

## **REMUERA CLUB CONSTITUTION 2025 FAQs**

### **Why is the constitution being changed?**

The Remuera Club is an incorporated society and currently operates under the Incorporated Societies Act 1908.

That Act is being replaced by the Incorporated Societies Act 2022 and we are required to update our constitution to meet the requirements of the new Act and then to re-register the club by April 2026.

Changes to the club's constitution must be approved by a Special General Meeting which will be held in May 2025 (date to be advised).

### **What was the process for updating our constitution?**

The Board originally worked on an update that was to modernise the wording. This was approved by the club's lawyers and was being prepared to be put to members when the government announced the new legislation.

Once the legislation was drafted, the Remuera Club took guidance from Clubs NZ who held online discussions with clubs and worked with a former Judge to provide guidelines to clubs on what changes needed to be made. Remuera Club took part in those online discussions.

Clubs NZ then set out a template covering all the requirements of the new Act plus some recommendations for a modern club constitution

A subcommittee of the Board worked through all the recommendations from Clubs NZ and applied those which were necessary. Not all recommendations from Clubs NZ were added to our constitution. For example, the Remuera Club Board retained the requirement for visitors to sign in to the club rooms and for new members to be approved by the Board.

The final document was approved by the Board and checked by a lawyer with proven experience in the new legislation, to confirm that our revised constitution will meet the approval of the Incorporated Society registrar. The fee for the legal opinion was [\$2,000].

### **What are the changes being made in the constitution?**

The changes are generally about bringing our wording up to date, for example the current constitution talks about cheques.

Then there are a number of new requirements in the 2022 legislation. For example, there is more emphasis on officers' duties, financial reporting requirements and recording conflicts of interest. These have all been added to the new constitution.

The constitution being put forward to members for approval follows the order outlined in the Clubs NZ template which covers all the points required by the new Act. This means a number of items in the current constitution have been moved and may not be immediately evident for comparison in the new constitution.

For quick reference, the main changes are as follows:

<b>SECTION / ITEM</b>	<b>NEW CONSTITUTION</b>	<b>NOTES</b>
2: Definitions	The list of definitions is longer than in the original version.	All the definitions added are already in use by the club.
5: Purpose	The addition of point 3: <i>To be a non-profit Incorporated Society created to serve its members, not for financial gain and accordingly any profits the club makes are to be re-invested into the club or community.</i>	This point clarifies the status of the club and complies with the new Act which makes clear that a society's purposes cannot be for the financial gain of its members.

6: Powers	The new constitution spells out more of the fundamental powers such as 'employ and remunerate staff' and includes 'to keep an up to date register of members' which is a new requirement of the Act.	The new constitution retains the existing requirement that expenditure of more than \$100,000 requires approval of members at a Special General Meeting of members.
7: Membership 8: Classes of members	Several new classes of membership have been added: <ul style="list-style-type: none"> <li>• Spouse</li> <li>• Associate</li> <li>• Corporate</li> <li>• Patron and Vice Patron</li> </ul>	The change of membership classes simply reflects current practice, and there is allowance for other classes to be added if required.  The new constitution does not include 'Honorary Veteran' which has not been offered since around 2016.  The Board opted not to add a Student/Junior membership as this has other requirements for supervision under the Sale of Liquor Act.
9: Admission of members	The new Act requires that a new member consents to membership, agrees to be included in the Registrar of Members and comply with the constitution and by-laws.	The new Act does not require new members to be approved. However the Board opted to retain this approval as a requirement of our club but remove the posting of member details on the notice board.
10: Register of members	The new Act requires a register of members is maintained, and that it is administered in accordance with the Privacy Act.	Members have the right to access the information held about them. The club is allowed to provide details to other Clubs New Zealand or businesses supporting our club.
11: Subscriptions	There are no substantive changes here, but the wording is more explanatory.	The same rules apply as currently.
12: Termination of membership / Resignation / Immediate suspension / 13: Expulsion and Suspension / 14: Offences 15: Board of Appeal 16: Disputes	The new Act requires clubs to explain how a person ceases to be a member.  These sections outline how a member resigns as well as how and why membership may be suspended or terminated and how a member makes a complaint and what their rights are in having the complaint heard.	Apart from the clarification on how to resign, the rules remain the same as currently in practice but the wording has been tidied up for clarity.
17: Board of Management 18: President and Vice President	Key changes are: <ul style="list-style-type: none"> <li>• A person standing for President must have been on the Board for at least one year prior, rather than two years as in the current rules</li> <li>• The election of officers shall be by a properly conducted electoral procedure, rather than by postal voting as in the current rules</li> <li>• The Board can establish (and co-opt or appoint any person to) any sub board of Management(s).</li> </ul>	The key changes are either updating current practices (such as the option to use non-postal voting methods) or meeting the requirements of the new Act, or are bringing the current constitution wording into line with modern practices.  Note that Clubs NZ proposed that related parties should be excluded from being on the Board in order to prevent mutual interest taking precedence over the interests of the club. This was not added as it can be difficult to identify

	<ul style="list-style-type: none"> <li>Rules around removal from office can now include a motion of no confidence from members</li> <li>Board member duties are now detailed and include the requirement to act in the best interests of the club and to abide by the Board of Management Code of Practice and Conduct</li> <li>The addition of an Interests Register in which Officers must disclose any financial interest in a club matter and cannot vote in any decisions of the matter</li> </ul>	and because such a risk is more likely to arise from people with shared interests such as, for example, a group of developers wanting to sell the property.
19: Auditor 20: Finance Committee 21: General Manager	<p>Key changes are:</p> <ul style="list-style-type: none"> <li>The Auditor to be a member of the Institute of Chartered Accountants of New Zealand</li> <li>The addition of the Finance Committee and its duties</li> <li>The General Manager's role is more detailed than previously</li> </ul>	<ul style="list-style-type: none"> <li>The Auditor was previously required to be a member of a now-defunct association</li> <li>The Finance Committee ensures we comply with the requirements of the new Act to explain how the club will control and manage its finances.</li> <li>There are no changes to the General Manager's role but it is now better explained.</li> </ul>
22: Annual General Meeting 23: Special General Meeting 24: Conduct of General or Special Meetings	<p>The key change for both is the ability to hold these meetings electronically.</p> <p>The number of people required to convene a Special Meeting has been amended to be 10% of the full membership or 50 Financial members. It was previously 10% of Financial members.</p>	<p>The rules of conduct at both meetings remain the same as previously.</p> <p>The change of numbers calling for a Special Meeting is in line with Clubs NZ recommendations to ensure wider representation of all members.</p> <p>Clubs NZ recommended that items for General Business be in writing ahead of the meeting. The Board considered that our members would prefer to raise matters from the floor.</p>
25: Board of Management meetings 26: Conduct of Board of Management meetings	<p>Details have been added of minute keeping and procedures for adjournment if a quorum is not present, to comply with requirements of the new Act.</p> <p>The conduct of meetings has the addition of being under the direction of the Chair and that existing, more formal rules apply if and when needed.</p>	The slight change on meeting procedure reflects modern meeting practices but allows the Chair to revert to formal conduct if required.
27: Accounts 28: Accounts Policy and Management	<p>These sections provide more detail than in the current constitution, in line with requirements of the Act and updated financial practices, including:</p> <ul style="list-style-type: none"> <li>References to cheques have been removed</li> <li>Payments to be authorised by two approved persons</li> </ul>	The updated details reflect current practices in the club

	<ul style="list-style-type: none"> <li>Expenses incurred by Officers must have prior approval</li> <li>Two people who are a couple are not permitted to be signatories on the accounts of any of the Club's sections</li> </ul>	
29: Personal benefit	An entirely new section of the constitution, as required by the new Act. It confirms that the club is not-for-profit and that officers and members may not receive any distributions of profit or income from it. However it does clarify how a member or officer can be reimbursed for expenses or enter into a transaction with the club.	<p>The wording about members not receiving distributions or profits is simpler than the previous wording which may not have been well understood.</p> <p>The inclusion of arms-length transactions with members recognises that members are often the best source of goods and services for the club but it must be done at arm's length, without favour.</p>
30: Access to information	This is a new section, explaining how members can request information about the club including financial reports and minutes; and the process for providing or declining those requests.	The rules here are as recommended by Clubs NZ.
31: Sections	This is a new addition to the constitution, detailing the role of Sections in the club and their financial arrangements and the requirement that Sections must act in the best interests of the club.	<p>The rules here are the same as in current practice. They were previously covered in the Sporting Section Operating Policy 2015.</p> <p>That policy has also been updated and circulated to all Sections.</p>
32: Seal	Simplified language.	There are no changes to the meaning of use of the club Seal.
33: Property	<p>Three changes:</p> <ul style="list-style-type: none"> <li>New wording confirming that membership does not give members any interest in the property or funds of the club</li> <li>Amended wording about the interests of club property or funds remaining with the club when a member retires</li> <li>New wording advising that club information is club property</li> </ul>	<p>The first two changes are in line with requirements of the new Act.</p> <p>The third point relates to protecting club intellectual property, in line with modern practices.</p>
34: Visitors	<p>Key changes:</p> <ul style="list-style-type: none"> <li>The addition of rules for Authorised Visitors</li> <li>The addition of definitions</li> </ul>	<p>The distinctions between Guests and Authorised Visitors relate to the requirements of the new Act and of the Sale of Liquor Act.</p> <p>Essentially, the rules are the same as currently: that guests must sign in, and be on premises with a member, and can visit three times before being required to become a member.</p>
35: Alterations	Key change: That minor changes to the Constitution (such as a technical	This change is part of the new Act, designed to avoid the need for clubs to hold a Special General Meeting and re-

	correction to the wording) can be made by the Board.	submit their constitution to fix a typing error.
36: By laws and standing orders	No change.	This is the same as currently, that the Board can make, alter and rescind by-laws.
37: Winding up or liquidation	<p>This section is more detailed than in the current constitution and clarifies that winding up or liquidation requires a Special General Meeting and 75% of those present to vote in favour.</p> <p>It is more explicit that, if the club is wound up or liquidated or removed from the Register of Incorporated Societies, no distribution shall be made to any Member.</p> <p>There is the addition of the word 'registered' to the recipient of club assets on winding up being a registered charitable organisation.</p>	These changes clarify the current understanding about what happens if the club is wound up and make it clear that members do not receive a financial windfall in that event. Best we keep the club going then!

### **What happens next?**

Members are invited to come back to us with questions or comments by Friday 28<sup>th</sup> March.

We will report back to everyone with a summary of all the feedback and responses, including any changes made to the new Constitution as a result of your feedback.

If there are still matters to be discussed, we will set up a session in the clubrooms to work through your queries and concerns.

Once we have settled on the final changes, we will put the new Constitution out to everyone.

The new constitution will then be put to the members' vote at a Special General Meeting in May 2025 (date to be advised).

Once it has been approved it will be submitted to the registrar of Incorporated Societies. Once they approve it, we will be re-registered and the new constitution will come into force.

### **Comments or questions?**

If you have comments or questions, or if there are other aspects of the new Constitution that you want clarified, please email Anton with your query.

[anton@remueraclub.org.nz](mailto:anton@remueraclub.org.nz)

If you don't have email, please drop a note addressed to Anton at the bar or post it to 27 Ohinerau Street, Remuera, Auckland 1050.