



Central Coast Conservatorium of Music Inc.

Frequently Asked Questions: Transition from Incorporated Association (IA) to Company Limited by Guarantee (CLG)

1. Transition to Company Limited by Guarantee (CLG)

The Central Coast Conservatorium of Music Incorporated (CCCM) board is unanimously proposing at its Annual General Meeting on 29 March 2021 that CCCM members vote to approve a transition from being an incorporated association (an IA, under NSW State regulation) to a company limited by guarantee (a CLG, under Commonwealth regulation).

This requires members of CCCM Inc. to formally approve the transition to the new legal structure.

2. Why is the transition to CLG being proposed?

Moving towards an up to date, appropriate legal structure for CCCM will be an important foundation for the future growth of our programs.

Our plans for continued growth in our education programs and community activities will likely involve collaborations and partnerships, for example, with financial institutions, government bodies, corporate sponsors and philanthropic donors, which may require or prefer dealing with a not-for-profit company legal structure.

The CCCM is now of a size which exceeds the NSW Department of Fair Trading's preferred size for NSW incorporated associations.

Having one national regulator (the Australian Charities and Not for Profit Commission) rather than two regulators reduces our many legal compliance obligations and assists our operating efficiencies.

A CLG structure is very common in the not-for-profit sector in Australia. Several other NSW regional conservatoriums have already changed to the proposed CLG status.

3. Who can vote on the transition proposal resolutions?

Current members of CCCM Inc. are eligible to vote on the proposal to transition to a CLG legal structure. Current members include staff, students (over 18), and parents / guardians of students who pay an annual enrolment / membership fee.

If you are unsure if you are a member, please contact CCCM at admin@cccmusic.nsw.edu.au or (02) 4324 7477.

4. What are Members being asked to vote on?

The board of CCCM unanimously recommends several resolutions in order for the organisation to start the formal transition to a CLG.

The resolutions are to:

1. Transfer from an incorporated association (IA) to incorporation as a company limited by guarantee (CLG);
2. Accept the provisions of the new constitution in substitution for the present constitution of the Association;
3. Change the name of CCCM from 'Central Coast Conservatorium of Music Incorporated' to 'Central Coast Conservatorium of Music Ltd';
4. Upon transitioning to a CLG, resolve that any reference to 'Central Coast Conservatorium of Music Incorporated' is a reference to 'Central Coast Conservatorium of Music Ltd'.

Full details of the resolutions and the new Constitution are included in the Notice of the Annual General Meeting.

5. What do Members have to do to vote?

You should read the Notice of the AGM Meeting carefully. Voting is not compulsory, however to vote in favour of the resolutions, you need to attend the AGM on 29 March at 6pm, or appoint a Proxy and direct them to vote in favour of the resolutions.

Proxy details and forms are included in the Notice of the Annual General Meeting.

6. How will Members of CCCM Inc. be affected?

The current Members of CCCM Inc. will become members of the new CCCM CLG at the time of the transition. In order to retain their membership, members will be required to pay an annual membership fee in subsequent years, which will be set by the board.

New Members will be required to apply in writing, with an existing Member as their nominator. Applications for membership will be assessed by the board.

Members, students and staff should notice very little change in CCCM's activities and programs once the transition to CLG has been made.

7. How will teachers and other CCCM staff be affected?

Employment and other staffing matters will continue unchanged.

8. Who will the directors of the CLG be?

The initial directors of the new Central Coast Conservatorium of Music Ltd will be the existing board members of the Association.

9. When will the transition to CLG be completed?

The transition of assets and activities to the new CCCM Company will occur in an orderly, planned manner over future months and should be finalised by the end of 2021.

When the transition is fully complete, the old CCCM Inc, under NSW law, will be formally wound up according to procedures laid out in the relevant legislation.

10. What happens if members do not approve the transition to CLG?

The CCCM's activities will continue to be provided under current usual plans and arrangements.