

## 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 information of any changes to the committee membership.</p> <p>OFT to approve amendments to Rules before amendments are effective.</p> <p>Incorporated associations not on the Australian Charities and Not-for-profits Commission (ACNC) charities register are required to provide the OFT with completed yearly audited reports (if an audit is required).</p> <p>Incorporated associations registered as a charity with ACNC will only need to comply with the ACNC reporting requirement and not be required to lodge an annual summary of financial affairs with the OFT or pay the annual lodgement fee.</p>
Incorporation fees	Currently \$503	Currently \$183.95
Annual fees	Currently \$1,528	Currently \$64.25

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