

End of an era: The debt-ravaged New Plymouth RSA club ceased trading at midnight on Monday.

Last post for the RSA

By ROBB MAETZIG
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THE Last Post has sounded for the battle-scarred New Plymouth RSA club.

Under orders from its national executive, the debt-plagued club which has proudly served old soldiers and their families for more than 90 years ceased trading at midnight on Monday.

It now looks extremely unlikely the Devon St East clubrooms will re-open - and already, fellow chartered club the New Plymouth Club has taken over, offering all 1000 RSA members full access to its Gill St premises.

The sudden closure follows an investigation into the club's finances by the RSA national office with assistance from management of Wanganui RSA.

This culminated in an emergency club executive meeting on Monday night, attended by representatives from Wellington and Wanganui, where it was decided to immediately cease trading.

Long-time member and acting club vice-president Robbie Galvin said national headquarters representatives at Monday's meeting said the RSA couldn't possibly trade its way out of worsening financial circumstances.

"It's bloody sad. Our membership includes a large number of widows and widowers, and the RSA is their whole life," he said. Bar manager Sharon Erueti - who has lost her job - said she feels for the older members.

"Many of them don't have any other family, and it is exactly they come to socialise.

"They also like to do exactly the same thing every week - like cards every Mondays and Fridays - so this closure is really going to hurt."

"If they can't come here, where will they go?"

New Zealand RSA chief execu-



Lest we forget: A sad Robbie Galvin examines the cross taken down at the club. Photo: MIKE SCOTT



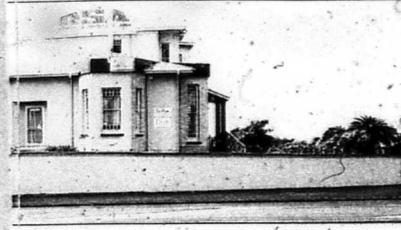
Shutting up shop: Sharon Erueti has lost her job as bar manager of the New Plymouth RSA after the club closed its doors.

tive Stephen Clarke, who was at the meeting, yesterday said the investigation showed the New Plymouth organisation was in deep financial trouble.

"Our research showed that the club made a bit of a return in

January, but it was too little too late," he said.

"The cold reality is that the club has been struggling financially for at least the past five years. Unfortunately, the meeting was the end game of a



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ROBBIE GALVIN

number of years. The club needed to stop trading."

Dr Clarke said it was important that this week's closure of the RSA clubrooms did not mean the end of the Returned Services Association in New Plymouth.

"The RSA is still a viable organisation - and it has to be remembered that more than a third of all RSAs in New Zealand don't have clubrooms.

"It's going to be all about ensuring the RSA continues to have a presence - that it remains a guardian of remembrance of the war effort," he said.

Closure of the clubrooms came after a series of financial crises at the New Plymouth RSA in recent years.

The *Taranaki Daily News* revealed on Saturday the club had incurred operating losses of \$530,000 in the three years up to 2007.

It also owed \$736,000 to its welfare arm, among other debts. Two years ago it seemed the club's troubles would be over when it sold its Devon St East land and building to businessmen brothers Steve and David Crow for \$1.9 million, who took over the management of the operation.

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Sorry sight after members arrive

By KIRSTY JOHNSTON
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IT WAS a sad and sorry sight that greeted New Plymouth RSA members at their clubrooms yesterday morning.

Outside the doors, a handwritten chalk sign announced the club's hasty closure, while inside the veterans' prized marble cross lay on the ground, carefully removed from its perch high above the restaurant.

Even as staff pulled more memorabilia from the walls and counted the last of the coins from the till, members continued to arrive at the old building in a slow trickle, obviously unaware of the news.

"Today is usually senior members' day, they come in for lunch and a hand of cards," executive member Robbie Galvin said.

"We put it [the news the club had shut] over the radio this morning, but obviously they couldn't reach everyone in time."

One of those members, 82-year-old Derek Coppin, had been part of the RSA for 60 years and was visibly disappointed when told of the news.

"This is a shock," he said, looking around at the dark, empty room.

"Usually on club day you get as many as 100 people here, especially if some of the other clubs turn up."

Mr Coppin said for him and many of his friends, their trips to the RSA were their only social

outings. "That's the problem. What are we all going to do? It's going to be very sad. It would be good if we could find somewhere else to go," he said.

Other members expressed anger. A group of ladies who turned up with plates of cream-topped scones and corn fritters had come from Stratford that morning for club day.

"They could have at least advised the members what had happened. We're fully paid-up after all," they said.

"I guess we'll have to go to the New Plymouth Club instead."

Member Laurie Mackie said they thought many of the club's members were fed up with the executive committee.

"When we first read about what the Crows were doing we thought it looked good," Mr Mackie said.

"And then when it all hit the fan we thought it was the returned servicemen trying to do the best they could, but there's a generation gap. They're too old to understand the other members' wishes."

They agreed that what had started the friction was Steve Crow's role as a photographer and his intentions to advertise erotica on a billboard at the RSA site.

However, a female friend of Mr Mackie's, who did not want to be named, pointed out that many servicemen would have visited a brother while on duty.

"After then they come back here and put on their holier-than-thou attitude like they've never been to a massage parlour," she said.

"They would have. I would know. I was married to a returned serviceman."

Crow still wants RSA to remain on its site

By ROBB MAETZIG
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STEVE CROW is determined to ensure there will always be an RSA at 435 Devon St East.

"I know that anyone with any commercial nose or even half a brain would be happy to see the RSA gone from the site, which would allow us to develop it," said the Auckland businessman yesterday.

"But my brother David and I are still locked into what we promised our dad before he passed away - that the New Plymouth RSA would remain on that site."

The Crow brothers' father, Peter, was a president of the New Plymouth RSA.

The Crows have been in battle with the RSA almost from the time they reached agreement to buy the organisation's land and buildings at 435 Devon St East,

and at the moment the two parties have reached impasse over management of the club.

Steve Crow said he and his brother had operated as hard-nosed property developers they would have ejected the RSA from the site on the day they purchased the property.

"We would have bought the place, kicked the RSA out, and turned the property into something profitable. But we want the other RSA to stay there - we promised our dad that."

Mr Crow said he still believes there is strong support within the club membership for what he and his brother propose for the land and buildings.

"Regardless of what those people on the club's executive are saying, there is support," he said.

"In the end this will all have to go to an emergency general meeting of the club. Then the support will come through."

SKIRMISHES

2004/2005
• Annual loss \$86,630
• RSA owes its welfare account \$132,300

2005/2006
• Offer of amalgamation with the New Plymouth Club or Waima Club rejected
• New Plymouth block of flats sold for \$318,000
• Offer to sell club building for \$1.7 million rejected
• Proposal to borrow \$200,000 from the bank passed
• Annual loss \$224,884
• RSA owes its welfare account \$208,117

2006/2007
• \$1.9m offer from the Crows received
• Possible offer accepting the sale rejected
• Formal offer to buy made
• Annual loss \$121,874
• RSA owes its welfare account \$736,617

2007/2008
• Sale finalized for \$1.9m
• Home mortgages to TSB Bank repaid
• Crows take over management of the RSA
• Crow ends the relationship
• Crow as Peter Crow introduce the RSA
• Conspiracy smug over the RSA being advertised on the site
• Annual loss \$117,889
• RSA owes its welfare account \$736,617

2008/2009
• Enticed Eggs cornered
• Steve Crow stands for positions
• Crow is elected new signing a committee
• Tensions boil over when new agent Roy Korone attempts to persuade the Crows from the building into the Crows threaten court action
• The rural on wall outside the RSA is destroyed
• The RSA business presents a proposal for the consolidation of the executive committee. This has been rejected
• RSA owes its welfare account \$736,617
• Annual profits loss 7777
• Don't close

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New Plymouth 23°C Hawera 20°C

Cloudy early showers Showers then rain

RSA closes over money issues

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The purchase arrangement saw the Crows pay a \$375,000 deposit to the RSA, with the remaining \$1.525m becoming a second mortgage provided as vendor finance by the RSA, payable in five years.

But the relationship quickly fell apart after the brothers stepped in as managers in August 2008 and immediately began to clash with the New Plymouth executive over various management techniques and changes. The club reverted to managing the operation itself, and has since refused to accept revised partnership proposals from the Crows that would have entailed the brothers taking over the running of the entire building, and releasing the club from the lease of the clubrooms.

It would also have released the club from another contract that binds the club the buy back part of the building once it has been renovated by the Crow brothers.

Even at Monday night's meeting - and after it had voted to close the clubrooms - the club's executive once again voted to reject any partnership with the Crow brothers. Yesterday, Steve Crow said the club executive had made the right decision to close its doors. "The club had been trading insolvent. The executive

Club helps fellow club

By **ROB MAETZIG**

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THE New Plymouth Club says it is more than happy to help out members of the New Plymouth RSA.

Yesterday, in the wake of Monday night's shock closure of the RSA's Devon St East clubrooms, an emergency meeting was held between the two chartered clubs.

New Plymouth Club president John Kendall and general manager Lindsay Campbell offered temporary membership to all RSA

would have been risking being responsible for the debt," he said, adding that he was "really sad" that during the time he and his brother had managed the club's operations, it had moved back into profitability. "That was as recently as October. And then the club terminated the management contract, and it has gone quite dramatically backwards ever since."

Mr Crow said he hoped the club would now meet members,

members, and the two RSA executives at the meeting quickly agreed.

"The two clubs are members of Clubs New Zealand, so the RSA members have got reciprocal rights to our club anyway," said Mr Campbell.

"But we decided to provide them all with their own swipe cards so they can gain access to our clubrooms whenever we are open. It's the least we can do for a fellow chartered club."

The New Plymouth Club will also be the headquarters for the upcoming Anzac Day activities, said Mr Campbell.

creditors and he and his brother as landlords, and find a means of moving forward and hopefully re-open the clubroom.

"Our interest is the old diggers. I'm sure we can offer them something better at the same home." The Nosh Restaurant, which is part of the Te Ara Lodge complex now owned by the Crows, is not affected by the closure and continues to trade.

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Wednesday, February 10, 2010

The end of the campaign

SOME weeks ago, we observed in this column that there are no winners in war, just losers and others who end up losing a little bit less.

With the RSA yesterday deemed insolvent, its doors closed, its members effectively homeless and disenfranchised, how prophetic those words now seem.

For months, the iconic clubrooms in Strandon have been the centrepiece in a battle between two sides on different sides of history - the old and the new; the time-honoured and the trashy; the brave and the brash - with the only common ground appearing to be folly born of stubbornness and arrogance.

On one side were the loyal diggers representing sacrifice and tradition, pitched into one last battle to save their hallowed clubrooms, their meeting place of mates and minds; on the other side were two brothers working hard to honour a pledge to their dying father with the gift of their own hard work and funds.

But as in all battles, not much can stumble from the fog of war completely intact. Reputations on both sides have taken big hits in the march for the moral high ground and campaigns appear to have become muddled in clashes of big egos and individual agendas.

Lost in that fog, collateral damage to the bigger forces at play have been the rank-and-file members of the New Plymouth Returned Services

Association who, like the public, probably never had the full picture of the background to this particular theatre of war until it was too late and the campaign was lost.

The RSA painted a picture of an overbearing and intolerable partnership with the Crow brothers, who rode roughshod over members and never treated the association with the respect it believed it deserved.

Some of that appears to be true, and the Crows have admitted stepping over the line on more than one occasion.

But as reporter Ryan Evans discovered in his story and feature revealing the RSA's awful finances, most of the blame for the demise of the organisation rests with the association and its leaders rather than with the Crows.

The brothers simply made the final death march a little less comfortable.

If the RSA had devoted as much energy to finding real workable solutions as it did to making itself appear above reproach, the doors might still be open.

If the Crows had finessed their message a little more and shown a little more deference to their battle-hardened elders, maybe the members would still have a spot to share a beer and a chat.

But it is too late now.

Once again, a war and no winners.