

Showgrounds Governance & Management Workshop discussion overview

incorporation: yes / no

features	benefits	risks
UNINCORPORATED ASSOCIATION <ul style="list-style-type: none"> ○ cannot enter contracts in association name ○ each committee members may be legally liable, can sue or be sued ○ mostly suitable for small groups with minimal assets 	<ul style="list-style-type: none"> ○ simple to establish, fewer legal requirements ○ lower costs to run ○ privacy – not required to disclose rules, financial statements, membership ○ informal regarding decision making and structure 	<ul style="list-style-type: none"> ○ if cannot meet debts/commitments, individuals required to meet these ○ not a legal entity: cannot enter contracts ○ may not hold assets in its name ○ at higher risk of Australian Charities and NFP Commission (ACNC) non-compliance ○ limited access to government grants or philanthropic funding ○ can lead to lack of transparency or accountability
INCORPORATED ASSOCIATION <ul style="list-style-type: none"> ○ incorporated under state law as a legal entity ○ requires a constitution which must incorporate model rules ○ comply with Associations Incorporation Act 1981 (Qld) ○ minimum number of members ○ operates in state it is incorporated in 	<ul style="list-style-type: none"> ○ Incorporated Associations are legal entities and can enter contracts, own assets, sue or be sued as an entity – exclude individual liability ○ can exist regardless of changes in membership – stability & continuity of goals of organisation ○ grants and funding often exclusive to incorporated associations ○ community credibility built through transparency, accountability and clarity around decision making ○ constitution sets out clear structure, definition of roles and procedures 	<ul style="list-style-type: none"> ○ strict and monitored management procedures are reported on ○ obligations for submission of annual report, financial reports, membership, meeting attendance ○ closing an Inc. Association requires a general meeting to determine distribution of assets and repayment of liabilities ○ cost of registration fees, legal fees etc# ○ constitution can be amended but may constrain flexibility – it sets out Association's legal purpose
# WDRC has committed to supporting these costs & supporting establishment process		