luke Simmons and team members of the Norths Collective to engage in an Amalgamation discussion.

I will leave the specific details of an Amalgamation process to Luke to explain in his presentation. However, I would like to take this opportunity to be clear to you, our members what 'this is' and equally important 'what this it is not'!

Let me start with what this is not:

This is not:

- Any form of bail out or soft landing. Whilst being some way off ideal, the Club is enjoying the return of much better trade in recent months since the challenges experienced during the Covid 19 pandemic.

This is not:

- A done deal or a foregone conclusion

This is not:

- Self-motivated or conflicted by any member of the Board or management of the Club

This is not:

- The only option we have available to us

This is:

- Being delivered to you with 100% transparency and control of outcome

This is:

- A way to expedite our future strategic growth plans through a partnership with a well-funded, and likeminded group that shares our passion for purpose in our community and sporting clubs

This is:

- A decision that will be made by you, the members

This is:

- Being presented to you with the very best of intentions from a Board and management team that cares only about the future success and sustainability of this Club

I will now hand over to Luke and his team from Norths Collective to deliver their presentation.

At this point I urge you all to take on board some of things I have just raised and ask at this very early stage of information gathering that you please keep an open mind to what may be a very compelling proposal for this Club.

Thank you

A handwritten signature in black ink, appearing to read 'Rowan Keast', written in a cursive style.

Rowan Keast
President
Bangalow Bowling & Sports Club Limited