

How to become an incorporated association

This section will set out some steps that you need to do if you decide to incorporate. You can also find specific requirements here: <https://www.qld.gov.au/law/laws-regulated-industries-and-accountability/queensland-laws-and-regulations/associations-charities-and-non-for-profits/incorporated-associations/set-up-an-incorporated-association>

Step 1: Choose a Name

You probably already have a name for your group but you must check to see if another group is already using it. If your name has already been taken, you cannot use it. You also cannot use a name that is very similar to any name already registered. For this reason, it is good to think about some other names you think might also be good.

To check the chosen name for your group, use the ASIC free name check search at <https://www.asic.gov.au/online-services/search-asics-registers/companies-and-organisations/check-name-availability/>.

When you have checked that the name for your group is OK for you to use, you will need to add “Incorporated” after it when you register, e.g. if your group is XXX Refugee Support Group, you will register it as “XXX Refugee Support Group Incorporated”, and this will be its legal name.

Step 2: Recruit Members

An association must have at least seven members who must be adults i.e. over the age of 18. Members must pay an annual fee. This can be a small amount (e.g. \$1) or a larger amount of your choosing.

These can be members of your community or other people who want to help you. You are able to decide who can be a member. Some of the things you might like to think about are:

- Can someone from outside your community be a member?
- Can a woman join a men’s group?
- Can a man join a women’s group?
- Do people need to be nominated by an existing member in order to join?
- Do you want only individual members or can organisations join?
- Can someone be a member of your organisation if they are a member of another organisation?

If you decide want to limit who can be a member, you need to set this out in your organisation’s Constitution. If you do not do this, the model rules.

A record (‘register’) of members must be kept. You can keep a computer record but you must also have a printed copy available to show anyone who wants to see it. The easiest way to keep a register that has been set up as follows:

Record of Membership for [insert your organisation’s name here] Inc							
Name	Eric Smith	Rama S.	Alena Wirdi				
Address	16 Jones St, Brisbane	21 Smith St, Brisbane	21 Smith St, Brisbane				
Joined	5.4.17	12.4.17	14.6.17				
Resigned							
Membership Number/Type	001 Full member	002 Student	003 Full member				
Comments	Paid	Paid	Paid				

While it is not required, you might also like to keep a record of members’ phone numbers and email addresses. This will make it much easier for you to contact them. Membership type could be full member, associate, student or pensioner.

You may also include details about why they stopped being a member and/or rejoined the association and other information the management committee thinks should be included.

It is also recommended that you keep a separate record of Management Committee Members as part of your records.

Step 3: Decide on your Aim and Objectives

When you register, you are required to say what your organisation has been set up to do. You will therefore need to decide

- The main purpose of your group (its ‘aim’) e.g. “To provide settlement support for the XXX community in Queensland”.
- Activities undertaken in order to achieve this aim (the ‘objectives’). Your objectives can be social, cultural, political or financial. These

should be drafted with care and with the Act and taxation issues in mind. You can list any number of objectives. You need to choose your objectives carefully as this will affect your ability. Some examples of objectives are:

- To identify the settlement needs of the XXX community.
- To help service providers understand the settlement needs of the XXX community.
- To ensure members of the XXX community receive relevant settlement information.
- To provide opportunities for the XXX community to share their musical traditions.
 - To establish and maintain links to other XXX communities throughout Australia.
 - To raise funds to establish a XXX community centre.

Step 4: Draft a Set of Rules for your Association (your Constitution)

When you incorporate, you are required to have a set of rules for your association. This is often called a Constitution. This document, amongst other things:

- shows the name of the association;
- sets out your aim and objectives;
- explains membership;
- sets out how meetings must be conducted;
- explains how your association will be managed;
- lists the books and records that must be kept;
- describes how to use any funds; and
- explains how the accounts are to be managed.

Fortunately, the Associations Incorporations Act contains a set of 'Model Rules' that you can use. It is not compulsory to use these but it is a good idea to do so as it includes all the things you must cover. You can find them here:

<https://publications.qld.gov.au/dataset/28652d53-7a53-4690-afd6-4abc77a2c7d7/resource/9a54beb5-8288-4ddd-847b-459a97822119/download/modelrules.pdf>

When you are drafting the Constitution for your association, one decision you will need to make is what will be 'your' financial year. Many organisations use the calendar year (1 January to 31 December) because this is easy to plan for. Once your organisation grows, and especially if you get or want to get funding from a

government department and/or your budget is more than \$20,000, it is easier if you choose the Australian financial year (1 July to 30 June).

It is important that you understand exactly what is in the Model Rules and know about all the things you will have to do once you have incorporated. It is a good idea to seek advice from the Ethnic Communities Council of Queensland, the Office of Fair Trading or your local community centre when you are preparing your Constitution, especially if you want to make any changes to the Model Rules. If you decide to write your own rules, you will need to fill out the additional section of the application form.

Step 5: Hold a Special General Meeting

Before you lodge an application to become an association:

- you must hold a meeting of your members;
- members must be told, in writing, at least four weeks before the meeting that it is to be held and that they are invited to attend;
- members must be told that they must vote on certain important decisions ('pass resolutions') at the meeting;
- you must tell them what these resolutions are in the invitation, for example the decision to incorporate;
- the resolution must pass with a $\frac{3}{4}$ majority of vote

The resolutions that must be passed at the meeting are:

- That the [name of association] be formed, and that rules of the [name of association] be those attached.
- That the [name of association] incorporate as an incorporated association under the provisions of the Queensland Associations Incorporation Act 1981

At the meeting, arrange for one person to present and recommend ('move') each of the resolutions and another to support ('second') it. Once each resolution has been presented to the members by the mover and seconder, and any questions are answered, the members should be asked to vote on whether they agree with the resolution.

The meeting must also elect a Management Committee. A record of the decisions made at the meeting ('minutes') should be kept. This should include the names of the people who moved the resolutions, the names of the people who seconded them and the outcome of the vote.

Step 6: Apply for Incorporation

Once the meeting has passed the resolutions to incorporate and has approved the rules of the association (its Constitution), you have to fill out an application form and submit the mandatory supporting documents. This can be done online or by post.

You can find the details on: <https://www.qld.gov.au/law/laws-regulated-industries-and-accountability/queensland-laws-and-regulations/associations-charities-and-non-for-profits/incorporated-associations/set-up-an-incorporated-association>

Once your application has been approved and you have received your Certificate of Incorporation, there are other things you must do:

- Your new name (including the word “Incorporated” or “Inc”) must appear on all your documents and publications.
- You need a common seal. This is a rubber stamp with the name of your association on it (written in exactly the same way it appears on your Certificate of Incorporation) and also including the words ‘common seal’. You can ask any maker of rubber stamps to make one for you (and some newsagents can arrange for one to be made). The common seal is used to provide proof of the association’s name on all legal documents.
- You must open a local bank account in the name of your association. The bank will need to see a copy of your organisation’s rules and the Certificate of Incorporation. You will also need to decide who can operate on this account (act as “signatories”).
- If you have any property that is to be owned by the association, you must arrange with the Registrar of Titles (website address) for this to be transferred to the association.
- You must make arrangements for to fulfil all requirements including but not limited to financial and administrative reporting.