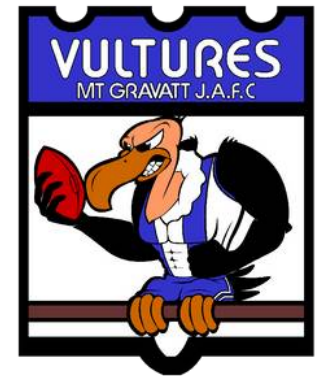


THE POWER OF ONE



Over the past three years the MGAFC and MGJAFc clubs have seen significant growth, with the addition of Senior Women's and QFA teams, while our juniors continue to be competitive across all age groups. The 2020 season has seen both our clubs face many challenges, leading our committees to review our operations to ensure the club continues to remain strong and viable well into the future.

The Vulture community was engaged to ensure that those important to our club had a voice in how we would take the club into 2021 and beyond. Following this review, a 'one club' proposal has been formed that will combine the strengths of both clubs and place the Vultures in the best position to ensure its continued success moving forward. MGAFC and MGJAFc committees seek your support of the 'one club' proposal to ensure the sustainability and growth of the Vultures club.

THE POWER OF ONE

SWOT ANALYSIS

Strengths

- Remove duplication of governance tasks of managing two separate entities;
- More transparent financial management and budget setting;
- Create a 'one club' that will ensure the club remains strong and viable into the future;
- Simplification of facility maintenance and funding of the required activities;
- Improved co-ordination of use of the facilities across all teams (ie field access for training etc); and
- Both clubs will enter the 'one club' merger with strong financials and zero debt.

Weaknesses

- Perception that junior finances will be used to fund senior expenses, and that junior fees may rise as a result;
- Workload management across one board, with overall board numbers lower than current state;
- Surface at Dittmer Park is not up to standard and requires investment from club funds to rectify;
- Stock holdings of apparel with old logo of MGJ AFC;
- Perception that there is currently some division between junior and senior clubs; and
- Lower than expected engagement through 'One Club' proposal forums.

Opportunities

- To clearly define player pathways from junior through to senior teams;
- Increased opportunities to attract and maintain sponsors as a united club;
- Align coaching philosophies across all teams within the club for greater player consistency;
- Improved engagement and mentoring activities between the player groups; and
- To create a greater sense of community with 'One Club' focus.

Threats

- Loss of identity of the junior club with the move to a singular club logo and name;
- Culture across clubs does not align through the 'One Club' initiative;
- Quarantined funds from MGJ AFC of \$50,000 for two years limits investment opportunities within the club;
- Positions within the new board and volunteer base are not filled due to lower than expected expressions of interest;
- Pressures of only a single field on access for training and game days within a growing club;
- Available resources are not shared equally across the club; and
- Board selections are imbalanced with the mix of previous / new senior or junior committee members

THE POWER OF ONE

THE BENEFITS

Stronger, more defined and more accessible **player pathways**

Greater, more transparent **financial stability**

Removal of duplication and governance of managing two separate entities

A single, easily accessible **membership database**

Increased supporter base for **extending sponsorship opportunities**

Cementing the previous years' gains in **development of culture in a community club** across QAFL, QFAW, QFA & Junior competitions

Alignment of coaching philosophies in youth & senior football

Provision of **one management direction for the maintenance of the facilities** at Mt Gravatt

Providing the junior club a **direct communication line with key stakeholders** in development of precinct (Southern Cross, government)

Combined Volunteer base to allow a **more manageable workload**

Streamline management of apparel and other retail opportunities

Coordinated approach allows **junior club access to management of ground hire, advertising and other revenue streams**

Easier ground management process for training & match day coordination.

THE POWER OF ONE

THE 5 PILLARS

GOVERNANCE

- Oversight
- Board
- Sub-Committees
- Consitution

FINANCE

- Budgets
- Loans
- Sponsorship
- Capital Expenditure

FIELD + FACILITIES

- Ground space
- Buildings
- Maintenance
- Access

STAKEHOLDERS

- Our people
- Government
- Local business
- Sponsors
- Active volunteers

COMMUNICATIONS + BRANDING

- Direct email
- Social Media
- Logos
- Apparel
- Marketing

THE POWER OF ONE

GOVERNANCE

MGAFC will be run with a 12-person board supported by 3 sub-committees as per the structure attached (appendix A). The board consists of 12 positions overseeing all areas of the management of the club. The 3 sub-committees will have clear accountabilities across Senior Football, Junior Football and Operations, and will be overseen by the board. Each role within the structure will have clearly defined position description that will outline the responsibilities of the role. It is intended that size and composition of the board is to be reviewed annually as part of the constitution of the club.

Through engagement with the Vulture community, considerable feedback was given on player pathways. Through this structure, the Senior Football Directors will provide guidance and support on the transition from youth girls to senior women and youth boys to senior men.

Refer Appendix A

The current individual Junior and Senior constitutions have been reviewed and combined into one. Our constitution sets out the rules of the government of the club. It covers how we operate, the rights available to members, and how the board operates. The constitution complies with the Associations Incorporation Act 1981. The QLD Government provides a set of "model rules" that comply with the act and are appropriate to the needs of most associations. This proposal includes the development of the "model rules" as pertains to the direction and purpose of MGAFC. The new constitution forms foundation of the 'One Club' proposal and support will be sought through voting at the upcoming AGM's.

Refer website for full Constitution.

It is proposed that the current Junior Association legal entity be retained for a period of 2 years. This will provide a fall-back position if anything goes wrong. In order to keep the Junior Association legal entity we will comply with the minimum requirements for an association in Queensland. This will include financial reporting and meetings when required. If all goes well this association would be dissolved after 2 years.

THE POWER OF ONE

FINANCE

Through engagement of the Vulture community, it was clear finances were of considerable interest to all stakeholders. A significant amount of work has been done to ensure budgets for all 4 streams of football (QAFL, QFA, QFAW & Juniors) and the facilities are well resourced based on the current revenue of the clubs. There are significant benefits to the financial operations as 'One Club' as below:

- Canteen running becomes simpler, with all expenses and revenue as one operation. In 2019 23% of the Junior Club expenditure was on canteen
- Ground expenses will fall into the single ground budget. In 2019 30% of Junior club expenditure was on facilities
- Significant expenditure of apparel in both clubs can be managed better as one club avoiding duplication of 2 logos etc.
- Combined membership base provides greater opportunity for sponsorship, membership, grants etc
- Both existing clubs will be on the lease of the facilities and have oversight of precinct development

Registered Entity: The Senior club currently operates as a GST registered entity due to turnover. The Junior club currently operates as a non-GST registered entity due to turnover. The 'One Club' proposal supports utilising the exist entity of Mt Gravatt Australian Football Club (MGAFC) allowing us to claim GST credits and avoiding creation of a new entity. As the ongoing trading entity under 'One Club', MGAFC will hold all the significant lease hold assets of the combined entity.

Trading year: It is proposed that the financial year remain as 30th September. For the purposes of the 2021 financial year, the two clubs will trade up until the agreed times for transition to the new model. That date is currently proposed to be 1st Feb 21 to allow for arrangements to be made following the AGM around payment of bills, and arrangement of funds. At that time the relevant transfer of apparel and portion of bank balance will transfer into the new single entity MGAFC. One entity will trade to end of new financial year, 30th September 2021.

FINANCE

Debt: Both clubs will be debt free at the time of merge. This has recently been achieved in the senior club with historical debts being cleared. There will be no trade creditors in either club. This provides the best platform for success moving forward with this proposal.

Budgets: To ensure fairness and address feedback on the proposal of 'One Club', the following principles for budgeting will apply. Each of QFA (Men), QFA (Women), Juniors and QAFL will have quarantined budgets for use on all costs not associated with ground expenditure or retail operations.

For the Junior club in particular, the guiding principle will be that registration payments received will be utilised for the following expenditures;

- Equipment
- Coaching
- AFLQ expenses
- Presentation Days
- Trophies & photos

All other junior expenses that do not relate to ground, apparel and canteen As a result, based on previous years expenditures, the junior budget will exceed those of previous years however will be based on registrations received.

The ground budget, as previously noted, will be quarantined and reviewed annually.

The board will manage the remaining 3 budgets with all expenditure being itemised and costed to the appropriate football department. These budgets exclude ground and retail expenses. It is recognised that Senior football costs, and therefore budgets are higher than the Juniors. On this basis it is regarded that this proposal is fair and equitable.

FINANCE

Junior Finances: MGJ AFC in recent years has rebuilt its financial position into one that is sustainable for the long term. The strong growth in junior finances has allowed considerable support in development of the precinct via transfer of funds to support building projects such as terraced seating and fencing. Even with this support, MGJ AFC has significant balances in their various bank accounts.

To reduce any remaining financial concerns around the merger, MGJ AFC will retain \$50,000 in a separate investment account, managed by the current signatories and to be quarantined for a period of 2 years. This will be reviewed following the first 2 years of the operation of the new one club.

It is important to note the considerable financial strength of both clubs. To highlight this, as at the end of financial year 2019-2020 the current MGAFC & MGJ AFC bank balances were as follows;

MGAFC - **\$64,436**

MGJ AFC - **\$92,481**

Under this arrangement, after quarantine of the junior funds, and a sizeable contribution to our financial position being made by both clubs the joint entity will have an opening bank account of \$100,000, with impending grants of approximately \$30,000 to be included in addition to this.

Ongoing senior & entity financials are found at Appendix C. - Not included in draft as pending auditor's completion.

FIELD & FACILITIES

It is proposed that management of the precinct of MGAFC shall fall under responsibility of one person on the board, in consultation with the President & Vice President.

MGAFC has been successful in a number of grants which has resulted in major investments into our field and facilities. To maintain and continue to develop these investments a detailed budget will be created to ensure our field and facilities remain at a high standard. This budget will be set aside at the start of each financial year to cover all maintenance and improvements to both facility and grounds including cleaning and other incidentals.

This approach will help us achieve our goal to develop and maintain the best quality playing surface and facilities that we can provide to all our players.

The combined club will continue to explore opportunities for second ground options. With a stronger voice, through a combined entity, we expect further opportunities will become available to us.

A recently obtained grant for mowing equipment will assist, but does not alter the need for additional funds to be available for maintenance. Turf maintenance, irrigation decisions and other ground improvements will be made based on recommendations to the Board.

The current estimate allows a \$50,000 budget, which is to be reviewed annually.

STAKEHOLDERS

Our stakeholders are identified as our major sponsors, AFL Queensland, Brisbane City Council, Queensland Government, Federal Government, active Volunteers & of course our players, families, and supporters.

We believe they will all benefit from dealing with one point of contact. This will avoid duplication for all involved. The stronger entity will be better equipped to deal with financial needs pertaining to grants and sponsorship. We will be able to reduce workloads for our volunteers. We will speak with one voice and offer one consistent message.

This proposal represents the interests of all Mt Gravatt players, families and supporters. Our initial discussions, formal and informal, indicate no significant issues that have not been addressed within this proposal.

It is envisaged that stakeholder management is run through the leadership of the President and Vice President, with support from the board, under the 'One Club' structure.

THE POWER OF ONE

COMMUNICATIONS & BRANDING

One of the major elements in the amalgamation of the Clubs is consideration of branding. It is proposed that there will be only one logo across the one club. We will honour the history of the club by retaining the current MGAFC logo. Club colours will be maintained as blue and white. The vertical striped jersey will remain the main design.

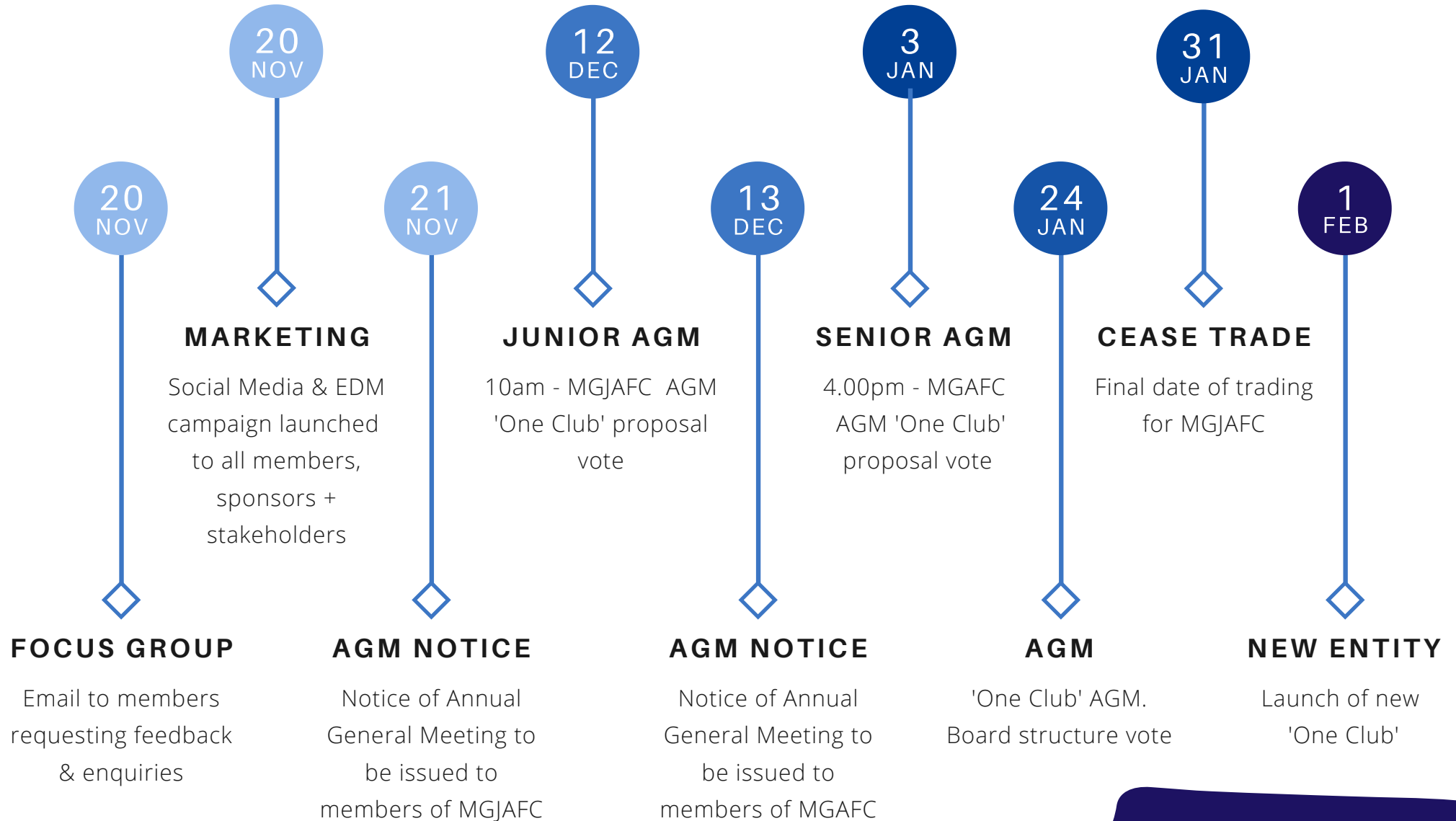
This proposal puts forward the vision to refresh our apparel designs. We envisage that in 2021 all players will be able to be offered a uniform training shirt throughout all age groups and competitions.

The current website is to be updated, but will be retained as a single site for MGAFC. We will work towards an increased and unified social media presence, including, but not limited to Facebook and Instagram. We will develop and maintain a One Club Newsletter to service those without access to social media. Communications via email will be streamlined through a single database. Under the new structure proposed, we would look to fill a role of Social Media Coordinator to maintain the club's brand and social media presence.

An updated Sponsorship Prospectus will be available for 2021 and beyond.

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IMPLEMENTATION PLAN



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CONCLUSION

We are committed to building a stronger club and recognise that this is a significant initiative that will rely on the support of the Vulture community. In the development of the 'One Club' proposal, our commitment has been focussed on placing the Vultures in the best position to remain a strong and viable club well into the future.

The governing bodies of MGAFC & MGJAFc recommend the 'One Club' proposal be approved and that the clubs move forward as 'One Club' in 2021 and beyond as a powerful force in Queensland Football.

Thank you again for your ongoing support of the Blue and White, go the Vultures!

THE POWER OF ONE