

Proposed General Meeting Motions to Update Constitution for Not-for-profit

Background

The club is incorporated under the Associations Incorporations Act 1991 (ACT), (Part 3, Section 14, paragraphs (1) and (2)) and operates on a not-for profit basis.

However, difficulties have recently been experienced in having our NFP status recognised by third parties when applying for services and products generally available to NFP organisations either free of charge or at significantly discounted rates eg web products and office software and various other services. Providers check organisations' NFP s status on the Australian Charities and Not for Profit Commission's (ACNC) register to determine NFP status.

The club is not on the register and the ACNC recently rejected our application for registration on the basis that it did not meet the criteria for registration as a charity. The ACNC advised that including a not-for-profit clause in the club's constitution, (based on the Australian Tax Office (ATO) example and providing a copy to third parties is sufficient to have our NFP status recognised.

Necessary amendments to the constitution have been agreed by the committee and the following Special Resolution is proposed to be put to the membership for approval. This requires 21 days notice and needs a majority of 75% of financial members in attendance and registered to vote – Constitution 38. (1) (a) refers.

Summary of Proposed Changes

- 1) Insert new Section 43 titled "Not-for- profit using the ATO's recommended clause.
- 2) Renumber and amend previous Section 43, Surplus Property to Section 44 and update wording.
- 3) Renumber previous Section 44, Public Officer to Section 45, Public Officer – not changes to wording.

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Motion 1: that the current following Section 43 Surplus Property is deleted

43. *Surplus Property*

- (1) In the event of the winding up of the club, the club must at the earliest possible time pass a special resolution nominating:
 - (a) another association for the Act, section 92 (1) (a); or
 - (b) a fund, authority or institution for the Act, section 92 (1) (b)
in which it is to vest its surplus property in the event of the dissolution or winding up of the club.
- (2) An association nominated under subsection (1)(a) must fulfil the requirements specified in the Act, section 92 (2).

and replaced with the following new Section 44, Surplus Property

44. *Surplus Property*

- (1) In the event of the dissolution or winding up of the club, the club must at the earliest possible time pass a special resolution nominating:
 - (a) another association for the Act, section 92 (1) (a); or
 - (b) a fund, authority or institution for the Act, section 92 (1) (b)
in which it is to vest its surplus property.
- (2) An association nominated under subsection (a) must fulfil the requirements specified in the Act, section 92 (2).

Carried / not carried

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Motion 2: that the current following new Section 43, Not-for-profit, be included in the constitution.

43. *Not-for-Profit*

- (1) The assets and income of the club shall be applied solely in furtherance of its above-mentioned objects and no portion shall be distributed directly or indirectly to the members of the organisation except as bona fide compensation for services rendered or expenses incurred on behalf of the club.

Carried / Not Carried

Motion 3: that the current following Section 44 Public Officer is deleted

44. *Public Officer*

- (1) The committee shall appoint a member, residing in the Australian Capital Territory, to be the public officer of the club in accordance with the Act.

and replaced with the following new Section 45 Public Officer without changes to the wording of the current clause.

45. *Public Officer*

- (1) The committee shall appoint a member, residing in the Australian Capital Territory, to be the public officer of the club in accordance with the Act.

Carried / Not Carried