

# **EXPLANATORY NOTES TO THE PROPOSED NEW RULES OF ASSOCIATION**

## INTRODUCTION

A revised Constitution more aptly named Rules of Association has been prepared for your consideration. The old Constitution needed correcting for deficiencies, incorporating updates to comply with the Association Incorporations Act 1985 and to facilitate for better management practices.

## NOTES

### 1 NAME

Consider, South Australian Veterans Cycling Council or South Australian Veterans Cycling Association? A small change to reflect better of who we are and what we represent. The word council means; elected politicians who govern or an official group of people who have been chosen to make decisions or provide advice. The clubs we represent are all independent and make their own decisions. Our aim is as set down in section 3, objects and purposes. We would be better described as a group of people who have joined together because we have similar interests or aims. The word council has connotations of self importance and is generally associated with larger official bodies such as local government.

### 2 DEFINITIONS

Some new ones added and obsolete ones deleted.

### 3 OBJECTS AND PURPOSES OF THE ASSOCIATION

Primarily no change however have used revised wording for a clear understanding of our aims and purpose. Have included one of our primary functions being that of insurance via the AVCC racing license.

### 5 POWERS OF THE ASSOCIATION

The exclusion of 25(e) and (f), namely the power for the association to borrow money and to give security for the discharge of liabilities. The removal of these powers will give greater security that the association remains solvent.

### 6 MEMBERSHIP

The old constitution contained provision for membership however failed to provide for application of membership. It states that membership is *open* to veterans who are members of affiliated clubs but no one has actually applied for membership to the SAVCC. This situation has been corrected and the scope for membership has been expanded. Provision has been made to keep the register of members current by way of a subscription. All reference to annual license fees have been deleted as they are superfluous because those matters are dealt with by the committee in the ordinary course of business.

## 7 THE COMMITTEE

The new rules for the committee have been amended to facilitate continuity of management. Committee members will need to declare a conflict of interest as per the Act. The size of the committee has been reduced by one as has the quorum to a minimum of five. Further to facilitate a more flexible management, the roles of executive office bearers have been deleted and replaced with section nine and ten, minutes and financial reporting.

## 8 GENERAL MEETINGS

Mostly minor amendments, such as the appointment of an auditor being optional. An audit is only required for a prescribed association. The major change is to the service of notice. Although more onerous, correct service of notice is a legal requirement. Further, to reflect the difficulty of achieving a quorum in the past, the new quorum shall be eleven, also consistent with the low number of probable members.

## 9 MINUTES

An expansion of the requirement for good procedures.

## 10 FINANCIAL REPORTING

Reflecting the same standards as per the old constitution yet facilitates better use of resources. For example the association has a relatively low number of ledger entries and therefore the committee could deem quarterly reporting by way of a statement of financial position and statement of financial performance as more appropriate than a financial statement and report, as is required at present for every committee meeting. In the spirit of openness and accountability it is proposed that a committee's statement and report be presented with the financial statements at the annual general meeting.

## 11 PROHIBITION AGAINST SECURING PROFITS FOR MEMBERS

A new clause to comply with the Act

## 12 WINDING UP / APPLICATION OF SURPLUS ASSETS

A simplification of wording and procedure with the same intent as the old constitution.

The old constitution contained a clause relating to, "Own risk and Indemnity". This clause has been omitted because section 39b of the Act voids any clause seeking to indemnify officers of the association. As far as indemnifying an officer in defending any proceedings the association has no assets to speak of to fund such proceedings. The new rules provide that public liability and professional indemnity for members is included in the contract of insurance. The clause is also superfluous in that volunteers are protected in South Australia by the Volunteers Protection Act 2001.