

Discussion document for proposed rule changes

Society for the Local Economy of Ashhurst and Pohangina Inc.

to be considered at the Society's 2019 AGM

(Wednesday, 31 July 2019, 7:00 p.m., Ashhurst Community Library meeting room)

Primary motive for changes

Changes to the Society's rules have been proposed for two major reasons:

- Our appointed financial reviewer, Bruce Wilson, has advised that, due to changes to legislation, it is no longer appropriate to request a financial audit, and our rules' references to "review or audit" must to be changed to "review" to align with the new regulatory framework;
- due to the small number of yearly financial transactions (79 for 2018-2019 including NZD and LOAVES transactions), combined with the likelihood of an upcoming decline in financial activity, LEAP's Management Committee do not believe that a yearly review is a good use of volunteer energies;
- the MC still want clear triggers for a financial review especially because of the potential liabilities around the LOAVES communitycurrency.

As we are recommending changes anyway, we have used the opportunity to tidy up additional issues.

Types of recommended changes

The following types of changes are being proposed:

- Clean up of typos, diction, etc.;
- Clarifications of meaning and removal of redundancies;
- Reorganisations and renumbering for clarity;
- Removal of references to financial auditing;
- Removing annual review requirements while still providing triggers to make sure the annual accounts are reviewed independently when warranted.

Process of arriving at recommendations

The following process was followed to develop the rule changes:

- Discussions in two Management Committee meetings;
- Appointment of a subcommittee (Sharon Stevens and Harvey Jones) to finalise recommended changes in keeping with Management Committee guidance;
- One meeting plus emails between the subcommittee and financial reviewer Bruce Wilson for global advice on the rule changes and especially advice around legislation changes.