



Government
of South Australia

Department of Trade and
Economic Development



Incorporation of an association

Incorporation is a voluntary, simple and inexpensive means of establishing a legal entity. It is an alternative to forming, for example a company limited by guarantee or a co-operative, and is particularly suitable for small, community based groups. Except as may be provided in the rules of the association, incorporation provides a limited liability for members.

An association that has trading or profit making as its purpose is not able to incorporate under the Associations Incorporation Act 1985.

Incorporated Associations:

- have their own “corporate identity”
- can sue and be sued
- can enter into contracts
- mostly appoint committees to run affairs
- documents lodged are kept on a public register.

It is recommended that persons considering incorporation of an association obtain a copy of the Associations Incorporation Act and Regulations from Parliament of South Australia website – www.parliament.sa.gov.au or Information SA for a moderate cost.

Service SA Government Legislation Outlet
Lands Title Office
101 Grenfell Street
ADELAIDE SA 5000

Telephone: 13 23 24
Facsimile: 8204 1909
www.shop.service.sa.gov.au

Please Note:

If you do not have a set of rules (constitution) you may be able to obtain assistance from a similar organisation already incorporated under the Act. Section 23A of the Act deals with the minimum contents of rules.

Forms

If you are applying for Incorporation of an Association you will need to submit both **Form 1** (*Application for Incorporation*) and **Form 2** (*Statutory Declaration to accompany Application for Incorporation*). You can pick these forms up personally or download them from the Office of Consumer and Business Affairs Website.

Office of Consumer and Business Affairs (OCBA)
Corporate Affairs and Compliance Branch
Third Floor, Chesser House
91-97 Grenfell Street
ADELAIDE SA 5000

Telephone: 1300 138 918
Fax: (08) 8204 9771
www.ocba.sa.gov.au

How to Incorporate

Making an Application for Incorporation

Three easy steps

Step 1 - Meeting of Members

1. Authorise a person to make the application for incorporation. The role of this person is to complete and sign the necessary forms and to lodge them with OCBA.
2. Obtain the consent of the person who will be the association's first public officer. (A separate pamphlet outlining the role of a public officer is available from OCBA). The person who consents to be the first public officer can also be the person authorised to make the application if that is what the meeting wishes.
3. Approve the name of the association. The name selected should reflect the association's nature, objects and purposes. If there is a problem with the name selected the matter will be taken up with the lodging party.

Approve the rules. The proposed rules should be considered as to whether they will cater for the activities of the particular association and comply with section 23A of the Act.

Step 2 - Complete the Forms

1. Forms 1 and 2 need to be completed. Every item must be completed. The name of the association must appear exactly the same on both forms and as it appears in the names clause of the rules.
2. Item 3 of Form 1 seeks information about the purpose for which the association is being formed. A wide range of not-for-profit associations including sporting and religious bodies are eligible for incorporation. Section 18 of the Act sets out the eligibility criteria.
3. Form 2 must be signed and declared before a Justice of the Peace. The endorsement set out at the foot of the form must be written or typed on the copy of the rules and then signed by a Justice of the Peace.
4. The rules must be clearly printed or typed on single sheets of A4 size white paper.

Step 3 - Lodge Forms & Rules

1. The fee payable is set out on Form 1. It may alter in July each year.
2. Check that the forms are fully completed and that the other matters discussed in Step 2 have been met. The proposed rules and checklist of proposed rules must accompany Forms 1 and 2. If the documents are deficient they will be returned to the lodging party.
3. Normally you can expect to receive the Certificate of Incorporation in about 14 days.
4. The name of the association must be used on all documents and correspondence and on its common seal exactly as it appears on the Certificate of Incorporation, except that "Incorporated" can be abbreviated as "Inc."
5. You can obtain a common seal from a rubber stamp maker listed in the Yellow Pages.

Legal Advice and Assistance

Some associations may wish to consider obtaining legal advice. A solicitor will be able to assist in preparing rules and completing the forms and if you have doubt as to whether you can determine your organisation's income tax status or other tax obligations he or she will be able to provide you with advice on those issues.

There may also be Goods and Services Tax obligations for an incorporated association and advice on this should be sought.

If it is likely that, in the first or subsequent years of operation of the incorporated association, the gross receipts of the association exceed \$200,000, special provisions apply to account and audits. You should seek advice

Summary

- Obtain a copy of the **Associations Incorporation Act 1985** and **Regulations** plus an [example set of rules](#).
- At a meeting of members authorise a person to make the application for incorporation and **appoint a public officer**
- Obtain [Form 1 and Form 2](#) and a [Checklist of Rules](#)
- **Lodge the completed and signed forms** along with a copy of your **set of rules** and checklist of rules at the Office of Consumer and Business Affairs.
- Lodgement fees are payable

The information in this Bizfact has been sourced from the Office of Consumer and Business Affairs. Any enquiries should be directed to OCBA on 1300 138 918.