

**NORTH BALLARAT FOOTBALL NETBALL CLUB INC.**

**NORTH BALLARAT SPORTS CLUB INC.**

**EXPLANATORY MEMORANDUM**

**SPECIAL RESOLUTION – AMALGAMATION OF THE NORTH BALLARAT  
FOOTBALL NETBALL CLUB AND THE NORTH BALLARAT SPORTS  
CLUB**

**BACKGROUND**

1. North Ballarat Football Netball Club Inc. and North Ballarat Sports Club Inc. are two separately Incorporated Associations under the “*Associations Incorporation Reform Act 2012 (“the Act”)*”.
2. The Act allows for two Incorporated Associations to seek approval to apply for amalgamation of each Association into one Amalgamated Association.
3. Special General Meetings of each of the Associations must be held to consider, and if approved, to agree to amalgamate the two Associations.
4. Following review of the governance structure of the Football Club and Sports Club, and following legal advice, the Committees of both the North Ballarat Football Netball Club (NBFNC) and North Ballarat Sports Club (NBSC) have formed the view that it would be beneficial to amalgamate the two bodies into one incorporated Association.

**REASONS FOR PROPOSED AMALGAMATION**

1. The two separate Associations have been in place dating from the time when the first re-development of the Show Grounds occurred by the then Shire of Ballarat and coinciding with the Club undertaking its first facility development.
2. To accommodate the requirements of the Shire of Ballarat, and to further the purposes of the Club, it was determined to form two Associations. The Football Club (for the obvious reason of involvement in football at senior and junior level). The Sports Club to undertake the “business” activities of the Club, initially to obtain a Liquor Licence, and when Gaming became legal at a later date to conduct the Gaming Licence operations.

3. While separately constituted the members of the North Ballarat Football Netball Club control the North Ballarat Sports Club having the majority of the voting rights of that body.
4. The North Ballarat Football Netball Club is a not-for-profit organisation involved in sport, and thus exempt from income tax.
5. The North Ballarat Sports Club, whilst being not for profit, is not engaged in sport and thus is not eligible for income tax exemption.
6. The Committees of both Bodies, at a time when the risk for the Sports Club to become liable to pay income tax, considered it appropriate to seek to amalgamate the two Bodies. This did not proceed as at the time significant changes occurred in gaming regulation with gaming entitlements being listed for auction. The Sports Club were successfully granted gaming entitlements at that time.
7. It has become apparent that there is strong reason for the two bodies to amalgamate and become “one Club”.
8. Once amalgamated the Committee will appoint specialist sub-committees responsible for specific areas. e.g. finance, senior football/netball, junior football/netball, Business operations (including, gaming and licencing).

## **SUMMARY OF NEW RULES**

The new rules of the amalgamated Association are largely based upon the Model Rules provided for in the regulations made under the *Associations Incorporations Reform Act 2012* but with modifications to suit the purposes of the proposed amalgamated Association. Key changes from the existing Rules of both Clubs is as follows:

- Membership classes are defined (clause 7) with only Ordinary Members and Life Members having voting rights (clause 13)
- Eight office bearers are provided for with the option of further members being elected if the Committee so determines (clause 44)

The Statement of Purposes contained within the Rules reflects the current purposes of the NBFNC and NBSC.

## **PROCESS**

1. The Committees of both Associations have met and agreed to seek approval of the members to amalgamate the two Associations.
2. Special General Meetings of both Associations will be convened to seek approval from the membership of both bodies to amalgamate, to adopt the name of the Association, and to adopt its Purposes and Rules.
3. The proposed Rules are available for inspection at the Club and available at the Special General Meetings to be convened and on the Clubs websites – [www.northballaratfnc.com.au](http://www.northballaratfnc.com.au) and [www.northballaratssc.com.au](http://www.northballaratssc.com.au)