

# Notice of Annual General Meeting KU Children's Services



The 125<sup>th</sup> Annual General Meeting (Meeting) of KU Children's Services (Company) will be held on **Tuesday 26th May 2020 at 4:00pm (EST)**.

The meeting will be held online, hosted at KU Children's Services, 129 York St Sydney. Due to current social distancing restrictions associated with the COVID-19 pandemic, attendance in person is strongly discouraged.

Members are invited to attend online and participate in the meeting as follows:

- Zoom meeting access:** <https://zoom.us/j/97909170210>  
Meeting ID / password: ID: 979 0917 0210 / Password: 9XD43h
- Member questions:** Members may submit questions to be addressed at the meeting in advance via email to [agm@ku.com.au](mailto:agm@ku.com.au), or during the meeting via the online messaging function.
- Member Voting:** **All votes must be cast by proxy** to enable votes to be verified. Members are asked to grant their proxies to the Chair of the Board or the Company Secretary, both of whom will be physically in attendance at the meeting.

**Proxy forms must be received by 4:00pm on Friday 22 May 2020.**

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## AGENDA

- Welcome and Apologies**
- Presentation of 2019 Annual Report**  
Laura Hartley, Chair and Christine Legg, Chief Executive Officer
- Presentation of Annual Financial Report, Directors' Report and Auditor's Report FY19**  
Hayden Hills, Chief Financial Officer
- Resolution 1: Amendments to Constitution**  
To adopt by **special resolution** the proposed amendments to the Company's Constitution marked up in the Constitution attached as Annexure 1.
- Resolution 2: Appointment of Mr Richard Richards as Life Member**  
To appoint by **ordinary resolution** Mr Richard Richards as Life Member of the Company.
- Resolution 3: Appointment of Ms Stacey Brown as Life Member**  
To appoint by **ordinary resolution** Ms Stacey Brown as Life Member of the Company.
- Election of Directors**  
There are two vacancies for Elected Director positions on the Board of Directors and two nominations have been received from the following candidates:

**Mr Peter Roberts**

**Ms Janet Verden**

As the number of nominations received is equal to the number of vacancies, pursuant to the Constitution, an election is not required, and the Chair will declare the result at the Meeting.

## 8. Meeting close

By order of the Board

A handwritten signature in cursive script that reads "Christine Legg".

Christine Legg  
CEO and Company Secretary

## FURTHER INFORMATION

### FINANCIAL REPORT

In accordance with the requirements under the *Corporations Act 2001* (Cth) (Corporations Act), a copy of the Company's Financial Report is included with this Notice of Meeting for all members who have elected to receive such a copy. A copy of the Company's Financial Report is also available for viewing and download at [www.ku.com.au](http://www.ku.com.au)

### VOTING ENTITLEMENT

Due to the unprecedented circumstances related to COVID-19, a member can only vote at the 2020 AGM by proxy. You will be eligible to attend (online) and vote (by proxy only) if you are recorded in the register of members of the Company as at 3:59pm (EST) on Friday 22 May 2020.

### PROXY VOTES

**Special COVID-19 Note:** To enable proxies and voting to be verified, **Members are asked to grant their proxies to the Chair of the Board or the Company Secretary**, both of whom will be physically in attendance at the Meeting.

In accordance with section 249L(1) of the Corporations Act, members are advised that:

- (a) each member has a right to appoint a proxy;
- (b) the proxy does not need to be a member of the Company; and
- (c) a member who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise.

To be effective, the instrument appointing the proxy must be received by the Company at the address specified below by no later than **4:00pm (EST) on Friday 22 May 2020**. Proxy forms also can be lodged by email or facsimile.

If you would like to appoint a proxy, please complete and sign the proxy form enclosed and return it to:

**Postal address** Company Secretary  
KU Children's Services  
PO Box Q132  
QVB Post Office NSW 1230

**Email** [agm@ku.com.au](mailto:agm@ku.com.au)

**Facsimile** 02 9267 6653

## EXPLANATORY STATEMENT

This Explanatory Statement is included in and forms part of the Notice of Meeting. It contains information about the resolutions to be considered at the Meeting. It is given to members to help them to determine how to vote on the resolutions set out in the Notice of Meeting.

Members should read this Explanatory Statement in full.

### 1. Resolution 1 – Amendments to Constitution

**Resolution 1** seeks the approval of Members by way of **special resolution** to amend and update the Company's Constitution, primarily in relation to three broad areas:

- (a) The number of Directors, the appointment of Alternate Directors, and quorum for Board meetings.
- (b) Circumstances in which a Director's position becomes vacant.
- (c) Updating terminology and removing redundant clauses.

A marked-up copy of the Company's Constitution is attached at **Annexure 1**, which sets out the amendments proposed to be made pursuant to **Resolution 1**.

The Board recommends that members vote **in favour** of **Resolution 1**.

Additional information regarding the reasons for the proposed amendments to the Constitution, is provided to members below.

#### (a) The number of Directors, appointment of Alternate Directors, and quorum for Board meetings

- ▶ KU's Constitution currently requires the Board to have nine (9) Directors, comprising six (6) elected and three (3) appointed positions, however makes no provision for the Board to continue to function in the event a vacant position remains unfilled for any reason.

The Board proposes to update clauses within section *G: The Board of Directors | How many Directors are there?* to provide for a proportional minimum and maximum number of Directors overall, and in each category. This will ensure the Board can continue to function in the event a position becomes vacant, and until such time as that position is filled.

The Board also proposes to amend the quorum for a Board meeting to be a majority of Directors, to enable effective decision making irrespective of the size of the Board at any given point in time.

- ▶ Currently the Constitution does not provide for the appointment of an Alternate Directors in the event a Director is absent, without vacating the position (such as when leave is granted to a Director).

In section *G: The Board of Directors* It is proposed that a group of clauses be added (titled *Can a Director appoint an alternate?*) to facilitate the appointment of Alternative Directors, and set out the requirements and restrictions associated with the position of Alternative Director.

For consistency, it is further proposed that other definitions and clauses through the Constitution relevant to an Alternative Director be amended to reflect this change.

#### (b) Circumstances in which a Director's position becomes vacant

- ▶ In section *G: The Board of Directors | When does a Director's office become vacant?* Additional clauses are proposed to require that a Director's position becomes vacant if they are charged with an indictable offence, or do not meet the qualification requirements imposed by law on Directors of early childhood education and care providers.

#### (c) Updating terminology and removing redundant clauses

- ▶ The Board proposes to provide clarity that a Director's maximum term is in fact nine (9) consecutive years in section *G: The Board of Directors | Maximum Term*.

- ▶ The section *G: The Board of Directors | Transitional Provisions* clauses relating to transitional arrangements specific to a previous amendment to the Constitution, which are now redundant, are to be removed.
- ▶ It is proposed that all references to *Centre Management Committees or Management Committees* be replaced with the term *Parent Advisory Group* to reflect current terminology and practice.
- ▶ KU's Constitution previously provided for a parent representative group called KU Council. KU Council has become redundant over many years due to low levels of participation by parent members, and the improved alternative mechanisms for parents to engage with KU.

The Board proposes to remove references to KU Council within the *Definitions* and at section *K: The Council* of the Constitution.

- ▶ It is proposed that all references to *Jointly Held Shares* are removed as KU does not have shareholders.

## 2. Resolution 2 – Appointment of Mr Richard Richards as Life Member of the Company

**Resolution 2** seeks the approval of Members by way of **ordinary resolution** to appoint Mr Richard Richards as Life Member of the Company in recognition of his significant contributions to the Company. Mr Richard Richards was elected as a KU Board Director on a voluntary basis at the Annual General Meeting on 25 May 2011 and 2020 marks the end of Mr Richards full nine-year maximum tenure which includes an approved extended leave of absence from 1 June 2019 due to health reasons.

During his tenure as a KU Board Director, Mr Richards also served as Chair and/or Member of several KU Board Committees.

Mr Richards' expertise in finance and risk management has been invaluable as he has assisted to diligently improve the management and reporting of KU's finances; and KU's corporate governance policies and procedures.

Mr Richards' support and advice was particularly valued during a significant year for KU in 2015 when KU celebrated our 120-year anniversary whilst undertaking the year-long KU Evolution Project. This major project assisted in a thorough analysis and subsequent reshaping of the organisational culture and knowledge into the financially sound organisation KU is today.

Mr Richards was highly diligent in his role as a member of the KU Board and Board Committees and gave his time and expertise freely. KU is a much stronger organisation because of his contribution.

## 3. Resolution 3 – Appointment of Ms Stacey Brown as Life Member of the Company

**Resolution 3** seeks the approval of Members by way of **ordinary resolution** to appoint Ms Stacey Brown as Life Member of the Company in recognition of her significant contributions to the Company.

Ms Stacey Brown was appointed as a KU Board Director on a voluntary basis on 2 August 2011 and resigned from the Board on 28 February 2017, serving for a period of 5 years and 6 months.

During her time as a KU Board Director, Ms Brown also served as Chair and/or Member of several KU Board Committees.

During Mr Richards' recent leave of absence, Ms Brown accepted an invitation from the Board to consult to the Board and the KU Audit and Risk Management Committee. Ms Brown was formally appointed by the Board to this consultancy position in September 2019 and since then, has given her time freely to assist in overseeing the financial and risk management of the organisation.

The organisation greatly appreciates Ms Brown stepping in to assist the Board through her extensive financial knowledge and expertise during Mr Richards' leave. Her insightful and thoughtful contribution has been significant.

## **Annexure 1:**

### ***Proposed Amendments to the Company's Constitution***