

## POLICY FOR LANE COVE RIVER KAYAKERS CAPITAL FUND

September 7 2020

- 1.0 This document sets out the clubs policy for establishing a fund for contributing to potential future works to LCRK Infrastructure. The primary source of funds is by donation.
- 2.0 Definitions:
  - Lane Cove River Kayakers Club – “LCRK” or “the club”
  - Willoughby City Council – “WCC” or “the Council”
  - Northern Suburbs Little Athletics – “athletics club”
  - Roads and Maritime Services – “RMS”
  - Rotary Athletics Field and buildings on site – “the site”
  - LCRK Building Fund – “the fund”
- 3.0 Preamble
- 3.1 LCRK is a racing and fitness paddling club based at Rotary Athletics Field, Lane Cove.
- 3.2 As of August 2020 the club currently occupies a modest shed which is attached to the original amenities and storage building. The shed was constructed in 2014 along with other river access improvements.
- 3.3 The land on which the shed sits is owned by Willoughby Council. Though LCRK paid for the construction of the shed with a combination of its own funds and a government grant, the shed became the property of WCC on its completion. LCRK currently pays a modest yearly fee for access rights to the premises. The amount of this fee takes into account the money LCRK contributed to the sheds construction and covers a period of at least 5 years from commencement of payments.
- 4.0 WCC is seeking to carry out capital improvement works to its sporting facilities and has prepared a draft masterplan for the Rotary Athletics Field(RAF) and surrounds. The masterplan has been put on public display by WCC earlier in 2020 and LCRK members have been encouraged by the committee to view and comment on the masterplan.
- 5.0 The Athletics Club that uses RAF has prepared Architectural Drawings for proposed improvements to the precinct for incorporation into the Draft Masterplan. LCRK have provided information to the athletics club outlining desired upgrades and extension to the club facilities such as a major increase in shed size (LCRK exclusive use) new amenities and allowance for improved access to the water (pontoon, canoe steps). Further details of the proposed development will be prepared by WCC incorporating input from stakeholders such as LCRK however the final decision on what actually happens to the site will be made by WCC (with public feedback).

- 6.0 The timeline of such works is not confirmed, nor is the agreed scope or extent of works. This is the responsibility of WCC with input from stakeholders such as LCRK.
- 7.0 The primary purpose of the LCRK Building Fund (The Fund) is to be prepared to contribute funds to the redevelopment of the site for the betterment of The Lane Cove River Kayakers Club and its members should it be required by WCC.
- 8.0 Funds collected will be placed in an account under the control of the elected committee of LCRK.
- 8.1 Funds donated to the building fund immediately become the property of LCRK.
- 9.0 It is not envisaged that this fund will cover the entire cost of any substantial building works, rather it is likely to be an adjunct to grant funding that will be sought at the appropriate time. The fund can, however, also provide funds to commission relevant plans and seek approvals. Such plans and approvals are often a necessary precursor to applying for a grant.
- 10.0 Potential uses for the funds collected include but are not limited to:
- i) Capital works for LCRK property, including contributing to funding for works owned by other entities (such as WCC) that substantially benefit LCRK and its members. Note that any permanent buildings or structures built on WCC property are understood to become the property of WCC despite its use by LCRK.
  - ii) Consultants fees for designs and approvals for LCRK property or for works detailed in (i) above.
  - iii) Local Government fees for Development Approvals, assessments etc.
  - iv) Lease fees for LCRK Property or occupation if a substantial increase in fees becomes payable.
  - v) Fitout items for LCRK facilities such as boat racks, furniture,
  - vi) Other significant items for the betterment of LCRK and its members.
- 11.0 The funds are to be held until such time as improvements are considered feasible.
- 12.0 It is not envisaged that these funds are used for the purchase of new boats or consolidated revenue. However, given that works are subject to the agreement of Council and other stakeholders, there is a possibility that capital works may be deferred for an extended number of years
- 13.0 Should conditions arise (such as substantial changes in the proposed draft Masterplan or significant delays to the redevelopment of the site) that precludes appropriate LCRK Development or continued use of the site, or LCRK are not required to contribute to the WCC development, LCRK may elect to repurpose the funds subject to discussion and vote at the AGM or an EGM. Financial members of the club who are significant Donors (greater than 5% of total fund) to the building fund would be welcome to address such a meeting but will not have any additional voting rights.

- 14.0 Under current legislation donations to the building fund are not tax deductible as we are not a deductible gift recipient, ie we are a club not a charity. We have explored the conditions of using the Australian Sports Foundation to administer our fundraising and believe at present the restrictions this places on us outweigh the benefits.
- 15.0 Whilst it is intended for appropriate capital works to be undertaken in a timely manner there is no commitment by LCRK to spend the money within a given time period. Should works requiring funding not be feasible by June 30 2025 then the usage of the funds by the club may be amended by popular vote at a club general meeting.
- 16.0 Interest accrued by the building fund will form part of the building fund. Account keeping fees(for the building fund account) and taxes(on the building fund account) will be deducted from the building fund.