

QUESTION	Existing Const Reference	Proposed Const Reference	ANSWER
<p>We originally set up MGA as a charity and SGLMG as a NFP. I'm not across the newer regulations and requirements, however the core difference between the two was the word "Protest" in the objects. SGLMG contained "Protest" and MGA did not. This was in regard to the DGR status of MGA and how "protest" was against the rules of that status. (And also why we set up the two companies initially). I understand chapter 8 being there for MGA constitution but are you going to push for SGLMG to become a registered charity as well? (or is SGLMG now registered as a charity without DGR?). Just come clarity on this would be good.</p>	NA	6	<p>Both SGLMG and MGA are NFP, charities and companies. They are registered with the Australian Charities and Not-for-profits Commission. MGA has DGR status, SGLMG does not. Charities receive concessions, such as GST, Fringe Benefits Tax, and an income tax exemption. The Charities Act prescribes charitable purposes. Both MGA and SGLMG must demonstrate compliance with their registered purposes. All activities i a charity are under scrutiny. A key role of the board is to ensure all activities are aligned to the charitable purposes and the board is accountable to the regulator.</p>
<p>Winding up decision should be made by members, not directors. Directors should not decide what charity funds go to, it should be decided by members.</p>	XXII	7	<p>This clause is intentionally silent about who "decides" to wind-up, because that is determined by the circumstances leading to the winding-up, and is dealt with under the <i>Corporations Act</i>. Under the Act various persons have standing to wind-up a company, either voluntarily or involuntarily. Tthis includes members, the Board, creditors or regulators. The Board represents members. The Board is in the position to develop a decision making process that includes members.</p>
<p>Ch 8 does not seem to explain how the constitution can be changed by members.</p>	1.6	8	<p>This is covered by 9.2 (b) and (c). Members may propose changes at a general meeting and request a general meeting to be called for the changes.</p>
<p>In principle I don't support the block on amendments that impact charitable status. The purpose of the organisation is for members not to be a charity.</p>	NA	8(a)	<p>SGLMG is a registered charity. That is its legal structure. Importantly, it exists predominantly for its purposes. The charity status enables financial relief through tax concessions assisting its financial sustainability for the future. If the company wanted to alter the constitution which would result in loss of charity status, it would likely wind up the company as a charity and register another company with a new constitution.</p>
<p>I think the Charitable Entity should be an LGBTQI Charitable Entity not a general one.</p>	NA	7(a)	<p>We agree wholeheartedly with the sentiment of this. The committee reviewed this and felt that in the unlikely event that SGLMG was to wind up, the funds would be distributed to an LGBTQIA+ charitable entity. This is a standard clause and usual for funds go to similar purpose organisations.</p>
<p>I would suggest including the clause about what special vs ordinary resolutions in the act</p>	NA	8(a)	<p>Special and ordinary resolutions are legally defined.</p>
<p>Altering the Constitution should involve the members at a General meeting or at an Annual General Meeting.</p>	NA	8	<p>Yes. As a special resolution it would have to go to a General Meeting to be voted on by members, and this is the effect of the Constitution as proposed.</p>
<p>I don't think Chapters 6-8 should be changed if it prohibits minor alterations being done for the inclusion of the LGBTQI+ community as a whole in Mardi Gras</p>	NA	6 to 8	<p>Nothing in any of the chapters prohibits minor alterations to facilitate greater inclusion of the community.</p>
<p>Chapter 6-8 8: Is this standard and required by legislation? What if in the extreme the board and members all agreed that we didn't mind risking the charity status. We couldn't change the constitution to support that. It doesn't sit well</p>	NA	6 to 8	<p>These are standard chapters for charitable organisations. If the company wanted to alter the constitution which would result in loss of charity status, it would wind up the company as a charity and register another company with a new constitution.</p>