



Notice to Members – Amalgamation Expression of Interest

Dear Members,

As many of you will be aware clubs in the Illawarra and across the State are facing increasing competition from a growing number of leisure and entertainment activities. This competition, while healthy for the community is putting increased pressure on clubs to continue to grow and improve their services and facilities in order to attract new members and new customers.

As we strive to keep pace with our community expectations there is an inevitable increase in costs and a push to operate more economically in order to make the necessary continual improvements to our club.

Clubs NSW figures indicated that since 2007 114 clubs have closed and that a large number of clubs are in or are heading towards financial distress.

In an attempt to explore alternate ways for Kiama Golf Club to continue to operate in a financially sustainable way while still providing excellent service to our community we have put out an Expression of Interest (EOI) with a view to exploring the possibility of an amalgamation with another local club. Our EOI indicates that we will be the continuing (parent) club.

In a small Local Government Area like Kiama and surrounds there may be great opportunity to streamline two similar businesses which may be currently doubling up on costs and processes plus there may also be some additional buying power all of which will enable more resources to be directed into facilities for club members and the community.

If a suitable amalgamation partner is found, there is a very specific, detailed and rigorous due diligence process to move through which includes meeting many legislative requirements under the Registered Clubs Act.

The information gathered through this process will go towards the formation of a Memorandum of Understanding which will set out the intentions of both clubs and how any amalgamation will work.

Importantly, the members of both clubs ultimately get to decide if any amalgamations will take place as the members must vote to approve the amalgamation at a special meeting.

If both sets of members vote to proceed there is a further approval required by the NSW Department of Gaming and Racing.

By design this is a transparent and open process. Should a suitable amalgamation partner come forward we will keep regular updates on progress to our members via our enews and website. There will also be opportunities for information nights for more updates.

Please keep your eye out for updates in this process as noted above.

Warm regards

Greg (Tug) Wilson
President
On Behalf of the Board of Directors.
Kiama Golf Club.