

Farce Three AGM

By BRUCE HOLLOWAY

The following is my precis of the Force Three annual meeting in Tauranga on May 25. I attended as a delegate for Hamilton Boys' High School, holding 32 votes. You might reasonably argue it was a bit rich for me to front at the AGM representing an entity which now considers itself to have disaffiliated from Force Three (as with all Waikato secondary schools as from February 2003).

But we paid (over the odds compared to schools in most other parts of the country) our fees in 2002, and were happy to have our say at the post mortem as well.

Besides which, because so little of federation affairs gets reported or recorded, there was almost a public duty to attend and shed some light on a federation which -- in the absence of details from a couple of other outposts -- might well be considered the runt of the litter.

The meeting was largely inconclusive on several important matters, like who would be the new chairman to replace Dave Parry (that's decided by the board, not the AGM).

He stood down after what I considered to be three years of weak leadership. Typically Parry chose only to comment on "the positive" in his chairman's report. It's a total cop-out for a chairman to refuse to offer a view on the things people are most concerned about. I felt he had some nerve quoting Churchill at the end of his own

wishy-washy annual summary.

There was also no word on who the new appointed members would be, or who might fill the vacancies of president (who helps select the appointed members), or for that matter, who was to blame for the deficit or the missing gear, while the announcement of the members "declared elected" had it's moments as well.

But I'm getting ahead of myself here. With the federation reporting a loss of \$97,844, and plenty of pre-publicity, it's not surprising financial matters dominated the four-hour meeting.

Board financial spokesman John Gray started in that understated deadpan mode favoured by accountants the world over.

"It's fair to say we didn't have enough income and spent too much," he said, in attempting to explain the deficit by stating the bleedin' obvious.

But he took comfort that the figure came down to \$49,000 when you took into account devaluation of equipment (more of that later) while he believed the \$515 Force Three charges each of its representative juniors was insufficient.

Gray, conscious of news reports that the federation was technically insolvent, said there were two definitions of insolvency.

In the first, you are unable to pay debts as they fall due. "Because NZ Soccer will not call in their debt, we are not insolvent," Gray said, adding that

since balance date accounts payable had been reduced to \$10,000. (A delegate later argued that because federations are set up as a branch of NZ Soccer, in effect we did not owe them \$127,000 as the accounts suggested, because a branch can't owe a head office by law and with members having already "paid" their fees in lodging them with Force Three, they could hardly be charged again.) In the second your liabilities exceed your assets, which was the case with Force Three.

Anyway, late last year the board did a stock-take of Force Three equipment and valued it. They found a lot of stuff was missing -- or had been given away to players.

"The fact of the matter is most of it (equipment) was not there," Gray said. It was at about this point that Keith Ward (Cambridge AFC and well-connected Waikato businessman) weighed in with some heavy broadsides.

The biggest problem within the Force Three soccer federation, he argued, was not the deficit, but the operating structure.

"I sense significant disquiet at the state of the accounts," Ward, traditionally a federation supporter, concluded. "There has been a complete failure to get the internal accounting right."

"Structurally this board is dysfunctional and that is the real issue. You can't do everything as a board, you have to release work back to your staff."

"Financial accountability must improve as the main priority, but while you can be responsible, you shouldn't be the people doing everything."

Here's Ward and Gray on the missing gear.

Ward: "Who is responsible?"

Gray: "I don't want to dwell on history".

Ward: "Next year can we expect better?"

Gray: (in a reference to the former board member in charge of finance who stepped down just before the 2002 annual meeting): "I'll probably do a Dallas Fisher and resign."

Ward also slammed the federation for failing to get their accounts out within three months of balance date. He lamented a \$30,000 budget blowout in "general expenses and \$40,000 over-expenditure on "employment".

"It is continuing to happen. There is no real apparent control of spending. We get vague responses that it is not your fault. But when I look at this I don't see any accountability."

Gray: "I don't disagree with anything you have said, but we don't have the money to spend on a chief

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executive."

Gray made a reasonable point in that his first priority had to be to earn a living in his accountancy practice, though this only underlined Ward's point that there was a need for professionals to be doing this work, not volunteer board members.

Ward tempered his criticisms with an offer of professional help to lower the \$8000 budgeted for accountancy fees next year. And Matamata solicitor Peter Tatham also offered his services for free rather than see a further \$3000 budgeted on legal expenses for 2003, some already chewed up, apparently.

I thought this was a promising

development in that it was an offer of greater community ownership of the federation's woes. Though in that respect does not solve the fundamental problem with federations: they are not answerable enough to the people who do the volunteer work, and too answerable to those above.

But back to the accounts. Asked to explain why office expenses were over \$16,000 -- double the previous year -- Gray said they included accommodation and travel expenses.

Asked why they were included there, he said: "it was a case of too few cocoa tins to put things in."

Waikato Junior Soccer Association chairman Peter Williamson, while commending the board on the hard work they were putting in and the rigorous processes they had gone through, said there was a need for greater clarity in the accounts to reflect the needs of an incorporated society.

"Accounts in the past have been more granular. We could look down into them and see a level of transparency." These accounts are prepared to too high a level. There is not enough in-house accounting and not a lot of attention to the structure of accounts. We need a lot more detail."

The board agreed. Telephone charges were up \$8000. "Is the board happy management is under control?" one delegate asked. Board member Ken Gibb: "It is being addressed now?"

Ward again: "I can see it being better next year, but not much better. I will take it as a personal insult if some Jafa from Auckland has to come down here and take over." (In a sense that is what has happened, with Alex Hayton regularly coming down from Auckland to do CEO work.)

In scrutiny of vehicle expenses, delegates asked what would be done in future when staff clocked up excess

mileage on their cars. Gibb: "We haven't been monitoring closely enough."

To be frank, a lot of this part of the meeting was conducted in code, as delegates raised questions relating to general staffing matters, when it was specifically the practises of director of coaching Mark Youngjohns they really wanted put under the microscope.

(For whatever reason, Youngjohns is a deeply unpopular figure throughout the federation. In fact I can't recall a case quite like his in the last 30 years in Waikato soccer. It doesn't help that he hasn't been seen at senior or junior soccer matches or functions in years, but perhaps if people want to have a ping at Mark, they really should squarely lay out their complaints in official forums rather than bend my ear before or after an AGM.)

Former board member Graeme Mills said the quality of Force Three documentation didn't "give any confidence". But Gray said a lot of the problems were historical.

"I have a great deal of difficulty accepting the 2001 accounts were correct. There was missing documentation and I believe the deficit was much greater."

Delegates also had serious problems with federation documentation, with many taking exception to the presentation of the 2002 AGM minutes, pointing out they did not reflect the fact the meeting had censured chairman Dave Parry.

"You were heavily censured and there is no record of this," said Western United delegate Peter Docherty. Nor did they contain the names of the people who had moved or seconded financial reports. Further, delegates noted promises that minutes and financial reports would be circulated to clubs had not been fulfilled. Others commented on how there was no report from director of football Youngjohns and no apology had been

noted. (Incidentally, the board ruled it would be inappropriate for a CEO report, given Tony Pill had resigned in December. Pill, who was present, had offered to provide one.)

In the absence of acceptable minutes, the meeting heard a delightful personal summary from Docherty, who -- anticipating this exact scenario -- had taken his own notes.

Asked from the floor to comment on the impact of the Ineson Report on practices with Force Three, Parry refused point blank to say anything, arguing that was a document New Zealand Soccer had instructed him not to talk about.

It spoke volumes for federation methods of work that Parry would happily take instruction from NZS, but not the floor of his own AGM.

Under pressure from a WJSA official he did however concede that in light of his stance, it was only fair that he should retract all glowing references to the Ineson Review in his chairman's report.

A remit from Force Three referees was passed, changing their voting strength to make it more proportional to seniors. (took them from five votes to 20 votes out of 570 senior votes.)

However under the federation constitution amendments may only be made by NZ Soccer, and there was uncertainty as to what would happen to the remit from here. Some said NZ Soccer could either hold a postal ballot, or ignore it until their own 2004 congress. This is very much a case of testing the waters.

A similar remit from Western United to amend voting strength to more accurately reflect the fact juniors paid more than twice as much as seniors in fees was defeated. Presently there are 570 senior votes in the federation and 650 juniors. seniors pay \$40,000, juniors \$100,000. The new deal would have given seniors 124 and juniors 325 votes.

It was noted that questions of who held the balance of power wouldn't be such an issue if there was official recognition of junior associations as bodies juniors worked through with matters particular to them. However an amendment was successfully made to Force Three regulations effecting the formation of local management committees.

This was despite board member Gray speaking against the remit. He said it was "a bad process" to set up such a structure. I found this an astonishing comment, but he was drowned out by club delegates who said such communication channels should have been put in place three years ago.

"Rather than once a year coming to an AGM, we should have an easy structural mechanism to direct our concerns to the board," said one delegate.

No board members spoke in favour of the remit. Peter Williamson pointed out the working practices of the Waikato juniors -- who are not formally recognised -- in consulting all clubs on regional issues which affected them. And doing so "before the event".

This was a relatively alien concept to the federation.

There were no nominations for life membership. "Didn't you receive that nomination for Dallas Fisher?" (now with the Breakers basketball team) one wag asked.

With board vacancies exceeding nominations, Peter Martens (Cambridge) and David Ireland (Te Awamutu) were declared elected board members for 2003-2004. But delegates keenly noted voting forms had already been despatched for a postal ballot, and a result should be declared.

At this point, to the entertainment of everyone, Parry gave a pithy and delightful recollection of one of the most

disgraceful episodes in recent New Zealand soccer history, when Bruce White was not elected onto the NZ Soccer board in 2000, despite their being two candidates and two vacancies.

Neither candidate (Noel Hadwen was the other) attracted a vote. President Warwick Gendall used his deliberative vote to back Hadwen, but not White, and then declared White "unelected".

With everyone wondering whether the same could apply here, operations manager Neil Evans, the acting returning officer, announced both candidates attracted one vote each by post. That might be just as well, because neither "Landslide" Martens or "One" Ireland spoke to any issues during the four-hour meeting, or gave any indication they had much to add behind closed doors.

At this stage Docherty had a go at Martens -- a foundation board member -- wondering if he might consider also standing down in light of the federation's pathetic performance during his time. Astonishingly, Martens did not respond to this insult-challenge.

Finally Ward requested that in future the annual accounts be circulated before the closing date for notices of motion, rather than afterwards. "If the accounts are a shocker again next year, we have no recourse." The meeting closed with Williamson thanking Parry and standing-down co-opted board member Chris Jessop for their efforts. "It may sound like we are always knocking you, but we need to take the knock away from the person."

Force Three is, in an administrative sense, stronger than it was a year ago. But I can't identify a single "Mr Soccer" on the board with any ability to rally or lead the code.

However the most recently "appointed" board members have a lot more substance than those elected from within the game -- which tends to weaken my

argument of the past few issues that we need a majority of "elected" board members in federations.

Then again, it seems a lot of the better elements in football at large in my province simply don't want to work within the fed structure. It's a problem.

Force Three's other big problem is staff-related. A governing body simply can't work effectively when there is such widespread antipathy towards one of its leading staff members (Youngjohns). It's eating away at the game here and urgently has to be sorted out one way or another.

Kevin Merrie has resigned as Waikato soccer development officer. Merrie, an astute and popular figure within Waikato junior football, declined an invitation to comment publicly on coaching or administrative issues within the federation at this point.

#Ken Gibb, a former Mt Maunganui AFC committee member, has since been elected chairman of Force Three.

Elsewhere

The Soccer2 annual accounts showed an operating loss of \$79,861 for the 2002 year and a deficit in accumulated Funds at 31 December of \$74,177.

This after a loss of \$27,467 in 2001, but a surplus in 2000 (when Noel Robinson was running things) of \$33,151.

Soccer2 owed NZS a total of \$144,840 as at 31 December 2002. As with Force 3, it hardly helps having the AGM five months later when the position is so bad..

It gives little time to address and possibly correct matters. The budget for 2003 shows a projected surplus of \$74,717 but is based on a major fee increase (from \$130,591 to \$194,050) and a surplus of around \$70,000 from a coaching scheme.

In other words the clubs and the kids

are being asked to shoulder the burden to get things right.

A Sitter! reader who attended the Soccer2 AGM described it as “a shambles”. The meeting was chaired by the chairman, Mark Matthews, as the president did not arrive and there is no vice president.

Southern federation reported an operating loss of \$3540 at its AGM. Malcolm Barnes was elected president and re confirmed his commitment to fight to keep the associations autonomous under the Federation structure management.

Wellington reported an annual surplus of \$37,000 and United Soccer 1 an impressive surplus of \$127,000, which – as its annual report noted -- was a return on equity of 158 per cent. Grants funding was \$340,000, more than double the previous year, while sponsorship was up \$300,000 to \$360,000.

In print

Interesting that the Chatham Cup draw has seemingly become “flexible” after the Canterbury administration first drew Tech to play Ferrymead/Rangers, then calmly announced they had re-drawn and the Dunedin side would play the winner of Nomads/Woolston on Saturday in Christchurch. Cup draws used to be sort of permanent when they came out of the hat. Now it's like a dubious raffle where you keep picking names until you reach someone you know. I'm joking or course, of course, but still look forward to Canterbury's explanation. — Rab Smith, Soccer Otago programme June 7.

“We're in the quarterfinals and there's no team in the competition that worries us. If we play up to our potential we can win the Cup for the first time.” — Evening Standard, July 7. Manawatu skipper Ian Robinson never made allowances for Lower Hutt City, did he? Still, not a year goes by without some captain or coach making bold predictions about their team's run in the Chatham Cup.

When Super 12 started it was seen as lifeblood to rugby clubs. Just ask clubs now if it has helped. The same with netball and rugby league, the clubs who bring in the young players nurture them, then get forgotten as the franchise teams gather any of the available corporate sponsorship to them and their team. This all adds up to another kick in the teeth to clubs in the national league that have worked hard to upgrade facilities... who could now miss out on a franchise opportunity. NZ Soccer mentions that the league needs some stability as it has received a lot of tinkering over the years. Funny that, as the clubs have not done the tinkering. – Lower Hutt City programme, June 14.

Billy Harris, Sunday Star-Times, April 2002: “Coaches often come in twos, so maybe the Kingz should appoint Laurel and Hardy. Then if something goes wrong, one can look at the other and say: “that's another fine mess you've got me into”.



Was Billy Harris, New Zealand's only Stan laurel look-a-like, trying to tell us something? If so, who is his Oliver Hardy? Perhaps it's Central United's reserve goalkeeper this winter. His name: Oliver Hardy. -- John Bentley

