

2020 Annual General Meeting Questions on Notice

The following questions were submitted by Members prior to the Annual General Meeting via email.

Membership

David Ley

- **Why did you not advise 'Joint Members' that they are required to reapply for membership upon conversion?**

Members were advised in the Extraordinary General Meeting pack sent out at the time of the transition from an Association to a Company Limited by Guarantee. That pack contained a proposed new Constitution which was subsequently adopted.

The pack clearly brought to the attention of Association members the joint membership change. See Section 4.1c of the Constitution regarding Joint Membership.

It is also the responsibility of all Members when applying to become Members of any organisation to obtain the Constitution so that they have an understanding of their status and responsibilities as Members.

- **When did the Board last meet to consider applications for membership?**

The Board may consider applications for Membership at any meeting. It is still accepting applications and in the meantime is awaiting the outcome of an analysis of the Company's legacy Membership program.

- **Was Margaret Scott a member when she was appointed to the Board. If so at what Board meeting was her application for membership considered?**

Each of the new Board Members were Director-appointed positions and were recruited via a formal search process. Candidates were recommended for interview to an independent committee headed by John Watkins AM, the former Deputy Premier of NSW who is living with Parkinson's.

The committee recommended Directors for appointment by matching their skills and experience against the requirements laid out in a Board skills matrix.

As required by the Constitution, the appointed Directors then became Members.

- **How many new members have been added since conversion?**

The number of Memberships is in a state of constant flux as people pass away or cancel their Memberships.

However, our records show that at the end of financial year 2019 we had 2,538 Members on our database and at end of financial year 2020 we had 2,456 Members – therefore a decrease of 82 from FY19 to FY20.

Michael Shepherd

- **Why was the resolution electing Mr David Ley to the board deemed invalid when several of the existing directors were similarly not members when elected and he has applied to become a member again before the AGM?**

Each of the new directors were appointed through an independent committee headed by John Watkins AM, the former Deputy Premier of NSW who is living with Parkinson's.

The committee recruited and appointed directors by matching their skills against the requirements laid out in a Board skills matrix.

As required by the Constitution, the appointed Directors then became Members.

Mr. Ley is seeking election as a Member-elected Director, which requires Membership of Parkinson's NSW.

A search of the Membership database revealed that he had previously been a Joint Member, but failed to reapply for Membership as required by the new Constitution which took effect with the transition of Parkinson's NSW from an Association to a Company Limited by Guarantee.

Edward Shepherd

- **Can Management please confirm whether it has suspended processing or putting new memberships on hold under Section 4 of the PNSW Constitution? If so, when was this decision made? If not, why there has been inconsistent communication regarding the status of membership?**

Any new inquiries for Membership are being accepted for submission to the Board as per the Constitution. If they are currently a Member there is no need to apply for renewal at this time.

This is to give the Board time to consider the outcome of an analysis being done on the organisation's confusing legacy Membership structure which evolved under previous administrations.

- **Can Management please confirm if membership fees have also been removed? If so when was this decision made? How will it manage any renewal process and communicate this to members?**

See also answer above.

Decisions made following the outcome of the analysis of the organisation's Membership structure will be communicated by letters and emails, as well as content on the web site and news items in publications.

- **Under Section 4.5 the Company is obligated to maintain an accurate register of members. Can Management please comment on variances between those registers that have been shared with members?**

Only one register has been provided to Mr. Michael Shepherd for the singular purpose of communicating with Members about his desire for an Extraordinary General Meeting.

The number of Memberships is in a state of constant flux as people pass away or cancel their Memberships.

Financials

Dick Babb

- **Please outline full details of remuneration paid to key management personnel and confirm that no payments were made to Directors?**

Directors are volunteers. See Note 14 of the Financial Accounts.

This note comprises salaries, superannuation, annual and long service provision for five senior employees.

There is no obligation for Parkinson's NSW Limited to disclose individual salaries and we will not do so for privacy reasons.

Salaries and Employee Benefits is a line item in the Profit and Loss Statement of our Financial Accounts.

- **Please confirm that the organisation is reliant upon bequests to cover future operational costs and outline how you can justify this strategy?**

Answered in the CEO's Report to the AGM.

Bequests always play a major role in fundraising for organisations like Parkinson's NSW – particularly as our work is supporting mostly elderly people with chronic illness.

We have a 5-year Strategic Plan in place which includes diversifying our sources of revenue. The CEO's presentation showed the positive progress being made with diversification under this Strategic Plan.

- **Does the organisation have adequate current/liquid assets to cover ongoing operational costs?**

Our auditors StewartBrown have confirmed that Parkinson's NSW is a 'going concern' that is able to pay its debts as and when they fall due.

- **What action is in place to reduce operational costs in particular salaries and administrative expenses?**

Salaries have been capped. There were no salary increases during the year in review. In fact, salary expenses declined from FY19 to FY20.

Also, Administration Expenses declined by more than \$127,000 year to year.

Some staff volunteered to reduce their hours and all staff took on additional roles either delivering services or supporting service delivery. Therefore, headcount remained unchanged year to year.

Jaimee Thompson

- **Your email of 9 October to Members states "Parkinson's NSW is and will continue to be financially viable. This has been confirmed by accountants, auditors and financial analysts who have access to our data and understand our strategic direction."**

My question is to the auditor. This statement appears to extend past your obligations as an auditor and specifically that you have reviewed the budget associated with the strategic direction.

Can you please confirm whether you support this statement as it stands and/or whether it is predominantly supported by the funds held in Trust?

StewartBrown have confirmed that Parkinson's NSW is a 'going concern' and is able to pay its debts as and when they fall due for FY21 without any assistance from the Trust.

There were no funds transferred from the Trust to the Charity in FY20 and in fact, the Trust has had a Qualified Opinion for FY20 for failing in its obligation as a PuAF to distribute the legislated amount of 4%.

- **In 2017 as treasurer I was transparent to the membership stating our investment in the strategy would cost \$2m and that this had been earmarked against a known bequest. It was then expected this investment would return PNSW to the red.**

Since that time, the strategy has now been supported by over \$4m in bequests. What is the basis for the current board supporting this strategy when it has come at over double the cost? What triggers a re-review?

Yes, we knew that there was to be investment to grow the organisation over three to four years of a five-year strategy before returning to the black. This strategy is on track and will return a considerable profit from year 5 onwards.

- **Last year you were transparent to members in terms of known bequests for FY20. Specifically, at the last AGM there was little blue sky in terms of bequests as you had just received another major one.**

Assuming funds are not used from the Trust, what is the amount of bequests you have budgeted this year and what amount of that is blue sky?

The Trust as a PuAF is required by legislation to distribute 4% to the Charity each year. The Trust had a Qualified Opinion for FY20 for failing in its obligation as a PuAF to distribute any funds to the Charity.

The Auditors have confirmed Parkinson's NSW is a 'going concern' and is able to pay its debts as and when they fall due for FY21 without any assistance from the Trust.

The Board has approved the FY21 Budget having satisfied themselves of the estimate of bequests was based on historical trends for the organisation and industry standards.

Edward Shepherd

- **Page 14 of FY19/20 Financial Accounts makes reference to the remuneration of Key Management Personnel. Please confirm how many roles in total and which roles specifically within the organisation are currently classified as key management personnel for the purposes of these accounts?**

CEO, Corporate Services Manager, Fundraising Manager, Digital and Marketing Manager and Bequests Manager.

Directors

Michael Shepherd

- **Why is the President, Mr Veness, still considered a director when he had resigned, and then supposedly withdrew his resignation when the constitution clearly states that immediately upon resignation by a Board Member, they cease to be a director?**

You are asking about private Board deliberations. This indicates that information may have illegally been passed to you by a sitting or recently resigned Board Member.

The Board is considering whether an investigation by the Australian Charities and Not-for-profits Commission of this conflict of interest and violation of the Board's Charter is required. If so, the findings of this investigation will be made public.

However, despite this illegal disclosure, in the interests of transparency I can say that Mr. Veness offered his resignation, but it was refused by the Board. He therefore remains President and a Member of the Board in good standing.

- **How does Ms Margaret Scott qualify to be a director, when the constitution says that a director must meet any other criteria relating to the composition of the board and skills and qualifications of directors as may be determined by the directors from time to time and the Board Charter expresses that one of these qualifications is that the individual must be ordinarily resident in NSW and Ms Scott is a resident in Queensland?**

See also answer above about access to Board Charter being illegal.

Ms Scott was working between Sydney and Brisbane at the time of her recruitment.

She was recruited due to her significant skills and experience in fundraising which matched a requirement in the Board's Skills Matrix. The Board therefore used its discretion to permit Ms. Scott to work remotely from Queensland.

Research

Professor Kay Double

- **A Strategic Priority for PNSW, as stated in the 2019-2020 report sent with the Notice of AGM is to “align priorities with Parkinson’s Trust to collaboratively fund research”.**

Given the Trust no longer functions as a body independent of PNSW Board and no research grants were offered in 2019, if re-elected, how will the Board approach the question of the support, or not, of research into PD?

Your assertion that the Parkinson’s Trust is no longer independent of Parkinson’s NSW is not correct. For financial reporting purposes only, upon the insistence of our auditor under the Australian Accounting Standards, the Trust is considered a ‘consolidated entity’ of Parkinson’s NSW.

However, the Trust has its own separate Board which includes independent directors who have no links with Parkinson’s NSW nor the former Board of the Trust.

The Vision of Parkinson’s NSW is: *Quality of life now, as we work towards a community free of Parkinson’s.*

Our Mission is *to enhance the quality of life of people living with Parkinson’s.*

Therefore, it is our intention to work with the Parkinson's NSW Trust to fund research projects which have the potential to improve the quality of life of people living with Parkinson's as the search for a cure continues.

We are supplementing – not competing with – the good work being done by other organisations around basic research in and funding for the search for a cure.

The kinds of research we envisage supporting would include medication management and efficacy, detecting and tracking the progression of Parkinson's so therapies can be calibrated accordingly, safe mobility and falls prevention, and therapies targeting the psychological impacts of Parkinson's.

The Parkinson's NSW Trust declared a loss in fiscal 2019-20 because of the impact of COVID-19 on global financial markets. Therefore, no research grants were allocated.

Fundraising

Edward Shepherd

- **Can Management please confirm the original budgeted amount to invest in fundraising and over what period of time?**

The investment for fundraising is a 5-year program that will return a profit of more than \$200,000. More importantly, the program lays the foundation for future income growth that is already beginning to occur.

- **When is the charity expected to recover the total cost of the investment and over what time period?**

The focus is to break even in year 3 or 4 and start growing from there.

- **How much has been spent/invested to date in total and across the different channels you mention – marketing, telemarketing, and direct mail?**

Past expenses are outlined in annual reports.

- **How many new givers/donors was this investment supposed to acquire over the life of the 5-year investment and are the 8000 or more “engaged regular givers” ahead or behind the forecast to acquire by this stage of the plan?**

The program is delivering positively against its Key Performance Indicators.

- **What are the specific metrics and milestones for this investment, financial and non-financial over and above budget and timeframe?**

The program is well documented and detailed. It is monitored weekly to ensure it is delivering on approved performance indicators.

Bequests

Edward Shepherd

- **In the President's initial communication to member's regarding Michael Shepherd's letter, he mentioned that the Trust focusses on investment and growth of bequests made in favour of the trust.**

What is the current arrangement between the Charity and Trust as it relates to the sourcing bequests so that they do not find themselves in direct competition?

We honour the wishes of the testator. If the bequest favours the Trust, it goes to the Trust. If the bequest names Parkinson's NSW, it goes to Parkinson's NSW.

Parkinson's NSW has a Bequest Officer. The Parkinson's NSW Trust – which is independent from Parkinson's NSW – does not. The two Boards are meeting to consider how the Trust will work with PNSW moving forward.

- **Over the last 3 years, what proportion of bequests have been passed through from the Charity to the Trust to invest and grow the corpus?**

Zero. That is not the role of Parkinson's NSW. The Trust was originally founded by a previous Board to nurture and grow a significant bequest through strategic investments. Now a new and independent Trust Board is in place, it may reconsider this structure and strategy.

As above, we always honour the wishes of the testator.

Services

Edward Shepherd

- **The President continues to state that demand for services has increased and reached "historical highs". When comparing the recent figures with past annual reports, delivery across a range of service lines (e.g. InfoLine, Counselling, Nurses) seems to have gone backwards or remained steady at best. Can you please explain this discrepancy?**

This question was answered in the CEO's presentation.

Partnerships: Answers by Jo-Anne

Edward Shepherd

- **In the President's initial communication to member's regarding Michael Shepherd's letter, there was no response provided to the fact that a number of the other state bodies including Parkinson's Victoria have established a Memorandum of Understanding with Shake It Up and have also supported or sponsored major Parkinson's events like the Global INSIGHT Summit.**

Why has PNSW decided not to follow other state bodies or lead the way in collaborating with these other prominent and world leading Parkinson's organisations?

The Vision of Parkinson's NSW is: *Quality of life now, as we work towards a community free of Parkinson's.*

Our Mission is *to enhance the quality of life of people living with Parkinson's.*

Therefore, we focus our efforts and resources on services and supports which have the potential to improve the quality of life of people living with Parkinson's as the search for a cure continues.

The other organisations you mention are doing good work on the search for a cure. But while that search continues, our role is providing safety, comfort, and wellbeing in the lives of people living with Parkinson's.

The organisations with which we actively collaborate to fulfil our mission include:

- Charles Sturt University
- Mid North Coast, Northern NSW, and Northern Sydney Local Health Districts
- Primary Health Network, Coordinare
- World Parkinson's Congress (where we have a seat on the Global CEO Committee)
- Davis Phinney Foundation in the USA
- Parkinson's Victoria, WA, SA, ACT and QLD

Parkinson's NSW also monitors and evaluates the research output of institutions in Australia and worldwide.

Our Parkinson's Registered Nurses and Parkinson's Specialist Nurses are members of the Australasian Neurological Nurses Association (ANNA), the Movement Disorder Society of Australia and New Zealand (MDS ANZ), and the International Movement Disorder Society.

They attend meetings, participate in educational events and webinars, and attend conferences – then report back to their colleagues on the latest research, trends, projects, and publications.

Parkinson's NSW undertakes joint projects (such as a Telehealth pilot program for Parkinson's Neurology consultations) with – and refers patients and research volunteers to – all major Sydney and regional hospitals, and respected neurologists and researchers.

- **What tangible steps and actions has Management taken to engage with organisations to explore corporate sponsorships?**

Parkinson's NSW has a long history of working with pharmaceutical sponsors – particularly of education programs around medication management and advanced therapies for Parkinson's.

Corporate sponsorships account for less than 5 percent of the total fundraising pool in Australia. They can also be very volatile and have been so during economic downturns like that we are currently experiencing with COVID -19.

Feedback

Edward Shepherd

- **In the President's initial communication to member's regarding Michael Shepherd's letter, he suggested that the organisation is very comfortable with its reputation and standing with "no significant issues being identified".**

Can the Board please explain:

- **How they currently monitor the reputational health of the organisation outside of the feedback channel on its website?**
- **Who are the stakeholders involved with or approached as part of obtaining feedback?**
- **Is feedback actively solicited, or is it up to individuals to come forward?**
- **If they have received any feedback outside of the members regarding the performance of the charity or Management?**
- **Whether the organisation currently has a whistle-blower policy in place to manage concerns raised from within the organisation, the Support Groups, and its extended network?**

All except the last bullet point have been comprehensively answered in the CEO's presentation regarding the Client Satisfaction Survey.

To encourage whistleblowers to come forward with their concerns and protect them when they do, the *Corporations Act 2001* (Corporations Act) gives certain people legal rights and protections as whistleblowers.

Public companies, large proprietary companies, and corporate trustees of APRA-regulated superannuation entities were required to have a whistleblower policy from 1 January 2020. Parkinson's NSW is in compliance with this requirement.

Rural Coverage and Parkinson's Representation

Kim Warren

- **As a Member with family living with Parkinson's in Rural NSW, please outline your policies to ensure the current high standards of service will continue to be provided to those living with Parkinson's in Rural Regional and remote areas.**

The President of Parkinson's NSW Mr. David Veness is living with Parkinson's in Bathurst. Prior to the onset COVID-19, he travelled extensively around rural NSW – meeting Support Group participants and other members of the Parkinson's community, reaching out to media and advocating for more Parkinson's Specialist Nurses.

He continues his advocacy work via phone and virtual meetings with State politicians and NSW Health officials. Mr Veness has committed to continue his representation of the rural Parkinson's population for as long as he is on the Board – and beyond that as a volunteer.

In addition, Parkinson's NSW has grown its network of Parkinson's Support Groups in regional and rural areas and added online Groups for those currently unable to physically meet and obtain peer support.

Our Support Group network has grown by 30% over the past year, and 70% of our Groups are located in regional and rural areas. These Support Groups are a critical part of our strategy for supporting people living with Parkinson's in the bush.

We are also exploring new partnerships and technologies which have the potential to grow services in rural areas. One such project is a pilot Telehealth program with St Vincent's Hospital Sydney Neurology Department.

This is evaluating ways of enabling Neurology consultations for patients via computer or smart phone, with a Parkinson's Specialist Nurse present to facilitate the meeting and support any therapies or changes recommended.

- **The proposals that you are asking Members to vote on today will result in loss of representation at Board level for those living with Parkinson's. There is also concern in rural, regional & remote areas that Parkinsons NSW will revert to be Sydney centric like before. How can we avoid this happening?**

Vote against the removal of David Veness as Chairman and Board Member!

David is widely respected as a man who is remaining active and engaged despite his Parkinson's – and highly focused on being an honest representative of both people in his age group and those living in regional and rural areas.

It would be a significant loss to Parkinson's NSW if he were voted out because there has been no vision or plan outlined for the organisation by those wishing to take over. We will lose both an advocate living with Parkinson's and a true representative of those in the regional and rural Parkinson's communities.

So, I repeat, it is in your best interests to ensure that David Veness stays on the Board of Parkinsons NSW.

I notice in Mr. Shepherd's correspondence he seems to be promoting research over services. Services provided by Parkinson's NSW assist in improving quality of life for many people and their carers.

If you cut staff now to reduce salary expenses, won't this have debilitating effect on services in rural, regional and remote areas?

Yes, staff cuts will reduce service delivery across the board – but particularly outside the cities where access to services is difficult, with long waits for specialist medical appointments.

The expenses people refer to as administration expenses are not just administration. They include operating expenses, fundraising expenses, service development, joint funding for community-based Parkinson's Specialist Nurses and employee salaries.

We acknowledge that there has been a 34 percent increase in Salaries and Employment Costs from June 2017 to June 2020.

This is largely due to the adoption of the Board approved 5-Year strategic plan that primarily focuses on a significant growth in services for people living with Parkinson's and their carers.

The strategy also includes investment in marketing, telemarketing, and direct mail campaigns in support of a donor acquisition campaign to grow the number of financial supporters. It will diversify and strengthen future sources of revenue – reducing dependence on bequests.

Increased engagement with and assistance for Support Groups drove a 30 percent growth in the network.

Also, geographic coverage has been expanded to provide better support to people living with Parkinson's in regional and rural areas – correcting the previous administration's skew towards the Sydney metropolitan area.

This is what is under threat if you vote anyone new onto the Board today. The candidates putting themselves forward for Board seats lack experience in service delivery, do not understand the Mission of Parkinson's NSW and are city-centric.