



St Philip's College Governance New Constitution & Incorporation

What it means for parents

BACKGROUND

St Philip's College has been an unincorporated entity within the Uniting Church in Australia, Northern Synod (Church) since our beginning in 1965. "Unincorporated" means that the College is not a separate legal entity from the Church.

In recent years there has been significant political and community discussion regarding the **best and strongest legal and corporate governance structure** for independent schools. There has been a growing expectation, especially from governments, that independent schools should be "incorporated" entities, i.e. separate legal entities which are fully responsible for their own decisions and actions.

Consequently, the St Philip's College Board has made the decision to incorporate, as a company limited by guarantee. A new company, St Philip's College Alice Springs (ABN 73 629 038 884), has been established for this purpose with the full support and approval of the Church and the assistance and guidance of the College's legal advisers.

Our relationships with the Church, our staff, our parents and alumni, and our dedication to the personal growth and education of the students entrusted into our care remain unchanged.

Incorporation will bring the operations of the College within the legal and governance structure now adopted by most independent schools in Australia.

Why change?

For St Philip's to continue to fulfil its role as an outstanding provider of secondary, co-educational, day and boarding education to the residents of Alice Springs and Outback Australia, it is necessary to update our legal and governance structure to the best and strongest possible.

Our move to incorporate reflects a considered and appropriate response to new and more demanding expectations and a significantly more complex regulatory environment.

What are the implications for the College?

St Philip's College Alice Springs will have a new Australian Business Number (ABN 73 629 038 884), banking arrangements, leasing, supply and service contracts.

All staff will be transferred to the new company, together with all their conditions and entitlements.

Parents will enrol students with the new company, on the same conditions of enrolment as now.

Funding agreements with the Federal and Territory governments will be made directly with the College.

These changes will have no impact on our educational programs, staff, fees, day-to-day operations and our relationships with the St Philip's community.

When will these changes take place?

The changes will take place on January 1st 2020.

Will it affect the cost of school and boarding fees?

No - incorporation will not affect the cost of school and boarding fees charged by the College.

The management of the College's finances is the responsibility of the College Board. Part of this responsibility involves setting fees for the following year. In determining the fees for each year the Finance & Audit Committee of the Board undertakes careful analysis of the costs of running our school, including projecting those costs forward to the next year. Your College Board will continue to consider the fee recommendations of the Finance & Audit Committee in the way it has for many years.

Will it impact how I pay my school fees?

Yes - the College's bank details will have to change. We will let you know our new banking details in good time so that your fee payments are not affected. All fee payment options will remain unchanged.

Will it affect the day-to-day running of the College or the curriculum and learning programs?

No - it will have no impact on the day-to-day running of the College, the curriculum, learning and other programs at St Philip's.

Will it impact my child?

No - the transition to incorporation will have no impact on your child/children.

Will we still be part of the Uniting Church?

Yes - the College will continue to be a not-for-profit Uniting Church school and our strong relationship with the Church will remain unchanged.

The Church will appoint three members to the new company and two directors to the College Board.

Does the Uniting Church support this change?

Yes - the Northern Synod has approved and fully supports the incorporation of the College.

There is a national trend in non-government schools to incorporate and many Uniting Church schools around the country have become incorporated, or are about to become incorporated.

What are the stated Objects of the new incorporated entity?

The Constitution set this out as follows:

"The College is established for the charitable objects of:

1. Educating and preparing students to flourish, contribute and care in a rapidly changing world;
2. Providing high quality education for students, regardless of race, creed or religion;
3. Providing residential accommodation for students of the College, especially for geographically isolated children; and
4. Providing other educational programs as the need and demand arises, in a Christian environment within the ethos of the Uniting Church in Australia."

Will this change our financial reporting?

No - the College prepares annual Financial Statements including Statements of Comprehensive Income, Financial Position and Cash Flows and supporting notes in line with Australian Accounting Standards and subject to audit clearance by independent auditors (currently Deloitte Australia).

St Philip's will continue to submit its audited annual Financial Statements to the Uniting Church Northern Synod and to our bankers, and continue reporting to ACNC (Australian Charities and Not-for-profits Commission) and the Federal and Territory governments.

Will the new company have members?

Yes - the Constitution provides that membership of St Philip's College Alice Springs will consist of:

- the Directors;
- two "Guardian Members" who are people who have had a long and positive relationship with the College, who have demonstrated empathy with the Objects of the College and have a desire to assist the College promote those Objects. Guardian members are appointed for a five-year term;
- One member appointed by the Church for a five-year term

The members of the company attend the AGM, and any other meeting of members, and appoint directors to the Board. No members will be remunerated in any form for their services as members.

Will there be a change to the membership of the College Board?

Existing Board members will become the initial directors of the new company St Philip's College Alice Springs. There will be no fewer than 6, and no more than 9, directors.

The Principal, who is in effect the CEO of the company, will not be a director.

No directors will be remunerated in any form for their services as directors.

Will the responsibilities and liabilities of College Board members change?

The responsibilities and liabilities of the members of the St Philip's College Board (directors) will come directly under the regulatory environment of the Australian Charities and Not-for-profits Commission (ACNC) through both the Corporations Act and Australian Charities and Not-for-profits Commission Act.

Our directors will remain covered by the existing St Philip's College Director & Officers Insurance policy.

Who can be Directors and for what term?

The Constitution specifies the Board will be comprised of individuals with a balance and diversity of relevant skills, qualifications, experience and gender. The Board is not a stakeholder representative body, rather it is a "skills-based" Board.

Directors will be elected for a three-year term and will be restricted to a maximum of three continuous terms (a total of 9 years), although at any one time up to two directors may serve a fourth continuous

term. Transitional arrangements will apply to current Board members, who will become the initial directors of St Philip's College Alice Springs.

How will new Directors be appointed and will they be paid?

At each Annual General Meeting some directors will retire and will, subject to limits on tenure, be entitled to stand for re-election. The Governance Committee will nominate new directors to fill any vacancies. The Church will appoint two of the directors.

No directors will be remunerated in any form for their services as directors.

Should you have any questions about incorporation that are not answered in this document please address them to the College Business Manager, Mr Sean Loader: sean.loader@stphilips.nt.edu.au

Kind regards,

Libby Prell
Chairman
St Philip's College Board