

Nurse Maude Association Bill

Private Bill

Explanatory note

Aim of Bill

The purpose of the Nurse Maude Association Bill is to rename the Association and to repeal the Nurse Maude District Nursing Association Act 1967. Under the provisions of the Bill, the Association will be named the “Nurse Maude Association”. The Bill is designed to modernise and reorganise the structure of the Association as well as enhancing the continuing charitable purposes for which the Association is known.

Clause by clause analysis

Clause 1 relates to the Title of the Bill.

Clause 2 relates to the commencement of the Bill. The Bill comes into force on the 28th day after the date on which it receives the Royal assent.

Clause 3 comprises the interpretation provisions.

Clause 4 relates to the constitution of the Association and its continued existence, but under the new name of the Nurse Maude Association.

Clauses 5 and 6 relate to the objects of the Association as being charitable. Secondly, the Bill demonstrates the Association’s object to focus on **persons in need**, as this phrase is defined, and to provide care for, and to relieve distress of, and provide homes for, those persons in need.

Clause 7 ensures that the Association has full capacity to fulfil its objects.

Clause 8 forbids any direct or indirect payments to be made to a member of the Association from any income or property that the Association owns.

Clause 9 sets out the payments that can be made from the income and property of the Association in certain circumstances. These include paying employees, repaying borrowed money, and repaying administrative expenses and Board members' expenses. All these payments must be reasonable and not exceed a fair value.

Clause 10 defines membership of the Association to consist of ordinary members and other classes of members authorised by the Association.

Clause 11 provides that the Board may admit, as an ordinary member of the Association, any person who pays an annual subscription.

Clause 12 provides that the Association must maintain a register of the names of all its members at its office.

Clause 13 records the financial year of the Association as ending on 30 June in each year or on such other date as the Board decides from time to time.

Clause 14 relates to the Board of the Nurse Maude Association. The Board consists of between 8 and 12 persons elected by members of the Association. Members of the Board must also be members of the Association. At each annual general meeting, the 3 members of the Board who have been in office the longest must retire, but if 2 or more of these members have been in office for the same length of time, the retiring members will be decided by ballot.

This clause also sets out how Board members are nominated. Nominations must be written and signed by at least 1 ordinary member and delivered to the chief executive officer at least 7 days before the meeting date.

Clause 15 provides that 1 of the Board members must be appointed as the Chairperson.

Clause 16 defines an interested member of the Board as any Board member entering a contract with the Association in his or her personal capacity. If this occurs, the Board member will not be liable to account to the Association for any profit received in his or her personal capacity. However, the interested member must disclose his or her interest to the Board. The interested Board

member must not vote in respect of any contract in which he or she has a personal interest.

Clause 17 provides that the management of the Association will be under the direction of the Board.

Clause 18 gives the Board the necessary powers to manage the Association. These include disposal of any grants made to the Association, applying funds to further the Association's objects, entering into contracts on behalf of the Association, and investing any monies.

Clause 19 provides immunity to the Chairperson and Board members for any act or default of the Association made in good faith. Immunity is also provided regarding any contracts, debts, or obligations incurred by the Association. Lastly, the Board may require the Association to provide insurance for Board members regarding liability for any act or omission or for costs incurred in defending or settling any claim or proceeding.

Clause 20 provides for the appointment of a chief executive officer.

Clause 21 provides for the delegation of the Board's powers to the chief executive officer. Any delegation must be written and the chief executive officer must report to the Board about the exercise of the power. Delegation is revocable in writing and does not affect the exercise of the Board's powers.

Clause 22 sets out when the Association may enter into a contract or other enforceable obligation. Three main types of obligation may be entered into, including written deeds signed by Board members or attorneys, written contracts authorised by the Association, or oral contracts with the Association's express or implied authority.

Clause 23 sets out the manner in which 2 or more Board members may appoint an attorney to act on behalf of the Association. Such appointment must be in writing. An act of the attorney in accordance with the instrument binds the Association.

Clause 24 makes it compulsory for the Association to appoint an auditor to audit the financial statements of the Association each year.

Clause 25 provides that any costs incurred with the passing of this Act will be paid by the Association.

Clause 26 applies the provisions set out in the *Schedule* of the Association and the Board.

Clause 27 sets out when the Association may resolve by special resolution to be put into liquidation. It also provides that Part XVI of

the Companies Act 1993, suitably modified, will apply in such circumstances.

Clause 28 repeals the Nurse Maude District Nursing Association Act 1967.

The *Schedule* sets out further details which must be complied with regarding the functions and powers of the Association and the Board, as summarised below.

Association

- 1 Annual general meetings of the Association.
- 2 Reports must be available for each annual general meeting.
- 3 Circumstances in which a special general meeting of the Association must be called.
- 4 Quorum and voting requirements for the Association.
- 5 Authorisation of payments by the Association.
- 6 Notice of meetings.

Board of Association

- 7 Circumstances in which extraordinary vacancies arise.
- 8 Quorum and voting requirements for the Board of the Association.
- 9 Circumstances in which the Board of the Association may pay for Board expenses out of Association funds.
- 10 How the Board may regulate its own procedures.
- 11 The manner in which the Board may appoint committees.
- 12 A minute book is to be kept by the Board.

Note: This bill has been reformatted in accordance with changes to Standing Orders and to the format of legislation.

Tim Barnett

Nurse Maude Association Bill

Private Bill

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Schedule

Provisions applying in respect of Association and Board

Preamble

- (1) The Nurse Maude District Nursing Association was an unincorporated body before it was constituted as an incorporated body under The Nurse Maude District Nursing Association Act 1967: 5
- (2) The members of the Association wish—
 - (a) the Association to be renamed as the Nurse Maude Association; and
 - (b) the structure of the Association to be modernised and reorganised: 10

- (3) The objects of this Act cannot be achieved without the authority of Parliament:

The Parliament of New Zealand therefore enacts as follows:

1 Title

This Act is the Nurse Maude Association Act **2000**. 5

2 Commencement

This Act comes into force on the 28th day after the date on which it receives the Royal assent.

3 Interpretation

In this Act, unless the context otherwise requires,— 10

Association means the Nurse Maude Association constituted by **section 4**

Board means the Board of the Association

Board member means a person elected or appointed as a member of the Board 15

chief executive officer means the chief executive officer of the Association

member means a member of the Association

ordinary member means an ordinary member of the Association 20

ordinary resolution means a resolution that is approved by a simple majority of the votes of those persons entitled to vote and voting on the question

special resolution means a resolution approved by a majority of 75% or more of the votes of those persons entitled to vote and voting on the question. 25

4 Constitution of Association

(1) There is an Association called the Nurse Maude Association.

(2) The Association is a body corporate with perpetual succession. 30

(3) The Association is the same body known as the Nurse Maude District Nursing Association existing immediately before the

commencement of this Act under the Nurse Maude District Nursing Association Act 1967.

Compare: 1976 No 1 s 3

5 Objects of Association are charitable

The objects of the Association are charitable.

6 Objects

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(1) The objects of the Association are—

- (a) to care for, nurse, and assist persons in need:
- (b) to investigate and relieve the distress of persons in need:
- (c) to provide, manage, and control homes, hospices, hospitals, nursing services, home aid services, and related services for persons in need. 10

(2) For the purposes of this section, **persons in need** means persons in New Zealand who need care, support, or assistance because they are sick, injured, infirm, or disabled.

Compare: 1967 No 1 s 7

7 Powers of Association

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For the purposes of pursuing its objects, the Association has—

- (a) full capacity to carry on or undertake any business or activity, do any act, or enter into any transaction; and
- (b) for the purposes of **paragraph (a)**, full rights, powers, and privileges. 20

Compare: 1967 No 1 s 8

8 No payments to members

Except as provided in **section 9**, no direct or indirect payment by way of dividend, bonus, or other payment may be made to a member of the Association from the income and property of the Association. 25

9 Payments

(1) The following payments may be made from the income and property of the Association:

- (a) the payment of remuneration to employees of the Association or members of the Association in return for services or goods: 30

- (b) the repayment of money borrowed or the payment of interest on money borrowed:
 - (c) the payment of necessary administrative expenses:
 - (d) the payment of remuneration or the provision of other benefits to a Board member for services as a Board member as set out in the **Schedule**: 5
 - (e) the payment of the expenses of a Board member as set out in the **Schedule**.
- (2) Payments made under **subsection (1)** must be reasonable, and must not exceed a fair value. 10

10 Membership of Association

The membership of the Association consists of—

- (a) ordinary members; and
- (b) other classes of members as are from time to time authorised by the Association in general meeting. 15

Compare: 1967 No 1 s 9

11 Ordinary members

- (1) The Board may from time to time admit as ordinary members persons who are annual subscribers and who pay the annual subscription determined by the Board to the Association in any financial year. 20
- (2) A person paying an annual subscription is an ordinary member of the Association from the date of payment of the subscription to the close of the annual general meeting for the financial year during which the subscription was paid.

Compare: 1967 No 1 s 9

12 Register of members 25

- (1) The Association must maintain at its office a register of the names of all its members.
- (2) The names and addresses of members and the date of payment and amount paid as the annual subscription in any financial year must be entered in the register. 30
- (3) A member is entitled to inspect the register free of charge during the normal office hours of the Association.
- (4) The register is conclusive evidence of membership.

Compare: 1967 No 1 s 9(2)

13 Financial year

The financial year of the Association ends on 30 June in each year or another day as may be decided from time to time by the Board.

Compare: 1967 No 1 s 11

14 Board of Association

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- (1) There is a Board of the Association called the Board of the Nurse Maude Association.
- (2) The Board consists of no fewer than 8 and no more than 12 persons elected by members of the Association at the annual general meeting. 10
- (3) At an annual general meeting the number of members of the Board may be reduced by special resolution to a number no fewer than 8.
- (4) Members of the Board must be members of the Association.
- (5) At each annual general meeting 3 members of the Board must retire, but are eligible for re-election. 15
- (6) The 3 members of the Board who must retire at the annual general meeting are the members who have been in office the longest but, if 2 or more members have been in office for the same length of time, the members who must retire must be decided by ballot. 20
- (7) Nominations for new Board members must be—
 - (a) in writing; and
 - (b) signed by at least 1 ordinary member; and
 - (c) delivered to the chief executive officer at least 7 days before the date of the annual general meeting. 25

Compare: 1967 No 1 s 12

15 Chairperson

As soon as practicable after each election of Board members, the Board must appoint 1 of its members to be the Chairperson of the Board.

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16 Interested members

- (1) A Board member may enter into a contract or arrangement with the Association in the member's personal capacity.

- (2) A Board member is not liable to account to the Association for any profit derived from a contract or arrangement entered into for fair value in that member's personal capacity by reason only of the Board member holding that office or of the fiduciary relationship existing between the Board member and the Association. 5
- (3) Despite **subsections (1) and (2)**, if a Board member has an interest in a contract or arrangement, the Board member's interest must be disclosed by the member either— 10
- (a) at the meeting of the Board at which the contract or arrangement is first considered if the interest then exists; or
- (b) in any other case, at the first meeting of the Board after the acquisition of the interest.
- (4) The Board member must not vote in respect of any contract or arrangement in which the member is interested. 15

17 Management of Association

The management of the affairs of the Association must be managed by or under the direction or supervision of the Board. 20

Compare: 1967 No 1 s 12

18 Powers of Board

- (1) The Board has all the powers necessary for the purposes of **section 17**.
- (2) Without limiting **subsection (1)**, the Board may— 25
- (a) dispose of grants, devises, bequests, or gifts of real or personal property made to the Association in any manner the Board thinks fit:
- (b) apply funds of the Association to further the objects of the Association:
- (c) in the name and on behalf of the Association,— 30
- (i) enter into contracts and joint ventures:
- (ii) borrow, raise, or secure the payment or repayment of money in the manner the Board thinks fit:
- (iii) constitute and fund charitable trusts and trading companies: 35
- (iv) give guarantees:

- (d) invest, in the manner the Board may determine from time to time, money belonging to or vested in the Association.
- (3) The exercise of the Board's powers is subject to the terms of any deed of trust or endowment. 5
- Compare: 1967 No 1 s 8
- 19 Protection of officers and members**
- (1) Neither the Chairperson nor the Board members are personally liable for any act or default done or made by the Association, Board, or any officer or employee of the Association, in good faith in the course of the operations of the Association. 10
- (2) Except where otherwise provided in this Act, membership of the Association does not of itself impose on the members any liability in respect of any contract, debt, or other obligation made or incurred by the Association.
- (3) The Board may cause the Association to effect insurance for Board members or former Board members or for employees or former employees of the Association in respect of— 15
- (a) liability for any act or omission in his or her capacity as a Board member or employee; or
- (b) costs incurred by that Board member or former Board member or employee or former employee in defending or settling a claim or proceeding relating to such liability. 20
- 20 Appointment of chief executive officer**
- (1) The Board may from time to time appoint a chief executive officer. 25
- (2) The chief executive officer is appointed on the terms and conditions agreed between the Board and the chief executive officer.
- 21 Delegation of powers of Board** 30
- (1) The Board may delegate to the chief executive officer some or all of its powers and authorities as the Board considers necessary to manage the affairs of the Association.
- (2) A delegation must be in writing and may be made subject to any restrictions and conditions the Board thinks fit. 35

- (3) A delegation must include a direction requiring the chief executive officer to report regularly to the Board about the exercise of each power or authority delegated to the chief executive officer.
- (4) A delegation is revocable at any time in writing. 5
- (5) A delegation does not affect or prevent the exercise of any function or power by the Board.
- (6) A chief executive officer purporting to act under a delegation is presumed to be acting in accordance with its terms unless the contrary is proved. 10

22 Method of contracting

A contract or other enforceable obligation may be entered into by the Association as follows:

- (a) an obligation that, if entered into by a natural person, would, by law, be required to be by deed, may be entered into on behalf of the Association, in writing, signed under the name of the Association by— 15
 - (i) 2 or more Board members of the Association; or
 - (ii) 1 or more attorneys appointed by the Association in accordance with **section 23**: 20
- (b) an obligation that, if entered into by a natural person is, by law, required to be in writing, may be entered into on behalf of the Association, in writing, by a person acting under the Association's express or implied authority:
- (c) an obligation that, if entered into by a natural person, is not, by law, required to be in writing, may be entered into on behalf of the Association, in writing or orally, by a person acting under the Association's express or implied authority. 25

23 Attorneys 30

- (1) The Association may, by an instrument in writing executed by 2 or more Board members, appoint a person as its attorney either generally or in relation to a specified matter. 30
- (2) An act of the attorney in accordance with the instrument binds the Association. 35
- (3) The provisions of Part XII of the Property Law Act 1952 apply, with the necessary modifications, in relation to a power of attorney executed by the Association to the same extent as

if the Association were a natural person and as if the commencement of the liquidation of the Association were the death of a person within the meaning of that Part.

24 Auditor

- (1) The Association must appoint an auditor to audit the financial statements of the Association as soon as practicable after the end of each financial year. 5
- (2) The auditor must be a person who could not be precluded, under section 199 of the Companies Act 1993, from being appointed as auditor if the Association were a company under that Act. 10

Compare: 1967 No 1 s 14

25 Costs and charges

The costs, charges, disbursements, and expenses of preparing, promoting, and passing this Act may be paid by the Association. 15

Compare: 1967 No 1 s 17

26 Further provisions applying to Board

The provisions set out in the **Schedule** apply in respect of the Association and Board.

27 Dissolution and disposal of property

- (1) The Association may be put into liquidation if, at a special general meeting of the Association's members, it passes a special resolution appointing a liquidator and the resolution is confirmed at a subsequent special general meeting called for that purpose and held not sooner than the 28th day and not later than the 42nd day after the day on which the resolution to be confirmed was passed. 20 25
- (2) Part XVI of the Companies Act 1993 applies, with such modifications as may be necessary, to the liquidation of the Association as if the resolution has been passed under section 241(2) of that Act. 30
- (3) For the purposes of **subsection (2)** and without limiting that subsection, section 313(4) of the Companies Act 1993 must be read as if paragraphs (a) and (b) were omitted, and the

words “to charitable purposes that come within the objects specified in section 4” were substituted.

28 Repeals

The Nurse Maude District Nursing Association Act 1967 (1967 No 1 (P)).

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Schedule
Provisions applying in respect of Association
and Board

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Association

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|----------|---|----|
| 1 | Annual general meetings of Association | 5 |
| (1) | The annual general meeting must be held once in every calendar year at a time and place in Christchurch appointed by the Board or its Chairperson. | |
| (2) | An annual general meeting must be held not later than 15 months after the previous annual general meeting. | 10 |
| (3) | The notice calling the annual general meeting must state the nature of the business to be transacted and the text of any resolution to be submitted. | |
| (4) | The business at the annual general meeting must include the receipt of the annual report and financial statements, the election of Board members, and the appointment of the auditor. | 15 |
| (5) | Business transacted at an annual general meeting must be authorised by ordinary resolution unless otherwise expressly required by the Act. | |
| | Compare: 1967 No 1 s 10 | |
| 2 | Report for annual general meeting | 20 |
| (1) | The Board must prepare a report on the operations and activities of the Association for the previous financial year. | |
| (2) | The report must include— | |
| | (a) a statement showing the financial position of the Association as at the end of the previous financial year; and | 25 |
| | (b) a statement of financial performance for the previous financial year; and | |
| | (c) the auditor's report for the previous financial year. | |
| (3) | Copies of the annual report and financial statements must be included with the notice of meeting given to members. | 30 |
| 3 | Special general meetings of Association | |
| (1) | A special general meeting must be called— | |

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- (a) if the chief executive officer receives a request in writing signed by no less than 20 ordinary members requesting a special general meeting; or
- (b) the Board instructs the chief executive officer to call a special general meeting. 5
- (2) The requisition for a special general meeting must state the nature of the business to be transacted and the text of any resolution to be submitted at the meeting.
- (3) Business transacted at a special general meeting must be authorised by ordinary resolution unless otherwise expressly required by the Act. 10
- 4 Quorum and voting**
- (1) At a meeting of the Association the quorum necessary for the transaction of business is 10 ordinary members.
- (2) Each ordinary member has 1 vote and the Chairperson has 1 vote and a casting vote. 15
- (3) Proxy votes are not permitted.
- 5 Payments by Association**
- The Association's members in general meeting may, by ordinary resolution, authorise the payment of remuneration or the provision of other benefits by the Association to a Board member for services as a Board member. 20
- 6 Notice of meeting**
- (1) Notice of all meetings must be given to the members either personally or by post in a prepaid letter addressed to the member at the address entered in the register. 25
- (2) The notice must include the time and place of the meeting and must be sent to each member not less than 14 days before the meeting.
- (3) If the notice is sent by post, notice is deemed to have been served 24 hours after the time of posting. 30

Board of Association

- 7 Extraordinary vacancies**
- (1) The Chairperson or a Board member may at any time, be removed from office by the Board for disability affecting the performance of the Chairperson's or Board member's duties, neglect of duty, or misconduct proved to the satisfaction of the Board. 5
- (2) A Board member who fails to attend 3 consecutive meetings without leave of the Board may be removed from office by the Board. 10
- (3) The Chairperson or a Board member may at any time resign office by giving notice in writing to that effect to the Association.
- (4) If the Chairperson or a Board member dies, or resigns, or is removed from office, the vacancy created is an extraordinary vacancy. 15
- (5) An extraordinary vacancy may be filled by the appointment of a person by the Board.
- (6) The person appointed to fill the vacancy holds office,—
(a) in the case of the vacancy of Chairperson, until the next election of Board members; or 20
(b) in the case of a Board member, for the remainder of the term for which the person's predecessor was elected.
- (7) The Board may defer the appointment of a Board member to fill an extraordinary vacancy if an election of Board members is to occur within 6 months after the extraordinary vacancy is created. 25
- (8) The powers of the Board are not affected by a vacancy in the office of Chairperson or its membership.
- 8 Quorum and voting** 30
- (1) At a meeting of the Board the quorum necessary for the transaction of business is 5 Board members.
- (2) Business transacted at a meeting must be authorised by ordinary resolution unless otherwise expressly stated.
- (3) Each Board member has 1 vote and the Chairperson has 1 vote and a casting vote. 35

- (4) Proxy votes are not permitted.

Compare: 1967 No 1 s 12(9)

9 Payments by Board

The Board may pay out of the funds of the Association the expenses of a Board member for attending—

- (a) meetings of the Board: 5
- (b) meetings of a committee appointed by the Board:
- (c) a conference, or convention, or any other activity related to the objects of the Association.

Compare: 1967 No 1 s 12(10)

10 Board to regulate own procedure

Subject to this Act, the Board may regulate its procedure in such manner as it thinks fit. 10

11 Committees

- (1) The Board may from time to time appoint committees, consisting of such persons as the Board thinks fit (whether or not they are members of the Board), to consider, inquire into, manage, or regulate any matter. 15
- (2) The Board may from time to time, by written notice, delegate (subject to restrictions and conditions) to a committee any function or power.
- (3) Every committee appointed under this clause is subject to the control of the Board, and may at any time be discharged, altered, or reconstituted by the Board. 20
- (4) Subject to any general or special directions given or conditions imposed by the Board, a committee to which a function or power is delegated may exercise that function or power in the same manner and with the same effect as if it were the Board. 25
- (5) A delegation is revocable at will by the Board and does not prevent the exercise of any function or power by the Board.
- (6) A committee purporting to act pursuant to a delegation is, until the contrary is proved, presumed to be acting in accordance with the terms of the delegation. 30

Compare: 1967 No 1 s 12(11)

12 Minute book

- (1) The Board must keep proper minutes of general meetings of the Association, meetings of the Board, meetings of committees of the Board, and attendance and business transacted at those meetings. 5
- (2) The minutes of the meetings, if purporting to be signed by the Chairperson of the meeting or by the Chairperson of the next meeting, are prima facie evidence in any proceedings of the facts stated.

Compare: 1967 No 1 s 16