

## Athletics Australia

Minutes of the Special General Meeting of the Board of Athletics Australia,  
held at Suite 22, 431 St Kilda Road, Melbourne on Saturday 8 September 2001

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Meeting opened at 12:30 pm

### In attendance:

#### Officers:

President/Chairman	A. Forrest
Vice President	K. Roche
Board Member	E. Canty
Board Member	R. Scrimshaw
Chief Executive Officer	S. Allatson

#### Delegates:

Australian Capital Territory	O Henness	
New South Wales	R. Doubell	
Queensland	D Lloyd	S Pitt
Tasmania	T. Mahoney	
Victoria	J. Higham	D Blyth
Western Australia	P. Bacich	

Also Present	J Brady	By invitation from AV
	D Carlson	By invitation from AA

### Apologies:

P Kennedy  
W Bailey  
S Hatton  
T Keynes  
S Kiel

### Proxies

Proxy form from Northern Territory Athletics appointing R Doubell of New South Wales as an authorised representative of Northern Territory Athletics was tabled.

### Reading of notice convening meeting

At request of the President, the Chief Executive Officer read the notice convening the meeting to:

“consider the desirability, constitutional efficacy and practical effect on any move by Athletics Australia to render any Member a subsidiary of the Company”.

The President opened the Special General Meeting and delegates made the following responses to the notice of meeting :

- John Higham questioned the need for Athletics Australia to become involved with the affairs of Queensland Athletics claiming that they had been able to trade out of similar situations in the past, that there were more cost effective options available, that Queensland Athletics were being forced into a rescue package under the threat of being declared insolvent by Athletics Australia and that Queensland Athletics autonomy was being eroded by AA directors being seen to be in control of Queensland Athletics board.
- John Brady present upon the invitation of Victoria reiterated Queensland Athletics ability to resolve similar financial situations in the past through government assistance or bank loans and queried that Queensland members were not fully informed when they were asked to vote on the new constitution.
- Queensland Athletics responded through Stephen Pitt, that financially Queensland Athletics needed assistance and at no point were they forced into the rescue package and that they saw it as a very positive process to restructure athletics in Queensland and that the new Queensland Athletics constitution had the overwhelming support of its members.
- Simon Allatson confirmed Athletics Australia could not stand by and see one of its members fall over, and Athletics Australia responded to an invitation from Queensland Athletics to help formulate a long term solution to their financial difficulties.
- Peter Bacich reiterated the issue of autonomy and questioned the autonomy of Queensland Athletics having two Athletics Australia directors on its board plus an independent director D Carlson who had an association with Athletics Australia
- Peter Bacich expressed his concern that Athletics Australia controlled the Queensland Athletics Board and that some directors had a conflict of interest because they were directors of both organisations.
- Ken Roche said that it was proposed to increase the number of board members by two persons both of whom would be Queenslanders and one preferably female and the other a male, with at least one from Brisbane. Ken Roche stated that he was prepared to stand aside in the appointment of the two additional directors so the new directors could not be solely Athletics Australia appointed directors. He said that this should resolve the problem that some of the member associations had as the expanded Board would then comprise four Queensland Athletics and three Athletics Australia appointed directors respectively.
- Peter Bacich and John Higham indicated that they were not prepared to accept this proposal as a solution to their problem regarding Athletics Australia control of the Queensland Athletics Board.
- Ken Roche stated that if the member associations did not have confidence in him or doubted his integrity as a board member of Athletics Australia he would be prepared to resign immediately
- Peter Bacich suggested that he do so, having made a similar threat at a previous meeting, thus indicating his lack of confidence in Ken Roche as a director. Ken Roche stated that in the circumstances he would resign and left the meeting immediately.
- The chairman indicated that his resignation would not be accepted.

- Following the departure of Ken Roche, John Higham and Peter Bacich apologised for what was said and Peter Bacich expressed his utmost respect for Ken Roche and his contribution to Athletics Australia.
- Doug Carlson confirmed the serious financial position of Queensland Athletics and his independence as a board member.
- The status of Queensland Athletics being a subsidiary of Athletics Australia was raised by Owen Henness and Terry Mahoney.
- Simon Allatson reiterated that directors were bound by their fiduciary duties and were therefore required to exercise their independence. Simon Allatson also indicated that an undertaking had been provided by Athletics Australia to Queensland Athletics that the Athletics Australia appointed directors to the Queensland Athletics Board would stand down once the Athletics Australia loan had been repaid.
- With regard to Athletics Australia's position with Queensland Athletics John Higham suggested that Queens Counsel legal opinion be obtained.
- Andrew Forrest indicated that if we were to proceed down this track it would be better to seek a more commercial outcome by using an arbitrator.
- Elain Canty questioned the need for the organisation to commit itself to unnecessary legal costs.

## **Resolutions**

In order to resolve the main concern over conflict of interest it was resolved that the Queensland Athletics be asked to amend its Constitution to:

1. Include a clause precluding directors from voting where a conflict of interest existed: and
2. Establish a sunset clause requiring the Athletics Australia directors to stand down after 3 years or upon repayment of the loan which ever is the earlier.

The meeting concluded at 2.00 PM



Chairman

Dated