



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 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. The proposal will be discussed at the Annual General Meeting, and a vote will take place at a Special General Meeting of the Association following consultation with members.

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.

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

4. What will Members be 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'.

5. 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 a nominal 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.

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

Employment and other staffing matters will continue unchanged.

7. 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.

8. 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.