



Constitution Amendments – AGM 29th May 2019

Explanatory Notes

1. Transfer of registration

This is the next step logical step in the restructuring of Adventure Patch. As previously discussed with Members, the plan is to transfer registration to a company limited by guarantee that can operate appropriately for an organisation like us. The law in Tasmania facilitates the transfer via this formal approval process.

Being a public company limited by guarantee under the Corporations Act 2001 is a more appropriate structure for Adventure Patch than is being an incorporated association under the Associations Incorporation Act which is designed more for small entities and not for operations as large as we now are. Being a company imposes clearer governance obligations on Adventure Patch with Members having clearer rights and Directors having clearer obligations and there are stricter obligations regarding auditors.

As Adventure Patch is also registered with the Australian Charities and Not-for-profits Commission under the ACNC Act it also simplifies our regulatory processes and importantly reduces the cost of those processes. In essence, the ACNC would become the principal regulator with little involvement with ASIC after the initial registration. At present, Blackmans Bay Childrens Services Inc has regulatory obligations both to ACNC and to Consumer, Building and Occupational Services, Tasmania.

This resolution is the first step in the process of changing registration. If Members agree to the change, then Adventure Patch will go through a due process with Consumer, Building and Occupational Services then make application to ASIC to register the company.

2. Change of name

This is an administrative resolution to meet a technical requirement of the Corporations Act.

Members are aware that while formally we remain Blackmans Bay Childrens Services Inc we registered the business name Adventure Patch and have been operating under that name in recent months. To add to the protection of that name we wish to use it as the name of the company. As a company, Adventure Patch must include 'Limited' or 'Ltd' in its name. As an incorporated association we have to include 'Incorporated' or 'Inc' in our name. To change a name requires a special resolution.

The modified name would only apply if Blackmans Bay Childrens Services Inc is successful in changing its registration and ASIC registers the name.

3. Repeal existing rules



This is a technical resolution to ensure that once Adventure Patch becomes registered as a company there is no question that the current constitution does not continue to apply.

4. Adopt a new constitution

To become a company, Adventure Patch must adopt a constitution with a number of rules applicable under the Corporations Act, so changes to the constitution have to be made.

In making the changes to the constitution, the key differences to the current constitution are:

1. Technical changes: various technical rule changes related to the type of company, the Member guarantee, the accounting and auditing obligations and rule changes to accommodate the linkage between the Corporations Act and the ACNC Act.

2. Objects: these have been aligned more closely with key elements of the recently legislated Charities Act 2013 (Cth) – changes which we would need to make even if we stayed as an incorporated association. While the wording has changed, we continue to do what we have long done, so there is no change to the substance of our services.

3. Members: have been simplified in that there is a single type of Member with all Members having the same rights rather than 2 classes of member with different rights. Membership is also broadened in that it is now clear that other organisations can now be Members which we believe will be helpful in collaborating with other services.

4. General meetings: Members have been given more rights regarding general meetings with all the requirements of the Corporations Act being applied regarding Members rights to call meetings, to appoint proxies, to remove Directors at general meetings and such.

5. Board: while the purpose, size and rotation processes of the Board remain similar, key changes have been made in line with principles of good governance. Limits on how long an individual can be on the Board continuously have been introduced to ensure progressive refreshing of the Board. Directors can come from a broader background to increase the scope for having Directors who have needed capabilities or perspectives that may not be readily available from Members. The eligibility requirements for Directors have been specified more clearly in line with the law applicable to child care services like ours. Importantly, Members have a right under the Corporations Act to remove any Director subject to due process.