



Unincorporated Vs Incorporated

What is a not-for-profit organisation?

A not-for-profit organisation does not operate for profit or gain of its individual members.

Any profits generated:

- go back into the operations of the organisation;
- are used to further the organisation's objectives; and
- are not distributed to any of its members.

Unincorporated	Vs	Incorporated
<ul style="list-style-type: none"> • not a legal entity; • operates in accordance with a constitution • members financially and legally responsible for group activities; • can enter into contracts; • cannot apply for grants in its own right; and • cannot own assets in the group name. 		<ul style="list-style-type: none"> • legal entity, separate from it's members; • responsible to abide by the Associations Incorporations Act 1987; • holds a register of all members and their postal or residential addresses; • financially accountable; • can apply for grant funding; • can auspice (apply for and manage) grants for unincorporated groups; and • can hold assets, borrow money, invest money and employ staff.

Why Incorporate?

Incorporation provides legal protection for members.

As a legal entity, an incorporated body:

- limits individual members' exposure to personal liability;
- reduces members or officers' liability for payment of debts or liabilities; and
- is eligible to apply for grants and tenders.

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