

Comparison - companies limited by guarantee and incorporated associations

Note:

1. This table sets out the position in Queensland.
2. This table assumes the entity is not registered with the Australian Charities and Not-for-Profits Commission as a charity and does not consider other registrations or endorsements the entity may have, such as tax and fundraising.

	<i>Company limited by guarantee</i>	<i>Incorporated association (Qld)</i>
Status	Legal body at law	Legal body at law
Members	At least one	At least seven
Governance	Constitution Director/secretary – minimum three directors and one secretary The secretary can also be a director	Rules Committee – minimum three committee members – including a president, treasurer and a secretary The secretary can also be a committee member
Office	Registered office and must be open to the public	Principal place of administration
Perpetuity	Perpetual succession	Perpetual succession
Liability	Members of the company are only liable for any amount of money they guarantee to contribute upon winding up of the company	Members' liability is generally limited to outstanding subscriptions and other charges
Property	The company itself can own property	The association itself can own property
Legal rights	The company can sue and be sued	The association can sue and be sued
Costs	Costs associated with incorporation and annual fees	Costs associated with establishment and annual fees

	<i>Company limited by guarantee</i>	<i>Incorporated association (Qld)</i>
Reporting	<p>All records of meetings and resolutions must be kept</p> <p>Lodge notice of any changes to the company with ASIC within specified timeframes under the <i>Corporations Act 2001</i></p> <p>A company auditor must be appointed within one month of the company's registration and the company must be audited unless a 'small company limited by guarantee' under the <i>Corporations Act</i>.</p>	<p>All records of meetings and resolutions must be kept</p> <p>Provide the Office of Fair Trading (OFT) with:</p> <ul style="list-style-type: none"> information of any changes to the committee membership completed yearly audited reports (if an audit is required). <p>OFT to approve amendments to Rules before amendments are effective</p>
Incorporation fees	Currently \$417	Currently \$165.05
Annual fees	Currently \$1,260	Currently \$57.60

© Cooper Grace Ward. This document was prepared in August 2021. It contains information of a general nature and is not legal advice. Please obtain advice specific to your circumstances and do not rely on this as legal advice.