



# ACT Council of Parents & Citizens Associations

*The parent voice on public education*

## Voluntary Cancellation of Incorporation

A pathway for Preschool Parent Associations to become a subcommittee, or provide a preschool representative, to the Primary School P&C Association.

Preschool Parent Associations (PPAs) have contributed to ACT communities for over 80 years. The decision to wind up and re-establish as a P&C subcommittee or representative is an option taken for a range of reasons, including reduction of costs and administration, while maintaining independent decision making processes that acknowledge the unique needs and valuable contribution of early years communities.

This guide outlines the processes involved to ensure your association can make informed decisions and comply with obligations involved in winding up an association.

### What are the benefits?

- Council affiliation fees (calculated per student, per year) and insurance are covered through the P&C Association,
- access to a broader parent group and potentially longer terms for office bearers reducing handovers and allowing for mentoring,
- reduction in administrative tasks.

While some PPA's have expressed concerns about loss of autonomy or capacity to influence decision making, these concerns can be addressed through the terms of reference template MOU and TOR.

### What are the steps involved?

The process involves five stages with both associations to decide how to proceed and document decisions (detailed on pages 2-3):

1. Voluntarily decide to 'cancel' the PPA's status as an incorporated association (and ideally, to continue their role through the school's P&C association)
2. Assess if any changes are required to the primary school P&C association's [constitution](#)
3. Bring the PPA's affairs into order
4. Notify the ACT Government
5. Continue activities as a preschool subcommittee of the P&C association

## Stages 1-5

1. Contact Council's [Early Learning Officer](#) for to notify them of your intention, they'll provide assistance including MOU and Terms of Reference templates.

The Preschool Parent Association has decided to 'wind-up' its affairs voluntarily. This involves passing a Special Resolution at a general meeting, giving 21 days notice.

The special resolution could read: 'The *name* Preschool Parent Association wishes to wind up the Association as from *date* and reform as a P&C subcommittee'. At this meeting three-quarters of the members, who are entitled to vote, must vote in favour of the resolution. This needs to be noted in the minutes of the meeting.

2. Make any accommodations necessary to include the preschool in the Primary School P&C Association's formal documents. This may (or may not) involve changes to the Primary P&C constitution:
  - a. Check that the existing constitution does not exclude preschool parents
  - b. Decide how preschool parents will be represented in the primary school parents and citizen's association (P&C). This will need discussions at both PPA and P&C meetings, or a joint meeting to see what your community is happy with.

Options include one or more of the following:

- i. Adding a preschool representative (or subcommittee chair) to the P&C executive. This would require a change in the part of the constitution in which the executive committee/office bearers are specified.
  - ii. Establishing a preschool subcommittee. This can be done (as an 'ad hoc' committee) by a motion at a P&C meeting. In this case, the committee is not necessarily enduring (could disappear after a few years). Alternatively, the existence of this committee can be added to the P&C constitution, as a requirement of the P&C.
- c. Draft changes needed to the P&C constitution (if any) depending on options above. Council office is happy to look at your constitution and offer draft clauses to accommodate your preferred model.
  - d. Pass the proposed changes to the constitution in a 'special resolution' at a 'special general meeting' of the Primary School P&C which has been advertised as per the constitution.

There should be a section on how to do this in the constitution, a minimum requirement is for 21 days notice that the special motion is to change the constitution and what those changes are. Votes in favour of the special resolution require 75% of the votes for the special resolution to pass.
3. 'Wind up' the Preschool Association (once your affairs are in order, with no debts etc). The process for winding up should be specified in the constitution of the Preschool Association. You need to pass two 'Special resolutions' at a 'Special general meeting' of the preschool association:

- i. to voluntarily wind up the association. Again, this meeting needs to have been advertised as per the constitution, and the constitution may specify other steps needed to 'wind up'. Minimum requirements is for 21 days notice, which should include notice that the special motion is to wind up the association; and requires 75% of votes to pass,
    - ii. to disperse any assets to a specified similar organisation (eg the Primary School P&C).
  - a. If your PPA is registered for GST, a last quarter BAS must be submitted to the ATO. The ATO must also be notified of cancellation of GST registration from *name* Preschool Parent Association (refer to [ATO](#) for relevant form).
  - b. An audit must be done up-to-date of the Association winding up.
  - c. Bank accounts must be closed, however you will need to ensure that all bills are paid and any credits from ATO received prior to closing bank accounts.
    - i. All remaining monies must be provided to '.....' as determined at a general meeting of your association
    - ii. Once all bills are paid and monies transferred out of the account, it must be closed.
  - d. All parent association records (including financial) can be packed up and stored safely for up to 5 years.
  - e. Secretary to ensure that any mail to a PO Box is redirected to '.....'
4. Notify the [ACT Government](#). Do this by writing a letter to the Registrar General saying:
- a. That you have passed a Special Resolution to wind up the association, on *\*this\** date
  - b. That you have no assets, liabilities or interest in property.
  - c. Signed by 2 committee members.
5. Confirm the preschool subcommittee status with the P&C association
- a. P&C association to hold a special general meeting and pass a special resolution at the meeting
    - i. to allow a preschool representative of the P&C executive, and
    - ii. to allow a subcommittee
  - b. Appoint a preschool representative to the P&C association – call for nominations for a parent rep
  - c. Appoint the early learning delegate for the P&C Council.

#### **Contact Us**

Please contact the ACT Council of Parents and Citizens Associations for more information

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