



Questions and Answers

The Brisbane Golf Club (BGC)

WHY DO WE NEED TO INCREASE FEES?

Why do we need to increase fees if the Club is already profitable?

While our EBITDA performance is solid, it is not sufficient to fund the \$10 million in capital works identified over the next five years. Profit alone does not equal long-term sustainability. Without increasing membership revenue, we cannot maintain the standards members expect.

Why must we act now? Can't this wait a few more years?

Delaying investment only increases costs and risk. Infrastructure ages, compliance standards tighten, and construction costs rise. Acting now allows us to plan responsibly rather than react urgently later at a higher cost.

Why should members fund the future?

A club, at its core, is an association of individuals united by a shared interest and a shared commitment. It is not simply a place or a service provider; it is a voluntary community built on belonging, participation, and mutual responsibility. In the case of a golf club like ours, we exist because its members choose to sustain it. It is governed, funded, and guided by those who join, creating a structure where the members are not customers but stakeholders and stewards.

That distinction matters. When we join a private members' golf club, we are not merely purchasing access to a course; we are accepting a role in preserving and advancing something we collectively own. Every improvement to the course, every enhancement to the clubhouse, and every long-term investment reflects the membership's commitment to excellence. Funding the future of the club is therefore not an optional obligation; it is a defining element of membership of any club. By investing in its continued success, members protect their own experience while ensuring that the traditions, relationships, and standards they value endure for generations to come.

What is the core message for members?

The Club is strong today, but strength tomorrow depends on decisions made now. We cannot borrow, sell, or cut our way into the future. Aligning subscriptions with industry standards is the only sustainable path to protect our facilities, our financial stability, and the legacy we pass to the next generation of members.

BENCHMARKING

How do we know our fees are actually below market?

Independent benchmarking shows we sit at the 38th percentile for subscription revenue, with 62% of comparable clubs charging more. We are underpriced relative to our facilities, occupancy, and long-term obligations. Without fee increases, the club will fall further behind industry benchmarks, making it harder to maintain high-quality services and facilities.

What were the key recommendations of the GBAS Membership Structure Assessment?

The GBAS Membership Structure Assessment was undertaken to support the Club's identified capital expenditure requirement of more than \$10 million over the next five years, with the objective of strengthening financial sustainability, improving facilities, and enhancing member social cohesion. Given that membership accounts for approximately 40% of the Club's revenue and 67% of its available cash, optimising the membership model was identified as critical to achieving these goals and ensuring a stronger structure for future generations.

How do the GBAS recommendations support the Club's \$10M+ capital expenditure requirement over the next five years?

Together, these strategies are designed to enhance revenue generation, strengthen cash flow, and position the Club to fund its capital investment needs while maintaining a cohesive and sustainable membership base.

Will the increases make membership unaffordable for some members?

We have carefully benchmarked our fees against comparable clubs and will remain competitive even after the proposed increases. The early-payment discount remains, and our Women into Golf, junior, and transition membership pathways are retained.

IMPACT OF NOT INCREASING THE FEES?

What happens if the motion to increase fees does not pass?

Without increased recurring revenue, the Club will face difficult trade-offs, delaying essential maintenance, increasing debt, or compromising standards. Over time, that path leads to declining facilities and reduced member value.

What will the future look like if the club doesn't increase fees?

Without continued investment, our services and facilities will gradually fall behind those of comparable clubs. When that happens, the value of your membership becomes misaligned with your annual subscription, meaning you may find yourself paying more in dues than the experience and amenities justify. By choosing to invest proactively in our club's future, we ensure that the quality of our course, facilities, and services not only keeps pace with expectations but reflects the full value of the commitment each member makes. Examples of potential issues follow.

- **Financial Shortfall:** The club's current earnings (EBITDA) are not enough to fund essential and aspirational capital projects. Without increased fees, BGC will remain underfunded for critical investments such as infrastructure renewal, flood resilience, and facility upgrades.
- **Underfunding:** Rising Risks and Deferred Maintenance: Delaying action will increase future costs and risks. Essential projects like carpark resurfacing, boundary fencing, and maintenance facility relocation (for flood resilience) may be postponed, leading to greater vulnerability and higher repair costs down the line.
- **Increased Operational Vulnerability:** The club faces significant risks from natural disasters (e.g., floods), with insurance unavailable in the short term. Without additional revenue, the club cannot adequately mitigate these risks, leaving facilities exposed and potentially jeopardizing future operations.
- **Threat to Long-Term Stability and Member Experience:** If fees are not increased, the club cannot protect its financial stability, maintain and enhance facilities, or secure its future for the next generation. Member benefits and experiences may stagnate or decline as resources become stretched.

ALTERNATIVES

Why not simply borrow the money?

Borrowing may help in the short term, but debt must be serviced from operating cash flow. Our current EBITDA does not support significantly higher debt without placing pressure on future Boards and members. Borrowing alone would postpone, not solve, the funding gap.

Why not sell surplus land?

Land sales provide a one-off injection of funds. Our capital needs are ongoing. Selling assets to fund recurring infrastructure requirements is not a sustainable long-term strategy based on the information currently at hand. Remember, the benefits from any potential sales would be years away.

Can we reduce operating costs instead of increasing fees?

The Club already operates efficiently and above industry benchmarks. Further cuts would likely impact service quality, staffing standards, and course presentation, ultimately diminishing the member experience we are trying to protect.

Why can't we just increase membership numbers?

Our course occupancy is already at peak levels, with over 1,600 members and a growing waitlist. Increasing numbers would compromise access and playing experience, which would undermine our premium positioning.

Why not increase entrance fees?

Since 2014, entrance fees have already risen significantly, from \$500 to \$11,000, and they will continue to increase over time. However, our priority is to strike the right balance. Increasing entrance fees too quickly or by too much risks discouraging new members, which is vital to the Club's long-term strength and community.

Why not apply for grants?

Grants are a valuable opportunity and something we actively pursue. The Club has been successful in securing grant funding in the past, and we will continue to apply for and take advantage of these opportunities wherever they align with our projects.

That said, grants are inherently uncertain. They are competitive, often come with strict eligibility criteria, and cannot be relied upon as a consistent or predictable source of funding for the Club's ongoing needs or long-term planning.

Why not introduce a bar levy, or similar?

Industry analysis and broader club experience show that bar levies often create more issues than they solve. Bar levies or similar are frequently perceived as a hidden or forced cost. Members who don't regularly use the bar, or don't drink, can see them as unfair, which can impact overall satisfaction and engagement. Most importantly, industry consultants, including GBAS, consistently find that there is no net benefit compared to simply incorporating these costs into membership subscriptions. A clear, transparent subscription model is easier for members to understand and value and avoids fragmenting the true cost of membership.

Can we drive more external events in the Clubhouse?

Yes, particularly through weddings and private events—and this is an area we are actively pursuing. We have a dedicated full-time sales resource focused on growing this revenue stream, supported by our Executive Chef, Gillian Hirst, whose involvement provides a unique and compelling point of difference. That said, while external events are valuable and contribute positively, the margins are not significant enough on their own to deliver the level of financial impact the Club requires. We will continue to invest in and grow this area, but as part of a broader, balanced revenue strategy rather than a primary solution.

Has the Board considered a lower annual membership subscription fee and a user pays per round model?

Yes, the Board has reviewed this approach, but most private clubs in Australia, including ours, use the traditional annual subscription model—the same model we are recommending moving forward. A pay-per-round system introduces significant uncertainty, as revenue would depend heavily on factors like weather or seasonal participation. This makes budgeting and planning difficult. In contrast, annual subscriptions provide financial stability, supporting course quality, staff, and long-term infrastructure.

FINANCE MATTERS

What did the GBAS Capital Plan recommend regarding the Club's financial position, and what capital expenditure is required over the next five years?

The GBAS Capital Plan recommended that the Club must significantly increase its EBITDA to ensure it can afford both ongoing operations and aspirational capital expenditure. The plan reviewed revenues over a 20-year period and compared them against projected capital expenditure needs. Based on this analysis, it confirmed that \$10 million will be required for capital expenditure over the next five years.

Is this increase simply about covering inflation?

No. Only approximately 4% of the increase relates to inflation. The balance is directed toward funding essential “stay-in-business” capital works and aspirational projects necessary to secure the Club's long-term future.

Are we asking members to carry the entire burden?

No. The funding model includes a balanced mix of bank funding within serviceable limits, leasing, Foundation support, and increased EBITDA. Membership subscriptions are the stable, recurring component that makes the entire model viable.

What financial benefits will the subscription fee increases deliver?

The subscription fee increases will significantly strengthen our financial position, even while we continue making substantial capital investments each year. Specifically:

- Total Debt as a percentage of EBITDA is expected to reduce from 1.7x to 1.0x, lowering our financial risk.
- Net Cash (cash less debt) is projected to increase from \$0.6M to \$1.1M, effectively doubling our cash buffer.
- Year-end cash as a percentage of subscriptions received in advance will remain strong at 85%–90%, maintaining healthy liquidity.

This improved position makes us far more financially resilient. It means we could absorb a one-off financial shock of approximately \$500,000 to potentially \$1 million without needing to impose special levies.

Why is the increase spread over three years?

A phased approach balances responsibility with fairness. It allows members to adjust gradually while giving the Club predictable, recurring revenue to plan and deliver the Infrastructure Plan with confidence.

BENEFITS

What tangible improvements will members see?

Members will benefit from new bunkers, a new Garden Room, more cart paths, machinery upgrades, car park resurfacing, fencing upgrades, clubhouse improvements, and the redevelopment of the Garden Room. These are practical, visible improvements that enhance both playability and social experience.

What benefits will members receive?

While there will be some individual member benefits introduced, the true value of this fee increase lies in securing the Club's future and elevating the overall member experience. The additional funding will allow the Club not only to remain financially strong and sustainable but to invest in aspirational capital improvements and meaningful operational upgrades that directly enhance daily enjoyment of the course and facilities.

For example, the renovation of the bunkers will significantly improve both playability and member experience. The construction of a new Garden Room will provide a welcoming and more functional space for year-round use before, during, and after your round. Increasing course staff wages will help us attract and retain quality team members, but also generate more hours able to be spent on the course, leading to consistently higher standards of presentation. These are improvements that benefit every member, every time they visit the Club.

THE INFRASTRUCTURE PLAN 2027-2031

What makes the Garden Room redevelopment so important?

The Garden Room is central to the Club's social fabric. Upgrading it will enhance service speed, comfort, and food and beverage offerings while delivering improved operational efficiency. It strengthens both the member experience and the Club's financial performance. The area is the first stage of upgrading our Clubhouse.

Why isn't the maintenance shed included in the 5-year Infrastructure Plan?

An amount of \$1.45 million to relocate the maintenance shed to Hole 12 is included in our five-year capital expenditure plan. This will allow the project to commence in 2030. The reason the full amount isn't included is due to its significant projected cost, estimated at between \$4 million and \$5 million. While the project is strategically important, committing to it within the current planning horizon would materially impact the Club's financial capacity and limit our ability to deliver other priority capital works. We also require additional time to explore a lower-cost design alternative or a potential joint venture opportunity that could reduce the overall capital burden and improve the project's financial feasibility.

The need to relocate the shed remains clear. The existing facility is exposed to flooding risk each wet season. Although the Club was insured for the 2022 flood event, it was not insured in 2011 and is not insured currently, increasing

our exposure. To mitigate this risk in the interim, we have implemented a formal evacuation plan for the maintenance shed, which was successfully put in place ahead of the cyclone in March 2025, ensuring we are operationally ready in the event of an emergency. In addition, the Club has commenced building an insurance resilience fund, which is projected to reach \$100,000 by the end of this year. Importantly, after two years of work we have secured development approval from Brisbane City Council, positioning the Club to commence construction as soon as funding becomes available. This ensures the project remains "shovel ready" while we continue to strengthen our financial capacity and explore more sustainable delivery options.

Will the Board consult with Members to determine the priorities of projects in the infrastructure plan?

Yes, member input will be an important part of the process, and we will actively seek feedback and carefully consider the data and insights we receive. That said, it's unlikely there will be unanimous agreement across the membership on priorities. As such, while consultation will help inform our direction, the Board ultimately has a responsibility to make balanced, forward-looking decisions in the best interests of the Club as a whole.

Why isn't the Club looking beyond the three years for membership subscription fees and five years for the infrastructure plan?

The Board has a 20-year infrastructure plan, but our focus is on the first five years. This allows us to prioritise projects that are immediate, achievable, and critical to maintaining the Club's operations and member experience. Similarly, planning membership subscription fees over the next three years provides the revenue needed to sustain the Club's operations while also supporting aspirational capital expenditure. Longer-term projections beyond these periods become increasingly uncertain, so concentrating on the near term ensures we remain financially responsible while delivering on both essential maintenance and strategic improvements.

GOVERNANCE AND MANAGEMENT

How can members be confident the money will be used responsibly?

The Board and Management Team have overseen and led numerous projects in recent years. The new irrigation system was delivered on time and on budget, as was The Range, the new Golf Shop, and the Hole 1 project. Importantly, our Green Resurfacing Project was also delivered on time and under budget. All of the items on our list are part of a long-term infrastructure plan which has identified our priorities.

How does this proposal honour past members' efforts?

Previous Committees built a strong operational foundation through disciplined management and resilience in challenging times. This proposal continues that legacy, not by standing still, but by ensuring the Club remains financially secure, well-maintained, and competitive for decades to come.

When was the last recorded subscription fee increase at The Brisbane Golf Club?

The most recent membership subscription fee increase at The Brisbane Golf Club occurred in August 2018, when the Club's membership approved increases to fee levels for Full and Six-Day members. Full membership increased by 15%, and Six-Day membership went from 70% to 75% of the Full membership subscription fee. These increases were used to pay for the new irrigation system.

How will increasing staff wages benefit members?

Competitive wages help us attract and retain high-quality staff and also allow us to boost our staffing levels, particularly relating to the golf course. That directly translates to better course presentation, improved service standards, operational efficiency, and a more consistent member experience.

MEMBERSHIP

Have you considered ending Transition Membership at 30 years of age instead of the current 35? This would mean members would pay the full fee from 31 years of age, generating additional membership revenue.

On the surface, lowering the Transition age to 30 could appear to generate additional revenue. However, our experience shows that the current structure is both balanced and highly effective for the long-term strength of the Club.

Our Transition Membership plays a critical role in supporting younger members through a stage of life where financial and personal commitments are often at their peak. Maintaining flexibility during this period ensures the Club remains accessible rather than becoming a discretionary expense that is easily dropped. Importantly, the data supports this approach. We see strong retention as members move from Transition Membership at 35 into Full or Six-Day categories. This continuity is far more valuable than any short-term revenue gain, as it preserves lifetime membership value and strengthens the Club's community.

If we were to reduce the transition period to 30, there is a real risk of increased resignations or pauses in membership at a critical age. Re-engaging those members later is far more difficult and costly than retaining them through a supportive transition structure. In short, Transition Membership is not just a pricing mechanism; it is an investment in member retention, long-term revenue stability, and the future members of the Club.

SIX-DAY MEMBERSHIP

Why are Six-Day memberships being repriced?

Currently, Six-Day members pay 75% of the Full fee, well below the industry norm of 85–90%. Aligning this category with benchmarks was recommended to the Board by industry consultant GBAS.

Why isn't the senior discount being considered for Six-Day members?

The Club needs more Full-paying members, and we need to improve our Full membership offering. If we continue to give benefits reserved for Full members to Six-Day members, it will become even more difficult to attract more Full members.

Why isn't Six-Day member voting rights being considered?

The question of voting rights for Six-Day members was formally considered by members at the 2022 Annual General Meeting, where the proposal was defeated by a substantial majority. The outcome reflected strong concerns held by Full members around giving Six-Day members a vote.

The Board agrees in principle with broadening the voting eligibility, but several matters need to be addressed first to ensure fair and equitable franchise.

Firstly, we need to create a better balance of Full to Six-Day members. A key issue identified was numerical representation. Six-Day members currently outnumber Full members, creating a real risk that decisions affecting the Club's strategic direction, finances, and culture could be determined by members who do not enjoy the full rights, access, or financial commitment associated with Full membership. Additionally, it was highlighted that any Six-Day member who wishes to vote has the option to upgrade to Full membership.

While it has been noted that some clubs, such as Indooroopilly Golf Club, permit Six-Day members to vote, the circumstances are not directly comparable. In those cases, Six-Day members represent a relatively small minority of the total membership base. At our Club, the opposite is true, and extending voting rights in this context would generate some risks.

Secondly, we need to obtain more Full-paying members first. It is also critical that the Club continues to strengthen Full membership as its core offering. Full membership must remain the premium product if the Club is to achieve a sustainable future. At present, Six-Day membership is more attractive and more popular than Full membership. Granting voting rights to Six-Day members would further enhance the value of that category, making it even more difficult to attract and retain Full members and to reach Full membership capacity.

The Board's objective is to rebalance the membership structure to ensure long-term stability and fairness. Once that rebalancing has been achieved, this Board would recommend to future Boards that the question of voting rights for Six-Day and Transition members be reconsidered in light of the changed membership profile.

When voting is considered, a key selling point will be the added skills and qualifications members will provide to future Boards.

REPUTATION

How will this protect the Club's premium positioning?

Premium clubs invest consistently in infrastructure, presentation, and service. Aligning our fees with benchmarks ensures we can maintain course quality, attract and retain skilled staff, and provide the high-level experience members expect.

Are we concerned that members will leave because of the fee increases?

We have considered this carefully, and the evidence suggests that while this is possible, the risk is low. Even after the proposed increases, our subscription fees will remain in line with or below many comparable clubs, several of which have implemented increases of 20–40% in recent years. Members who leave will have to go onto waitlists and also pay substantial entrance fees. The Club is also at capacity again in terms of membership and is starting to build its waitlist. This will position the Club well.

There is a risk of losing members if we do nothing and are unable to meet our stay-in-business and aspirational capital expenditure.

NEW MEMBERSHIP FEE SCHEDULE FOR FULL, SENIOR, 6-DAY AND TRANSITION MEMBERS

Subscription fee increases per category

	1 October 2026	1 October 2027	1 October 2028
Full Members Currently \$4,794 Increase: 25% over 3 years	\$5,273 Increase 10% = \$479 Less than \$10 per week	\$5,800 Increase 10% = \$527 Less than \$11 per week	\$6,090 Increase 5% = \$290 Less than \$6 per week
Transition Members 33-35 Currently \$3,837 Increase: 32% over 3 years	\$4,413 Increase 15% = \$576 Less than \$12 per week	\$4,930 Increase 12% = \$517 Less than \$10 per week	\$5,177 Increase 5% = \$247 Less than \$5 per week
Six Day Members Currently \$3,596 Increase: 40% over 3 years	\$4,135 Increase 15% = \$539 Less than \$11 per week	\$4,714 Increase 14% = \$579 Less than \$12 per week	\$5,233 Increase 11% = \$519 Less than \$10 per week
Full-Seniors 75% Currently \$3,596 Increase: 25% over 3 years	\$3,955 Increase 10% = \$359 Less than \$7 per week	\$4,350 Increase 10% = \$395 Less than \$8 per week	\$4,568 Increase 5% = \$218 Less than \$5 per week
Transition Members 30-32 Currently \$3,357 Increase: 33% over 3 years	\$3,861 Increase 15% = \$504 Less than \$10 per week	\$4,350 Increase 13% = \$489 Less than \$10 per week	\$4,568 Increase 5% = \$218 Less than \$5 per week
Transition Members 27-29 Currently \$2,639 Increase 43.5% over 3 years	\$3,035 Increase 15% = \$396 Less than \$8 per week	\$3,490 Increase 15% = \$455 Less than \$9 per week	\$3,959 Increase 13.5% = \$469 Less than \$9 per week
Transition Members 24-26 Currently \$2,158 Increase: 57.5% over 3 years	\$2,590 Increase 20% = \$432 Less than \$9 per week	\$2,979 Increase 15% = \$389 Less than \$8 per week	\$3,350 Increase 12.5% = \$371 Less than \$8 per week
Transition Members 21-23 Currently \$1,679 Increase: 53.5% over 3 years	\$2,015 Increase 20% = \$336 Less than \$7 per week	\$2,418 Increase 20% = \$403 Less than \$8 per week	\$2,741 Increase 13.5% = \$323 Less than \$7 per week
Transition Members 18-20 Currently \$1,199 Increase: 63.5% over 3 years	\$1,439 Increase 20% = \$240 Less than \$5 per week	\$1,727 Increase 20% = \$288 Less than \$6 per week	\$2,131 Increase 23.5% = \$404 Less than \$8 per week

Does the early bird discount of 5% continue?

Yes.

Do the above figures assume the early bird discount of 5%?

No, these increases are before deducting any early payment discount.

What is EBITDA?

At BGC, EBITDA is simply our total revenue minus our wages and operating expenses.