

Please understand that these were my notes for answering the questions presented prior to the Forum on Sat. 4th May 2024

A question from the Floor without notice regarding the RDA (NSW) Organisational reporting is up to date and the next entry is for 2023 which not due as yet.

FORUM Questions and Answers

DISCUSSION ITEMS FOR OPEN FORUM - 4th May, 2024.

QUESTION: Change in Association Name - Recommendation originally submitted by RDA Goulburn and then by RDA Young

Answer:

Firstly, “Riding for the Disabled” is a worldwide recognised name with many countries having a Riding for the Disabled organisation in operation.

RDA (NSW) has registered “**Riding for the Disabled (NSW)**” as well as already having registered “**Riding Develops Abilities**”. This means that any RDA (NSW) centre can promote their RDA sessions as a “**Riding Develops Ability Program**”.

Does this answer the question or do others have an alternate name suggestion?

QUESTION: From Richmond RDA Centre

Incorporation of Centres-

Topic – Issues regarding the Centres being Unincorporated Associations

I am a volunteer and treasurer for the Richmond Centre and since becoming the treasurer have become aware that all RDA Centres are “unincorporated associations” which is a major concern for me as an accountant (FCPA).

An “unincorporated association” has no legal status and is defined as;

An unincorporated association is not a separate legal entity from its members. It is simply the group itself, of people who have agreed to come together to pursue a common purpose, such as to establish a faith community.

Therefore, an unincorporated association cannot enter into contracts in its own name, or own land, or employ people, or sue or be sued.

My major concern is the issue regarding legal liability. As mentioned above the “unincorporated association” has no legal status and therefore cannot be sued if something goes wrong. However, the members of that association can be personally sued to recover any debts or claims against the Centres which to me is not acceptable. The risk might be low; however, we should not be putting our volunteer members at that risk.

ANSWER:

Joe Orland has addressed this issue previously and the suggestions made include setting up the Centres as “Associations” under the Associations Incorporation Act” (either

individually or as a group) or a separate company, limited by guarantee as a group, with each Centre being a branch.

Also, the structure being considered is whether the restructured “group” could be set up as either:

- The current “RDA (NSW)” with a number of subsidiary companies or incorporated associations – one for each Centre,
- The current “RDA (NSW)” with a subsidiary company which has subsidiary companies or incorporated associations,
- A variation of the above options.

We have sought preliminary legal advice but to-date no changes have been made. It is a “work in progress”.

QUESTION NoM Directors’ Terms be extended to 4 years- proposal

Subject: Directors Time Held.

Re: **Motion to make Changes to Constitution.**

Section 2. Composition of the Board of Directors

27.1(a), Remain as 8 Elected Directors and up to 2 Appointed Directors.

Section 30. Terms of Office

30, Terms to be for a period of 4 years with 2 Directors to be up for re-election at each AGM.

Rationale; As the first 1 year involves a lot of learning to understand the complexities of being a Director it only gives 1 year to be able to be an effective Board Member.

Also with this change to the Constitution it allows for continuity of expertise and knowledge.

To be able to implement this change the Constitution would need to allow that when 4 Directors are up for re-election and votes at the AGM are counted the 2 highest number of votes serve 4 years, the next 2 highest scores serve 3 year terms thus covering every years AGM until all Directors are elected for 4 year terms

Explanation;

The Constitution states that only four Directors can be elected in any one year. This has caused a problem in past years, and it also will affect the numbers for this year as there are only 3 incoming elected directors coming onto the RDA (NSW) Board. We can appoint 2 directors with specialised skills, but this may not be suitable, particularly if the number of “gaps” to be filled is greater than two.

However, the problem is that if each year where there are less than 4 nominees, then there is the possibility that the numbers of directors could result in the director numbers being continually depleted. There has been the reason in the past to invoke a clause that allows an extension of 1 year for a director’s term in order to maintain workable numbers.

The suggestion as given above to implement 4-year terms is a suggestion and process that you, as members should look at. It means that it will help to ensure that the intellectual knowledge of the organisation is not lost.

Tumut Questions:

The Tumut RDA Centre would like to propose the following questions to the State organisation to be tabled at the upcoming May AGM.

QUESTION 1

How does the Board support an AGM in 2023 where it's members did not have the opportunity to participate; Members were unable to speak from the floor and in the reconvened meeting where I do not believe the questions relating to the financials were answered, no one had the opportunity to question or participate as all with the exception of the Board were muted and then unable to communicate with anyone via chat. How does the organisation move forward from this and why should Centres support future AGM's by sending delegates to attend? What is the point of attendance when nominees who have already been voted for by members are removed without an explanation?

RESPONSE: Members were requested to submit questions about financial matters a few days ahead of the 2023 AGM so that any answers which required an analysis of the accounts can be prepared and delivered at the AGM.

No questions were received prior to the AGM, so it was assumed that members had no questions to ask. Therefore, the FO did not have a copy of the accounts on hand. However, one question was received at the AGM and answer was subsequently shared to centres.

Apart from the questioner providing incorrect details, making it difficult to address without a copy of the accounts, the question needed a detailed analysis of the accounts so that a considered reply could be given.

I advised Centres that I would give a written response, via email, to all Centres after the AGM. It may be possible that the messages sent to Centres on various matters were not passed on to all members of all Centres. Naturally, this can lead to misunderstandings and confusion.

The question that was received was answered in detail via an email sent to all Centres shortly after the AGM.

As to the Members being unable to speak at the EGM in question, this was because matters had to be limited to the Special General Meeting matter, and that was to count the votes that had been submitted by Centres and the result announced.

This year we are having this forum to allow for questions from the floor. However, Questions for the AGM still have to be submitted 2 weeks prior to the AGM.

QUESTION 2

How can the current Board members return when they have completed the 3 term periods as outlined in the Constitution, which reads that casual position it counts towards their current term?

RESPONSE: It needs to be noted that the limit of three consecutive terms which could be served by directors was introduced via the new RDA (NSW) Constitution. That Constitution commenced once it was approved during the 2018 AGM.

The directors to which the reference is made in the question had commenced their directorship under the former RDA (NSW) Constitution. That Constitution did not contain any limits as to the terms which can be served. However, the Constitution that came into effect in 2018 provided that any time spent as a director prior to the commencement of the 2018 Constitution was not to be taken into account in determining the terms that director could serve. As a result, the terms that could be served were to be counted starting from the first election to take place after the commencement of the 2018 Constitution.

As a result, the first of the directors to have to stand down under the 2018 Constitution are due to stand down at the 2025 AGM, which is the date of the completion of their third term which started after the introduction of the 2018 Constitution.

QUESTION 3

How do Centres who have been placed into administration regain full membership?

RESPONSE: Centres which are under administration, are there because of their breaches of the RDA (NSW) Constitution or other “problems” which need to be rectified.

The fastest way in which Centres can be removed from being under administration is to fully comply with the requests of the Administrator and both the Centre and State Constitutions. The sooner that Centres which are under administration comply with their requirements, the sooner that they are able to come out of administration.

Question 5

How much has legal advice cost in the past two financial years for the organisation? Were there any of these costs unrelated to complaints against the Board and its members? Should not this information be in the annual report?

RESPONSE: The legal expenses incurred by RDA (NSW) will be included in the accounts of RDA (NSW) in coming years.

The legal fees for 2022 was \$7,355.50

2023 Legal fees \$39,623.19 of which, all but \$7,870.50 is relating to one matter that is ongoing

Mudgee Question re Finances: SUBJECT: Unsatisfactory Financial Report & Lack of Transparency on Other Expenses.

The Audited Report has been compiled as according to the same as every other financial year.

It was compiled according to the approved procedure as accepted by the Australian Accounting Standards.

The list of expenses that fall into the category of “Other Expenses” is very long and if itemised it would be several pages long. However, while the audited accounts for the 2023 year have been completed in the same way as has been used in preceding years, the point is well made and this will be taken into account for the accounts for the 2024 year. If Centres want a more detailed set of accounts for the 2023 year, this can be arranged, including a distribution to all Centres.

Apart from Wages there are expenses such as the following:

- Travel expenses for Coaches, Regional Reps and Assessors.
- 2023 Insurance Payments of \$46,438.47 and \$18,425.00 equalling \$64,863.47. however, there are some smaller accounts of less than \$5K as the total is about \$69,000. This was a jump from the year before and the 2024 year has also increased to almost \$80,000.
- Legal fees amounted to **\$39,623.19 for 2023**

Date	Payment to:	Amount
16 Nov 2023	PYMT Australian Aust Skills INVOICE (Re RTO)	-\$7,750.00
10 Nov 2023	HWL Ebsworth Lawyers Inv #1668425 Legal Fees	-\$11,028.35
14 Sep 2023	NSW Sport OSR #10007094 Payment of a Centre's Grant	-\$12,916.78
3 Aug 2023	RDA Orange Grant transfer	-\$10,000.00
3 Aug 2023	BPAY TAX OFFICE June 2023 BAS	-\$9,957.00
21 Jul 2023	Riding for Balance of grant payment to a centre	-\$89,509.00

20 Jul 2023	HWL Ebsworth Legal Fees #161109	-\$13,600.60
19 Jul 2023	RDA Tweed Valley Tweed Valley Centre grant Part 1 of grant funds	-\$90,000.00
18 May 2023	EBM Insurance EBM net payment	-\$31,290.23
16 May 2023	HWL Ebsworth Legal Bill 1577262	-\$7,870.50
1 May 2023	Visy Dior Pty Ltd Balance re Rydges re 2023 RDA(NSW)AGM	-\$14,887.10
27 Apr 2023	RL Rodgers Audit Inv # 108813	-\$6,160.00
20 Apr 2023	The Verner Axcelerate # 44260	-\$7,010.35
6 Apr 2023	Connect Li 2022 Annual Report	-\$5,430.00
23 Mar 2023	EBM Insurance Combined Liability	-\$6,438.47
10 Feb 2023	PYMT EBM Insurance I4585699 Personal	-\$18,425.00
Total for 2023 for payments over \$5,000		\$342,273.38

When the minor payments less than \$5K are added into this amount and then the Grants recorded as income and then forwarded onto the respective centres or expended as according to the Grant, are removed the amount recorded as "Other Income" reads correctly.

The following was not discussed at the Forum but may save small centres an expense, however it needs a change to the constitution.

Annual FINANCIAL (?)Reporting: A question was asked regarding Annual Reports for Centres. This question is currently under review by the directors and will need legal advice before changes can be made. This **may allow** small RDA Centres with basic uncomplicated accounts to have their Audits to be performed by an independent person who is a qualified accountant instead of the services of expensive Auditor.