



Anglesea SLSC Policy Document

Reference: 004

Reviewed: 08/2013

TITLE: Ownership of Competition Equipment (Boards & Skis)

PURPOSE

To provide clear guidelines as to the ownership of competition equipment purchased fully or partly with sponsor and/or Club funds.

POLICY

- 1. A member buys equipment with his/her own money.** The member has total control over the purchase and sale and use of the equipment. There is no tax deduction and no GST exemption.
- 2. A member obtains his own sponsor to provide the full cost of the equipment and the equipment is not purchased through the club.** The member must negotiate his/her own arrangements with the sponsor. If the sponsor's name is to be used in any way in connection with the equipment the Sponsor must be approved by the Marketing Director to avoid conflict e.g. Mazda/Ford. The sponsor receives no tax deduction and there is no GST exemption.
- 3. A member arranges his own Sponsor and the Sponsor pays the money to the club.** The equipment remains the property of the club and the member has exclusive use of the equipment for two years. After two years the club will have the option of selling the equipment and keeping the proceeds or extending the use of the equipment by the member or handing the equipment on to another member.
- 4. A member pays 25%, 50% or 75% of the cost of the equipment.** This option requires pre-approval from the Director Surf Sport and is subject to budgetary considerations. The member has exclusive use of the equipment for at least two years but this period may be extended by agreement between the member and the club. The club orders the equipment and it is therefore exempt from GST.

When the equipment is sold the proceeds are divided according to % ownership between the member and the club. At the expiration of two years the club can buy the member's % share or vice versa. If after 4 years there is no such agreement the asset becomes 100% owned by Anglesea SLSC.

- 5. A member finds a sponsor to pay half the cost and the club pays half.** As for (4) but the equipment belongs to the club. The member has exclusive use of the equipment for at least two years. After two years the club has discretion to keep the equipment and permit the member to use it or to pass the equipment on to another member. The club receives the full proceeds on sale.



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6. **The club buys equipment but permits a member to have exclusive use of the equipment for a season.** The member must pay a bond to the club of \$100.00, which will be repaid to the member when the equipment is returned in excellent condition. The costs of repairs to the equipment required to restore the equipment to excellent condition will be deducted from the bond.
7. **A member donates the full cost of the equipment to the club.** The member gets a tax deduction. The equipment is purchased by the club and is exempt from GST. The nominated member gets exclusive use of the equipment for two years at which time the club is at liberty to dispense of it as it sees fit.
8. **Documentation.** For options 3 to 7 above, the arrangement must be documented, signed by the club member and the Director Surf Sports and lodged at the Club Office for filing.