

# Guidelines for Small Community Group Incorporation Grants

## Objective

To provide one-off financial support to small community groups through the Communities *in-focus* program, to assist with costs related to becoming incorporated.

## Definitions

Small Community Group – means a community based group where local people with mutual interests come together to partake in those interests.

Not for profit – means a non-commercial organisation, including a religious organisation, where any profit made by the organisation goes back into the operation of that organisation and is not distributed to any of its members.

## Benefits of Incorporation

Incorporated groups help build a socially connected and resilient community. When groups are well governed, financially viable, inclusive and meeting the needs of members – everyone benefits.

While incorporating under the *Associations Incorporation Act 2015* is voluntary, it offers groups some important benefits, the main one being that members and officers of the association are generally not liable to contribute towards the payment of debts or liabilities of the association. Also, once registered, the name of an incorporated association will be protected and ends with the word “Incorporated” or the abbreviation “Inc”.

An incorporated association can: enter into contracts; buy, own and sell property; open bank accounts; sue or be sued; and employ staff.

An incorporated association cannot: distribute profits to its members; distribute its assets amongst members upon winding up; or trade for the purpose of securing financial benefits for members.

It is important to make an informed choice about the most appropriate legal structure for an organisation, which can depend on the purpose, objectives, nature and management structure of the group. Incorporation of an association is one option available to a not for profit organisation.

There are some initial expenses involved with becoming incorporated, such as application and advertising costs.

The City’s Small Community Group Incorporation Grants are intended to help groups pay for some of the start-up costs of incorporation.

To find out more information about incorporation and whether it is suitable for your group, contact the Department of Mines, Industry Regulation and Safety (Department of Commerce).

## Eligibility

### Who can apply?

Small not-for-profit community groups which meet the following criteria:

- Have a membership base of less than 30 people.
- Have at least 50% of members residing in the City of Joondalup.
- Are not incorporated.
- Have a committee or individuals which identify a need for support with governance and/or incorporation.
- Undertake activities that are not-for-profit.
- Are eligible to become incorporated under Section 4 of the *Incorporation Act 2015*.
- Bring benefit to the City of Joondalup community as its primary focus.

Community groups form when interested people come together for any combined purpose, however, groups that are likely to benefit from an incorporation grant include, for example: health support groups formed in response to community need, parenting groups, seniors’ groups, walking groups, hobby/interest groups or toy libraries.

### Who is not eligible to apply?

- Groups which have already received a Small Community Group Incorporation Grant.
- Previously established groups which have dissolved and reformed with the same or similar purpose.
- Groups which do not meet the definition of a small community group.
- Groups which are seeking funds for something other than incorporation costs.
- Groups for which a majority of their membership are not located in the City.

- Groups for which the core activities or services are not delivered within the City.
- Groups that have the name of a suburb in their title that is not in the City of Joondalup (or other factor that implies it is not for the primary benefit of the City's residents).

## Details

Small community groups, as defined above, can apply for funding to assist with the direct costs of becoming incorporated as per the fees and forms schedule published by the Government of Western Australia, Department of Mines, Industry, Regulations and Safety (Consumer Protection). For the purpose of these Guidelines, incorporation is defined as the process of a community group becoming a legal entity in its own right in line with the *Associations Incorporation Act 2015*.

Groups can only be eligible for funding once, and will need to formally acquit the funds after expending them by evidencing their incorporation to the City.

Applications are open year-round and will be processed by the Community Development Team.

## Assessment process

The Community Development Team will assess any applications received against the Small Community Group Grant Guidelines. If the application meets the grant criteria and annual budget allocation, a recommendation with supporting documentation will be provided to the Manager Community Development and Library Services for consideration and approval.

Applications can be made online and will require the following information:

- Proposed Name of group;
- Type of group;
- Purpose of group;
- Primary location of group - this should match the address or location stated on the application for Incorporation;
- Primary location of activities or services (e.g. the physical location of where the activities of the group will take place);
- Date the group commenced activities;
- Number of current members, or people involved in the group, who reside in the City of Joondalup (must be at least 50%);
- If a group has ever been incorporated under a different name; and
- Evidence to substantiate the amount of funding requested (e.g. quote for incorporation using 'model rules', 'own rules' or 'other').

It is intended to notify applicants regarding the outcome of their grant application within 30 business days of their application being lodged.

## Acquittal process

Successful applicants are required to provide a copy of the Certificate of Incorporation to acquit the funds provided.

Successful applicants are required to provide this information to the Community Development Team within 12 weeks of receiving the grant funds.