

Managing a Community Group?

Information Guide



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So you want to start a group?

First Steps

1. Check for others already established

Don't waste your time and energy creating a group that already exists, which will then lead to competing for members/support. If there is a similar group, consider joining them to add value. Check out the community environment to see what's around in your area of desired operation and what is needed (Our Community n.d.).

2. What is your 'Why'?

Make sure this is clear, to help guide your mission, objectives, overall direction, member attraction and retention.



The Legal Stuff

- **How is your group going to be structured?**
- **Should you be incorporated?**
- **What obligations require compliance?**

Unincorporated Associations

An unincorporated association is simply a meeting of group members and the 'group' or 'association' is not a separate legal entity from its members. Like-minded individuals (usually comprising of just six or so) have agreed to come together and pursue a common purpose (ACNC n.d.).

While there is nothing illegal about being unincorporated, there is no legal separation between members and the group as an entity. Therefore, if an accident or incident were to occur, board members can be held personally liable (Our Community n.d.). Similarly, if wanting to secure an operational space and rent premises for the association, any lease or agreement must be processed under an individual's own name (My Community n.d.).

A common reason for remaining unincorporated is the freedom this structure gives a group to operate, and therefore, generally suit smaller, more informal groups that are social in nature (e.g. a book club) (NFP Law 2022).

An unincorporated group can be arranged in any way it feels appropriate and is generally not restricted in how it conducts its meetings and activities. This may be the preferred option for:

- small groups with low-risk activities,
- groups that are focusing on short-term issues which require urgent attention (but which again are low risk), or,
- groups that don't want to disclose any information (for example, their annual revenue) on a publicly-available register (NFP Law 2022).

Group Rules

While not required by law, it's recommended that unincorporated associations still write a statement of objectives, describe their main purpose and have at some basic rules for conducting activities (NFP Law 2022). Having rules provides the group with a clear direction and governs the relationships between members and other stakeholders, aiding in case the case that disputes arise.

An example of what the rules should include can be found [here](#).

The Legal Stuff

Incorporated Associations

In Western Australia, there are nearly 20,000 not-for-profit groups registered as incorporated associations (Commerce WA n.d.).

The *Associations Incorporation Act 2015 (WA)* (the Act) enables an association incorporate as a separate legal body, protecting and separating individual members from the activities of the association, as well as providing a basic structure for the group (Commerce WA Discussion Paper 2022). Incorporated associations are also able to pursue their objectives and purpose by applying for grants, opening bank accounts and holding property in the entity's own name, rather than individual members (Commerce WA n.d.).

Responsibility for the management and oversight of groups is left to members and an elected management committee (Commerce WA Discussion Paper 2022).

To be eligible for incorporation a group must:

- have at least six members who will have voting rights under the rules;
- be not-for-profit; and
- be formed for one or more of the nine listed purposes outlined under the Act. (Commerce WA n.d.)

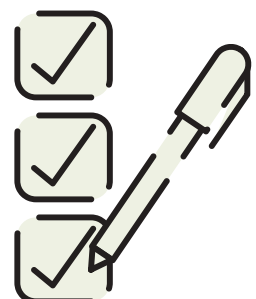
The Department of Mines, Industry Regulation and Safety outlines the procedure for incorporating an association involves the following steps:

- members agree to become incorporated;
- decide on a suitable name;
- develop a set of rules (Constitution) or adopt the model rules; and
- submit the application.
- Establishment of a management committee, roles, duties and exclusions.
- Record Keeping – minutes, membership, accounts, constitution (Commerce WA n.d.)

An incorporated association is required to comply with specific obligations under the Act including maintaining records, holding annual general meetings and preparing financial reports. Other tasks include:

- decide the objects and purposes of the association; and
- draft a set of model rules
- quorum for meetings (Commerce WA n.d.)

For a full understanding, it is recommended that you read the [WA Associations Incorporation Act 2015](#).



Insurance



There are a whole range of insurance types that a group could purchase, including volunteers Personal Accident Insurance, Professional Indemnity Insurance, Cyber Liability Insurance and many more.

It is recommended that you conduct extensive research to understand what insurance your group will require.

The most common insurance for community groups is Public Liability Insurance, which provides coverage in the event that someone is injured or their property is damaged as a result of your group's activities (Ansvar 2022).

Even if your group is well-managed and conscious of risks, accidents can still occur. Public liability insurance for your group means that individual members stay legally protected and separate to liability that comes from the group's activities resulting in harm or damage (Public Liability Insurance Australia 2021).

Keep in mind that you may also be required to apply for other licenses or permits, to keep you and the community you work with safe, including:

- Food Permits
- Liquor Licenses
- Working with Children Checks
- Police Clearances
- Event Permits (with the local government)



Financing



Associated fees with establishing an Incorporating Association can be found [here](#).

INCOME

There are multiple sources of funding to keep an association sustainable.

The four main sources of funding for community groups include:

- Grants: many local and some federal government and other grants are regularly available for application, though you may need an auspicing agency. The City of Kalamunda offer Community Development grants as well as Events & Sponsorship. A number of grants available can be viewed [here](#) (page 67);
- Sponsorship, In-Kind and Other: are there local businesses or organisation to assist?;
- Donations: your members, contacts and even strangers may support your idea; and,
- Fundraising: can you and your members raise the funds from the huge number of opportunities available, from go-fund-me pages to selling Entertainment Books! (Peer Connect n.d.)

Auspicing

To 'auspice' means to provide support, sponsorship or guidance which can be described like a sub-contractor arrangement, where the money is secured and fed to the party conducting the project (NFP Law 2022). To read more, visit Justice Connect's Auspicing Guide (2021).

Applications for grant funding usually require an association to be incorporated. If unincorporated, an alternative method to secure funding is through an auspicing organisation. Incorporated associations may also seek to be auspiced, for example, if the funding body requires reputation or proof of previous delivery of similar services (NFP Law 2022).

Financial Accountability

The Act (2015) requires groups are accountable for the resources they control, through the preparation of financial statements (Commerce WA Discussion Paper 2022).

Where incorporated, associations and clubs are required to submit an information statement to Consumer Protection every year. This statement confirms the association is still active, eligible to be incorporated and has held its Annual General Meeting (AGM) (Commerce WA 2020).

Finding a Space



There are a number of facilities available to hire for your group or association to meet. You can view these online via [Space to Co.](#)

The City of Kalamunda offer discounted rates to community groups for hiring spaces.

Getting members

Keeping connected is an important factor for the sustainability of a group.

Connection with support organisations, specifically the City of Kalamunda is important to be included in promotions of local clubs, and also to receive information about grant opportunities, volunteer celebrations, and discuss booking information about facilities.

Register to sign up to the City's Community Directory



Email the City of Kalamunda via
enquiries@kalamunda.wa.gov.au

- Address to Property Services to discuss lease agreements
- Address to Community Services to discuss the community directory, promotions and group support
- Address to Bookings Officer to discuss facility bookings and hiring queries

Ending a Group

The Act provides three options for either amalgamating with another association, transferring incorporation, administration, wind-up or cancelling the Incorporation based on the rules that apply to companies, but simplified for smaller not-for-profits (Commerce WA Discussion Paper 2022).

References

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