



Australian Government

Registered Organisations Commission

8 January 2020

Graciete Ferreira  
President  
Master Builders Association of the Australian Capital Territory

By email: [graciete@pfwork.com.au](mailto:graciete@pfwork.com.au)  
[aberry@mba.org.au](mailto:aberry@mba.org.au)

Dear Graciete,

**Application for exemption from financial governance training – Master Builders Association of the Australian Capital Territory – GT2019/145**

I refer to the application made by the Master Builders Association of the Australian Capital Territory (the **organisation**) to the Commissioner of the Registered Organisations Commission (the **ROC**) for an exemption under section 293M of the Fair Work (Registered Organisations) Act 2009 (**RO Act**) on behalf of Nick Zardo. The ROC received the application on 1 November 2019. On 6 January 2020, the organisation provided further information relating to the office holder.

The Fair Work (Registered Organisations) Amendment Act 2016 introduced a range of amendments to the RO Act, which took effect in May 2017. Included in the amendments was the insertion of section 293K of the RO Act. This section requires each officer of an organisation or branch, whose duties include financial duties, to undertake approved training that covers each of the officer's financial duties, unless exempted under section 293M. A civil penalty provision applies to section 293K for non-compliance.

Subsection 293M(2) of the RO Act allows the Commissioner to grant an exemption if he is satisfied that the officer has a proper understanding of the officer's financial duties within the organisation due to the officer's:

- a) experience as a company director; or
- b) experience as an officer of a registered organisation; or
- c) other professional qualifications and experience.

The Commissioner has formally delegated to me, as the Executive Director of the ROC, the relevant powers relating to the exemption of approved training.

The organisation has advised that Nick Zardo was elected to the office of Chair – Civil on 31 July 2019. The requirement to undertake approved training in accordance with section 293K is required by 31 January 2020 in the event that the application for exemption were to be declined.

**Assessment**

In the circumstances of the application, I must be satisfied that the office holder has a proper understanding of the financial duties of his office within the organisation because of the factors listed in subsection 293M(2), i.e. experience as an officer of a registered organisation, a company director, or other professional qualifications or experience.

It has been submitted that the specific circumstances that warrant consideration for an exemption under section 293M relate to Nick Zardo having acquired experience in performing his duties, including financial duties as the Honorary Treasurer and Board Member of the Civil Contractors Federation (**CCF**) since 2012.

The application in respect of Nick Zardo indicates that an accredited financial governance training course was completed on 12 June 2014. The training undertaken was the Australian Institute of Company Directors, Governance and Finance for Registered Organisations Course, approved by the Fair Work Commission under section 154C of the RO Act in December 2013. This particular course is no longer available. The organisation has provided a copy of the certificate evidencing Nick Zardo's completion of the relevant training.

The application also included information on how the applicant has been made aware of the legislative changes that have been introduced into the regulatory scheme for registered organisations since his initial training in 2014. It has been submitted that Nick Zardo has regularly reviewed his obligations by reviewing the RO Act and familiarising himself with the responsibilities and obligations of an office holder that exist in the legislation. Although no formal training has been provided, Nick Zardo has advised that he was made aware of the legislative changes.

It has been submitted that Nick Zardo has an understanding of relevant financial management due to his role as:

- sole Director and Secretary of [REDACTED] (2003 – current);
- sole Director and Secretary of [REDACTED] (2003 – current);
- sole Director and Secretary of [REDACTED] (2003 – current);
- sole Director and Secretary of [REDACTED] (2017 – current);
- Director and Secretary of [REDACTED] (2016 – current);
- sole Director and Secretary of [REDACTED] (2004 – current).

It has also been submitted that Nick Zardo has completed the Finance for Non-Finance Managers course with the Australian Institute of Management.

#### Financial duties as per the organisations rules

The organisation's rules (**the rules**) provide that members of the Executive Committee exercise functions including:

- the management of the organisation (rule 12(a));
- to purchase, take in exchange or on lease, acquire any real or personal property, rights or privileges and sell, subdivide, let exchange or dispose of any property (rule 13(a)(ii));
- to enter into a mortgage on behalf of the organisation (rule 13(a)(iv));
- to raise or borrow money in the name or otherwise on behalf of the organisation (rule 13(a)(v));
- to make and give receipts, releases and other discharges, for moneys payable to the organisation and for claims and demands of the organisation (rule 13(a)(ix));
- to draw, accept, make endorse, transfer, discount, guarantee and negotiate such bills of exchange and promissory notes, and give such indemnities and guarantees and enter into such obligations (rule 13(a)(x));
- to invest and deal with any monies of the organisation (rule 13(a)(xi));
- determine the remuneration and conditions of employment of the Executive Director (rule 19(a));
- determine the annual subscription and other fees payable (rule 27(a));
- appoint an auditor or auditors (rule 31(a));
- approve the fees of the auditor or auditors (rule 31(d)); and

- approve the making of a loan, grant or donation (rule 46).

Rule 12(e) sets out the responsibilities of the Chairmen of Ordinary Council. I note that rule 12(e)(iii) provides that the each Chairman of an Ordinary Council shall carry out other duties as may be delegated to them by the President, the Executive Committee or a meeting of the Association.

Since 2012, Nick Zardo has held the office of Treasurer and a Board Member of the CCF. Like the organisation, the CCF is a registered organisation and therefore has the same obligations under the RO Act. Rule 19 of the CCF rulebook sets out the responsibilities of the National Board and rule 25(w) sets out the responsibilities of the Treasurer. Rule 19 and 25(w) provide for the exercising of similar functions to that of the Executive Committee of the organisation.

### **Decision**

I have taken into account the fact that Nick Zardo has completed relevant and approved financial governance training in 2014 and that although not via formal training, is aware of the recent legislative changes. I note that the financial duties undertaken as Chair – Civil are similar to and replicate some of the financial duties undertaken in his current position with the CCF.

I also note that Nick Zardo's financial duties and responsibilities as the Director and Secretary of:

- [REDACTED];
- [REDACTED];
- [REDACTED];
- [REDACTED];
- [REDACTED]; and
- [REDACTED]

are likely to contribute to his experience and understanding of his officer's duties within the organisation.

In accordance with section 293M(2), I am satisfied that:

- Nick Zardo has a proper understanding of his financial duties as Chair – Civil because of his experience as an officer of a registered organisation, and further, his broader financial management experience. I therefore grant Nick Zardo an exemption from undertaking approved financial training in respect of the office of Chair – Civil.

I have considered whether the exemptions granted should be subject to any condition. Taking into account all of the material before me and all relevant matters, I do not consider that any conditions are, in this case, appropriate.

If you have any questions concerning this matter please contact Joanne Fenwick on 1300 341 665 or via email at [regorgs@roc.gov.au](mailto:regorgs@roc.gov.au).

Yours sincerely



**Chris Enright**  
**Executive Director**  
**Registered Organisations Commission**