

## **Explanatory Notes: 2024 CIHA Annual General Meeting Special Resolution**

### **Special Resolution**

*"That the existing constitution of the Canterbury Ice Hockey Association Incorporated be revoked and a new constitution be adopted in the form presented at the meeting."*

### **Overview and Rationale**

The CIHA Committee is proposing this Special Resolution in order to make the following material changes to the current CIHA Constitution (dated 26<sup>th</sup> October 2022), resulting in a new CIHA Constitution (dated 25<sup>th</sup> October, 2024):

- Removal of the requirements to appoint an Auditor at the AGM and to conduct a yearly audit

CIHA does not meet the revenue and legislative standards to require an audit. While a yearly audit may be good practice, audit costs have increased substantially in recent years and these costs are now consuming a significant portion of CIHA's annual budget. The CIHA Committee feels that the value received from a yearly audit relative to the expense has become increasingly difficult to justify.

As confirmed by outside counsel, many other charitable societies in New Zealand, including other regional ice hockey associations such as the Auckland Ice Hockey Association, have reached a similar conclusion and removed a yearly audit requirement.

Removal of a yearly audit requirement does not change CIHA's annual external financial review requirement, nor does it preclude CIHA from appointing an Auditor to conduct an audit in the future.

### **Specific Changes to the Constitution**

- (1) Removed the requirement to appoint an Auditor at the AGM and subsequent Auditor reference:
  - Removed 7.1.1.4 "Appointment of an Auditor who shall be a qualified chartered accountant".
  - Removed 13.2 "CIHA Auditor shall not hold an Officer position".
  - Renumbered subsequent clauses accordingly.
- (2) Updated the Treasurer duties:
  - Replaced references to "auditing" with "financial review".
- (3) Additional change:
  - Document date updated.