

Becoming an Incorporated Association

Thinking about incorporating your group? This fact sheet explains what incorporation means, why it might help your group, and what responsibilities come with it.

What does incorporating mean?

An incorporated association is a not-for-profit group that has its own legal identity. It may exist forever in its own right, even as the members of the association change.

Once incorporated, members of the committee of the association are generally not liable to contribute towards the payment of debts or liabilities of the association.

An incorporated association must be not-for-profit, which refers to the purpose and activities of the organisation. This does not mean that an association cannot make a profit from its operations, but the profit cannot be distributed to members.

In Western Australia, incorporated associations are regulated by Department of Local Government, Industry Regulation and Safety (Consumer Protection), under the ***Associations Incorporation Act 2015 (WA)***.

Is incorporation right for your group?

Incorporation is usually right for you if:

- You are a not-for-profit community group
- You have at least 6 voting members
- You handle money, grants or equipment
- You plan to run activities ongoing (not just a one-off event)
- You want clearer structure and protection for committee members

Why community groups choose to incorporate.

Our community is filled with passionate people who put their heart and soul into volunteering in their community. Whether it's running the local football club, holding an arts or cultural event, or providing spaces for people to connect and thrive, these efforts make living in Chittering richer.

Sometimes though, the people driving these initiatives end up carrying far more than just the practical workload. Without a clear structure in place, individuals can find themselves personally exposed if something goes wrong. A cancelled event, an outstanding invoice, or even a legal disagreement can suddenly leave volunteers liable in their own names. That isn't fair—and it certainly isn't sustainable.

How does that happen? Put simply, when a community group operates without incorporation, it doesn't exist as a separate legal entity. That means contracts are signed by individuals, not the group, and any debts or disputes can fall back on the members, not the organisation.

The good news is that Western Australia has a clear framework for community groups: the ***Associations Incorporation Act 2015 (WA)***. By becoming an incorporated not-for-profit association, your group becomes its own legal entity, separate from its members.

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That brings these great benefits:

- Reduced personal liability – the association itself, not individuals, can own property, sign contracts etc.
- Credibility – funders and sponsors, including the Shire of Chittering, often require groups to be incorporated before they'll provide support.
- Clarity – a constitution, or set of rules, sets out how decisions are made and finances are managed, keeping things transparent, and giving you guidance if conflict arises.
- Continuity – an incorporated association exists beyond the individuals currently involved, helping your successes last into the future.

Some people hear “governance” and think red tape, we get that. But good governance isn't about stifling passion with rules—it's about creating a framework that provides guidance, protection and clarity when challenging situations come up....and they do. It means you can keep doing what you love, but with more security, confidence, and less stress about what might go wrong.

What you agree to when you incorporate.

Incorporation comes with responsibilities, but they are manageable for small groups.

You agree to:

- Follow your constitution – basically a set of rules which guide how, when and why you do the things you do.
- Act in the best interests of the association.
- Use money only for the group's purposes – no funds or property can be distributed to individual members.
- Keep basic records and financial information.
- Ongoing requirements - Incorporated associations must:
 - Hold an Annual General Meeting (AGM) annually, and within six months of your groups financial year ending.
 - Keep meeting minutes and simple financial records.
 - Lodge an “Associations Information Statement (AIS) every year. The AIS is a short online form that asks basic questions about your groups operations to confirm that you are still active and eligible to remain incorporated.
 - Tell Consumer Protection about changes (committee, address, rules)

Yes, there are responsibilities, but honestly, they're manageable, and they're designed to protect both your group and your community. Many associations share these jobs across the committee — it doesn't all fall on one person.

Where to get help

Consumer Protection WA has a free, practical governance guide called [“INC: A Guide for Incorporated Associations in Western Australia”](#). They also provide forms, model rules and support for associations.

You can also talk to the Community Development Team at the Shire on 9576 4600.

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CHECKLIST

Do we need to incorporate? Tick what applies to your group right now.

1. About money and funding

- We want to apply for grants (especially council or government grants)
- We already receive grant or sponsorship money
- We collect membership fees or regular contributions
- We hold more than a small amount of money
- Someone is currently using their personal bank account for group funds

If you ticked 2 or more: Incorporation is strongly worth considering.

2. About responsibility and risk

- One or two people are legally responsible for everything
- A chair, treasurer or coordinator feels exposed or uncomfortable
- We sign venue bookings, insurance or agreements in someone's name
- We run events involving the public, children or equipment

If this feels risky: Incorporation helps shift responsibility from people to the group.

3. About growth and sustainability

- We want the group to continue even if key people leave
- We want clearer roles and decision-making
- We're becoming more than a social catch-up
- Things feel a bit "messy" or informal now

If you're thinking long-term: Incorporation provides structure and continuity.

4. Reasons you might not need to incorporate (yet)

- We're brand new
- We only run short-term or one-off activities
- We don't handle money (or very little)
- No one feels at legal or financial risk
- We don't want to apply for any grants
- We're happy staying informal for now

That's okay. Many groups start informal and incorporate later.

5. Quick decision guide

Mostly ticks on the top half: You're probably ready to incorporate.

Mostly ticks on the bottom half: You may not need to incorporate yet — revisit this later.

Unsure or evenly split: Have a group conversation and reassess before your next funding or growth step.

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Step-by-step plan

1. Check you're actually eligible

Before doing paperwork, make sure your group qualifies. You must:

- Have at least 6 voting members
- Have a not-for-profit purpose, such as:
 - Community, social, arts or cultural activities
 - Sport or recreation
 - Education, charity or benevolent purposes
- Understand the legal obligations being incorporated brings, including record-keeping, AGM's and reporting.

2. Agree on your association's basics (important but simple)

At a meeting of your members:

- a) Approve incorporating your group – including the fees associated with the application.
- b) Approve a name for your association (must include "Inc." or "Incorporated") that:
 - Reflects your purpose. For example, if your group plays netball, include the word **netball** in your name.
 - Is not already in use. You can search for your name ideas online to see if it is already in use at associations.commerce.wa.gov.au/associations/public/associationSearch.jspx.
 - Meets Consumer Protection WA's naming rules
- c) Elect or confirm a management committee with defined roles. This doesn't have to mean a traditional committee, just defined leadership roles which outline who is responsible for what.
- d) Choose your rules (this affects the cost)

You have two options:

- Option 1 – Use WA Model Rules (cheapest & easiest)
Provided by Consumer protection, these rules ensure you meet all legal obligations without you having to think about all the different requirements. You only customise your name, purpose, financial year and meeting quorum.
- Option 2 – Write your own rules (higher fee)
This gives you more flexibility, and is recommended if you have some specific things that need to be include, which are not outlined in the model rules. It can be a complicated process, and extend the time taken to approve your application.

Consumer Protection strongly encourages the model rules for community groups.

- e) Authorise someone to submit the application.

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3. Lodge the incorporation application

Once you've completed the above steps, you can apply online using the Associations Online portal - www.consumerprotection.wa.gov.au/associationsonline

Through Associations Online you can:

- Create an account and log in
- Submit your association's incorporation application. Ensure you have the following ready to go:
 - Full proposed name (and an alternative name if you are unsure if your name is available)
 - Statement of Purpose (this can be within the model rule selections when applying, or clearly defined in your custom rules)
 - Full name, address and position of each committee member. (Addresses are collected but not made public)
 - You may also choose to have the following ready. You most likely won't need to upload them, but may need to refer to them, or provide them later.
 - Minutes of the meeting where incorporation was approved.
 - Membership list
 - ABN (can be applied for after incorporation)
- Upload required documents (e.g., constitution if not accepting the model rules)
- Pay the application fee securely online

4. Congratulations – you have been approved! What now?

Once approved, you will receive a Certificate of Incorporation, and your association will have legal status.

Incorporated associations in WA must:

- Hold an Annual General Meeting (AGM) within 18 months of incorporation, and then every year, no longer than 6 months from the end of your chosen financial year.
- Keep financial records. In Western Australia, incorporated associations must keep financial records that enable true and fair financial statements to be prepared. These records must be retained for a period of 7 years. The financial reporting requirements are based on a three-tiered system, with responsibilities increasing depending on an association's total annual revenue. While the Act does not require all associations to audit their financial statements, it is good financial practice to have accurate and up-to-date financial information to ensure the association's viability and efficient operation.
- Submit an Associations Information Statement (AIS) each year. The AIS asks questions about the incorporated association, its activities and some basic financial information to help confirm that the incorporated association is operational and complying with its obligations.
To find out what you will be asked and how to complete the AIS, refer to the Consumer Protection website – [Guidance on completing and AIS](#).
- Update Consumer Protection if details change.