



Secretaries Report 2009

First I wish to thank Peter Smith for his 19 years service to the Association and I am sure that he will continue to serve us well in his new role. After only 5 months in the job I can understand the frustration that the job created.

Membership

Membership has increased by 47 (46 Full and 1 Social members) this year which is a good result. What is more pleasing has been the number of serving submariners and recent Collins submariners that were in that number. It is hoped that they will spread the word and encourage the 'new breed' of submariners to join our ranks.

It is also good to see some old faces return to the Association, some have taken advantage of an amnesty that has been offered to 'lapsed' members to bring them back into the fold.

Unfortunately the number of Members that did not renew in 2008 was high and we are working at reducing this in 2009.

A list of new Members is attached as Attachment 1 to this Report.

Eternal Patrol

The roll call for submariners that sailed on Eternal Patrol is contained in Attachment 1

Communications

An effort to improve communication with our Members has been one of my highest priorities; unless we communicate we will not grow. Items of interest are promulgated on the website and in 'In Depth'. My thanks to those Branches that provides regular updates for inclusion.

The sending of Condolence cards to the family of deceased members, get well cards to sick Members has been implemented.

Letters of Congratulation are being sent to those newly promoted or awarded Dolphins (when information is available), or mentioned in the Honours List.

Joining packs sent to new Members now contain a letter from the President, a 'Welcome Aboard' pamphlet, Membership badge and a window sticker.

An email, including a copy of application form, is now sent advising Branch Secretaries of new members in their state.

I have tried to communicate with Branch Executives and the National Committee, but this is sometimes a way one street. Some Branches handle communications better than others.

Communications, at all levels, will continue to be a high priority of the National Executive.

AGM 2008 Actions

Affiliation with Naval Association Australia – An application was submitted and acceptance acknowledged - action complete.

Introduction of Membership Cards - A decision to provide Membership cards was made – these are now available on request, a credit card size, laminated peel off cards which are printed from the Membership database - action complete.

Vice Patron. Letter was sent to CDRE S Davies and he accepted the position, has become a SAA Member - action complete.

In Depth. As the sponsorship was withdrawn for the printing and mailing of 'In Depth' the decision that it would only be sent out in hard copy to Members without computer access and that Branches would distribute these - action complete.

To provide hard copy is expensive, the cost of printing and posting 6 editions a year would lead to a considerable increase in membership fees.

Note: There are problems still with distribution as most Branches are only sending to 'active' Members and not all Members in their state that have no computer access are getting their copy. Issue is being addressed.

Incorporation: The proposal to incorporate the SAA was made without an understanding of the implications and was based on a flawed belief that incorporation was nationwide. This is not the case; incorporation is regulated on a state-by-state basis. This is confirmed in legal opinion obtained by the Queensland Branch which recommends alternate options, a company limited by guarantee or becoming an Australian registered body.

The options provided in the legal opinion go beyond the proposal accepted at the AGM and I believe we do not have authority to implement the proposed options. – Action outstanding.

A copy of the legal opinion is attached (Attachment) to this Report.

Registration of SAA name and logo – *This ties in with Incorporation. Business name registration in Australia is done on a state-by-state basis and the costs, and registration periods, vary from state to state. However they range from nil to around \$200 for a two or three year registration period, with the most common cost being around \$120, and the most common registration period being two or three years.*

Registration as an Australian company, is an Australia-wide 'thing' and commonly costs around \$650 to \$750 through a 'shelf company provider' or 'company formation agent' and around \$1200 or \$1500 through an accountant. This does not cover the IP (Trade Mark) of the logo. This is a separate process and costs approximately \$330. Action Outstanding.

Administration. The membership database has now been updated, all fields on the application forms are now on the database. Members are being asked to provide the information in small groups so that all information on Members are held. In the process we are trying to validate Branch records.

Community Relations

A \$500 donation was made to the AE1 search team.

A \$1,000 donation was made to the 'Tugs Walk for Cancer'.

Priorities for 2009/10

- Communications
- Placing up to date membership lists in a secure section of the website so that Branches have up to date information on current and new members. *Assistance required from IT trained person.*
- Produce a list of errors/inaccuracies in the Constitution that require rectification or modification.
- Identify and draft Rules to support the Constitution.
- To produce a set of business procedures for inclusion as an Annex to the Constitution that will give visibility on how we manage the Association.



Norm Williams OAM
Acting National Secretary

08 May 2009

Attachment 1

List of New Members May 2008 – April 2009

Abbott, R	Gibson, BR	Neyland, AM
Appleby, I	Gwynne, GJ	O'Brien, K
Baker, R	Harvey G	Osborne, WT
Barr, D	Hudson-O'Farrell, T	Peters, F
Bass, G	Keeton D	Rawson, L
Beresford, P	Kent, A	Reinke C
Borg, V	Keough, A	Snudden, D
Bowdin, M	Larkin, C	Strangward D
Briggs, EJ	Lea R	Sylvester, RV
Broad, K	Lenehan, C	Tanner, IM
Bryan, DB	MacDonald, C	Van Berk, WR
Budden M	MacDonald, JD	Varnadore, LP
Clowes A	Mannering, SI	Waples, JJ
Cornish, JR	Martin, CA	Wells, PB
Davies, S	Mawson, I	Wight, G
Donnelly, W	McClellan, J	Winn, G
Dunchue, N	Mitchell, CA	Wright, T
Fisher, CE	Neilson, A	

On Eternal Patrol May 2008 – April 2009

LCDR SMNSM ME Cordner	POMTSM Peter Passmore
POEWRSM Peter Vidler	LCDR Colin Malcolm Hankin RN (Rtd)
ABUCSM John Hughes	George Fairfax
CPOMTP4 L.J. Laurie Cooper	Telegraphist John Horlock
George William Willmott	A/LEM Michael Walter Norton
POETPSM Clive 'Darky' Pember	AMBTSM HUJ 'Heimo' Rinne
	WE 'Bill' Curtis

Attachment 2

Legal opinion received by Queensland Branch on Incorporation.

Let me start by saying there is a lot of debate in legal circles about the unsatisfactory regime that currently exists in Australia with respect to Associations that extend beyond State or Territory boundaries. The current situation is more complex than it should be; maybe one day we will be one true Nation.

To answer your question; there are three options with respect to structure they are:

1. Incorporated Association;
2. An Australian Registered Body
3. Company Limited by Guarantee

Incorporated Association

Associations are incorporated under State and Territory Association Incorporation legislation. This legislation is administered by the various state authorities and not ASIC. The Incorporated Association is a legal entity that is separate from its members but it is restricted to operations in its home jurisdiction. For example the Submarine Association Queensland Inc can only carry on business in Queensland.

The legislation in each State varies so the requirements for incorporated association is different in each State and Territory.

An Australian Registered Body

Section 601CA of the Corporations Act 2001(Cth) prohibits an Australian Body such as an incorporated association from carrying on business interstate unless it is registered under Part 5b.2 Division 1 Corporations Act 2001

An incorporated association may become registered under the Corporations Act 2001, to enable it to carry on business in other states or territories outside of its home jurisdiction without the need to register as a company.

Any incorporated Australian association may apply to become an Australian Registered Body.

The registered body is required to have a registered office and a principle place of business in Australia. An association that becomes an Australian Registered Body will not be required to lodge an annual return with ASIC. However, it will still have to lodge an annual return with the relevant State governing body.

I understand that the current plan is for the SAA (National) to incorporate under State Law in West Australia and the Squadron Commander is to be the Public Officer. I presuming the SAA (National) will then register as an Australian Registered body under the Corporations Act 2001.

This will work for the SAA (National) in the same way as it would work if the SAA (National) was incorporated in the ACT and then registered as an Australian Registered Body under Commonwealth Law. If the SAA (National) was incorporated only in the ACT (without being registered as an Australian Registered Body) its business operations would be restricted to the ACT. The same goes for the other States.

Company Limited by Guarantee

In Australia a charitable or not-for-profit organization can generally be registered as a company limited by guarantee. A company limited by guarantee is a body corporate registered under the Corporations Act 2001 (Cth). Registration creates a legal entity that is separate from its members.

Generally speaking, a company limited by guarantee does not have a share capital so it does not have any means of distributing profits to its members. Limited by guarantee means the liability of the company's members is limited to an amount the members undertake to contribute to the property of the company if it is wound up. For example liability of each member is limited to the amount of the membership contributions/fees.

The main advantages are that it is recognized nationally. The main disadvantage is that there are more onerous regulatory requirements and office holders duties than apply to an incorporated association. For example:

- A company limited by guarantee must prepare detailed financial reports and director's reports and obtain auditors reports. However, these reports are prepared in any event and such accounting is necessary for a properly run company.
- The directors are subject to directors duties under the Corporations Act. But even office-holders of an incorporated association are expected to act with a high degree of care and skill. The main difference between the two duties is that the director's duties are to be found in the legislation, whereas the office-holders duties are founded in general law and public expectation.

A company limited by guarantee may also be registered without the word "Limited" in its name if its constitution:

1. requires the company to pursue charitable purposes only and to apply its income promoting those purposes;
2. prohibits the company making distribution to its members and paying fees to its directors; and
3. requires the directors to approve all other payments the company make to directors.

Conclusion

Registering the SAA (National) in an Australian state or territory (take your pick) would enable it to conduct business in that state or territory. If that entity was then registered as an Australian Registered Body under the Corporations Act 2001 it could conduct business throughout Australia.

The only way to create a truly national organization is to go down the company limited by guarantee path.

Ultimately the structure that is adopted will depend on what we want to achieve. If we only want to achieve the purpose of the SAA (National) being a separate legal entity that can conduct its business throughout Australia then registering it in a State or Territory as an incorporated Association under that State or Territory's law and then registering it as an Australian Registered body under Part 5B.2 of the Corporations Act 2001 will do the job; and it is the easiest and cheapest option. The downside is that membership of the national body and the separate state bodies will be different. Each ex submariner will have to join and maintain membership for both organizations. I suspect that many will not do this and the SAA (National) will become irrelevant to all but West Australians (assuming that is the chosen State of registration).

The other alternative, being registration of a company limited by guarantee, may be more onerous and slightly more expensive to set up but it will be a true national body. The members of the SAA (National) Limited (drop the limited) could be (for example) the SAA (Old), SAA (NSW), SAA (ACT) SAA (Vic), SAA TAS) SAA (SA), SAA (WA), SAA (NT). The board of directors for the national body could be the presidents for the time being of each SAA (State). Ex Submariners then pay their dues to their State Branch which then pays a fee to the national body.

I hope this helps.