Running an incorporated association in Victoria

A guide for the secretary and office bearers

Jul 2026

justice connect

Contents

Glossary

Key words and abbreviations

Glossary

Key words and abbreviations

AAS	AAS refers to Australian Accounting Standards and is relevant to the review or audit of an incorporated association's financial statements.
AGM	AGM refers to an annual general meeting.
AIR Act	AIR Act refers to the *Associations Incorporation Reform Act 2012* (Vic)
Annual statement	An annual statement is a document that an incorporated association must lodge with CAV within one month after each AGM. An extension may be granted. Associations that are registered charities with the ACNC are exempt from reporting to CAV.
Association or **incorporated association**	Association or incorporated association refers to an association which is incorporated in Victoria.
ATO	ATO refers to the Australian Taxation Office.
Auditor	An auditor is an independent accountant who examines an organisation's financial records and reports on whether they fairly present the organisation's financial position. An auditor's report is usually prepared annually. Some incorporated associations are required to have their accounts audited under the AIR Act (for example, tier 3 associations), while others may choose or be required to have an audit for other reasons, such as under a funding agreement.
Ballot	A ballot is a method of voting to elect office bearers or committee members of an organisation. A person votes by indicating their preferred candidate on a piece of paper. Ballots are often conducted confidentially, in which case they are called 'secret ballots'. The requirements for holding a ballot are usually set out in the incorporated association's rules.
Bankruptcy	Bankruptcy is a legal status that can provide a person with protection from further action by creditors (that is, people or organisations owed money by the person).
CAV	CAV refers to Consumer Affairs Victoria, which is the Victorian government agency responsible for registering and regulating incorporated associations in Victoria.
Committee	Committee refers to the governing body of an incorporated association. Depending on the organisation, it may also be called a board, management committee, committee of management or council. The committee is responsible for overseeing the association's operations and affairs.
Committee member	Committee member refers to a member of the committee of an incorporated association. Committee members commonly include office bearers (such as the president, secretary and treasurer) and other committee members (often called ordinary committee members).

	Depending on the association's rules, committee members may or may not also be members of the association.
Common law	Common law means law developed by the courts, sometimes called 'judge-made law', as distinct from legislation or statutes, which are laws made by Parliament.
Convene	Convene means to arrange or call a meeting. For example, the president of an incorporated association or four committee members may convene a special committee meeting.
Corporations Act	Corporations Act means the *Corporations Act 2001* (Cth)
Count	Count refers to a method of voting on a motion at a meeting in which members cast votes on voting papers, which are then counted. A member may demand a count instead of a vote by show of hands. The AIR Act and an association's rules set out when and how a count may be demanded. If a count is validly demanded, its result overrides the result of any earlier vote by show of hands.
Executive council	Executive council means the executive council appointed under Part IV of the *Constitution Act 1975* (Vic)
Financial statement	A financial statement is a document, or set of financial reports, that must be presented to members of an incorporated association at its AGM, in accordance with Part 7 of the AIR Act. The financial statements must contain particular information about the association's financial activities during the previous financial year.
Fundraising Act	Fundraising Act means the *Fundraising Act 1998* (Vic).
General meeting	A general meeting is a meeting of the members of the incorporated association that is convened in accordance with the association's rules, including any requirements for giving notice to members. General meetings include annual general meetings and special general meetings.
GST Act	GST Act means the *A New Tax System (Goods and Services Tax) Act 1999* (Cth).
Governor	Governor means the appointed Governor of Victoria.
Governor in Council	Governor in Council refers to the Governor acting on the advice of the Executive Council.
Legislation	Legislation means laws enacted by Parliament. A piece of legislation is called an Act or statute. The title of a Victorian Act includes the year it was passed and the abbreviation '(Vic)' after the year. For example, the *Associations Incorporation Reform Act 2012* (Vic).
Minutes	Minutes are a formal written record of the matters discussed and decisions made at a meeting of the members of an association or a meeting of the committee.
Model rules	Model rules are the rules set out in Schedule 4 of the Regulations. An incorporated association may adopt the model rules in whole or in part when it is incorporated or at a later time. The model rules may change if the Victorian Government amends Schedule 4 of the Regulations.
Motion	Motion means a proposal put forward at a meeting for members to consider and decide. A motion is typically moved by one person and seconded by another. Before a vote is taken, the motion may be amended if the meeting agrees. If the motion is passed by the required majority, it becomes a resolution.
Office bearer or officer	An office bearer or officer is a committee member who holds a specific office or position of responsibility. In most associations, the office bearers are the chairperson (or president), deputy chairperson (or vice-president), secretary and treasurer.

Office holder	An office holder is a person who holds an office in, or is involved in the management of, an incorporated association. Under section 82 of the AIR Act, this includes committee members, the secretary, and any person (including an employee) who makes, or participates in making, decisions that affect the whole or a substantial part of the association's activities, or who has the capacity to significantly affect the association's financial standing.
Ordinary resolution	An ordinary resolution is a resolution that results from a motion (or amended motion) being passed by a simple majority of the votes cast at a meeting.
Old Act	Old Act means the *Associations Incorporation Act 1981* (Vic), which has been replaced by the *Associations Incorporation Reform Act 2012* (Vic) (**AIR Act**).
Parliament	Parliament is the legislative body of Victoria. It consists of the Legislative Assembly, the Legislative Council and the King, represented in Victoria by the Governor. Each Australian state and territory also has its own parliament (or legislature), and there is a Commonwealth Parliament for Australia.
Policy	Policy refers to an agreed approach to dealing with a particular issue or area of activity within an organisation. Policies are usually, but not always, recorded in writing. For example, an organisation may have policies on recruiting committee members, conducting meetings or resolving disputes. Policies cannot override the AIR Act or an association’s rules, but they can provide additional guidance on how those requirements are implemented.
Proxy	A proxy is a person authorised to attend and vote at a meeting on behalf of another person who is entitled to vote but cannot attend. An association may only permit proxy voting if its rules contain provisions allowing proxies and setting out how they operate.
Purposes	The purposes (sometimes called **objects**) of an organisation are set out in its rules and describe what the organisation has been established to do. The purposes may also identify the people or communities the organisation is intended to benefit. Associations incorporated under the AIR Act must include their purposes in their rules. Before the start of the AIR Act, an association's purposes were set out in a separate statement of purposes.
Quorum	Quorum is the minimum number of people who must be present at a meeting for the meeting to proceed.
Register	A register is a list, database or other record that contains information about particular matters, people or documents. For example, an organisation may keep a register of members that records the names and addresses of its members, along with other relevant information.
Registrar	Registrar refers to the Registrar of Incorporated Associations, appointed by CAV. The Registrar has responsibility for administering and enforcing the AIR Act and the Regulations, including authorising the issuing of infringement notices for certain offences.
Register of Incorporated Associations	The Register of Incorporated Associations is the register maintained by CAV that contains information about incorporated associations in Victoria. Some information on the register is publicly available through CAV, and extracts from the register may be purchased for your association or another incorporated association.
Regulations	Regulations means the *Associations Incorporation Reform Regulations 2023* (Vic).
Resolution	Resolution means a decision made at a meeting by passing a motion. Resolutions include ordinary resolutions and special resolutions.
Rules or **constitution**	The rules (or a constitution) are the governing document of an incorporated association. The rules set out the association's purposes and the procedures for running the association. An association may adopt the model rules in Schedule 4 of the Regulations, develop its own rules, or use a combination of both. All associations must have rules that address the matters listed in Schedule 1 of the AIR Act.

Schedule	Schedule refers to a schedule to the AIR Act or the Regulations. A schedule usually contains supplementary provisions, forms, tables or lists that form part of the legislation.
Secretary	Secretary refers to the secretary of an incorporated association, appointed in accordance with the AIR Act and the association's rules.
Simple majority	A simple majority is when more than half (more than 50%) of the votes cast by those entitled to vote on a motion are in favour of the motion. If a motion receives a simple majority of the votes cast, it is passed and becomes a resolution.
Special general meeting	A special general meeting is a general meeting of the members of an incorporated association that is convened for a specific purpose, other than the AGM. Under the model rules, any general meeting that is not an AGM is a special general meeting.
Special resolution	A special resolution is a resolution that must be passed using the procedure set out in section 64 of the AIR Act. Members entitled to vote must be given at least 21 days' notice of the meeting at which the special resolution will be proposed. A special resolution is passed if at least 75% of the votes cast by members entitled to vote (whether in person or by proxy, if permitted) are in favour of the resolution. Special resolutions are required for certain significant decisions, including changing the association's name, purposes or rules, amalgamating with another association, and voluntarily winding up the association.
Statutory duties	Statutory duties are legal obligations and responsibilities imposed by legislation. For example, committee members and office holders of an incorporated association owe statutory duties under the AIR Act in relation to the way they manage the association and make decisions on its behalf.
Statutory manager	A statutory manager is a person appointed by a court to take control of the management of an incorporated association. The Registrar may apply to the Magistrates' Court for the appointment of a statutory manager where there are concerns about the management of the association. The court may appoint a statutory manager if it considers that doing so is in the interests of the association's members, creditors or the public.
Tier one association	A tier one association is an incorporated association with total annual revenue of less than $500,000. An association may also be declared by CAV to be a tier 1 association.
Tier two association	A tier two association is an incorporated association with total annual revenue of $500,000 or more but less than $3 million. An association may also be declared by CAV to be a tier 2 association.
Tier three association	A tier three association is an incorporated association with total annual revenue of $3 million or more. The tier 3 threshold is set out in regulation 16 of the Regulations.
Wind up or **winding up**	Wind up or winding up refers to the process of bringing an incorporated association to an end. An association may be wound up voluntarily by its members or, in some circumstances, by a court or CAV. Once wound up, the association is dissolved.

Part 1

Overview of an incorporated association

Overview of an incorporated association

This part of the guide provides an overview of incorporated associations and explains the roles of members, the committee and the secretary. It also explains how to use this guide.

Disclaimer

This guide provides information on running an incorporated association in Victoria. This information is intended as a guide only and is not legal advice. If you or your organisation has a specific legal issue, you should seek legal advice before deciding what to do.

Please refer to the full disclaimer that applies to this guide.

Summary of key points in this part of the guide

Who is this guide for?	This guide is primarily for secretaries of incorporated associations. This part of the guide provides an overview of incorporated associations and their governance framework.
How to use this guide	This guide is divided into nine parts and includes practical tools, checklists and links to additional resources.
Incorporated associations	An incorporated association is the most common legal structure used by Victorian not-for-profit organisations. Incorporated associations are regulated by the AIR Act.
Reporting requirements	Incorporated associations must report certain information to CAV, including annual reporting information and changes to key association details. Special reporting arrangements apply to some associations registered with the ACNC.
Rules and purposes	Every incorporated association has rules that govern how it operates, including a statement of purposes. It is important to understand the rules that apply to your association.
Role of members	Members make important decisions about the association, including appointing committee members and approving certain major changes.
The committee	The committee is responsible for overseeing the association's affairs. Many associations also appoint office bearers, including a secretary.

Governance and management	The committee is responsible for governance, while staff and volunteers may be responsible for day-to-day management and operations.
The secretary	Every incorporated association must have a secretary. The secretary is the association's primary contact with CAV and has important legal and administrative responsibilities.

Note

In November 2012, the AIR Act replaced the *Associations Incorporation Act 1981* (Vic) (**Old Act**). The AIR Act replaced the role of 'public officer' with that of 'secretary' and introduced new requirements for association rules.

Associations that were using the model rules under the Old Act are now subject to the model rules under the AIR Act. Associations that adopted their own rules should review them to ensure they comply with the AIR Act.

Who is this guide for?

This guide is designed to help secretaries and others involved in running incorporated associations in Victoria by explaining key legal obligations and providing practical governance tips and tools.

Although written primarily for secretaries, it may also be useful for committee members (sometimes called board members), advisers, peak bodies, advocacy organisations and lawyers who work with incorporated associations.

Using this guide

The guide has nine parts and contains practical tools – such as sample documents, checklists, registers and flowcharts – to help you in your role. These are located in part 9 of this guide: Tools.

Incorporated associations

An incorporated association is the most common, but not the only, legal structure used by not-for-profit groups in Victoria. Other legal structures used by not-for-profits include companies and co-operatives. Different laws apply to those structures, which are not covered in this guide.

An incorporated association is a separate legal entity that continues to exist even when its members change. Subject to its rules, an incorporated association can, in its own name, accept gifts and bequests, buy and sell property, invest and borrow money, open bank accounts, sue and be sued, and take out insurance. Members, the secretary and other office holders are generally not personally liable for the association's debts. However, a secretary or office holder may be personally liable in some circumstances, such as where they have given a personal guarantee or failed to comply with their legal duties. See Personal liability of secretaries and office holders.

Each Australian state and territory has its own laws regulating incorporated associations. This guide deals with associations incorporated in Victoria.

Tip

For more information on what incorporation means, and different types of legal structures used by not-for-profit groups, see our resources on getting started

Identifying an incorporated association

An incorporated association's name must include the word 'Incorporated' or the abbreviation 'Inc' (with or without brackets), as required by section 22(1) of the AIR Act. This identifies the organisation as an incorporated association and indicates that it is subject to the AIR Act and other applicable laws.

Similar requirements apply to companies under the Corporations Act, which generally require a company's name to include the words 'Limited', 'Ltd' or 'Pty Ltd' (unless an exemption applies).

Tip

If you are not sure whether your organisation is an incorporated association in Victoria, you can search the Register of Incorporated Associations on the CAV website

In Victoria, the AIR Act is the principal legislation regulating incorporated associations. It governs the incorporation, operation and winding up of associations. The Regulations supplement the AIR Act by setting out additional legal requirements, including the model rules for incorporated associations. An association may adopt the model rules, develop its own rules, or use a combination of both.

It is good practice to keep a current copy of the AIR Act and the Regulations with the association's official records.

Incorporated associations must also comply with other laws that may apply to their activities, including laws relating to occupational health and safety, workplace relations, taxation, advertising and fundraising.

Tip

The AIR Act gives powers and responsibilities to the 'Registrar' of Incorporated Associations. In practice, the functions of the Registrar are carried out by CAV.

Our website has useful resources and information on a range of topics and laws to help not-for-profit organisations.

Role of Consumer Affairs Victoria

Consumer Affairs Victoria (**CAV**) has a number of legal functions relating to incorporated associations. These include:

- maintaining the Register of Incorporated Associations (register of incorporated associations in Victoria)
- processing applications for incorporation and issuing certificates of incorporation
- approving association rules
- receiving annual statements (see part 8 of this guide: Reporting to Consumer Affairs Victoria)
- processing changes to an association's rules, purposes or name
- cancelling an organisation's incorporation, including following voluntary cancellation, winding up, or amalgamation
- monitoring and investigating compliance with the AIR Act and Regulations, and

- taking enforcement action where there has been a failure to comply with the AIR Act

You can contact CAV for help with:

- forms that must be lodged with CAV
- applications for extensions of time to lodge forms
- information about complying with the AIR Act, including requirements relating to association rules, and
- general information about obligations under the AIR Act.

However, CAV cannot:

- provide legal advice or pre-approve proposed rule changes
- advise on the interpretation of an association's rules, or
- resolve internal association disputes

You can find more information about CAV's role on the CAV website.

Reporting requirements

An incorporated association is required to report to CAV in a range of circumstances, including:

- each year by lodging an annual statement (see the caution box below and part 8 of this guide: Reporting to Consumer Affairs Victoria). However, an association that is registered as a charity with the Australian Charities and Not-for-profits Commission (**ACNC**) may be exempt for lodging an annual statement with CAV if it submits an Annual Information Statement to the ACNC
- when a new secretary is appointed, or the secretary's details change (see part 2 of this guide: Appointing and Removing a Secretary)
- if the association changes its name, address or financial year end date
- when the association passes certain key resolutions, such as a resolution to change its name, rules or purposes, including adopting the model rules (see part 5 of this guide: Annual General Meetings and also part 6 of this guide: Special General Meetings), and
- if the association applies to transfer its registration to another registered body (for example, a company limited by guarantee), including by lodging the required documents with CAV

Rules and purposes

Every incorporated association must have its own set of rules (sometimes called a constitution). The rules set out how the association is governed and operated, and the association must comply with them.

The AIR Act requires an association's rules to cover certain matters listed in Schedule 1 and to be consistent with the AIR Act and other applicable laws. Subject to these requirements, an association has some flexibility in drafting its rules.

Why follow the rules?

The rules form a legally enforceable contract between the association and its members. They help members understand how the association will operate, how decisions will be made, and how they can participate in governance and raise concerns about the association's activities.

Tip

The rules are one of the most important sources of information for a secretary. Keep an up-to-date copy readily available and make sure the rules comply with the requirements of the AIR Act.

Every association incorporated under the AIR Act must have its purposes set out in its rules. The purposes explain what the association has been established to do and may also identify who is intended to benefit from its activities.

Remember

An association must act in accordance with its rules and purposes. A member may challenge a failure to comply with them.

Under section 67 of the AIR Act, CAV, the association or a member may apply to the Magistrates' Court to enforce members' rights and obligations under the rules.

Finding an association's rules

An association can choose to:

- adopt the model rules, or
- adopt its own rules, either by drafting new rules or modifying the model rules

Note

If an organisation adopts its own rules, those rules must cover all the required items listed in Schedule 1 of the AIR Act.

An association must lodge its rules with CAV when applying for incorporation. After incorporation, the members may change the rules by passing a special resolution. To be effective, any rule change must be lodged with and approved by CAV.

If you are unsure what rules apply to your association, you can obtain a copy from CAV.

Model rules

The model rules are an example set of rules that comply with the AIR Act. They are set out in Schedule 4 of the Regulations and are available on the CAV website. Unless an association adopts its own rules, the model rules will apply by default.

Many associations adopt the model rules when they incorporate. An association that has adopted its own rules can later change to the model rules, but this requires a special resolution of members because it involves changing the association's rules.

Tip

The model rules are a convenient option, but they will not suit every association. For example, an association seeking particular tax concessions should consider whether the model rules satisfy the relevant tax law requirements. Similarly, associations with specialised membership arrangements or branch structures may require tailored rules.

For this reason, many associations use the model rules as a starting point and modify them to suit their particular needs.

An association will be treated as having adopted the model rules if the only changes made are to the association's name, financial year and purposes. Any other amendment, no matter how minor, means the association is treated as having adopted its own rules rather than the model rules.

Note

The model rules change over time. If an association has adopted the model rules without modification (other than changes to its name, financial year and purposes), amendments to the model rules will automatically apply to that association.

New model rules were introduced by the *Associations Incorporation Reform Regulations 2023 (Vic)* and are now set out in Schedule 4 of those Regulations. Associations that use the model rules should check they are referring to the current version.

Writing your own rules

If your association has adopted its own rules, you should ensure they cover all matters required by Schedule 1 of the AIR Act (as amended from time to time). For more information, see our webpage 'Managing an organisation's rules or constitution' or CAV's webpage 'Incorporated association rules - Consumer Affairs Victoria'.

Note

If an association's rules do not deal with a matter required by Schedule 1, the corresponding model rule is automatically incorporated into the association's rules under section 48(3) of the AIR Act.

For example, if an association's rules do not specify the notice period for a general meeting, rule 33 of the model rules applies. This requires at least:

- 14 days' notice of a general meeting, or
- 21 days' notice if a special resolution is proposed

Because this process can be difficult to follow in practice, it is generally better to ensure your rules address all matters required by Schedule 1.

Why follow the rules?

The rules form a legally enforceable contract between the association and its members. They explain how the association will operate, how decisions will be made, and the rights and responsibilities of members.

Caution

An association's rules cannot override the AIR Act or any other laws.

If a rule is inconsistent with the AIR Act, it has no effect (section 48(4)). Similarly, if the AIR Act requires a matter to be covered by the rules but the rules are silent, the relevant model rule will apply automatically.

An association may choose to adopt some model rules and draft its own provisions for other matters. Where a model rule is being used, it is generally preferable to reproduce the rule in full rather than simply refer to it. This helps avoid confusion if the model rules are amended in the future.

When reviewing your association's rules, make sure you are using the current approved version. You can obtain a copy from CAV.

Caution

If your association adopts its own rules or changes the model rules, the rules must be lodged with and approved by CAV. They do not take effect until approved by CAV.

Tool 1

To find out what your organisation's rules are, follow the steps in Tool 1: Flowchart for working out your association's current rules in part 9 of this guide.

Role of members

Members of an incorporated association have rights and responsibilities under the AIR Act, the association's rules and the common law.

One of the members' most important roles is to attend general meetings and vote on significant matters affecting the association. These may include:

- electing the committee
- changing the association's name, rules or purposes
- amalgamating with one or more other associations
- removing an auditor, and
- voluntarily winding up the association

An association's rules must set out the procedures for annual general meetings (**AGM**s) and special general meetings (**SGM**s), as well as the rights, obligations and liabilities of members. For more information, see part 5 of this guide: Annual General Meetings and part 6 of this guide: Special General Meetings.

Member rights and obligations commonly include:

- the right to attend and vote at general meetings, elect the committee and access certain association records
- payment of membership fees or subscriptions
- an obligation to comply with the rules and support the association's purposes, and
- confirmation that members are not liable for the association's debts merely because they are members

Responsibility for managing the association rests with the committee, not the members. However, some associations require member approval for certain decisions, such as significant investments or contracts above a specified value.

Members may also be involved in the association's activities as volunteers, coaches or in other roles. This is different from having legal responsibility for managing the association. If the rules do not require a decision to be made by members, responsibility for that decision will generally rest with the committee. While the committee may delegate tasks to members, volunteers or staff, it remains ultimately responsible for the association's management.

We discuss this distinction further below under Governance and management

The committee

Managing an incorporated association is the responsibility of an elected committee. Sometimes other names are used for this governing body, such as the 'board', 'council', or 'committee of management'.

In many cases, the members of the association elect a small group of people, who are themselves members of the association, to be on the committee.

Electing a committee (example)

Incorporated association made up of members
(eg. 75 members)

→ Members vote to elect committee →

Committee is formed
(eg. eight members)

In some associations, all the members of the association are also members of the committee. This is not against the law – it often happens in small associations or when the association first begins.

If you are in an association where all the members of the association are also on the committee, it can seem strange to separate the management of the association (ie. the legal responsibility) from the actual 'doing' of the work (the delegated 'practical' responsibility). However, it is still important to understand the separate (legal) role of the committee.

Governance and management

Good governance practices are crucial to an association's ability to function, to achieve its objects, and to comply with all the legal, ethical and operational requirements of an incorporated association.

Incorporated associations, especially small associations, often struggle to distinguish between:

- **governance**: the legal role and responsibility of an association's committee to govern the association, and
- **management**: the operational role and responsibility of certain staff, or volunteers to manage the association.

While these two functions may be performed by the same group of people, distinguishing between issues of strategic or legal governance and day-to-day management is important. This is because particular legal duties apply to the governance, but not the management, of incorporated associations.

Governance generally refers to overseeing the direction and control of an association, including overseeing the affairs of the incorporated association and making sure its legal obligations are met. The committee is responsible for the governance of the association. Members of the committee have particular legal duties under the AIR Act, such as the duty of care and diligence and the duty to act in good faith. CAV is responsible for enforcing these legal duties.

Management generally refers to making decisions about the day-to-day running of the association, based on decisions made by the committee (such as a strategy). In large associations the management team may include a CEO, finance manager or operations manager. In smaller associations the management team may consist of a handful of key volunteers. Normally these people do not need to comply with the same legal duties as the committee. However, if a manager or key volunteer is involved in making key decisions that affect the operations of an association or who is influential in the affairs (financial or otherwise) of the association then they may also have to comply with certain legal duties.

Office bearers and committee positions

There are usually a number of special positions on a committee.

The people who take on these positions on the committee are called 'officers' or 'office bearers' or 'the executive' of the association.

The titles of positions on a committee will vary between associations and will be usually set out in the rules. Some common titles and their traditional roles are explained briefly below:

- **the chairperson** (or president) runs meetings and usually represents the association at public events
- **the deputy chairperson** (or vice-president) takes on the role of the chairperson when the usual chairperson is not available
- **the treasurer** (or financial officer) deals with the financial affairs of the association, and
- **the secretary** reports to CAV, organises meetings, takes the minutes of meetings, deals with documents and maintains records of the association

For more information about the role of the secretary, see part 3 of this guide: Secretary's Role, Powers and Duties.

The committee may have other committee members who are not office bearers. These are sometimes called 'ordinary committee members'.

The legal duties under the AIR Act apply to both office bearers and ordinary committee members.

The secretary

The secretary of an incorporated association has responsibilities under the AIR Act for submitting forms and documents to CAV and is the primary contact person for the association. The secretary also performs the administrative functions of organising meetings and minutes, handling membership and maintaining important documents and registers of the association.

The secretary may, but does not need to, be part of the committee. For example, the secretary could be an employee of an association (for instance, the general manager), who is neither a member of the committee nor a member of the association. Under the model rules the secretary is a member of the committee. In addition, the secretary is an 'office holder' under the AIR Act – see further below Office holders

For more information about who can be a secretary, how they are appointed, and what happens next, see part 2 of this guide: Appointing and Removing a Secretary.

Office holders

The AIR Act uses the term 'office holder' to describe the people in an association who have certain **legal** duties to the association that must be met. This use of the term 'office holder' is different to the use of the term to describe 'office bearers' (people on a committee who hold an 'office' like secretary or treasurer) as described above.

Committee members and office holders

The term 'office holders' is defined under the AIR Act. It includes committee members (both ordinary members and members holding an office, like a Treasurer) – plus some other people who may not be on the committee including:

- the secretary (whether or not the secretary is a member of the committee), and

- a person, including an employee of the association, who is involved in key decisions that affect the operations of an association or who is influential in the affairs (financial or otherwise) of the association

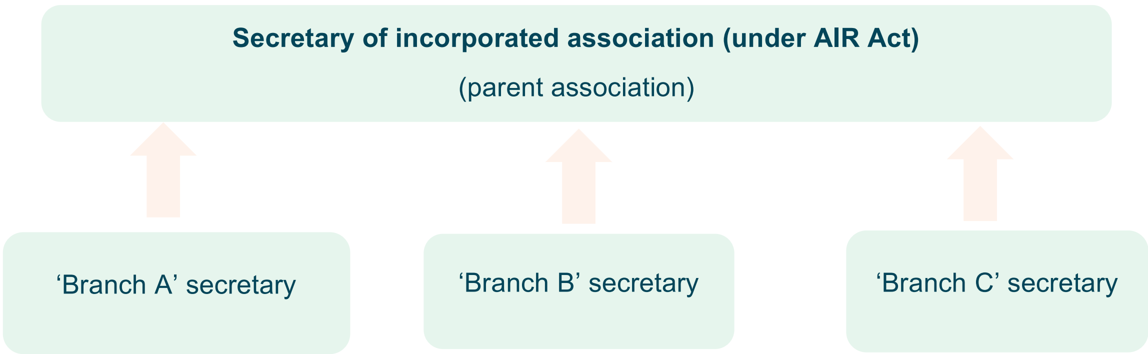
Special legal duties apply to office holders and these are set out in the AIR Act.

For more information about legal duties of office holders, see our Duties Guide.

Branches and branch secretaries

If an organisation is large, it may have branches. Each branch will usually have its own branch secretary (and possibly its own committee), reporting to the parent organisation (see the diagram below).

In most cases, branches are not separately incorporated under the AIR Act, the rules of the parent organisation control the branch, and a member of the branch is a member of the parent organisation. As a result, a branch secretary is not the ‘secretary’ for the purposes of the AIR Act. Only the secretary of the parent organisation performs this statutory role.



If an organisation chooses to establish branches, it’s good practice for the association’s rule to include a description of the governance arrangements for the branches. An organisation with branches should draft their own rules rather than adopt the model rules, as the model rules do not cover branches.

Part 2

Appointing and removing a secretary

Appointing and removing a secretary

This part of the guide explains the legal requirements for appointing, replacing and removing a secretary of an incorporated association.

Summary of key points in this part of the guide

Who can be the secretary?	The AIR Act sets eligibility requirements for secretaries. An association's rules and policies may impose additional requirements.
Appointing a secretary	The first secretary is usually named in the application for incorporation. After incorporation, the secretary must be appointed in accordance with the association's rules. If a vacancy arises, the association must appoint a replacement secretary within 14 days.
After appointment	Following appointment, the secretary must notify CAV of certain matters and establish a myCAV account. The association may also need to notify other organisations or regulators, including the ATO and, where relevant, the ACNC.
Vacancies in the office of secretary	The AIR Act and the association's rules set out when the office of secretary becomes vacant. A vacancy may arise if the secretary resigns, becomes ineligible to hold office or is removed in accordance with the AIR Act or the association's rules.

Who can be the secretary?

The secretary is the principal contact point between CAV and your organisation. The secretary is legally responsible for a number of specific tasks required by the AIR Act — see part 8 of this guide: Reporting to Consumer Affairs Victoria, and CAV's website.

The role of secretary is very important for your organisation.

Your organisation should appoint a person who has the experience, skills or qualifications to carry out the role of secretary.

Effective secretaries need to have a range of skills, including:

- enthusiasm for, and knowledge of, the organisation and its mission
- adequate time for the task
- interest in committee work
- good working relationships with other people involved in managing the organisation, and
- reliability and good organisational skills

In choosing your secretary, you should also take into account:

- any restrictions or qualifications required by law, particularly the AIR Act (see below)
- your association's rules, and
- any relevant policies your organisation has

More details about these requirements are outlined below.

AIR Act requirements

To be appointed as secretary of an incorporated association in Victoria, a person must:

- consent to the appointment
- be at least 18 years old
- ordinarily reside in Australia (see further below)
- not be insolvent under administration (see further below)
- not be a represented person under the *Guardianship and Administration Act 2019* (Vic) (**Guardianship and Administration Act**) (see further below)
- not be disqualified from managing corporations under Part 2D.6 of the *Corporations Act 2001* (Cth)
- not be disqualified from managing Aboriginal and Torres Strait Islander corporations under Part 6-5 of the *Corporations (Aboriginal and Torres Strait Islander) Act 2006* (Cth), and
- not be disqualified from managing co-operatives under Division 2 of Part 3.1 of *Co-operatives National Law Application Act 2013* (VIC)

These requirements are set out in sections 73 and 78 of the AIR Act.

Unless association's rules say otherwise:

- the secretary may hold another position in the association (section 76), and
- there is no maximum age for appointment as secretary

The AIR Act requirements for being a secretary are explained in more detail below.

Tip

To avoid appointing someone who is not eligible to be secretary (for example, because they are under 18 years of age), ask the proposed secretary to sign a written consent before they are appointed. The consent should:

- confirm that they agree to act as secretary
- confirm that they meet the AIR Act eligibility requirements, and
- require them to notify the association if their eligibility or contact details change

Who is a resident of Australia?

The AIR Act does not define 'resident of Australia'. Generally, a person will satisfy this requirement if their usual place of residence is in Australia.

A person does not need to be an Australian citizen to be secretary. A secretary who travels regularly overseas may still satisfy the residency requirement if they ordinarily live in Australia. However, you should check your association's rules to see whether they impose any additional requirements.

What does 'insolvent under administration' mean?

The term 'insolvent under administration', as defined in the *Interpretation of Legislation Act 1984* (Vic), includes a range of formal insolvency arrangements, including bankruptcy and personal insolvency agreements.

Bankruptcy is a legal process for people who are unable to pay their debts. A person who has been declared bankrupt remains bankrupt until they are discharged, which is usually after three years and one day.

Information about bankruptcy is available from the Australian Financial Security Authority (**AFSA**) website.

Bankruptcy records can be searched through the National Personal Insolvency Index (**NPII**) using AFSA's Bankruptcy Register Search (fees apply).

A person is also considered insolvent under administration if they have entered into a personal insolvency agreement with their creditors. In some cases, a personal insolvency agreement may be used as an alternative to bankruptcy.

However, it is not always possible to independently verify whether a person has entered a personal insolvency agreement. For this reason, it is good practice to ask a proposed secretary to provide a written declaration confirming that they are not insolvent under administration.

Who is a represented person?

A 'represented person' is a person who is subject to a guardianship order, an administration order, or both, under the *Guardianship and Administration Act 2019* (Vic).

These orders are made by the Victorian Civil and Administrative Tribunal (**VCAT**) and appoint a guardian or administrator to make certain decisions on the person's behalf.

Caution

A secretary immediately becomes ineligible to hold office if they:

- no longer reside in Australia
- become insolvent under administration, or
- become a represented person

Under the AIR Act, the office of secretary automatically becomes vacant if any of these events occur. The association must then appoint a new secretary within 14 days.

Your association's rules and policies

An association's rules must provide for the appointment and removal of the secretary. This is a requirement under the AIR Act.

You should also check your association's rules and any relevant policies for additional requirements about who may be appointed as secretary and the length of their term. For example, the rules may require a secretary to have particular qualifications or experience. However, the rules and policies cannot override the AIR Act. For example, they cannot permit a secretary to be under 18 years of age or reside outside Australia.

In larger associations, the secretary may be a paid position. The rules may also allow some of the secretary's functions to be performed by employees or external service providers. However, even where functions are delegated, the secretary remains legally responsible for ensuring those duties are properly carried out.

For more information on the secretary's duties, see part 3 of this guide: Secretary's Legal Role, Powers and Duties and part 8 of this guide: Reporting to Consumer Affairs Victoria.

Secretary as committee member

There is no requirement under the AIR Act or the Regulations for the secretary to be a member of the committee. However, under the model rules, and the rules of many associations, the secretary is also a committee member.

If your association's rules do not require the secretary to be a committee member, the secretary cannot vote at committee meetings unless the rules expressly provide otherwise.

Relationship between the secretary and public officer

Associations that were incorporated under the *Associations Incorporation Act 1981* (Vic) (**Old Act**) may still have rules that refer to a public officer.

Under the AIR Act, the role of public officer was replaced by the role of secretary. As a result, an association whose rules still refer to a public officer may have both a public officer and a secretary named in its rules, even though the AIR Act recognises only the secretary.

This can cause confusion about who is responsible for carrying out the secretary's statutory functions under the AIR Act.

Tip

If your association's rules still refer to a public officer, consider updating them to replace references to the public officer with references to the secretary. This will help avoid confusion and ensure the rules reflect the current law.

For information about changing your rules, see our webpage on rules and constitutions.

Recruiting a secretary

In many associations, a new secretary is recruited from among existing members, committee members or volunteers who have the skills and interest to perform the role.

If your association requires someone with particular experience or expertise, the committee may need to look more broadly. Existing committee members and volunteers can often use their professional and community networks to identify suitable candidates.

Associations can also advertise the role through volunteer recruitment services, peak bodies, community networks, online platforms or local media. If your association belongs to a peak body, it may be able to promote the vacancy through its newsletter, website or other communications.

Organisations who can help include:

- Volunteering Australia and GoVolunteer
- State-based volunteering peak bodies, such as Volunteering Victoria
- Leadership Victoria which now includes the Greatconnections program and regional groups, such as Leadership Ballarat and Western Region
- goodcompany
- OurCommunity, and
- Pro Bono Australia

Appointing a secretary

The process for appointing a secretary must be set out in the association's rules. This is a requirement of the AIR Act.

For example, the rules may require the secretary to be elected by members (often at the AGM), or they may allow the committee to appoint the secretary.

The first secretary

The first secretary is usually the person who applies for incorporation, unless another person is specified in the application. The person must consent in writing to act as secretary (section 72 of the AIR Act).

The first secretary must create an individual myCAV account using their own email address (not the association's email address) and link the account to the association. The myCAV account is used to lodge documents with CAV and notify CAV of changes affecting the association.

The application for incorporation must be submitted through the secretary's myCAV account. Information about creating a myCAV account is available on the CAV website.

Electing a secretary at the AGM

Many associations require the secretary to be elected by members at the AGM. This is also the approach taken in the model rules.

Check your association's rules and any relevant policies or procedures for details about:

- the nomination process
- when nominations must be submitted
- what information about candidates must be provided to members, and
- what happens if there are no nominations or only one nominee

If a secretary is not elected

If a secretary is not elected at the AGM (for example, because no eligible person is nominated), the rules will often allow the committee to appoint a secretary.

In larger associations, where the secretary may be a paid employee, the rules commonly provide for appointment by the committee rather than election by members.

Filling a vacancy

If the office of secretary becomes vacant between AGMs, the association must appoint a replacement within 14 days. The vacancy must be filled in accordance with the association's rules.

The association must also notify CAV of the appointment within 14 days (section 74(1) of the AIR Act). Once appointed, the new secretary must create their own myCAV account.

Many associations have rules allowing the committee to make an interim appointment where a casual vacancy arises. For example, under model rule 57, the committee must appoint a committee member as secretary within 14 days of the vacancy arising. The appointment continues until the next AGM.

If the association's rules require a longer appointment process and it cannot be completed within 14 days, the committee must appoint a temporary secretary within that period. The temporary secretary holds office until a permanent secretary is appointed or elected in accordance with the rules (section 73(2) of the AIR Act).

If an association's rules do not deal with vacancies in the office of secretary, the relevant model rule will apply automatically.

The circumstances in which the office of secretary may become vacant are discussed below.

Note

The secretary is often a member of the committee, but doesn't have to be.

Tip

The minutes of a decision of a committee to appoint a new secretary may say something like this:

The committee appointed Ms Katherine Smith to be the secretary of XYZ Inc, effective from 1 January 2026 until the end of the next annual general meeting of XYZ Inc (or earlier resignation or termination in accordance with the rules).

To help make sure the secretary is eligible to hold the position, the committee may also wish to state in the minutes something like this:

The committee has received (and will keep for its records) a written statement by Ms Katherine Smith providing her contact details and confirming that she:

- *consents to act as the secretary of XYZ Inc*
- *satisfies the requirements of the Associations Incorporation Reform Act 2012 (Vic) and the rules of XYZ Inc for being a secretary, and*
- *agrees to notify the committee of XYZ Inc if any of these above statements or her contact details change.*

Note

Under the AIR Act, a new secretary must be appointed within 14 days of a vacancy in the position of secretary arising. CAV must be notified of the change within 14 days of the new appointment.

After appointment

Reporting to CAV

The association must notify CAV within 14 days after a new secretary is appointed (section 74 of the AIR Act and regulation 11 of the Regulations).

To do this, the secretary must create their own myCAV account using their personal email address and link it to the association. The myCAV account is used to lodge documents with CAV and notify CAV of changes affecting the association.

Caution

An association may be fined if CAV is not notified of the appointment of a new secretary within 14 days.

The secretary should also notify CAV through myCAV if any of their details change, such as their residential address.

Note

The obligation to notify CAV applies even if previous secretaries have not complied with it.

Tip

Secretaries should maintain their own individual myCAV account and ensure it remains linked to the association. Information about creating a myCAV account is available on the CAV's website.

If the association conducts fundraising activities, a separate licensing and registration myCAV account may also be required because fundraising registrations are managed through a different system.

See part 8 of this guide: Reporting to Consumer Affairs Victoria for more information about the reporting responsibilities of the secretary of an incorporated association.

Note

Make sure you have the current approved version of the association's rules, including any amendments approved by members and CAV. If you are unsure which version applies, you can obtain a copy through myCAV.

Other notifications

You may also need to notify other organisations or regulators of a change of secretary.

For example:

- the ATO, if the secretary is an authorised contact for the association's tax affairs
- the ACNC, if the association is a registered charity and the secretary is a responsible person for ACNC purposes, and
- other parties that deal with the association, such as funders, landlords, banks, insurers or key contractors

Check the association's policies and any relevant documents, such as funding agreements, leases and service agreements, to determine whether notification is required.

Vacancies in the office of secretary

Under sections 78(2) and (3) of the AIR Act, the office of secretary becomes vacant if the secretary:

- dies
- resigns in writing
- is removed from office by special resolution (see below)
- becomes disqualified from managing corporations, Aboriginal and Torres Strait Island corporations or cooperatives under the relevant legislation, or
- becomes insolvent under administration, a represented person, or no longer resides in Australia

In these circumstances, the office becomes vacant automatically. The association does not need to pass a resolution removing the secretary.

If a vacancy occurs, the association must appoint a new secretary within 14 days. The appointment process is discussed above under Appointing a secretary.

The office of secretary also becomes vacant if a statutory manager is appointed to manage the association (section 78(2)(e) of the AIR Act).

A secretary may also retire or be removed from office. Members may remove a secretary by special resolution (section 78(2)(b) of the AIR Act). An association's rules may provide additional methods of removal, such as removal by resolution of the committee.

The procedures for the retirement and removal of a secretary must be set out in the association's rules (section 78(1) of the AIR Act).

End of secretary’s term

If the secretary is also a committee member, the AIR Act requires them to be appointed for a fixed term (see item 9(b) of Schedule 1). This is known as the secretary's **term of office**.

Many associations, including those using the model rules, appoint the secretary for a one-year term. At the end of the term, the office becomes vacant and the position is usually filled at the next AGM. Depending on the association's rules, the outgoing secretary may be eligible for re-election.

Check your association's rules to determine how long the secretary's term lasts and the process for appointing or electing a successor.

Return of association documents

Because of their role, a secretary will usually have possession of important association records and information. Under section 88 of the AIR Act, a former secretary must return all association documents to the committee within 28 days after leaving office.

If the documents are not returned, the association may apply to the Magistrates' Court for an order requiring their return.

Tip

A smooth handover can help the new secretary understand the role and maintain continuity for the association. When a secretary leaves office, it is good practice to:

- arrange a handover meeting between the outgoing and incoming secretary
- provide the incoming secretary with all relevant information and records, including logins and passwords, financial records, minutes, and documents lodged with CAV (a handover checklist can be useful)
- ensure association records are stored securely in a central location, with appropriate backups of electronic information
- provide the incoming secretary with copies of the association's policies and procedures and explain them if necessary, and
- ask the outgoing secretary to sign a handover statement confirming that all association documents, records and other association property have been returned

Removing a secretary

An association may need to remove a secretary from office, for example, where the secretary is unable or unwilling to perform the duties of the role.

The AIR Act requires an association's rules to include procedures for removing a secretary (item 10 of Schedule 1).

Members may remove a secretary by special resolution passed at a general meeting (section 78(2)(b) of the AIR Act). An association's rules may also provide other methods of removal, such as removal by resolution of the committee.

For more information about passing special resolutions, see part 6 of this guide: Special General Meetings.

Under the model rules, a secretary who is proposed to be removed may submit a written statement and request that it be provided to members or read aloud at the general meeting.

Effect on committee membership

If the secretary is also a committee member, their removal as secretary does not necessarily remove them from the committee. Whether they remain a committee member will depend on the association's rules and the terms of the resolution.

Secretaries who are employees

Where a secretary is also an employee of the association, the employment relationship must be considered separately from the secretary's office.

Removing a person from the office of secretary does not necessarily end their employment. Conversely, ending a person's employment does not automatically remove them as secretary.

Before removing a secretary who is also an employee, particularly where this may affect their employment, the association should obtain legal advice. The association must comply with any applicable employment contract, workplace policies and employment laws, including the *Fair Work Act 2009* (Cth).

Find more information on fair and lawful termination on the Fair Work Ombudsman's website.

Part 3

Secretary's legal role, powers and duties

Secretary's legal role, powers and duties

This part of the guide explains the secretary's legal role, powers, duties and potential liabilities under the AIR Act.

Summary of key points in this part of the guide

Main legal tasks of a secretary	The secretary's responsibilities arise from the AIR Act, the association's rules and other applicable laws. Common responsibilities include supporting the association's governance and administration, maintaining records, managing memberships, organising meetings and reporting to CAV.
Legal duties of secretaries and committee members	Secretaries and other office holders must comply with a number of statutory duties under the AIR Act when carrying out their roles.
Consequences of breaching a legal duty	Breaching a statutory duty can result in significant consequences, including regulatory action, financial penalties and, in some circumstances, personal liability.
Authority to act on behalf of the association	The AIR Act gives the secretary certain authority to act on behalf of the association. The committee may also authorise the secretary to act in specific circumstances.
Personal liability of secretaries and office holders	Secretaries and other office holders are generally not personally liable for the association's debts and liabilities. However, personal liability may arise in some circumstances, including where a person gives a personal guarantee or breaches a legal duty.

Note

This part of the guide only deals with the internal administration tasks of the secretary.

The secretary also has external reporting functions under the AIR Act. See part 8 of this guide: Reporting to Consumer Affairs Victoria for information about these external reporting functions.

Main legal tasks of a secretary

The secretary's responsibilities are determined by:

- the AIR Act and the Regulations
- the association's rules
- the organisation's policies and procedures (if any), and
- other applicable laws

If your association is incorporated outside Victoria, you should refer to the legislation that applies in the relevant state or territory.

Note

Make sure you have the current approved version of the association's rules, including any amendments approved by members and CAV. If you are unsure which version applies, you can obtain a copy through your myCAV account.

Broadly speaking, a secretary's responsibilities can be divided into **external** and **internal** responsibilities.

External responsibilities

External responsibilities primarily involve reporting and compliance obligations. These include lodging documents with CAV and notifying CAV of changes affecting the association.

These obligations are discussed in part 8 of this guide: Reporting to Consumer Affairs Victoria.

For information about the external reporting tasks of the secretary, see part 8 of this guide: Reporting to Consumer Affairs Victoria.

Internal responsibilities

This part of the guide focuses on the secretary's internal administrative responsibilities.

Although the exact duties vary between associations, a secretary will commonly be responsible for:

- organising meetings, including preparing notices, agendas and minutes
- maintaining membership records, including the register of members
- managing membership applications
- dealing with requests to restrict access to personal information on the register of members
- responding to members' requests for access to association information, and
- maintaining the association's key records and documents

Some of these responsibilities are discussed further in part 4 of this guide: Registers, Records and Official Documents.

Tip

Print the tables at the end of this guide and keep them as an ongoing checklist or reminder:

- Tool 2: Main tasks of a secretary – meetings
- Tool 3: Main tasks of a secretary – membership, and
- Tool 4: Main tasks of a secretary – record keeping

If the table refers to a clause in the model rules, and your organisation does not use the model rules, check your organisation's rules - as they may be different.

A secretary may delegate tasks to volunteers, employees or contractors. However, delegation does not remove the secretary's responsibility for ensuring those tasks are carried out properly. Secretaries should therefore supervise delegated work and ensure appropriate systems, policies and procedures are in place.

Duties under other laws

Secretaries may also have obligations under laws other than the AIR Act.

Depending on the association's activities, relevant laws may include occupational health and safety, fundraising, liquor licensing, gaming, employment, copyright, defamation, privacy, environmental and criminal laws, as well as local council requirements.

Where these laws apply, the association and its office holders must comply with them. For example, criminal laws relating to theft and fraud apply to anyone involved in the association's activities, including a secretary.

For further information about Victorian OHS laws, see our Victorian guide to Occupational health and safety.

Branch secretaries

Large associations sometimes establish branches. For more information, see part 1 of this guide: Overview of an association.

Branch secretaries should maintain accurate records and communicate regularly with the secretary of the parent association. It is also good practice for the parent association to provide branch secretaries with clear policies, procedures and support.

A branch secretary is not always the association's secretary for the purposes of the AIR Act and may not be a member of the committee of the parent association. However, a branch secretary may still be an office holder under the AIR Act and may therefore be subject to legal duties and obligations.

For this reason, branch secretaries should assume that the same standards of care and diligence apply to them as to other office holders of the association.

Legal duties of the secretary and office holders

The AIR Act imposes a number of legal (statutory) duties that apply to office holders of incorporated associations. In some cases, these duties also apply to former office holders.

As an office holder, a secretary must comply with these duties when carrying out their role.

The main duties are:

- duty to act in good faith and for a proper purpose (section 85)
- duty not to misuse information or position (section 83)
- duty to disclose a material personal interest (section 80 – applies only to committee members), and
- duty of care and diligence (section 84)

Similar duties may also arise under the common law.

For more information on the legal duties of the secretary and committee members, see our duties guide.

Duty to act in good faith and for a proper purpose

Office holders must act honestly, in the best interests of the association and for proper purposes.

In practice, this means a secretary should:

- act in a way that promotes the association's purposes
- exercise powers only for the purpose for which they were given
- make decisions in the interests of the association as a whole, and
- avoid using their position to obtain personal benefits or advantages for particular individuals or groups.

For example, a secretary should not accept bribes or kickbacks from suppliers, favour certain members over others, or use their position to prevent members from exercising their rights under the rules.

A secretary should also ensure that the association's activities are consistent with its purposes and rules.

Duty not to misuse position or information

Office holders must not misuse their position or information acquired through their position:

- to gain an advantage for themselves or someone else, or
- to cause detriment to the association

The duty relating to information continues even after a person stops being an office holder.

Examples of misuse may include:

- using information from the register of members to promote a private business
- approving their own expense claims without proper oversight
- participating in a transaction that benefits their own business without appropriate disclosure, or
- sharing confidential information with another person for that person's benefit

Duty to disclose a material personal interest (only applies when the secretary is a member of the committee)

A committee member who has a **material personal interest** in a matter being considered at a committee meeting must, as soon as they become aware of the interest, disclose to the committee:

- the nature and extent of the interest, and
- how the interest relates to the activities of the association

The disclosure must be recorded in the minutes of the meeting. The committee member must also disclose the nature and extent of the interest at the next AGM.

This duty helps committee members identify and manage conflicts of interest. A conflict of interest arises where a committee member's personal interests, or the interests of someone connected to them, conflict with the interests of the association. For example, a conflict of interest may arise if the association needs an electrician and the secretary owns an electrical business that could be engaged to carry out the work.

The AIR Act does not define **material personal interest**. Generally, a committee member has a material personal interest if they have a significant personal interest that could give rise to an actual, potential or perceived conflict between their personal interests and their duties to the association.

Not every personal interest will be material. An interest will generally be material if it is significant enough to influence, or reasonably be perceived as influencing, the committee member's consideration of the matter.

Examples of material personal interests include:

- a financial interest, such as owning shares in a company that the association is considering doing business with
- owning a business that could be engaged by the association, or
- holding a significant position in another organisation involved in a transaction or arrangement being considered by the association

The three steps: disclose, manage and record

1. Disclose

As soon as a committee member becomes aware of a material personal interest, they must disclose:

- the nature and extent of the interest, and
- how the interest relates to the activities of the association

The interest must also be disclosed at the next AGM.

2. Manage

The committee member must not:

- be present while the matter is being considered, or
- vote on the matter

3. Record

The minutes should record:

- that the material personal interest was disclosed
- the nature and extent of the interest and how it relates to the activities of the association, and
- that the committee member left the meeting during discussion and voting on the matter and returned afterwards

Example

The committee of XYZ Inc is considering pay rates for staff. The secretary is a committee member and their partner is employed by the association.

The secretary must:

- disclose the relationship to the committee
- leave the meeting while the matter is discussed
- not vote on the matter
- ensure the disclosure and the secretary's absence are recorded in the minutes, and
- disclose the nature and extent of the interest at the next AGM

Exceptions

In some circumstances, the conflict of interest provisions in sections 80 and 81 of the AIR Act do not apply.

A committee member does not need to disclose a material personal interest if:

- the interest exists only because they are an employee of the association
- the interest exists only because they belong to a class of people for whose benefit the association was established, or
- the interest is one they have in common with all, or a substantial proportion of, the association's members

Secretaries who are not committee members

Even if the secretary is not a committee member, they should be familiar with these requirements because they may be responsible for preparing minutes that accurately record disclosures of material personal interests.

Tip

Perceptions matter. Even where an exception applies and a committee member is legally permitted to participate in a discussion or vote, it may still be prudent to step aside.

Managing actual and perceived conflicts of interest helps maintain confidence that decisions are being made fairly, transparently and in the best interests of the association.

Duty to act with care and diligence

Office holders must exercise their powers and perform their duties with the degree of care and diligence that a reasonable person would exercise if they held the same office and had the same responsibilities in similar circumstances (section 84 of the AIR Act).

Office holders are not generally required to have particular qualifications. However, they are expected to apply their skills, knowledge and experience when carrying out their role.

To comply with this duty, office holders should:

- understand the association's financial position and ensure concerns about its ability to pay debts are addressed
- be familiar with the association's activities, affairs and policies
- attend and actively participate in committee meetings
- follow up on actions between meetings
- ensure association records are kept up to date, and
- ensure reports and notifications to CAV are accurate and lodged on time

Responsibility for overseeing the association's financial position rests with the committee as a whole, not just the treasurer.

Note – duty to prevent insolvent trading

Office holders should also be aware of the prohibition on insolvent trading, which applies to incorporated associations through the AIR Act (see section 152 of the AIR Act).

An association trades while insolvent if it incurs debts when it is unable to pay its debts as and when they fall due.

An incorporated association that trades while insolvent may be liable for a financial penalty of up to $20,000. For more information, see our fact sheet on 'Insolvency and your organisation'.

Where an office holder lacks the skills or knowledge required to deal with a particular matter, they should seek appropriate advice or assistance. For example, a secretary may seek assistance from the association's treasurer, auditor or another suitably qualified adviser when assessing the association's financial position.

Business judgements

The law recognises that office holders must often make decisions in circumstances where the best course of action is uncertain. A decision that later proves unsuccessful does not necessarily mean the office holder has breached their duty of care and diligence.

The AIR Act provides a statutory business judgment defence to claims that an office holder has failed to meet the required standard of care and diligence (sections 84(2) and 84(3)).

The defence is available where the office holder:

- acts in good faith and for a proper purpose
- does not have a material personal interest in the subject matter of the decision
- appropriately informs themselves about the subject matter, and
- rationally believes the decision is in the best interests of the association

A business judgment includes a decision to take, or not take, a particular course of action. The defence may apply even if, with the benefit of hindsight, the decision ultimately proves not to be the best outcome for the association.

Note

The business judgement defence only applies to the duty of care and diligence. It cannot be relied on as a defence to any other statutory duty under the AIR Act.

Reliance on information and advice

The AIR Act also provides protection for office holders who reasonably rely on information or advice, provided they act in good faith and independently assess the information or advice.

This may include information or advice from:

- employees the office holder reasonably believes are reliable and competent
- professional advisers or experts acting within their area of expertise
- another office holder acting within their authority, or
- a subcommittee of the association, provided the office holder is not a member of that subcommittee

This defence recognises that office holders are not expected to personally possess expertise in every area affecting the association and may appropriately rely on others with relevant knowledge or experience.

Consequences of breaching a legal duty

CAV’s powers to investigate and intervene

If there are concerns that a secretary, office holder or other person involved in running an association has failed to comply with their legal duties or the association's legal obligations, CAV may investigate the matter or request that the association take steps to comply with the law.

In many cases, CAV will become aware of a matter because it has been raised by a committee member, member of the association or another interested person.

Depending on the circumstances, CAV may:

- appoint an inspector to investigate the affairs of the association (sections 162–167 of the AIR Act), or
- apply to the Magistrates' Court for the appointment of a statutory manager to manage the association where there are serious concerns, such as significant mismanagement by the committee (section 116 of the AIR Act)

In certain circumstances, CAV may also wind up an association, or apply to have it wound up, under sections 126 and 127 of the AIR Act.

Before taking action, CAV must follow the procedures set out in the AIR Act, including giving notice to the association.

> ### Caution
>
> If your association receives notice that CAV, a member, a creditor or a statutory manager intends to take action to wind up the association, you should seek legal advice promptly. In some circumstances, the association may be able to oppose the proposed action.

Consequences of breaching a statutory duty

Failing to comply with a statutory duty under the AIR Act is an offence. A court may impose significant penalties on an office holder, including a secretary. Depending on the provision breached, penalties can exceed $20,000.

In some circumstances, a court may also order an office holder to compensate the association for loss resulting from the breach. This may occur where the office holder knowingly or recklessly breaches a statutory duty, including the duties discussed above.

The financial consequences of a breach can be significant.

Penalties where the secretary is not a committee member

As explained in part 1 of this guide: 'Overview of an association', a secretary is an office holder for the purposes of the AIR Act. As a result, the statutory duties and penalties under the AIR Act apply to the secretary even if they are not a member of the committee.

The main exception is the duty to disclose a material personal interest under sections 80 and 81 of the AIR Act, which applies only to committee members.

Authority to act on behalf of the association

The AIR Act gives the secretary certain powers to act on behalf of the association.

In particular, the secretary may:

- execute a contract or other document on behalf of the association together with a committee member (section 38 of the AIR Act), and
- authenticate documents or proceedings on behalf of the association (see section 37 of the AIR Act)

For example, a secretary acts on behalf of the association when lodging forms and annual statements with CAV.

The AIR Act also allows an association to appoint a person to execute deeds on its behalf, either generally or for a specific purpose (section 39 of the AIR Act). A deed is a special type of legally binding document that is sometimes required, for example, in property transactions.

In addition, an association may authorise a person to enter into, vary or discharge contracts on its behalf (section 41 of the AIR Act). This authority may be either express or implied.

Express and implied authority

Express authority exists where the committee has specifically authorised the secretary to act, either verbally or in writing. For example, where a committee passes a resolution authorising the secretary to sign a building contract for renovation works at the association's clubhouse.

For significant matters, the secretary should generally obtain written authority from the committee before entering into a contract or otherwise legally binding the association.

Implied authority arises from the secretary's role and responsibilities. It allows the secretary to do things that a secretary would ordinarily be expected to do in the circumstances.

The scope of a secretary's implied authority will depend on the size, nature and activities of the association. The secretary of a large sporting club will usually have broader implied authority than the secretary of a small community association.

Examples of matters that may fall within a secretary's implied authority include:

- purchasing minute books
- arranging printing of the association's rules
- buying stationery for meetings, and
- carrying out tasks that are incidental to authority expressly granted by the committee

Personal liability of secretaries and office holders

As a general rule, secretaries, committee members and members of an incorporated association are not personally liable for the association's debts, liabilities or the costs of winding up the association, unless the AIR Act or the association's rules provide otherwise (section 52 of the AIR Act).

The association must also indemnify office holders for liabilities incurred in good faith while carrying out their duties (section 87 of the AIR Act).

However, personal liability can arise in some circumstances.

For example, a secretary or office holder may be personally liable if they:

- provide a personal guarantee for an association debt
- breach a statutory or other legal duty, or
- act outside the proper performance of their duties

In some cases, a court may order an office holder to pay compensation for loss resulting from their conduct.

!

Remember

Incorporation generally protects office holders and members from personal liability for the association's debts. However, that protection does not extend to personal guarantees, breaches of duty or other unlawful conduct.

Part 4

Registers, records and official documents

Registers, records and official documents

This part of the guide explains the legal requirements relating to the registers, records and documents of an incorporated association, including official and business documents. The secretary is generally responsible for maintaining these records and ensuring the association complies with its record-keeping obligations.

Summary of key points in this part of the guide

Legal requirements	This part explains the legal requirements for the registers, records and documents that incorporated associations must keep.
Registers	Every incorporated association must maintain a register of members. This part also discusses other registers that associations may keep to help meet their legal and governance obligations.
Role of the secretary	The secretary is usually responsible for maintaining the association's registers and records. This includes assessing requests by members to restrict access to their personal information on the register of members where special circumstances exist.
CAV's powers	CAV has a range of powers to investigate non-compliance with the law, including powers to inspect association records and documents.
Refusal to accept documents	In some circumstances, CAV may refuse to accept documents lodged by an association.
Official and business documents	The AIR Act sets out requirements for certain official and business documents. Other laws, including tax and corporations legislation, may also apply in some circumstances.

Legal requirements

The AIR Act requires an incorporated association to:

- maintain a register of members (section 56 of the AIR Act)
- have rules dealing with the custody of relevant documents, including records and securities (item 11 of Schedule 1 of the AIR Act), and
- have rules dealing with members' rights to inspect and obtain copies of relevant documents (item 13 of Schedule 1 of the AIR Act)

Associations must also retain certain records for specified periods, generally seven years.

Associations registered for fundraising in Victoria must also comply with the record-keeping requirements in the *Fundraising Act 1998* (Vic) and the *Fundraising Regulations 2019* (Vic).

Tip

To check whether your association is registered for fundraising in Victoria, search CAV's public register or contact CAV directly.

The secretary is usually responsible for maintaining the association's records and registers. However, the association's rules or policies may allocate some responsibilities to the treasurer, other committee members, employees or volunteers.

Even where tasks are delegated, the secretary remains responsible for ensuring they are properly carried out. See part 3 of this guide: Secretary's Legal Role, Powers and Duties.

AIR Act requirements

The AIR Act requires certain documents to be kept for at least seven years.

An association must keep:

- the financial statements submitted to members at the AGM for at least seven years after the date of the AGM (section 105(1) of the AIR Act)
- the certificate signed by a committee member in relation to those financial statements for at least seven years after the date it was signed (section 105(2) of the AIR Act), and
- the original of any document lodged with CAV (including documents lodged electronically) for at least seven years after the date it was lodged (section 201 of the AIR Act)

Caution

An association that fails to keep required records for the minimum retention period may be liable for penalties under the AIR Act. See part 8 of this guide: Reporting to Consumer Affairs Victoria for more information.

An association must maintain financial records that correctly record and explain its financial transactions and financial position, and that allow true and accurate financial statements to be prepared (section 89 of the AIR Act).

For more information about financial reporting obligations, see part 8 of this guide: Reporting to Consumer Affairs Victoria.

Note

Make sure you are working from the current approved version of the association's rules. If you are unsure which version applies, you can obtain a copy from CAV.

The AIR Act contains a number of requirements about the storage, custody and inspection of **relevant documents**.

Section 3 of the AIR Act defines relevant documents as the records and other documents relating to the incorporation and management of the association.

Relevant documents include:

- the register of members and other membership records
- financial records and financial statements
- records relating to the association's transactions, business and property
- the application for incorporation
- the certificate of incorporation
- documents lodged with CAV and related correspondence, and
- notices and minutes of meetings of members and the committee

Other important relevant documents may include:

- leases and other property documents
- licences and permits
- insurance policies
- trust deeds
- contracts
- loan and mortgage documents
- investment records, and
- correspondence with the Australian Taxation Office

Tip

Some records, particularly meeting minutes, may have ongoing historical value. Consider keeping them permanently rather than destroying them after the minimum retention period has expired.

Note

Relevant documents include electronic records and backups, such as files stored on computers, servers, external hard drives or other storage systems.

For information about official and business documents, see below.

An association's rules must explain:

- how relevant documents are to be kept, and
- how members may inspect those documents

Tip

The AIR Act requires certain documents to be kept for at least seven years.

An association must keep:

- the financial statements submitted to members at the AGM for at least seven years after the date of the AGM (section 105(1) of the AIR Act)
- the certificate signed by a committee member in relation to those financial statements for at least seven years after the date it was signed (section 105(2) of the AIR Act), and
- the original of any document lodged with CAV (including documents lodged electronically) for at least seven years after the date it was lodged (section 201 of the AIR Act)

Keeping relevant documents

The AIR Act does not require an association to maintain a register of all relevant documents (other than the register of members, which is discussed below). However, you should check your association's rules, as they may impose additional requirements.

Even where there is no legal requirement to do so, it is good practice to maintain a register of important documents. This can help the association locate documents when needed and comply with its obligations to store, inspect and provide access to documents.

Why keep a register of relevant documents?

Maintaining an up-to-date register of important documents helps the secretary and committee:

- identify where documents are stored
- keep track of important records
- ensure documents are retained for the required period, and
- respond efficiently to requests to inspect or copy documents

Fundraising Act requirements

Associations that conduct fundraising activities may be required to register with CAV under the *Fundraising Act 1998* (Vic), unless an exemption applies.

For more information about fundraising registration requirements, see our webpage on fundraising, as well as CAV's website and CAV's resources on fundraising.

Tip

Associations registered as fundraisers must keep records containing full details of specified fundraising activities and appeals (sections 29 and 30 of the *Fundraising Act 1998* (Vic)). Failure to keep the required records may result in penalties.

Fundraising requirements are not discussed further in this guide, but see Tool 5: Checklist for records of fundraising appeals.

Registers

A register is simply a list or database containing information.

Every incorporated association must have a register of members. Associations may also choose to maintain additional registers, depending on their size, activities and record-keeping needs.

Register of members

An association must keep and maintain a register of members (section 56 of the AIR Act).

The register must contain:

- each member's name and address
- the member's membership class (if the association has different classes of membership), and
- the date the person became a member

When a person stops being a member, the register must be updated within 14 days. Only the person's name and the date their membership ended may remain on the register. All other information about the former member must be removed within 14 days.

Most associations also have rules dealing with the register of members. For example, model rule 18 requires the secretary to maintain a register containing:

- the name, address and email address of each member
- the date their membership started
- whether they are an associate member
- the date they stop being a member, and
- any other information required by the committee

Model rule 18 also provides that members may inspect the register free of charge and obtain copies of entries in the register.

Caution

Members may apply to have their personal information withheld from the register in special circumstances (section 59 of the AIR Act). Where such a request has been approved, the secretary must ensure that the information is not disclosed when the register is inspected or copied.

Tip

Check your association's rules and policies carefully. They may require additional information to be recorded in the register of members, such as membership fees or payment dates.

Purpose of the register of members

The register of members is an important governance and administrative tool. It helps the secretary determine:

- who should receive notices of meetings
- who is entitled to vote at general meetings
- the association's membership numbers for annual reporting purposes, and
- the number of members in each membership class

The register must generally be available for inspection by members (section 57 of the AIR Act), subject to the restrictions discussed below.

For an example, see Tool 6: Sample register of members (required).

Restricting access to member information

The AIR Act allows members, in special circumstances, to request that their details be withheld from inspection (section 59 of the AIR Act).

Where such a request has been approved, the association should maintain:

- a complete register for internal use, and
- a version available for inspection with restricted information removed or redacted

See below: Restricting access to member information.

Additional registers

In addition to the register of members, it is good practice to maintain a register of the association's relevant documents. This can make it easier to locate documents, comply with record-keeping requirements and respond to requests for access.

For smaller associations, a single register of relevant documents may be sufficient. Larger associations may find it more practical to maintain separate registers for different categories of documents.

Examples include registers of:

- relevant documents
- contracts and leases
- insurance policies
- assets and equipment
- investments
- documents lodged with CAV, and
- other records important to the association's activities

Where documents are lodged electronically, the association should keep copies of both the document and the corresponding email or electronic confirmation. For documents lodged through myCAV, it is good practice to keep a record of what was submitted and any confirmation received.

It is also good practice to discuss record-keeping systems with the association's treasurer and, where relevant, its auditor to ensure records are maintained in an effective and consistent manner.

Restricting access to member information

As a general rule, members' details are recorded in the register of members and may be inspected by other members (sections 56 and 57 of the AIR Act).

However, section 59 of the AIR Act allows a member to apply to the secretary to restrict access to their details in the register in special circumstances.

A member may request that access to their information be restricted to:

- the secretary and committee members, or
- the secretary and specified committee members

A request will usually be made in writing.

The AIR Act does not define special circumstances and there is currently little judicial guidance on the meaning of the term. Whether special circumstances exist will depend on the facts of each case.

For example, concerns about personal safety or family violence may constitute special circumstances. A request that does not provide any supporting reasons is unlikely to meet the requirement.

Example

Sally is a member of an association whose membership is limited to people affected by family violence. She is concerned that disclosure of her details may place her safety at risk. Sally writes to the secretary requesting that access to her details be restricted.

After considering the request, the secretary determines that special circumstances exist and restricts access to her details accordingly.

CAV’s powers

If there are serious concerns about an association's compliance with the AIR Act or the use of its funds, CAV may investigate the association.

CAV's powers include the power to:

- require documents or information to be provided
- appoint inspectors to investigate possible breaches
- enter premises and inspect, search for or seize relevant material in certain circumstances, and
- apply to a court for orders where appropriate

Although these powers are used infrequently, they are extensive.

Failure to comply with an investigation

It is an offence to:

- fail to comply with a lawful requirement of an inspector without a reasonable excuse
- provide information that is false or misleading
- obstruct or hinder an inspector, or
- impersonate an inspector

It is also an offence to knowingly or carelessly include false or misleading information, or omit material information, from documents required under the AIR Act.

For these purposes, carelessly means failing to take reasonable steps to ensure information is accurate and complete.

Caution

Significant penalties apply to these offences.

Refusal to accept documents

CAV may refuse to accept documents lodged by an association in certain circumstances.

For example, CAV may refuse a document if it:

- is incomplete
- cannot be read clearly
- contains errors, alterations or omissions, or
- does not appear to be a valid document of the association

For more information, see part 8 of this guide: Reporting to Consumer Affairs Victoria.

Official and business documents

The AIR Act imposes requirements for certain official and business documents issued by or on behalf of an association.

These include documents such as:

- letters
- notices
- invoices

- newsletters
- flyers
- advertisements, and
- stationery

The secretary is often responsible for ensuring these documents comply with legal requirements.

Note

This section deals with requirements relating to business and official documents generally. Requirements relating to specific AIR Act documents, such as annual statements, are discussed elsewhere in this guide.

AIR Act requirements

The following information should appear clearly on the association's official and business documents:

- the full name of the association, including ‘Incorporated’ or ‘Inc’, and
- the association's incorporation number

The AIR Act specifically requires this information to appear on:

- notices
- advertisements
- official publications, and
- business documents

Caution

An association may be liable for penalties if these requirements are not met.

Tip

A business document includes any document issued, signed or endorsed on behalf of the association, including invoices, receipts, statements, business letters and orders for goods or services.

Common seals

If an association uses a common seal, the seal must include the association's full name, including ‘Incorporated’ or ‘Inc’.

Registered Australian Bodies

Some associations are registered with ASIC as a Registered Australian Body and must comply with additional requirements under the *Corporations Act 2001* (Cth).

These associations must display specified information, including their name, registration details and limited liability notice, on certain public documents and negotiable instruments.

The secretary is often responsible for ensuring compliance with these requirements.

Tip

A Registered Australian Body’s details are usually set out on public documents and negotiable instruments (such as cheques) in this form:

- [name of incorporated association] [notice of members’ limited liability] [place of origin] [incorporation registration number] [ARBN/ABN number]

For example (if the last 9 digits of an organisation’s ARBN are identical to its ABN):

‘XYZ Inc Limited Liability (Vic) A1234567A, ARBN 123 456 789’.

ABNs and GST registration

Associations that have an Australian Business Number (**ABN**) should generally include it on key business documents, including invoices, receipts, contracts and correspondence.

Associations registered for GST must also ensure that tax invoices comply with GST legislation, including requirements relating to the association's name and ABN.

DGR endorsement

Associations with Deductible Gift Recipient (DGR) endorsement must ensure that donation receipts contain the information required by the Australian Taxation Office.

Additional requirements may apply to receipts issued in connection with fundraising events.

Part 5

Annual General Meetings

Annual General Meetings

This part of the guide explains the legal requirements for preparing for, conducting and recording annual general meetings (AGMs).

Summary of key points in this part of the guide

Annual General Meetings	An AGM is a meeting of the association's members. The AIR Act sets out when AGMs must be held and the matters that must be considered at the meeting.
Notices of meeting and notices of motion	A notice of meeting informs members about the date, time, place and purpose of the meeting. A notice of motion is a proposal submitted by a member for consideration and decision at the meeting.
Notice requirements	The AIR Act and the association's rules regulate the timing, content and distribution of AGM notices, as well as the procedures for adjourned meetings.
AGM procedures	AGMs must deal with certain matters required by the AIR Act and the association's rules. They often also include elections for committee positions.
Voting methods	Associations may use a range of voting methods at AGMs, subject to the AIR Act and the association's rules.
Minutes	Minutes provide the official record of the business conducted and decisions made at an AGM. The secretary is usually responsible for ensuring that accurate minutes are prepared and retained.
Preparing and keeping minutes	This part explains what should be recorded in AGM minutes and provides practical guidance on preparing and maintaining them.

What is an AGM?

An annual general meeting (**AGM**) is a general meeting of an association's members that must be held each year (section 63 of the AIR Act).

The first AGM must generally be held within 18 months after incorporation. After that, an AGM must be held within five months after the end of each financial year.

An AGM is a meeting at which all members are entitled to attend and participate in accordance with the association's rules. Other general meetings held during the year are usually called special general meetings (**SGM**). For more information, see part 6 of this guide: Special General Meetings.

The AGM must be convened and conducted in accordance with the association's rules.

Among other things, an AGM will usually:

- present reports on the association's activities and finances
- consider the association's financial statements
- elect committee members and office bearers where required, and
- deal with any other business properly brought before the meeting

Notices of meeting and notices of motion

Notice of meeting

A notice of meeting is a written notice informing members that a meeting will be held at a specified date, time and place.

The notice should contain enough information to allow members to understand the purpose of the meeting and decide whether they wish to attend.

The AIR Act requires notice to be given to every member entitled to vote at the AGM (section 60).

Notice of motion

A notice of motion is a proposal submitted by a member for consideration at a meeting.

The notice of motion is usually provided to the secretary before the meeting and included in the meeting agenda.

Giving advance notice allows members to consider the proposal before the meeting.

Note

The secretary is usually responsible for preparing and issuing notices of meetings in accordance with the association's rules.

This is an important responsibility. If a notice is not properly prepared or issued, the meeting may be invalid and decisions made at the meeting may have no legal effect. See **Defective notices** below.

Notice requirements

The AIR Act, the Regulations and the association's rules regulate:

- when notice must be given
- what information must be included
- how notice must be given
- who must receive notice, and
- procedures for adjourned meetings

Remember

Always check the association's rules before preparing an AGM notice.

Tool 13

The checklist in Tool 13: Checklist for notice of annual general meeting, will help you to prepare a notice for an AGM.

Timing of notice

After incorporation, an association must hold an AGM within five months after the end of each financial year.

Most associations require at least:

- 14 days' notice of an AGM, or
- 21 days' notice if a special resolution is proposed.

The association's financial statements must be presented to members at the AGM.

For more information about the financial statement, see Part 8 of this guide: Reporting to Consumer Affairs Victoria.

Example

If the association's financial year ends on 31 December, the AGM must generally be held by 31 May of the following year.

If the financial year ends on 30 June), the AGM must generally be held by 30 November.

Calculating notice periods

Check whether the association's rules contain provisions about calculating time.

If they do not, it is generally safest to exclude:

- the day notice is given, and
- the day of the meeting,

when calculating the notice period.

Additional time should be allowed where notices are sent by post to ensure members receive the required number of clear days' notice.

Tip

If notice is being sent by ordinary post, allow additional time for delivery before starting to count the notice period.

Contents of a notice

A notice should:

- clearly identify the meeting
- state the date, time and place of the meeting
- describe the business to be considered, and
- include any information required by the association's rules

If voting by proxy is permitted under the rules, the notice must also include the proxy form required by section 60 of the AIR Act.

Important matters that will be voted on should always be included in the notice.

Remember

Members should only be asked to make decisions on matters that have been properly notified before the meeting.

Tip

AGM agendas often include a catch-all item such as ‘general business’ or ‘any other business’. This allows members to raise and discuss additional matters.

However, resolutions on significant matters should not be passed unless members have been given prior notice of the proposal. If an important issue arises at the AGM, it is generally better to convene a special general meeting to consider and vote on the matter after proper notice has been given. For information on special general meetings, see part 6 of this guide: Special General Meetings.

Notices are commonly accompanied by background materials such as:

- minutes of the previous meeting
- committee reports, and
- financial reports

Tool 13

See Tool 13: Checklist for notice of annual general meeting and sample notice for annual general meeting.

Giving notice

The association's rules must specify how notices are to be given.

Depending on the rules, notices may be:

- delivered personally
- sent by post, or
- sent electronically, including by email

The method of giving notice varies between associations, so you should check your rules carefully.

Tip

Unless the rules provide otherwise, it is generally preferable to give each member an individual notice rather than relying solely on noticeboards, newsletters or other general communications.

Recipients of notice

Notice of an AGM must be given to every member entitled to vote at the meeting (section 60 of the AIR Act).

The association's rules may impose additional requirements or restrict voting rights to certain categories of members.

Check the register of members and the association's rules before issuing notice. (The secretary usually has responsibility for maintaining the register of members – see part 4 of this guide: Registers, Records and Official Documents).

Adjournments

Sometimes, an AGM may be adjourned to a later date – for example, if there are not enough members at the meeting to make decisions for the organisation.

If an AGM is adjourned, the association's rules will determine whether a fresh notice is required.

For example, model rule 37 requires a new notice where an adjournment is for 14 days or more.

If an adjournment would result in the AGM being held more than five months after the end of the financial year, the association will generally need an extension of time from CAV.

Special resolutions – additional notice requirements

Additional notice requirements apply where a special resolution will be proposed.

A special resolution is required for certain significant decisions under the AIR Act, including:

- changing the association's name
- changing the rules
- removing a committee member, and
- winding up the association

See 'Procedures for an annual general meeting' below for information about passing a special resolution at an AGM (and then seeking approval from CAV, where applicable).

Notice period

At least 21 days' notice must be given to all members entitled to vote on the resolution (section 64(2) of the AIR Act).

Notice contents

The notice must:

- state the date, time and place of the meeting
- set out the full wording of the proposed special resolution, and
- state that the resolution will be proposed as a special resolution

Caution

Failure to comply with section 64 may prevent the resolution from being validly passed.

See also part 6 of this guide: Special General Meetings and part 7 of this guide: Committee Meetings.

Special resolution to amalgamate with another association

If a proposed special resolution relates to an amalgamation, the notice should:

- identify the proposed secretary of the amalgamated association
- set out the terms of the amalgamation, and
- include the proposed rules of the amalgamated association

CAV can approve an amalgamation only if the application complies with section 18 of the AIR Act, including providing evidence that the special resolution has been passed and supplying the required information about the amalgamated association.

Recipients of notice

A notice of meeting proposing a special resolution must be given to all members entitled to vote on the resolution under the association's rules (section 64(2) of the AIR Act).

Check whether any membership classes have restricted or different voting rights.

Proposal to remove an auditor

Additional requirements apply where a resolution is proposed to remove the association's auditor.

Written notice of the proposal must generally be given to members at least two months before the meeting.

The secretary must also provide a copy of the notice to:

- the auditor, and
- CAV

The auditor has certain rights to respond and address the meeting.

Recipients of notice

Written notice of the proposed resolution must be given to every member of the association (section 106(2) of the AIR Act).

As soon as practicable after notice is given to members, the secretary must also give a copy of the notice to:

- the auditor, and
- CAV (section 106(4) of the AIR Act)

Auditor's response

The auditor may provide the secretary with a written response to the proposed resolution within seven days after receiving the notice (section 107(1) of the AIR Act).

Unless CAV directs otherwise:

- the secretary must provide a copy of the auditor's response to all members before the AGM, and
- the auditor must be given an opportunity to attend the AGM and address members before the resolution is voted on (section 107(2) of the AIR Act)

Defective notices

A notice of AGM may be defective if it does not comply with the AIR Act, the association's rules or any applicable procedural requirements. For example, a notice may be defective if it:

- does not contain required information
- is not given to all members entitled to receive it, or
- does not provide the required notice period

Depending on the nature and seriousness of the defect, the meeting and any decisions made at the meeting may be invalid.

Whether a defect will invalidate a meeting depends on the particular circumstances and the significance of the error.

Waiving defects

In some circumstances, a defect may be overcome if all members entitled to attend the meeting agree to waive it. However, obtaining agreement from all eligible members may be difficult, particularly in larger associations.

Defects relating to special resolutions should be treated with particular caution. If the notice requirements for a special resolution have not been met, the defect may not be capable of being cured by waiver.

Confirming decisions at a later meeting

Where there is doubt about the validity of a meeting, the association may choose to put the relevant decisions before a later, properly convened meeting for confirmation.

However, until those decisions are validly confirmed, they may have no legal effect.

Tip

If there is any doubt about the validity of a notice of meeting, seek legal advice before proceeding. It is often easier and less costly to issue a fresh notice and reconvene the meeting than to deal with a challenge to decisions made at an invalid meeting.

AGM procedures

AGM procedures vary between associations, depending on factors such as their size, membership and activities. In general, larger associations tend to have more formal procedures to help meetings run efficiently.

The chairperson (or president) is responsible for conducting the meeting. Provided the legal requirements and the association's rules are followed, the chairperson can determine the appropriate level of formality for the meeting.

When planning and conducting an AGM, you should consider:

- the AIR Act
- the Regulations
- your association’s rules, and
- any relevant policies, practices or established meeting procedures

Tip

Some associations adopt practices to improve the efficiency of meetings. For example, reports may be tabled and taken as read, with members given the opportunity to ask questions rather than having the reports read aloud.

Role of the secretary

For AGMs, the secretary is usually responsible for:

- preparing and distributing notices, reports and other meeting documents
- managing correspondence relating to the meeting
- assisting with the conduct and recording of votes, and
- preparing the minutes or arranging for someone else to do so

For more information, see part 3 of this guide: Secretary’s Legal Role, Powers and Duties.

AGM agenda

The agenda for an AGM is often different from the agenda for other general meetings because certain business must be considered at the AGM.

Many associations specify the ordinary business of the AGM in their rules. For example, model rule 30 provides that the ordinary business of an AGM includes:

- confirming the minutes of previous general meetings
- receiving reports on the association's activities during the previous financial year
- electing committee members and office bearers, and
- receiving and considering the annual financial statements

Model rule 30 also allows members to determine annual subscriptions and joining fees (if any).

Additional business may be considered if it has been properly notified in accordance with the association's rules.

Tool 14

See Tool 14: Sample agenda for annual general meeting (with explanatory notes for the secretary).

Adapt the sample agenda to suit your organisation’s rules and requirements.

Quorum

Before any business can be conducted at an AGM, a quorum must be present.

A quorum is the minimum number of members who must be present for the meeting to proceed. The association's rules must specify the quorum for general meetings.

For example, model rule 36 provides that a quorum is 10% of members entitled to vote, present in person, by proxy (where permitted) or using approved technology.

If a quorum is not present, the association's rules will determine what happens next. Under model rule 36:

- no business may be conducted unless a quorum is present
- if a quorum is not present within 30 minutes of the scheduled start time:
  - a meeting convened at the request of members must be dissolved, or
  - any other meeting must be adjourned to a date no more than 21 days later
- if, at the adjourned meeting, a quorum is not present within 30 minutes, at least three members present will constitute a quorum

Check your association's rules carefully, as different quorum requirements and procedures may apply.

Adjourning AGMs

Check your association's rules for any requirements about adjourning an AGM.

An AGM is commonly adjourned where there is no quorum or where members agree that the remaining business should be dealt with at another time.

For example, model rule 37 provides that:

- the chairperson may adjourn a meeting if a majority of members present agree
- only unfinished business from the original meeting may be dealt with at the adjourned meeting, and
- if the adjournment is for 14 days or more, a fresh notice of meeting must be given

Passing resolutions

The terms **motion** and **resolution** are often used interchangeably, but they have different meanings.

What is a motion?

A motion is a proposal put to a meeting for discussion and decision.

Typically:

- one member moves the motion, and
- another member seconds it

If members wish to change the wording of a motion, an amendment may be moved and seconded before the motion is voted on.

Example

A member proposes that the association lodge a planning application for improvements to the clubhouse. Another member seconds the motion and the meeting then votes on it.

What is a resolution?

A resolution is a motion that has been passed by the meeting.

Once a resolution is passed, it becomes a decision of the association.

There are two main types of resolution:

- **ordinary resolutions**, which generally require a simple majority of votes cast, and
- **special resolutions**, which generally require at least 75% of votes cast

The requirements for each type of resolution are discussed below.

Passing an ordinary resolution

Unless the association's rules provide otherwise, an ordinary resolution is passed by a **simple majority** of the votes cast by members entitled to vote.

A simple majority means more than half of the votes cast are in favour of the motion.

Example

If 20 members entitled to vote cast a vote on a motion, at least 11 votes in favour are required for the motion to pass.

Check your association's rules carefully, as they may impose additional requirements.

Example

Some associations require an **absolute majority**, meaning more than half of all members entitled to vote must vote in favour of the resolution, whether or not they attend the meeting.

For example, if an association has 50 members entitled to vote and only 30 attend the meeting, at least 26 votes in favour are still required to pass the resolution. This is because the resolution must be supported by more than half of all members entitled to vote, not just more than half of those who attend the meeting.

Passing a special resolution

Special resolutions are required for certain significant decisions under the AIR Act, such as changing the association's name, purposes or rules, amalgamating with another association, or voluntarily winding up the association.

To pass a special resolution, the AIR Act requires:

- proper notice of the proposed special resolution to be given
- at least 75% of the votes cast by members who are entitled to vote and who vote on the resolution to be in favour of it, and
- compliance with any additional requirements in the association's rules

The association's rules may impose additional procedural requirements, but they cannot alter the requirement that at least 75% of the votes cast be in favour of the resolution.

If it is impracticable to comply with the usual requirements, the association may apply to CAV for approval to pass the special resolution in another way (section 66 of the AIR Act).

Remember

Some decisions passed by special resolution, such as changing the association's rules, do not take effect until any required approval has been obtained from CAV. Depending on the type of decision, the association may need to notify CAV and lodge additional documents after the resolution is passed.

Voting at AGMs

Members make decisions at AGMs by voting on motions and amendments. The association's rules will set out who may vote and the voting methods that may be used.

For example, model rule 38 provides that:

- each member has one vote
- votes must be cast in person or by proxy (if proxy voting is permitted), and
- the chairperson has a casting vote if votes are tied

Model rule 12(4) also provides that a member's rights, including voting rights, are suspended while any annual membership fee remains unpaid.

Voting methods

Associations may use a range of voting methods at AGMs. The most common methods are voting by show of hands and by count.

Tool 16

Voting by show of hands, by count and by other methods (such as voting by voices) are discussed in more detail in Tool 16: Table of voting methods.

Check your association's rules carefully, as they may prescribe particular voting methods for different types of resolutions or meetings.

Tip

When conducting a vote, the chairperson will usually:

- state the motion clearly
- take the vote
- determine the result, and
- announce the outcome

Voting on a special resolution

Special resolutions should be voted on in accordance with the association's rules and the AIR Act.

Under section 65(3) of the AIR Act, a special resolution is taken to have passed if the chairperson declares that it has passed, unless a count is demanded.

Counts and ballots

A **count** is a method of voting on a motion or amendment in which votes are formally counted.

The chairperson will usually determine whether a count is required and supervise the counting process.

In many associations, members may demand a count. Common reasons include:

- uncertainty about the result of a vote by show of hands, or
- a belief that proxy votes may affect the outcome

Some rules require a count if a specified number of members request one.

A **ballot** is commonly used to elect committee members and office bearers. Ballots are often conducted as secret ballots, meaning individual votes are not disclosed.

Contested elections are often conducted by secret ballot.

Tool 16

For more information about how to conduct a count and ballot, see Tool 16: Table of voting methods.

Abstentions and objections

Members may choose not to vote on a motion. This is known as abstaining.

A member who abstains, or who opposes a motion, may ask for that fact to be recorded in the minutes.

Tied votes

If a vote is tied, the chairperson may have a casting vote if the association's rules allow it. This is the position under model rule 38.

If there is no casting vote, a tied vote means the motion is not passed.

In that situation, the association may amend the motion or bring it back for consideration at a later meeting after further discussion.

Absent members

If a member cannot attend an AGM, they may be able to vote by proxy if the association's rules permit proxy voting.

Some associations also allow direct voting, which enables members to cast their own vote before the meeting. Direct voting is discussed further below.

Proxy voting

What is proxy voting?

If a member cannot attend an AGM, they may be able to appoint another person to attend and vote on their behalf. This is known as **proxy voting**.

Terminology

When discussing proxies:

- the **donor** is the member who appoints another person to vote on their behalf
- the **proxy holder** (or **proxy**) is the person appointed to vote on behalf of the donor, and
- the **proxy form** is the document used to appoint the proxy

Legal requirements for proxy voting

Members do not have an automatic right to vote by proxy. Proxy voting is permitted only if the association's rules allow it.

The AIR Act requires an association's rules to state whether proxy voting is permitted (item 18 of Schedule 1). Check your association's rules carefully for any requirements relating to proxies.

The rules may also specify:

- when proxy forms must be received
- whether non-members may act as proxies
- whether general proxies or specific proxies are permitted, and
- whether the chairperson may act as a proxy holder

Many associations require proxy forms to be received before the AGM. For example, under model rule 34(7), proxy forms submitted by post or electronically must be received at least 24 hours before the meeting.

Tool 17

See Tool 17: Flowchart for reviewing proxies in this guide. Check the flowchart against your association's rules and adapt it where necessary.

Attendance by the donor

If a donor attends the AGM and votes on a matter, the proxy holder cannot vote on that matter on the donor's behalf. However, the proxy holder may continue to vote on other matters at the meeting where the donor does not vote.

Exercise of proxies by the chairperson

Where the chairperson is appointed as a proxy holder, the way the proxy must be exercised depends on the wording of the proxy form.

It is good practice for the proxy form to state whether:

- the chairperson must vote in a particular way, or
- the chairperson has discretion about how to exercise the proxy

If the donor directs the chairperson to vote in a particular way, the chairperson must comply with that direction.

Cancelling a proxy

A donor can generally revoke a proxy before it is exercised by:

- giving written notice of the revocation to both the proxy holder and the association
- appointing a replacement proxy, or
- resigning from the association

A proxy also ends automatically if the donor dies.

Check your association's rules carefully, as they may impose additional requirements or deadlines for revoking a proxy.

If a proxy is appointed for a particular meeting only, the appointment ends when that meeting concludes.

Powers of attorney

What is a ‘power of attorney’?

A power of attorney is a document that authorises one person (the **attorney**) to make decisions or act on behalf of another person (the **donor**). Depending on its terms, a power of attorney may operate for a limited period or continue until it is revoked.

In some circumstances, an attorney may be able to attend and vote at an AGM on behalf of a member.

For more detailed information on powers of attorney, and sample forms, see the Office of the Public Advocate website.

Terminology

When discussing powers of attorney:

- the **donor** is the person who grants the power
- the **attorney** is the person authorised to act for the donor, and
- the **power of attorney** is the document that grants that authority

A donor may revoke a power of attorney at any time in writing.

Verifying a power of attorney

If a person claims to be acting under a power of attorney on behalf of a member, it is good practice to:

- ask the person to provide a written statement confirming that the power remains in force and has not been revoked, and
- inspect the original power of attorney to confirm:
  - that the power exists
  - the scope of the authority granted, and
- any limits on the period for which it operates

An attorney's authority will depend on the terms of the power of attorney. A broad or general power of attorney may authorise the attorney to exercise the donor's membership rights, including voting at meetings.

Direct voting

What is direct voting?

Direct voting allows members to vote without attending the AGM and without appointing a proxy or attorney. Instead, members cast their vote before the meeting by submitting a voting form in accordance with the association's rules.

Benefits of direct voting

Direct voting makes it easier for members who cannot attend the AGM to participate in decision-making.

Unlike proxy voting, direct voting allows members to cast their own vote rather than relying on another person to vote on their behalf. It can therefore increase member participation and reduce the risk that a vote is not exercised because a proxy holder does not attend the meeting.

Direct voting can operate alongside proxy voting as an additional option for members.

Introducing direct voting

Direct voting is only available if the association's rules permit it.

If your association's rules do not currently allow direct voting, the rules must be amended before a direct voting system can be introduced. When considering a rule change, the association should decide whether the rules will prescribe the voting process in detail or allow the committee to determine the process from time to time.

Remember

If your association's rules do not allow direct voting (including where the association uses the model rules), the rules must be amended before direct voting can be used.

Tool 18

See Tool 18: Sample wording for allowing direct voting in your rules of this guide.

Remember

A change to the association's rules requires a special resolution and approval from CAV before it takes effect.

Minutes

What are 'minutes'?

Minutes are the official written record of the matters discussed and decisions made at a meeting.

One of the secretary's key responsibilities is to ensure that:

- minutes are taken for each AGM
- the minutes are confirmed as an accurate record of the meeting, and
- the minutes are stored securely and retained by the association

Requirements relating to minutes are found in the AIR Act, the association's rules and, in some cases, the association's policies and procedures.

The AIR Act requires an association's rules to include provisions about:

- keeping accurate minutes of meetings, and
- members' rights to access those minutes

(items 14 and 15 of Schedule 1)

Accurate minutes are important because they provide evidence of the decisions made by the association.

Many associations have a rule similar to model rule 41, requiring the secretary to keep minutes of each AGM.

Model rule 41 also requires the secretary to retain:

- attendance records
- proxy forms
- financial statements presented to members
- any certificate relating to the financial statements, and

- any auditor's or reviewer's report required under the AIR Act

AGM minutes are **relevant documents** of the association and may generally be inspected by members.

Preparing minutes

The style and level of detail included in minutes will vary from association to association.

Importantly, the minutes should accurately record:

- the motions considered
- the resolutions passed
- the outcome of votes, and
- any other significant decisions made at the meeting

Minutes do not need to contain a detailed transcript of the discussion. In most cases, a concise record of the business conducted and decisions made is sufficient.

Tool 19

For detailed information about the usual matters to include in the minutes of meetings, see Tool 19: Checklist for content of minutes.

Tool 20

Despite variety in the form of minutes, there are some commonly accepted drafting conventions – see Tool 20: Conventions for drafting minutes.

Tip

As a historical record of the association, minutes should identify attendees, including office bearers, committee members and any other people present.

Drafting motions and resolutions

The wording of motions and resolutions should be recorded accurately in the minutes.

The secretary should not alter the wording of a motion after it has been passed. Any correction must be made by the meeting itself.

The minutes should record:

- the exact wording of the motion
- the names of the mover and seconder
- any amendments
- the voting method used, and
- whether the motion was passed, rejected or deferred

The motion should be consistent with the association's rules and purposes and relate to matters the meeting has authority to decide.

Tip

If a motion is proposed verbally, it can be helpful to write it down during the meeting or ask the proposer to provide it in writing before the vote is taken.

Tip

Consider circulating draft minutes together with an action list identifying any tasks allocated at the AGM.

Difficult meetings

Where discussions become heated or contentious, minutes should remain objective and focused on decisions rather than the detail of the debate.

In many cases it will be sufficient to record that a matter was discussed without recording every comment made.

Tip

For contentious meetings, it is good practice for the secretary to review the draft minutes with the chairperson before circulating them.

Defamation

Defamatory material should generally not be included in minutes.

Potentially defamatory statements should be challenged by the chairperson at the meeting and, where appropriate, withdrawn.

A statement may be defamatory if it:

- exposes a person to ridicule, contempt or hatred
- lowers them in the estimation of others
- damages their reputation, or
- causes others to avoid or shun them

Remember

Defamation law is complex. If you are concerned that minutes may contain defamatory material, seek legal advice before distributing them.

Storing minutes

Minutes should be stored securely and in a way that makes the official version easy to identify.

Most associations now prepare and store minutes electronically, although some continue to maintain a formal minute book.

Tip

Draft minutes as soon as possible after the AGM while the events of the meeting are still fresh in your mind.

Tip

Consider:

- restricting editing permissions
- storing minutes in PDF format
- maintaining a formal minute book
- having the chairperson sign approved minutes, and
- numbering meetings and minute records consistently

Confirming and verifying minutes

It is good practice to:

- have the minutes confirmed as an accurate record at the next meeting, and
- have the chairperson verify the confirmed minutes, usually by signing them

Tool 21

See Tool 21: Flowchart for confirming and verifying minutes.

Check the rules of your own organisation for any special provisions about confirming and verifying minutes.

Part 6

Special General Meetings

Special General Meetings

This part of the guide covers preparing for, conducting and minuting special general meetings (SGMs) of a Victorian incorporated association.

Summary of key points of this part of the guide

Special general meetings	An SGM is a general meeting called for a particular purpose other than an AGM. The AIR Act and an association's rules set out the procedures that apply.
Notice of meeting and notice of motion	A notice of meeting informs members about the date, time, place and purpose of a meeting. A notice of motion is a proposal submitted by a member for consideration and decision at the meeting.
Notice requirements	The AIR Act and an association's rules regulate the timing, content and distribution of notices of SGMs, as well as the procedures for adjourned meetings.
SGM procedures	SGMs must be conducted in accordance with the AIR Act and the association's rules. They are usually held to consider and decide specific matters identified in the notice of meeting.
Voting methods	Associations may use a range of voting methods at SGMs, subject to the AIR Act and the association's rules.
Minutes	Minutes provide the official record of the business conducted and decisions made at an SGM. The secretary is usually responsible for ensuring that accurate minutes are prepared and retained.
Preparing and keeping minutes	This part explains what should be recorded in SGM minutes and provides practical guidance on preparing, maintaining and storing minutes.

What is an SGM?

A special general meeting (**SGM**) is a general meeting of the members of an incorporated association that is called to consider specific business. An SGM is any general meeting that is not an annual general meeting (**AGM**) or a disciplinary appeal meeting.

SGMs are usually convened to consider one or more particular matters that arise between AGMs. Members entitled to vote must be given notice of the meeting and may vote on the business considered at the SGM.

An SGM must be called and conducted in accordance with the AIR Act and the association's rules.

Note

The model rules provide for a separate type of members' meeting known as a **disciplinary appeal meeting**. A disciplinary appeal meeting allows a member to appeal certain disciplinary action taken by the committee. The procedures for these meetings differ from those that apply to SGMs and are set out in model rules 23 and 24..

Notices of meeting and notices of motion

Notice of meeting

A notice of meeting is a written notice informing members that a meeting will be held at a particular date, time and place.

The notice should contain enough information to allow members to understand the purpose of the meeting and decide whether they wish to attend.

The content of a notice will vary depending on the nature of the meeting and the association's requirements. However, the AIR Act and the association's rules impose certain minimum requirements.

Additional notice requirements apply in some circumstances, including where a special resolution is proposed (see below).

The AIR Act makes it an offence to hold an SGM without giving notice to all members entitled to vote at the meeting (section 60 of the AIR Act).

Notice of motion

A notice of motion is a proposal submitted by a member for consideration at a meeting.

The notice is usually provided to the secretary before the meeting and included in the agenda.

Giving advance notice allows members to consider the proposal before the meeting. In some cases, an association's rules may require notice of a motion to be given before it can be considered.

Note

The secretary is usually responsible for preparing and issuing notices of meetings in accordance with the association's rules.

This is an important responsibility. If a notice is not properly prepared or issued, the meeting may be invalid and decisions made at the meeting may have no legal effect. See **Defective notices** below.

Notice requirements

For SGMs, there are legal requirements about:

- when notice must be given
- what information must be included in the notice
- how notice must be given
- who must receive notice, and
- what happens if the meeting is adjourned

When preparing a notice of SGM, you should consider:

- the AIR Act
- the Regulations
- the association's rules, and
- any relevant association policies

Remember

Make sure you are working from the current approved version of your association's rules.

Tool 22

The checklist in Tool 22: Checklist for notice of SGM, will help you to prepare a notice for a SGM.

Note

Special notice requirements apply where a special resolution is proposed or where the meeting will consider a proposal to remove an auditor. These requirements are discussed below.

Timing of notice

The rules of an incorporated association must specify the notice period for an SGM.

Many associations have a rule similar to model rule 33, which requires at least:

- 14 days' notice of an SGM, or
- 21 days' notice if a special resolution is proposed

Many associations also have rules similar to model rule 31, which provide that:

- the committee may determine the date, time and place of an SGM, and
- the committee must call an SGM if a specified proportion of members request one

Check your association's rules carefully, as different notice periods may apply.

Calculating notice periods

Calculating notice periods can be confusing. First, check whether your association's rules contain provisions about measuring time.

If they do not, when calculating the notice period, it is generally safest to exclude:

- the day notice is given, and
- the day of the meeting

Example

Most associations require at least 14 days' notice of a general meeting.

If notice is personally delivered on 1 January, counting begins on 2 January. Fourteen clear days' notice expires at the end of 15 January, meaning the earliest date the meeting could be held is 16 January.

If notice is sent by post, the notice period generally begins the day after the notice would ordinarily have been delivered.

Tip

If notice is sent by ordinary post, allow additional time for delivery before starting to count the notice period.

Contents of a notice

A notice of SGM should:

- be sufficiently clear and detailed to allow members to understand the business to be considered
- provide a full and fair description of the matters to be discussed, and
- not be misleading

As a minimum, the notice should include the date, time and place of the SGM. If proxy voting is permitted, the required proxy form should also accompany the notice (section 60 of the AIR Act).

Remember

If your association uses the model rules, only the business specified in the notice of meeting may be considered at the SGM. Make sure all items of business are included in the notice.

Tip

SGM agendas often include a catch-all item such as ‘general business’ or ‘any other business’. This allows members to raise and discuss additional matters.

However, resolutions on significant matters should not be passed unless members have been given prior notice of the proposal. If an important issue arises at the SGM, it is generally better to convene a further meeting after proper notice has been given.

The notice is commonly accompanied by supporting documents, such as:

- minutes of previous meetings
- committee, staff or volunteer reports, and
- financial information

Tools 22 and 23

See Tool 22: Checklist for notice of SGM and Tool 23: Sample notice for SGM.

Giving notice

The rules of an incorporated association must specify how notices of SGMs and notices of motion are to be given (item 19 of Schedule 1 of the AIR Act).

Depending on the association's rules, notices may be:

- delivered personally
- sent by post, or
- sent electronically, including by email

The permitted method of giving notice varies between associations, so check your rules carefully.

Tip

Unless the rules provide otherwise, it is generally preferable to give each member an individual notice rather than relying solely on noticeboards, newsletters or other general communications.

Recipients of notice

Notice of an SGM should generally be given to all members entitled to vote at general meetings.

The AIR Act requires notice to be given to each member entitled to vote at the meeting (section 60 of the AIR Act).

The association's rules may impose additional requirements or restrict voting rights to particular categories of members.

Check the register of members and the association's rules before issuing notice.

Adjournments

Sometimes an SGM may be adjourned to a later date, for example because there is no quorum.

The association's rules will determine whether a fresh notice is required.

For example, model rule 37(4) requires notice to be given if a meeting is adjourned for 14 days or more.

Check your association's rules carefully, as different requirements may apply.

Special resolutions – additional notice requirements

Special resolutions are used for significant decisions under the AIR Act. Additional notice requirements help ensure members have sufficient time and information to consider the proposal.

Examples of decisions requiring a special resolution include changing the association's name or rules, removing a committee member, and winding up the association.

Timing of notice

A notice of meeting proposing a special resolution must be given to all members entitled to vote at least 21 days before the meeting (section 64(2) of the AIR Act).

Otherwise, the resolution cannot be passed as a special resolution.

Contents of a notice

To pass a special resolution, the notice must:

- specify the date, time and place of the meeting
- set out the proposed special resolution in full, and
- state that the resolution is intended to be proposed as a special resolution

Check your association's rules carefully for any additional requirements.

Recipients of notice

A notice of meeting proposing a special resolution must be given to all members entitled to vote on the resolution under the association's rules (section 64(2) of the AIR Act).

Check whether any membership classes have restricted or different voting rights.

Special resolution to amalgamate with another association

If a proposed special resolution relates to an amalgamation, the notice should:

- identify the proposed secretary of the amalgamated association
- set out the terms of the amalgamation, and
- include the proposed rules of the amalgamated association

An amalgamation can only be approved by CAV if the requirements of sections 17 and 18 of the AIR Act are met, including the provision of evidence that the special resolution has been passed.

Caution

If a special resolution is proposed for an SGM, your organisation must comply with the notice requirements in sections 64(2) and 64(3) of the AIR Act. Otherwise, the resolution cannot be passed as a special resolution.

Proposal to remove an auditor

Additional notice requirements apply if a proposal to remove the association's auditor will be considered at the SGM.

The longer notice period gives members, the auditor and CAV time to consider the proposal and allows the auditor an opportunity to respond before the meeting.

Timing of notice

Written notice of the proposed resolution must be given to members at least two months before the SGM (section 106(2) of the AIR Act).

The notice must:

- set out the proposed resolution in full, and
- comply with the requirements of sections 106 and 107 of the AIR Act

Recipients of notice

Written notice of the proposed resolution must be given to every member of the association (section 106(2) of the AIR Act).

As soon as practicable after notice is given to members, the secretary must also provide a copy to:

- the auditor, and
- CAV (section 106(4) of the AIR Act)

CAV has advised that notice may be given in person, by post or by email.

Auditor's response

The auditor may provide the secretary with a written response to the proposed resolution within seven days after receiving the notice (section 107(1) of the AIR Act).

Unless CAV directs otherwise:

- the secretary must provide a copy of the auditor's response to members before the SGM, and
- the auditor must be given an opportunity to attend the meeting and address members before the resolution is put to a vote (section 107(2) of the AIR Act)

Defective notices

A notice of SGM may be defective if it does not comply with the AIR Act, the association's rules or other applicable requirements.

Depending on the nature and seriousness of the defect, the meeting and any decisions made at the meeting may be invalid.

Waiving defects

In some circumstances, a defect may be overcome if all members entitled to attend the meeting agree to waive it.

However, obtaining agreement from all eligible members may be difficult, particularly in larger associations.

Defects relating to special resolutions should be treated with particular caution.

Confirming decisions at a later meeting

Where there is doubt about the validity of a meeting, the association may choose to put the relevant decisions before a later, properly convened meeting for confirmation.

However, until those decisions are validly confirmed, they may have no legal effect.

Tip

If there is any doubt about the validity of a notice of meeting, seek legal advice before proceeding.

SGM procedures

Procedures for SGMs vary depending on the size and nature of the association and the business being considered. Larger associations often conduct SGMs more formally to ensure meetings run efficiently.

The chairperson (or president) is responsible for conducting the meeting. Provided the legal requirements and the association's rules are followed, the chairperson can determine the appropriate level of formality for the meeting.

When planning and conducting an SGM, you should consider:

- the AIR Act
- the Regulations
- the association's rules, and
- any relevant association policies, practices or established meeting procedures

Tip

Some associations adopt practices to improve the efficiency of meetings. For example, reports may be tabled and taken as read, with members given the opportunity to ask questions rather than having the reports read aloud.

Role of the secretary

For SGMs, the secretary is usually responsible for:

- preparing and distributing notices, reports and other meeting documents
- managing correspondence relating to the meeting
- assisting with the conduct and recording of votes, and
- preparing the minutes or arranging for someone else to do so

For more information, see part 3 of this guide: Secretary's Legal Role, Powers and Duties.

SGM agenda

The agenda for an SGM should include all business to be considered at the meeting. Generally, only matters specified in the notice of meeting may be considered.

In addition to the specific purpose for which the SGM has been called, the agenda may include routine matters such as:

- attendance and apologies, and
- confirmation of the minutes of the previous meeting

As an SGM is usually convened to consider a particular issue or proposal, the agenda should clearly identify the matters to be determined.

Quorum

Before any business can be conducted at an SGM, a quorum must be present.

A quorum is the minimum number of members who must be present for the meeting to proceed. The association's rules must specify the quorum for general meetings.

For example, model rule 36 provides that a quorum is 10% of members entitled to vote, present in person, by proxy (where permitted) or using approved technology.

If a quorum is not present, the association's rules will determine what happens next. Under model rule 36:

- no business may be conducted unless a quorum is present
- if a quorum is not present within 30 minutes of the scheduled start time:
  - a meeting convened at the request of members must be dissolved, or
  - any other meeting must be adjourned to a date no more than 21 days later
- if, at the adjourned meeting, a quorum is not present within 30 minutes, at least three members present will constitute a quorum

Check your association's rules carefully, as different quorum requirements and procedures may apply.

Adjourning SGMs

Check your association's rules for any requirements about adjourning an SGM.

An SGM is commonly adjourned where there is no quorum or where members agree that the remaining business should be dealt with at another time.

For example, model rule 37 provides that:

- the chairperson may adjourn a meeting if a majority of members present agree
- only unfinished business from the original meeting may be dealt with at the adjourned meeting, and
- if the adjournment is for 14 days or more, a fresh notice of meeting must be given

Some associations' rules permit adjournments in additional circumstances. Check your association's rules carefully.

Passing resolutions

The terms **motion** and **resolution** are often used interchangeably, but they have different meanings.

What is a motion?

A motion is a proposal put to a meeting for discussion and decision.

Typically:

- one member moves the motion, and
- another member seconds it

If members wish to change the wording of a motion, an amendment may be moved and seconded before the motion is voted on.

Example

A member proposes that the association lodge a planning application for improvements to the clubhouse. Another member seconds the motion and the meeting then votes on it.

What is a resolution?

A resolution is a motion that has been passed by the meeting.

Once a resolution is passed, it becomes a decision of the association.

There are two main types of resolution:

- **ordinary resolutions**, which generally require a simple majority of votes cast, and
- **special resolutions**, which generally require at least 75% of votes cast

The requirements for each type of resolution are discussed below.

Passing an ordinary resolution

Unless the association's rules provide otherwise, an ordinary resolution is passed by a **simple majority** of the votes cast by members entitled to vote.

A simple majority means more than half of the votes cast are in favour of the motion.

Example

If 20 members entitled to vote cast a vote on a motion, at least 11 votes in favour are required for the motion to pass.

Check your association's rules carefully, as they may impose additional requirements.

Example

Some associations require an absolute majority, meaning more than half of all members entitled to vote must vote in favour of the resolution, whether or not they attend the meeting.

For example, if an association has 50 members entitled to vote and only 30 attend the meeting, at least 26 votes in favour are still required to pass the resolution.

Passing a special resolution

Special resolutions are required for certain significant decisions under the AIR Act, such as changing the association's name, purposes or rules, amalgamating with another association, or voluntarily winding up the association.

To pass a special resolution, the AIR Act requires:

- proper notice of the proposed special resolution to be given
- at least 75% of the votes cast by members entitled to vote to be in favour of the resolution, and
- compliance with any additional requirements in the association's rules

The association's rules may impose additional procedural requirements but cannot alter the requirement that at least 75% of votes cast be in favour of the resolution.

If it is impracticable to comply with the usual requirements, the association may apply to CAV for approval to pass the special resolution in another way (section 66 of the AIR Act).

Remember

Some decisions passed by special resolution do not take effect until any required approval has been obtained from CAV. Depending on the type of decision, the association may need to notify CAV and lodge additional documents after the resolution is passed.

Voting at SGMs

Members make decisions at SGMs by voting on motions and amendments. The association's rules set out who may vote and the voting methods that may be used.

For example, model rule 38 provides that:

- each member has one vote
- votes must be cast personally or by proxy (if proxy voting is permitted), and
- the chairperson has a casting vote if votes are tied

Model rule 12(4) also provides that a member's rights, including voting rights, are suspended while any annual membership fee remains unpaid.

Voting methods

Associations may use a range of voting methods at SGMs. The most common methods are voting by show of hands and by count.

Tool 24

Voting by show of hands, by count and by other methods (such as voting by voices) are discussed in more detail in Tool 24: Table of voting methods.

Check your association's rules carefully, as they may prescribe particular voting methods for different types of resolutions or meetings.

Tip

When conducting a vote, the chairperson will usually:

- state the motion clearly
- take the vote
- determine the result, and
- announce the outcome

Voting on a special resolution

Special resolutions should be voted on in accordance with the association's rules and the AIR Act.

Under section 65(3) of the AIR Act, a special resolution is taken to have passed if the chairperson declares that it has passed, unless a count is demanded.

Counts and ballots

A **count** is a method of voting on a motion or amendment in which votes are formally counted.

The chairperson will usually determine whether a count is required and supervise the counting process.

In many associations, members may demand a count. Common reasons include:

- uncertainty about the result of a vote by show of hands, or
- a belief that proxy votes may affect the outcome

Some rules require a count if a specified number of members request one. For example, model rule 40(2) requires a count if three or more members demand one.

A **ballot** is commonly used to elect committee members and office bearers. Ballots are often conducted as secret ballots, meaning individual votes are not disclosed.

Contested elections are often conducted by secret ballot.

Tool 24

For more information about how to conduct a count and ballot, see Tool 24: Table of voting methods.

Abstentions and objections

Members may choose not to vote on a motion. This is known as abstaining.

A member who abstains, or who opposes a motion, may ask for that fact to be recorded in the minutes.

Tied votes

If a vote is tied, the chairperson may have a casting vote if the association's rules allow it. This is the position under model rule 38.

If there is no casting vote, a tied vote means the motion is not passed.

In that situation, the association may amend the motion or bring it back for consideration at a later meeting after further discussion.

Absent members

If a member cannot attend an SGM, they may be able to vote by proxy if the association's rules permit proxy voting.

Some associations also allow direct voting, which enables members to cast their own vote before the meeting. Direct voting is discussed further below.

Proxy voting

What is proxy voting?

If a member cannot attend an SGM, they may be able to appoint another person to attend and vote on their behalf. This is known as **proxy voting**.

Terminology

When discussing proxies:

- the **donor** is the member who appoints another person to vote on their behalf
- the **proxy holder** (or **proxy**) is the person appointed to vote on behalf of the donor, and
- the **proxy form** is the document used to appoint the proxy

Legal requirements for proxy voting

Members do not have an automatic right to vote by proxy. Proxy voting is permitted only if the association's rules allow it.

The AIR Act requires an association's rules to state whether proxy voting is permitted (item 18 of Schedule 1). Check your association's rules carefully for any requirements relating to proxies.

The rules may also specify:

- when proxy forms must be received
- whether non-members may act as proxies
- whether general proxies or specific proxies are permitted, and
- whether the chairperson may act as a proxy holder

Many associations require proxy forms to be received before the SGM. For example, under model rule 34(7), proxy forms submitted by post or electronically must be received at least 24 hours before the meeting.

Tool 17

See Tool 17: Flowchart for reviewing proxies in this guide. Check the flowchart against your association's rules and adapt it where necessary.

Attendance by the donor

If a donor attends the SGM and votes on a matter, the proxy holder cannot vote on that matter on the donor's behalf.

However, the proxy holder may continue to vote on other matters where the donor does not vote.

Exercise of proxies by the chairperson

Where the chairperson is appointed as a proxy holder, the way the proxy must be exercised depends on the wording of the proxy form.

It is good practice for the proxy form to state whether:

- the chairperson must vote in a particular way, or
- the chairperson has discretion about how to exercise the proxy

If the donor directs the chairperson to vote in a particular way, the chairperson must comply with that direction.

Cancelling a proxy

A donor can generally revoke a proxy before it is exercised by:

- giving written notice of the revocation to both the proxy holder and the association
- appointing a replacement proxy, or
- resigning from the association

A proxy also ends automatically if the donor dies.

Check your association's rules carefully, as they may impose additional requirements or deadlines for revoking a proxy.

If a proxy is appointed for a particular meeting only, the appointment ends when that meeting concludes.

Powers of attorney

What is a ‘power of attorney’?

A power of attorney is a document that authorises one person (the attorney) to make decisions or act on behalf of another person (the donor). Depending on its terms, a power of attorney may operate for a limited period or continue until it is revoked.

In some circumstances, an attorney may be able to attend and vote at an SGM on behalf of a member.

For more detailed information on powers of attorney, and sample forms, see the Office of the Public Advocate website.

Terminology

When discussing powers of attorney:

- the **donor** is the person who grants the power
- the **attorney** is the person authorised to act for the donor, and
- the **power of attorney** is the document that grants that authority

A donor may revoke a power of attorney at any time in writing.

Verifying a power of attorney

If a person claims to be acting under a power of attorney on behalf of a member, it is good practice to:

- ask the person to provide a written statement confirming that the power remains in force and has not been revoked, and
- inspect the original power of attorney to confirm:
  - that the power exists
  - the scope of the authority granted, and
  - any limits on the period for which it operates.

An attorney's authority will depend on the terms of the power of attorney. A broad or general power of attorney may authorise the attorney to exercise the donor's membership rights, including voting at meetings.

Direct voting

What is direct voting?

Direct voting allows members to vote without attending the SGM and without appointing a proxy or attorney. Instead, members cast their vote before the meeting by submitting a voting form in accordance with the association's rules.

Benefits of direct voting

Direct voting makes it easier for members who cannot attend the SGM to participate in decision-making.

Unlike proxy voting, direct voting allows members to cast their own vote rather than relying on another person to vote on their behalf. It can therefore increase member participation and reduce the risk that a vote is not exercised because a proxy holder does not attend the meeting.

Direct voting can operate alongside proxy voting as an additional option for members.

Introducing direct voting

Direct voting is only available if the association's rules permit it.

If your association's rules do not currently allow direct voting, the rules must be amended before a direct voting system can be introduced. When considering a rule change, the association should decide whether the rules will prescribe the voting process in detail or allow the committee to determine the process from time to time.

Remember

If your association's rules do not allow direct voting (including where the association uses the model rules), the rules must be amended before direct voting can be used.

Tool 18

For sample wording of a new rule to allow direct voting, see Tool 18: Sample wording for allowing direct voting in your rules.

Remember

A change to the association's rules requires a special resolution and approval from CAV before it takes effect.

Minutes

What are ‘minutes’?

Minutes are the official written record of the matters discussed and decisions made at a meeting.

One of the secretary's key responsibilities is to ensure that:

- minutes are taken for each SGM
- the minutes are confirmed as an accurate record of the meeting, and
- the minutes are stored securely and retained by the association

Requirements relating to minutes are found in the AIR Act, the association's rules and, in some cases, the association's policies and procedures.

The AIR Act requires an association's rules to include provisions about:

- keeping accurate minutes of meetings, and
- members' rights to access those minutes

(items 14 and 15 of Schedule 1)

If an association's rules do not deal with a matter required by Schedule 1 of the AIR Act, the corresponding model rule will apply.

Accurate minutes are important because they provide evidence of the decisions made by the association.

An inspector appointed by CAV may, in certain circumstances and with the appropriate authority, require the production of relevant documents, including meeting minutes (sections 158 and 159 of the AIR Act).

Many associations have a rule similar to model rule 41, requiring the secretary to keep minutes of each SGM.

Model rule 41 also requires the secretary to retain:

- attendance records, and
- proxy forms given to the chairperson

SGM minutes are **relevant documents** of the association and may generally be inspected by members.

Preparing minutes

The style and level of detail included in minutes will vary from association to association.

Importantly, the minutes should accurately record:

- the motions considered
- the resolutions passed
- the outcome of votes, and
- any other significant decisions made at the meeting

Minutes do not need to contain a detailed transcript of the discussion. In most cases, a concise record of the business conducted and decisions made is sufficient.

Tool 19

For detailed information about the usual matters to include in the minutes of meetings, see Tool 19: Checklist for contents of minutes.

Importantly, the minutes should record the motions moved and resolutions made at the SGM.

Tool 20

Despite variety in the form of minutes, there are some commonly accepted drafting conventions – see Tool 20: Conventions for drafting minutes.

Tip

As a historical record of the association, minutes should identify attendees, including office bearers, committee members and any other people present.

Drafting motions and resolutions

The wording of motions and resolutions should be recorded accurately in the minutes.

The secretary should not alter the wording of a motion after it has been passed. Any correction must be made by the meeting itself.

The minutes should record:

- the names of the mover and seconder
- any amendments
- the voting method used, and
- whether the motion was passed, rejected or deferred

The motion should be consistent with the association's rules and purposes and relate to matters the meeting has authority to decide.

Tip

If a motion is proposed verbally, it can be helpful to write it down during the meeting or ask the proposer to provide it in writing before the vote is taken.

Tip

Consider circulating draft minutes together with an action list identifying any tasks allocated at the SGM.

Difficult meetings

Where discussions become heated or contentious, minutes should remain objective and focused on decisions rather than the detail of the debate.

In many cases it will be sufficient to record that a matter was discussed without recording every comment made.

Tip

For contentious meetings, it is good practice for the secretary to review the draft minutes with the chairperson before circulating them.

Defamation

Potentially defamatory material should generally not be included in meeting minutes.

Any potentially defamatory statements made during a meeting should be challenged by the chairperson and, where appropriate, withdrawn.

A statement may be defamatory if it:

- exposes a person to ridicule, contempt or hatred
- lowers them in the estimation of others
- damages their reputation, or
- causes others to avoid or shun them

Remember

Defamation law is complex. If you are concerned that minutes may contain defamatory material, seek legal advice before distributing them.

Storing minutes

Minutes should be stored securely and in a way that makes the official version easy to identify.

Most associations now prepare and store minutes electronically, although some continue to maintain a formal minute book.

Tip

Draft minutes as soon as possible after the SGM while the events of the meeting are still fresh in your mind.

Confirming and verifying minutes

It is good practice to:

- have the minutes confirmed as an accurate record at the next meeting, and
- have the chairperson verify the confirmed minutes, usually by signing them

Tool 25

See Tool 25: Flowchart for confirming and verifying minutes.

Check the rules of your organisation for any special provisions about confirming and verifying minutes.

Part 7

Committee meetings

Committee meetings

This part of the guide explains the legal requirements for preparing for, conducting and recording committee meetings.

Summary of key points in this part of the guide

Committee meetings	A committee meeting is a meeting of the association's committee. The AIR Act and the association's rules regulate how committee meetings are called and conducted.
Notices of committee meetings	A notice of committee meeting informs committee members about the date, time, place and purpose of the meeting.
Giving notice	The association's rules regulate when and how notice of a committee meeting must be given, and who must receive it.
Committee meeting procedures	Committee meetings must be conducted in accordance with the AIR Act and the association's rules. The committee uses these meetings to consider and make decisions about the affairs of the association.
Voting methods	Committees may use a range of voting methods, subject to the association's rules.
Minutes	Minutes provide the official record of the business conducted and decisions made at a committee meeting. The secretary is usually responsible for ensuring that accurate minutes are prepared and retained.
Preparing and keeping minutes	This part of the guide explains what should be recorded in committee meeting minutes and provides practical guidance on preparing, maintaining and storing minutes.

What is a committee meeting?

A committee meeting is a meeting of the association's governing body (sometimes called the board).

Committee meetings are generally less formal than general meetings and are used to manage the association's affairs and make decisions on behalf of the association.

Many associations' rules specify:

- how often the committee must meet, and
- when additional committee meetings may be held

The AIR Act permits committee meetings to be conducted using technology, provided all participants can communicate clearly and simultaneously with each other (section 79(1) of the AIR Act).

Remember

Make sure you are working from the current approved version of your association's rules.

Notice of meeting

A notice of committee meeting is a written notice informing committee members that a meeting will be held at a particular date, time and place.

The notice should contain enough information to allow committee members to understand the purpose of the meeting and prepare for it.

The content of a notice will vary depending on the nature of the association and the formality of its committee processes.

Tool 26

The checklist in Tool 26: Checklist for notice of committee meeting will help you to prepare a notice for a committee meeting.

Giving notice

The association's rules regulate when and how notice of a committee meeting must be given, and who must receive it.

Many associations have a rule similar to model rule 59, which requires notice of a committee meeting to be given at least seven days before the meeting.

For urgent matters, shorter notice may be permitted if as much notice as practicable is given.

Tip

Even if your rules do not require it, allowing at least one week's notice of a committee meeting gives committee members time to review papers and prepare for discussion.

Some associations schedule all committee meetings for the year in advance and call additional meetings only when necessary.

Contents of a notice

A notice of committee meeting does not usually need to set out all business to be considered. However, the association's rules may restrict the committee from considering important business that was not identified in the notice.

Tip

Some associations have a rule similar to model rule 59 that requires a special committee meeting notice to identify the general nature of the business to be considered and prevents other business from being conducted.

Notices are commonly accompanied by supporting documents, such as:

- minutes of previous meetings
- staff, volunteer or subcommittee reports
- financial reports, and
- important correspondence

Tool 26

See Tool 26: Checklist for notice of committee meeting for the types of details that are usually included in a notice of committee meeting.

Recipients of notice

All committee members should generally receive notice of a committee meeting.

Depending on the association's practices, notice may also be given to the secretary, CEO or other relevant officers if they are not committee members.

Check your association's rules and policies for any special requirements.

Adjournments

If a committee meeting is adjourned, consider whether a fresh notice is required.

For example, under model rule 63, a committee meeting may need to be adjourned if there is no quorum, and notice of the adjourned meeting must then be given in accordance with the rules.

If in doubt, it is generally best to issue a new notice.

Subcommittee meetings

Associations may establish subcommittees to consider particular issues and make recommendations to the committee.

Although the committee may delegate responsibilities to a subcommittee, overall responsibility for governance remains with the committee.

Subcommittee meetings are often less formal than committee meetings. However, clear records of their discussions, decisions and recommendations should still be maintained.

Committee meeting procedures

Committee meetings must be conducted in accordance with the AIR Act and the association's rules.

Committee meetings are generally less formal than general meetings, but the committee should still ensure that:

- decisions are clearly recorded
- conflicts of interest are properly managed
- the association's financial position is carefully considered, and
- expenditure is appropriately approved or ratified

Quorum

Before any business can be conducted at a committee meeting, a quorum must be present.

A quorum is the minimum number of committee members who must be present for the meeting to proceed.

Many associations have a rule similar to model rule 63, under which:

- a quorum is a majority of committee members
- no business may be conducted unless a quorum is present, and
- if a quorum is not present within 30 minutes of the scheduled start time:
  - a special committee meeting lapses, or
  - an ordinary committee meeting is adjourned

Check your association's rules carefully, as different quorum requirements may apply.

Adjourning committee meetings

Committee meetings may be adjourned for a range of reasons, including the absence of a quorum.

Check your association's rules for any requirements relating to adjournments and notice of adjourned meetings.

Voting at committee meetings

Members of a committee make decisions by voting on motions and amendments. The association's rules set out who may vote and the voting methods that may be used.

Voting methods

Committee decisions are often made by consensus, but formal votes may also be taken.

Associations may use a range of voting methods, subject to their rules.

For example, model rule 64 does not permit proxy voting at committee meetings.

Abstentions

Committee members may choose not to vote on a matter. This is known as abstaining.

A committee member who has a material personal interest in a matter must generally not participate in discussions about, or vote on, that matter (section 81 of the AIR Act).

Many associations require details of disclosed conflicts of interest to be recorded in a conflicts register.

Tied votes

If a vote is tied, the chairperson may have a casting vote if the association's rules permit it. This is the position under model rule 64.

If there is no casting vote, the motion will not be passed.

Absent committee members

If a committee member cannot attend a meeting, the association's rules will determine whether any form of absentee voting is permitted.

The model rules do not permit proxy voting at committee meetings.

Some associations permit:

- direct voting, or
- written (circular) resolutions approved outside a meeting

Check your association's rules carefully.

Remember

The AIR Act allows committee members to attend meetings using technology such as telephone or video conferencing (section 79(1)).

Minutes

What are 'minutes'?

Minutes are the official written record of the matters discussed and decisions made at a meeting.

One of the secretary's key responsibilities is to ensure that:

- minutes are taken for each committee meeting
- the minutes are confirmed as an accurate record of the meeting, and
- the minutes are stored securely and retained by the association

Requirements relating to minutes are found in the AIR Act, the association's rules and, in some cases, the association's policies and procedures.

The AIR Act requires an association's rules to include provisions about:

- keeping accurate minutes of committee meetings, and
- any conditions on which members may access committee minutes

Many associations have a rule similar to model rule 66, which requires minutes to record:

- attendance
- business discussed
- resolutions and voting outcomes, and
- material personal interests disclosed by committee members

Committee minutes may be **relevant documents** for the purposes of the AIR Act.

Note

Check your association's rules and policies for any additional requirements about preparing, approving or storing minutes.

Preparing and keeping minutes

Committee minutes should accurately record:

- motions considered
- resolutions passed
- voting outcomes, and
- other significant decisions

Minutes do not need to contain a detailed transcript of the discussion.

Tool 27

For detailed information about the usual matters to include in the minutes of meetings, see Tool 27: Checklist for contents of minutes.

Importantly, the minutes should record the motions moved and resolutions made at the committee meeting.

Tool 20

Despite variety in the form of minutes, there are some commonly accepted drafting conventions – see Tool 20: Conventions for drafting minutes.

Tip

As a historical record of the association, minutes should identify attendees, including office bearers and committee members.

Drafting motions and resolutions

The wording of motions and resolutions should be recorded accurately in the minutes.

The secretary should not alter the wording of a motion after it has been passed.

For each motion, the minutes should record:

- the names of the mover and seconder
- any amendments
- the voting method used, and
- whether the motion was passed, rejected or deferred

Tip

If a motion is proposed verbally, it can be helpful to write it down during the meeting or ask the proposer to provide it in writing before the vote is taken.

Tip

Consider circulating draft minutes together with an action list identifying any tasks allocated at the meeting.

Difficult meetings

Where discussions become heated or contentious, minutes should remain objective and focus on decisions rather than the detail of the debate.

Tip

For contentious meetings, it is good practice for the secretary to review the draft minutes with the chairperson before circulating them.

Defamation

Potentially defamatory material should generally not be included in meeting minutes.

A statement may be defamatory if it:

- exposes a person to ridicule, contempt or hatred
- lowers them in the estimation of others
- damages their reputation, or
- causes others to avoid or shun them

Remember

Defamation law is complex. If you are concerned that minutes may contain defamatory material, seek legal advice before distributing them.

Storing minutes

Minutes should be stored securely and in a way that makes the official version easy to identify.

Tip

Draft minutes as soon as possible after the meeting while events are still fresh in your mind.

Tip

Consider:

- restricting editing permissions or password-protecting documents
- storing minutes in PDF format
- maintaining a formal minute book
- having the chairperson sign approved minutes
- numbering meeting records consistently, and
- clearly marking sensitive minutes as confidential where appropriate

Confirming and verifying minutes

It is good practice to:

- have the minutes confirmed as an accurate record at the next committee meeting, and
- have the chairperson verify the confirmed minutes, usually by signing them

Tool 28

See Tool 28: Flowchart for confirming and verifying minutes.

Check the rules of your own organisation for any special provisions about confirming and verifying minutes.

Part 8

Reporting to Consumer Affairs Victoria

Reporting to Consumer Affairs Victoria

This part of the guide explains when and how incorporated associations must report to Consumer Affairs Victoria (CAV), including annual reporting obligations and changes to key association information.

Caution

Incorporated associations that are registered charities with the Australian Charities and Not-for-profits Commission (**ACNC**) are generally not required to:

- lodge an annual statement with Consumer Affairs Victoria (**CAV**), or
- pay an annual statement lodgement fee

This exemption does not apply to charities that have ACNC approval to withhold financial information or financial reports from the ACNC Charity Register.

Check the CAV website and our reporting to government resources for further information.

Summary of key points in this part of the guide

Reporting requirements	Incorporated associations must report certain information to CAV, including annual reporting information and changes to key association details. The secretary is usually responsible for ensuring these obligations are met.
Accounting requirements	Incorporated associations must keep accurate financial records and retain them for the required period. Financial reporting requirements vary depending on the association's reporting tier.
Annual statement	Before lodging an annual statement with CAV, the association must present its financial statements to members at the AGM. The content of the financial statements and annual statement requirements vary depending on the association's reporting tier.
Refusal to register documents	In some circumstances, CAV may refuse to accept or register documents lodged by an association. This part of the guide explains when this may occur and the options available to an association.

Reporting requirements

The secretary is usually responsible for ensuring that the association complies with its reporting obligations to Consumer Affairs Victoria (**CAV**).

Reporting requirements arise under:

- the AIR Act, and
- the Regulations

To manage these obligations, the secretary must have a myCAV account.

AIR Act requirements

Under section 102 of the AIR Act, an incorporated association must lodge an annual statement with CAV each year. The annual statement must generally be lodged within one month after the AGM at which the association's financial statements are presented to members.

The AIR Act and the Regulations prescribe the information that must be included in:

- the **financial statements** presented to members at the AGM, and
- the **annual statement** lodged with CAV

Tool 29

See Tool 29: Flowchart for preparing and lodging the annual statement.

Remember

If the annual statement is not lodged within the required timeframe, the association may be liable for penalties under the AIR Act.

The secretary is also responsible for notifying CAV of certain other matters, including:

- the appointment of a new secretary or changes to the secretary's details
- changes to the association's name
- changes to the association's rules
- amalgamations with other associations, and
- proposals to remove an auditor

These requirements are discussed elsewhere in this guide (see part 2 of this guide: Appointing and Removing a Secretary and part 6 of this guide: Special General Meetings).

Caution

Associations may also have reporting obligations to other regulators and government agencies, including the ATO, the ACNC and funding bodies.

Check any funding agreements, registrations or tax concessions that apply to your association.

Accounting requirements

An incorporated association must maintain financial records that:

- correctly record and explain its financial transactions, and
- allow true and accurate financial statements to be prepared

These records form the basis of the association's financial statements and annual reporting obligations.

Financial records must generally be retained for at least seven years after the transactions to which they relate have been completed.

The treasurer usually has primary responsibility for overseeing the association's financial affairs. However, the secretary is usually responsible for lodging the association's annual statement and associated documents.

!

Remember

Failing to keep proper financial records may result in penalties under the AIR Act.

Reporting tiers

The AIR Act classifies associations into three reporting tiers based on their total revenue for the previous financial year.

The reporting tier determines the financial reporting, review and audit requirements that apply to the association.

The relevant thresholds are prescribed by the Regulations.

Tier 1 associations

A tier 1 association has annual revenue of less than $500,000.

Tier 1 associations must prepare financial statements that give a true and accurate view of the association's financial position and performance.

There is generally no requirement for a review or audit unless:

- members pass a resolution requiring a review, or
- CAV directs the association to have its financial statements reviewed

Tier 2 associations

A tier 2 association has annual revenue between $500,000 and $3 million.

Before the financial statements are presented at the AGM, they must be reviewed by an independent reviewer.

The financial statements must also be prepared in accordance with the Australian Accounting Standards (**AASs**).

Tier 3 associations

A tier 3 association has annual revenue exceeding $3 million.

Before the financial statements are presented at the AGM, they must be audited by an eligible auditor.

The financial statements must be prepared in accordance with the Australian Accounting Standards.

Reviews and audits

An audit provides a high level of assurance that the financial statements comply with applicable accounting requirements and present a true and accurate view of the association's financial position.

A review is less detailed than an audit and provides a lower level of assurance. Reviews are generally less expensive and may be undertaken by a broader range of qualified professionals.

Independent reviewer or auditor

Where a review or audit is required, the reviewer or auditor must be independent.

Generally, an independent person should not be:

- a committee member
- an employee of the association
- the employer or employee of a committee member, or
- a business partner of a committee member

Note

Independence helps ensure members, funders and other stakeholders can have confidence in the review or audit process.

Reviewer's or auditor's report

Tier 2 associations

The reviewer must provide a written review report.

The review report must be:

- presented to members at the AGM, and
- lodged with the annual statement

Tier 3 associations

The auditor must provide a written audit report.

The audit report must be:

- presented to members at the AGM, and
- lodged with the annual statement

Note

Associations must retain annual statements and related documents for the periods required by the AIR Act. See part 4 of this guide: Registers, Records and Official Documents.

Caution

Penalties apply if an association fails to comply with applicable review or audit requirements.

Re-classification of reporting tiers

If unusual and non-recurring circumstances cause an association to move into a higher reporting tier for a particular year, the association may apply to CAV for relief.

CAV may determine that the higher-tier reporting requirements do not apply for that financial year.

Example

ABC Inc is usually a tier 1 association. During the year, it receives a one-off project grant that increases its annual revenue to $510,000, placing it in the tier 2 revenue range.

Because the increase in revenue resulted from unusual and non-recurring circumstances, ABC Inc may apply to CAV for relief under section 91 of the AIR Act. If CAV grants the application, it may declare that ABC Inc remains a tier 1 association for that financial year. This means ABC Inc would not be required to have its financial statements reviewed solely because of the temporary increase in revenue.

Annual statement

Each year, CAV will notify the secretary when the annual statement is due, unless the association reports only to the ACNC.

The secretary must lodge the required documents through myCAV within one month after the AGM.

The documents required will depend on the association's reporting tier but generally include:

- the annual statement form
- the financial statements
- the committee member's certificate
- any resolution relating to the financial statements, and
- any reviewer's or auditor's report

If CAV has granted an extension of time for holding the AGM, the annual statement must be lodged within the period required by the AIR Act.

An association may also apply for an extension of time to lodge its annual statement.

Note

If members pass a resolution relating to the financial statements at the AGM, a copy of that resolution must be lodged with the annual statement.

The annual statement must be lodged through myCAV. If assistance is required, the secretary can contact CAV.

Note

Documents presented to members or lodged with CAV must be accurate and complete.

It is an offence under the AIR Act to knowingly or recklessly provide false or misleading information, or to omit information in a way that makes a document misleading.

In limited circumstances, CAV may exempt an association from lodging an annual statement for a particular year or generally.

Caution

If an association fails to lodge an annual statement in two consecutive years, CAV may take action to wind up the association.

Extensions of time

The secretary may apply to CAV for an extension of time to:

- hold an AGM, or
- lodge an annual statement

Applications are made using the relevant CAV form.

Refusal to register documents

CAV may refuse to accept or register a document if:

- it does not comply with the AIR Act
- it contains materially false or misleading information
- it is incomplete or contains errors, or
- CAV considers it is not a valid document of the association

For example, CAV may question the validity of documents where rival groups each claim to represent the association and lodge competing documents.

If CAV refuses to register a document because it considers it invalid, the association may request that CAV reconsider its decision.

If CAV maintains its position, the association may request that the matter be referred to the Magistrates' Court for determination.

If the Court determines that the document is valid, CAV must register it.

It is important to ensure documents lodged with CAV are complete, accurate and valid, as failure to lodge required documents may result in non-compliance with the AIR Act.

Part 9

Tools – practical tools to help run Victorian incorporated associations

Tools

Tool 1: Flowchart for working out your association's current rules

Has your association adopted the model rules?

Yes

See current model rules available on the CAV website

No

Has your version of the rules (including any changes) been approved by CAV?

Not sure

The organisation's rules would have been approved when your organisation was incorporated

No

Your rules (including any changes) must be approved by CAV before they are official (legally binding)

To make sure you are working from the current version, obtain a copy of your association's rules through your myCAV account.

Yes

To make sure, you can access a copy of your organisation's rules through your myCAV account

Not sure

Request a copy of your rules from CAV, in person or by post

Parts of them

Your association has its own rules if it did not adopt the model rules **in full**.

If your rules do not deal with a matter required by Schedule 1 of the AIR Act, and the model rules contain a provision dealing with that matter, the corresponding model rule will generally apply automatically. The model rules are available on CAV's website.

Remember
If your rules do not deal with all matters required by Schedule 1 of the AIR Act, the corresponding model rules may apply automatically.

If a rule is inconsistent with the AIR Act, it will be invalid to the extent of the inconsistency.

Tool 2: Main tasks of a secretary – meetings

What does the secretary do?	Relevant section / role	Tips or comments
Schedule meetings and prepare meeting materials	See items 17 and 19 of Schedule 1 of the AIR Act. The association's rules may also specify how often meetings must be held. See, for example, model rule 58.	The secretary will usually organise meetings in consultation with the chairperson and committee, and in accordance with the AIR Act and the association's rules. Common tasks before a meeting include: • preparing the notice of meeting and agenda • reviewing the minutes of the previous meeting and identifying any outstanding action items • organising and summarising correspondence • coordinating reports for the meeting (for example, committee, subcommittee and treasurer's reports) • confirming arrangements for any visitors or guest speakers, and • arranging the meeting venue or online meeting platform.
Send out notices of the meetings	See item 19 of Schedule 1 of AIR Act, and see, for example, model rules 59 and 74.	The secretary is usually responsible for preparing and issuing notices of meetings in accordance with the association's rules. Make sure the notice is sent to the correct people, within the required timeframe, and includes all required information.
Organise the AGM, including working with the treasurer to ensure the financial report is ready to be presented to the association's members.	Section 63 and part 7 of AIR Act, and see, for example, model rule 30.	The secretary will usually work closely with the treasurer and chairperson to prepare for the AGM. Make sure the AGM is held on time and that the financial statements and other required documents are ready to be presented to members. See part 5 of this guide: Annual General Meetings. See also part 8 of this guide: Reporting to Consumer Affairs Victoria.
If proxies are allowed at meetings of members, receive proxy notices.	See item 18 of Schedule 1 of AIR Act; and see, for example, model rule 34.	The secretary must check the association's rules to confirm whether proxy voting is permitted and any requirements for appointing a proxy. Make sure proxy forms comply with those requirements. See part 6 of this guide: Special General Meetings.
Take the minutes (or arrange for someone else to take them) and keep them in a safe place.	See item 14 of Schedule 1 of the AIR Act, and see, for example, model rules 41 and 66.	Keeping accurate minutes is one of the secretary's key responsibilities. Make sure minutes are stored securely and can be easily identified and accessed when required. See part 6 of this guide: Special General Meetings.

Tool 3: Main tasks of a secretary – membership

What does the secretary do?	Relevant section / role	Tips or comments
Receive and process applications for membership and notices of member resignation	See section 51(2) of the AIR Act, and see, for example, model rule 9.	The secretary usually presents membership applications to the committee for consideration, notifies applicants of the outcome, and updates the register of members. The secretary also receives notices of resignation and ensures the register of members is updated accordingly.
Maintain and update the register of members	See section 56 of the AIR Act, and see, for example, model rule 18.	Maintaining an accurate and up-to-date register of members is a key responsibility of the secretary. The register records important information about the association's members. See part 4 of this guide: Registers, Records and Official Documents. The secretary should regularly review the register of members and, in particular, check before general meetings that membership information is current and that members are entitled to vote in accordance with the association's rules.
Assess and respond to requests to restrict access to personal information in the register of members	See section 59 of the AIR Act.	Where a member requests that access to their personal information in the register of members be restricted, the secretary must consider the request and restrict access if satisfied that there are special circumstances. The association may find it helpful to adopt a policy on these requests, including guidance on what may constitute special circumstances. Where a member's information has been restricted, the secretary may be required to pass correspondence relating to the management, activities or purposes of the association between members. In effect, the secretary acts as an intermediary for members whose personal information has been restricted.
Keep and maintain relevant documents and manage requests to inspect those documents	See items 11 and 13 of Schedule 1 of the AIR Act, and see, for example, model rule 75.	The secretary usually manages requests to inspect the association's relevant documents and determines whether access should be provided in accordance with the association's rules and applicable laws. See part 4 of this guide: Registers, Records and Official Documents.

What does the secretary do?	Relevant section / role	Tips or comments
Prepare and maintain minutes of general meetings and manage requests to inspect them	See section 53 and items 14 & 15 of Schedule 1 of the AIR Act.	Keeping accurate minutes of general meetings is one of the secretary's key responsibilities. Minutes should accurately record the business conducted, resolutions passed and decisions made. Members may be entitled to inspect minutes in accordance with the association's rules and applicable laws.
Maintain an up-to-date copy of the association's rules and register of members, and manage requests to inspect those documents	See sections 53 and 57 of the AIR Act.	Members may inspect the association's rules and register of members, and may request a copy of the rules. The secretary usually manages these requests. Where a member has validly requested that access to their personal information in the register of members be restricted, the secretary must ensure that the restricted information is not disclosed. In some circumstances, an association may obtain an exemption from the requirement to allow inspection of the register of members. See part 1 of this guide: Overview of an association. See also part 4 of this guide: Registers, Records and Official Documents

Tool 4: Main tasks of a secretary – record keeping

What does the secretary do?	Relevant section / role	Tips or comments
Keep originals of documents lodged with CAV for at least seven years.	Section 201 of the AIR Act.	In smaller associations, the secretary will often maintain many of the association's records directly. In larger associations, responsibility for particular records may be shared with employees, the treasurer or other office holders. In these circumstances, the secretary should ensure that appropriate record-keeping systems are in place and that the association's records can be located and accessed when required. See part 4 of this guide: Registers, Records and Official Documents.
Keep financial statements presented at the AGM, and the required committee member certificates, for at least seven years.	Section 105 of the AIR Act and see, for example, model rule 70 (in Schedule 4 of the Regulations).	
Maintain custody of the association's books, documents and securities.	See item 11 of Schedule 1 of the AIR Act and see, for example, model rule 75 (in Schedule 4 of the Regulations).	
Maintain custody of the association's common seal (if the association has one).	See item 12 of Schedule 1 of AIR Act and see, for example, model rule 72 (in Schedule 4 of the Regulations).	
Transfer association records and documents to the incoming secretary when leaving office, including any original documents.	Section 88 of AIR Act.	A secretary will often have custody of important association records as part of their governance and reporting responsibilities. When they leave office, they must return any association records and documents in their possession to the committee within 28 days. See part 8 of this guide: Reporting to Consumer Affairs Victoria.

Tool 5: Checklist for records of fundraising appeals

This checklist is for organisations that are registered as fundraisers under the *Fundraising Act 1998 (Vic)* (**Fundraising Act**). It covers the details your organisation should include in your organisation's records of fundraising appeals to satisfy the requirements of the Fundraising Act and the *Fundraising Regulations 2009* (Vic) (**Fundraising Regulations**).

Order	Description	Done
1	Funds and assets received as a result of the appeal	☐
2	What happened to all those funds and assets	☐
3	The amount applied to the purposes or objects of the appeal and how it was distributed	☐
4	Any expenditure on assets	☐
5	Any expenditure on wages, salaries, commissions and other remuneration in relation to the appeal	☐
6	Any other administrative expenses related to the appeal	☐
7	Any other expenditure related to the appeal	☐
8	The name and address of any commercial fundraiser that conducted or administered part or all of a fundraising appeal on behalf of the association	☐
9	Details of any condition that has been imposed on your organisation in accordance with the Fundraising Act	☐
10	The name of the person from your association who is responsible for overseeing the organisation's involvement in the appeal	☐
11	The name and address of each person who participates in the appeal as a supervisor or manager	☐
12	The name and address of each person who gained a financial advantage from the appeal (other than as a person for whose benefit the appeal was held or other than as a supplier of goods or services) and details of the reason for, and nature and amount of, that financial advantage	☐
13	The name and address of every person, or name or description of every class of people, on whose behalf the appeal was made	☐
14	Copies of the written consent provided by each intended beneficiary of the appeal (if practicable)	☐
15	The dates on which the appeal started and finished	☐

Tool 6: Sample register of members (required)

This is a **sample** register of members for a Victorian incorporated association. Adapt it to suit your association's circumstances and any requirements in its rules.

Remember that members may be entitled to have access to their personal information restricted in certain circumstances. To manage these requests, an association may maintain a complete register for internal use and a version for inspection with restricted information removed or redacted.

Member number	Name	Address	Email address (if available)	Date member approved	Membership class (if any)*	Date membership ended	2023			2026		
	(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)					
							Receipt no.	Amt	Date	Receipt No.	Amt	Date
1	Ima PAYNE	21 Smith Street Burwood New South Wales	ipayne@gmail.com	8/1/2026	Ordinary member		2410	$10	9/1/23	4567	$15	8/1/26
2	Mei TAN	5 Garden Court Woodend New South Wales	mtan@yahoo.com	9/1/2021	Ordinary member		2413	$10	9/1/23			

*** Class of membership**. These will vary, depending on your association's constitution, but may include: ordinary member, associate member, life member, honorary member.

General notes:

(i) Member's full name

(ii) Postal or residential address of the member

(iii) Email address last given by the member (if available)

(iv) Date of admission (as noted by committee)

(v) See above for class of membership (will vary according to each association's constitution)

(vi) The date the person stopped being a member. Apart from their name and this date (which must be entered within 14 days), no other information can be kept on the register once membership ends, and

(vii) Membership fees are not required by the AIR Act, but can help to establish whether a member is a 'financial member'. This may have implications for voting at meetings and use of the organisation's facilities

Tool 7: Sample common seal register (optional)

This is a **sample** common seal register for a Victorian incorporated association. Adapt it to suit your association's circumstances and requirements.

Date	Document	Authorising signatures	Minute reference	Location
2/1/2023	Contract of purchase of clubhouse at 1 Green Street, Blackfield	Mr J Bloggs, President Ms J Citizen, Secretary	Minute No 3 of meeting 1/1/2023	Original document kept in Folder 1.1 in club house office

Tool 8: Sample assets register (optional)

This is a **sample** assets register for a Victorian incorporated association. Adapt it to suit your association's circumstances and requirements.

Date purchased or acquired	Description of assets	Cost or valuation	Asset ID number	Disposed of…		
				… at (location)	… date/manner	… for (consideration received)
24/4/2020	Desk (wood veneer) with 3-drawer return	$600.00	1	Club House	2/2/2026 by Sam Slick Auctions Pty Ltd at public auction	$75.00
22/6/2023	Mac Book Air (13.3 inch 1.8GB)	$1,388.00	2			

Tool 9: Sample insurance register (optional)

This is a **sample** insurance register for a Victorian incorporated association. Adapt it to suit your association's circumstances and requirements.

Policy number	Company/ Broker	Type of policy	Premium $	Date paid	Period of insurance From: — To:	Type of cover and exclusions	Location of original document
0132561	PMA Insurance	Public Liability	$680	30/6/25	1/7/25 — 30/6/2027	Excess of $200 on fusion and exterior for storm damage	'Insurance' file kept in the office

Tool 10: Sample register of bank accounts (optional)

This is a **sample** register of bank accounts for a Victorian incorporated association. Adapt it to suit your association's circumstances and requirements.

Financial institution	Branch	Account names and number	Signatories	E-banking details	Comments
Mooncorp Building Society	Upper Black Stump (1 Brown Street, Black Stump)	XYZ Club Inc general account BSB-343-01 Acc. 123456	Mr X Ray, Treasurer Ms J Citizen, Secretary	User name: XYZINC12938 Password: [known by signatories only]	Overdraft limit of $10,000 with cheque facilities Delegation of authority to signatories: see minutes of meeting of committee 3 July 2020

Caution: The signatories **must** act in the best interests of the association when signing blank cheques or forms, and should carefully guard passwords for e-banking.

Tool 11: Sample investments register (optional)

This is a **sample** investments register for a Victorian incorporated association. Adapt it to suit your association's circumstances and requirements.

Financial Institution: Mooncorp Building Society					Branch: Upper Black Stump		
Date	Principal		Rate	Maturity date	Interest earned	Rec/Chq Number	Instructions/Comments
	Amount invested	Redeemed					
1/1/23	$100,000	1/5/23	10%	1/6/17	8%	16534	Redeemed by authority of committee minute No 3/2026

Tool 12: Sample key register (optional)

This is a **sample** key register for a Victorian incorporated association. Adapt it to suit your association's circumstances and requirements.

Date	Key number	Description	Person	Signature	Date of return	Comments
1/1/20	E-1	Master key to club exterior doors	Ima Late	Ima		

Tool 13: Checklist for notice of AGM

Order	Description	Done
1	**Check your association's rules, resolutions and policies for specific requirements, such as how much notice to give, what information should be included, and who it should be given to**	☐
2	**Content of notice:**	
	• as its heading, the word 'notice of annual general meeting'	☐
	• name and registration number of the organisation	☐
	• date, time and place of meeting	☐
	• nature of business to be discussed at meeting, including for example:	☐
	– confirming minutes of the previous annual general meeting and any other general meetings held since then	☐
	– receiving the financial statements and other reports on activities of the organisation in the last financial year	☐
	– electing the members of the committee	☐
	– if applicable, receiving the reviewer's/auditor's report on the financial affairs of the association for the last financial year	☐
	– if applicable, presenting the reviewed/audited financial report to the meeting for adoption	☐
	– if applicable, appointing a reviewer / auditor	☐
	• date of notice	☐
	• directions to the meeting venue and disability access (optional)	☐
	• secretary's contact details (optional)	☐
	• notice 'authorised by xx' (optional)	☐
3	**If relevant, the notice of annual general meeting may also include:**	
	• the wording of motions or resolutions to be considered at meeting (if a special resolution is proposed, include the exact wording of the special resolution)	☐

Order	Description	Done
	• disclosure of interest of any committee member in the business to be dealt with at meeting (for example, a conflict of interest – see part 3 of this guide: Secretary's Legal Role, Powers and Duties)	☐
	• if the rules allow proxy voting, an explanation of how / when to appoint a proxy, and attach a proxy form	☐
	• if the rules allow direct voting, an explanation of how / when to vote directly before the meeting, and attach a direct voting form	☐
4	**The notice should also attach background information and documents, such as:**	
	• minutes of the last annual general meeting (and any other general meetings held since then, if required)	☐
	• reports from staff, committees or volunteers	☐
	• financial reports (for example, the financial statement)	☐
	• where appropriate, relevant background correspondence	☐
5	**Time for giving notice**	
	• annual general meeting must be held within five months after the end of your organisation's financial year	☐
	• check your association's rules, resolutions and policies for specific requirements (for example, 14 days before the meeting date). Note rules on how days are calculated	☐
	• if a special resolution is proposed, you must give 21 days' notice before the meeting date (section 64(2) of the AIR Act)	☐
6	**How to give notice**	
	• can be by email or post – check your association's rules, resolutions and policies for specific requirements (for example, notice in local paper)	☐
7	**Who to give notice to**	
	• usually all members of the association (check the register of members)	☐
	• in special circumstances, others (such as Consumer Affairs Victoria and/or auditor)	☐

Tool 14: Sample notice for AGM

Note

This notice of annual general meeting is for organisations that have their financial accounts audited by an independent auditor. Not all incorporated associations are required to have their accounts audited. For more information see part 8 of this guide: Reporting to Consumer Affairs Victoria.

XYZ Club Inc (Registration No A00003333)

Notice of Annual General Meeting

Notice is given that the Annual General Meeting of the XYZ Club Inc will be held on *[date]*, at *[time]* at *[address]*.

The ordinary business of the meeting will be:

1. To confirm the minutes of the previous annual general meeting and of any general meeting held since that meeting,
2. To receive from the Committee reports upon the transactions of the Association during the last preceding financial year,
3. To elect officers of the Association and the ordinary members of the committee, and
4. To receive and consider the financial statements submitted by the Association to members in accordance with section 100(1) of the *Associations Incorporation Reform Act* 2012 (Vic).

The special business of the meeting will be:

5. To receive and consider the Auditor's Report and Audited Accounts on the financial affairs of the association for the last financial year, and
6. To consider any other business.

____

I.N. Order, Secretary, *[date of notice]*

by authority of the Committee

Proxies

A member entitled to attend and vote at the annual general meeting may appoint a person to attend and vote at the meeting as the member's proxy. A proxy must be a member of XYZ Club Inc.

A proxy may be appointed by returning the completed proxy form (attached) to the secretary at the club's registered office at *[address]*, at least 24 hours before the start of the meeting.

Inquiries

All inquiries should be directed to the Secretary, Ms I.N. Order, XYZ Club Inc, 123 Frank Street, Motown, telephone (03) 8333 0000, fax (03) 3300 3300, email in.order@xyz.org.au

Attached

- Minutes of Previous Annual General Meeting held on [date]
- Chairperson's Report
- Treasurer's Report
- Auditor's Report and Accounts
- Audited Financial Statement
- List of Nominees for Positions on the Committee
- Proxy Form

Tool 15: Sample agenda for AGM (with explanatory notes for the secretary)

Note

The agenda and notes in this tool focus on the legal requirements and procedures for an annual general meeting.

Many associations also use the AGM to celebrate their achievements and recognise volunteers. For example, an AGM may include a guest speaker, volunteer awards or an audiovisual presentation of the association's activities.

Annual General Meeting to be held in the XYZ clubhouse, at 123 Frank Street, Motown,

1 November 2026 at 7.00pm

Agenda summary

- Chairperson's welcome
- Apologies & attendance
- Minutes of previous meeting
- Report from committee on transactions in previous year
- Election of committee members
- Annual Financial Statements (submitted to members under either section 94(1), 97(1) or 100(1) of the *Associations Incorporation Reform Act 2012* (Vic))
- Special business
- General business
- Close

1. Business

The secretary is responsible for either taking, or ensuring that another person (for example, an employee of the organisation) takes, accurate minutes of what is discussed and decided on at the meeting.

2. Chairperson's welcome

The chairperson, who normally acts as chair of the meeting, calls the meeting to order and welcomes any new members and guests.

3. Apologies and attendance

The chairperson asks the secretary whether any apologies (that is, the name of any person who is unable to attend and has asked that this be noted) have been received, then asks if any member has an apology to record. These apologies are recorded in the minutes. The secretary also records the names of the people present, or circulates a book for them to record their own names (ask them to print their name clearly).

4. Minutes of the previous meeting

The secretary should have already prepared the minutes of the previous meeting. If the minutes have been distributed with the notice of meeting, the chairperson may ask the meeting if there is any objection to taking the minutes as read. Otherwise the secretary may read the minutes to the meeting.

The meeting should confirm that the minutes are an accurate record of the previous meeting. It is usual for a member who was at the previous meeting to propose this motion and for another to 'second' the motion. The motion is simply, *'I move that the minutes be confirmed as a true and accurate record of the last meeting'*. All present may vote on the resolution, whether or not they were present at the last meeting. However, if the minutes are not correct in some aspect, a member may propose a motion to correct them. The members may vote on whether the minutes should be changed. This procedure is to agree on what was said at the previous meeting; not to re-open the debate or reverse previous decisions. The chairperson may sign a copy of the minutes (with any changes marked) and these are kept in the organisation's records.

5. **Report from committee on transactions in the previous year**

The committee (or office bearers such as the chairperson and/or the treasurer) present reports on the organisation's activities and transactions in the previous financial year. For example, the chairperson may report on matters that the committee has dealt with in the previous year, as well as the organisation's significant achievements or milestones.

The treasurer's report usually includes details of receipts and expenditure for the previous financial year. This report may also show a comparison against a budget to date and other comments. If the financial affairs of the organisation are substantial, the treasurer should arrange for the report to be printed and distributed at the meeting (or, preferably, the report will already have been distributed with the notice of annual general meeting). The treasurer moves the adoption of the report. Then the members can discuss the report.

In large organisations with complex financial transactions, the detailed study of the budget and other financial matters has usually been delegated (by the committee) to a finance sub-committee. The treasurer will have presented a summary report to that sub-committee, and the report from that sub-committee is presented to the annual general meeting. The treasurer and members of the sub-committee should be prepared to answer questions at the meeting.

6. **Election of committee members**

If nominations for positions on the committee have been received by the secretary before the meeting, the chairperson (or secretary) reads the nominations aloud. If there are fewer nominations than there are positions available on the committee, the chairperson may call for any additional nominations at the meeting.

If there is only one candidate for a position, the chairperson will state that the candidate has been elected (without a vote being taken). However if there are more nominations than there are positions available on the committee, or if there is any opposition to a nomination (or if the association's rules require), a ballot is taken (usually, a secret ballot). For further information about ballots and other voting methods, see below Tool 16: Table of voting methods.

7. **Annual Financial Statements (submitted to members under either section 94(1), 97(1) or 100(1) of the Associations Incorporation Reform Act 2012 (Vic))**

The secretary will have already prepared the financial statements of the organisation containing the details required under either section 94(1), 97(1) or 100(1) of the *Associations Incorporation Reform Act 2012* (Vic) (**AIR Act**) with the treasurer (and/or others with financial reporting skills). The section of the AIR Act applicable to the organisation will depend on whether it is a 'tier one', 'tier two' or 'tier three' association, based on their total annual revenue. For more information about which tier an organisation falls into, see Part 8: Reporting to Consumer Affairs Victoria in this Guide.

If the organisation is a 'tier one' association, its committee must submit the financial statements for that financial year to members at the first AGM. This statement must be a true and accurate view of the financial position and performance of the association. There must also be a certificate, signed by two committee members, certifying this.

If the financial statements have been distributed with the notice of meeting, the chairperson may ask the meeting if there is any objection to taking the statement as read. Otherwise the secretary may distribute copies of the statement to the meeting, allow time for reading, and then the treasurer will usually summarise its key points.

It is good practice for the meeting to pass a resolution approving the statement as an accurate record of the organisation's financial position in its last financial year (and authorising the secretary to lodge the organisation's annual statement with Consumer Affairs Victoria after the meeting). It is common for a member of the committee to propose this motion and for another to second the motion. The motion can be: 'I move that the statement be confirmed as a true and accurate record of the financial position of the incorporated association during and at the end of its last financial year, and that the secretary submit the statement to Consumer Affairs Victoria within one month of the date of this meeting.' Then a vote may be taken. However, if a member has any concerns about the statement, or considers that its details are not correct in some aspect, a member may propose a motion to correct them. The members may vote on whether the statement should be changed.

The chairperson (or other committee member) must sign a copy of the statement considered by members at the meeting (with any changes marked). The AIR Act requires a member of the committee (who attended the annual general meeting) to certify that the statement was presented to members. The organisations must keep this certification, and the financial statement, for 7 years.

8. Special business

Special business consists of matters placed on the agenda by the committee or the secretary. Special business may also be a proposed special resolution or some other important matter to be discussed. Note: there may be particular procedures for giving members notice of special business under your association's rules, and there are special notice requirements under the AIR Act for some matters (such as proposed special resolutions and resolutions to remove an auditor).

9. General business

At this stage of the meeting, any member may raise a question or an issue which has not yet been dealt with. These are usually minor matters, such as setting the date of the next meeting (which may be a regular yearly date, such as the first Monday in May, or another agreed date) or votes of congratulations, appreciation and/or farewells.

However, if a new resolution is proposed by a member, it should not be considered at that meeting because proper notice has not been given to all members. If additional matters of important business are raised at the meeting, it is best for the organisation to convene a further meeting (with sufficient notice to members) to consider the issues properly and vote on any resolutions. This is to avoid a situation where a member who didn't attend the meeting complains that they would have attended (and voted on the resolution) if they were aware it would be proposed.

Members who wish to raise complex issues should advise the chairperson of their intentions before the meeting, and provide a written copy of the motion they intend to move. (The rules of most organisations require this).

10. Close

It is usual for the chairperson to close the meeting and thank members for attending. The chairperson may invite everyone for refreshments after the close of the meeting.

Tool 16: Table of voting methods

This table outlines a range of voting methods. However, the most commonly used methods are:

- voting by show of hands
- voting by voices, and
- voting by count (particularly for important decisions or where voting is conducted by secret ballot)

Method	How to conduct the vote	How votes are counted	Comments
Show of hands	The chairperson asks those in favour of the motion to raise a hand and then repeats the process for those against.	The chairperson, often with assistance from the secretary, counts the votes and declares the result. The secretary records the result in the minutes.	This is the most common voting method. If the result is close, likely to be challenged, or a particular majority is required, it is good practice to count the votes rather than estimate the outcome. For larger meetings, tellers may be appointed to assist with counting and to help ensure that people do not vote more than once.
Standing Vote	Members indicate their vote by standing. The process is repeated for each side of the motion.	The chairperson, often with assistance from the secretary, counts those standing and announces the result. The secretary records the outcome in the minutes.	A standing vote can be easier to count than a show of hands and reduces the risk of votes being counted twice. If necessary, a record can be made of the names of members voting.
Voice vote (or applause)	The chairperson asks members to vote by saying ‘Aye’ or ‘No’. Voting by applause follows a similar process and is often used for votes of thanks.	The chairperson determines which response is stronger and announces the result. The secretary records the outcome in the minutes.	This method is quick but provides limited evidence of individual votes or voting numbers. It is generally not suitable for contentious matters or where a special resolution is proposed. For important decisions, a show of hands, division or count is usually preferable.
Division	The chairperson directs members voting in favour and against the motion to move to different areas of the meeting. As members move, their names may be recorded.	Members are counted as they move to the relevant side. The chairperson, secretary or appointed tellers record the votes and declare the result.	A division takes longer than a show of hands but provides an accurate and transparent record of voting. It is particularly useful where the outcome may be challenged.
Count	The secretary prepares voting papers containing details of the matter being voted on and distributes them to those entitled to vote. A record should be kept of the voting papers issued, including who received them. The chairperson explains the	Voting papers are collected by tellers and may be reviewed by scrutineers. If any vote is unclear or disputed, the scrutineers should consult the chairperson, who determines whether the vote is valid. The votes are counted and the result reported to the	A count takes longer than other voting methods but provides an accurate written record. It is particularly useful for special resolutions, close votes, contentious matters, votes involving proxies or direct voting, and situations where members have different voting entitlements. If counting will take some time, the chairperson may

Method	How to conduct the vote	How votes are counted	Comments
	voting process and eligible voters record their votes in writing.	chairperson, who announces the outcome.	defer other business until the result is available.
Ballot (elections)	The secretary prepares ballot papers listing the candidates or other relevant voting options and distributes them to those entitled to vote. A record should be kept of ballot papers issued. The chairperson explains the voting method, including any preferential voting requirements.	Ballot papers are collected and counted by tellers, who may be supervised by scrutineers. Any doubtful votes are referred to the chairperson for a ruling. The result is then reported to the chairperson and announced to the meeting.	Ballots are commonly used for committee and office holder elections. They are often conducted as secret ballots, meaning individual votes remain confidential. Secret ballots help reduce the risk of voters being influenced or pressured by others.

Tellers are the people responsible for collecting and counting votes.

Scrutineers are the people responsible for overseeing the voting and counting process and reviewing any doubtful votes.

Depending on the association's rules, the same person may act as both a teller and a scrutineer.

Tool 17: Flowchart for reviewing proxies

Do your organisation's rules ('constitution') allow proxy voting?

Yes

In some circumstances

No

Does the proxy form received meet all requirements of your rules?

- given at required time and place?
- contains all necessary details?

Yes

Do the circumstances (where proxy voting is allowed) apply here?

No

Is there a power of attorney?

Yes, there is a power of attorney

Is power of attorney current and valid?

Check document appointing the attorney to find out:

- is the power of attorney valid for a specific period of time?
- are there restrictions on power? (for example, is it a general power, so covers making decisions at meeting or appointing proxy?)
- check that power has not been cancelled (revoked)

Yes, the proxy meets all requirements of the rules

Is proxy valid?

- check proxy form is for this meeting
- any restrictions on power? (for example, does it limit how the proxy can vote on certain motions?)

Yes

No

Yes, power of attorney is current and valid.

Attorney can vote in person at the meeting or (if proxies are allowed) appoint proxy.

No, power of attorney is not current and valid.

Attorney cannot vote at the meeting or by proxy.

Is donor present at meeting?

Check if donor is voting on matter (if not, proxy can vote).

Attorney cannot vote at the meeting or by proxy

Yes

Tool 18: Sample wording for allowing direct voting in your rules

Below is sample wording that an association may include in its rules to permit direct voting by members.

Review the wording carefully and consider whether this approach is suitable for your association.

Note – This wording gives the committee discretion to permit direct voting at a general meeting. Members do not have an automatic right to vote directly at every meeting. The committee decides whether direct voting will be available for a particular meeting.

You may choose to adopt this wording as drafted, adapt it to suit your association's circumstances, or use different wording altogether.

The most appropriate approach will depend on your association's needs and governance arrangements.

> *'The committee of management may determine that at any general meeting of the Association, a member who is entitled to attend and vote on a resolution at that meeting is entitled to a direct vote in respect of that resolution.*
>
> *If the committee of management determines that votes may be cast by direct vote, the committee of management may specify the form, method and manner of casting a direct vote and the time by which a direct vote must be received by the Association in order for the vote to be valid.'*

Tool 19: Checklist for content of minutes

It is good practice to include the following in the minutes of a meeting:

Order	Description	Done
1	Name of your organisation and heading, for example, 'Annual General Meeting' (or 'Special General Meeting')	☐
2	Date, place and opening time	☐
3	Name of chairperson	☐
4	Names of members present (and their status if office holders) and other people present, such as observers (or reference to separate attendance register)	☐
5	Names of non-members who are attending (if any)	☐
6	Names of those people who have sent apologies (for not attending)	☐
7	Confirmation of previous meeting’s minutes	☐
8	Record of motions, resolutions and amendments	☐
9	Names of the people who move and second motions	☐
10	Short summaries of the debates on motions	☐
11	The method of voting on motions etc (for example, show of hands, count) and the numbers of votes for, against and abstaining	☐
12	The details of any proxy voting or direct voting	☐
13	Results of voting (for example, passed, rejected or adjourned, etc)	☐
14	Titles (and any relevant details) of documents or reports tabled	☐
15	(If relevant) cross references to previous minutes or policies of the organisation	☐
16	Committee minutes should approve or ratify all the organisation’s expenditure	☐
17	Details of next meeting	☐
18	Closing time	☐
19	List of tasks arising from the minutes and name of person responsible for each	☐
20	After minutes have been confirmed at the next meeting, signature of chairperson	☐

Tool 20: Conventions for drafting minutes

The table below is in two parts. The first sets out some common drafting conventions for minutes. The second provides guidance on drafting motions and resolutions.

Drafting minutes of meeting discussions

Convention	Explanation	Example
Use plain English	Minutes should be easy to understand, particularly for people who did not attend the meeting. Use simple words and short sentences where possible.	**Avoid:** 'Mr UB Sporty extrapolated that this fine sporting institution’s solar matt 500 water heating appliance with the white duco slimline control panel was performing consistently below its engineered benchmarks.' **Use:** 'Mr UB Sporty reported that the club’s hot water system needed urgent repairs.'
Use active voice where possible	Active voice is generally clearer and easier to read than passive voice.	**Avoid:** ‘The minutes were prepared by the secretary.' **Use:** ' The secretary prepared the minutes.' Passive voice may still be appropriate where the person responsible is unknown or does not need to be identified. For example: ‘Complaints were received from members.’
Use one tense consistently	Minutes are usually written in the past tense because they record events that have already occurred.	**Use:** ‘Ms L Little reported that she had received a letter from the Council.’ **Use:** ‘The committee considered that the hot water system was ....'
Summarise discussion rather than quote speakers	Minutes should generally record the substance of the discussion rather than reproduce people's exact words.	**Avoid:** 'Mr S Fry said: ‘I got a letter from the Council about and I think its position is unreasonable.' **Use:** 'Mr S Fry reported that he had received a letter from the Council and expressed concern about the Council's position.'
Remain objective and impartial	Minutes should record what occurred without editorial comment or personal opinion.	**Avoid:** ‘The treasurer angrily criticised the proposal.’ **Use:** ‘The treasurer expressed concern about the proposal.’
• **Exercise care when recording sensitive matters**	Avoid including unnecessarily defamatory, confidential or personal information. Record the issue	**Avoid:** 'Ms L Little said the builder had a history of stealing from organisations.'

Convention	Explanation	Example
	discussed rather than repeating potentially harmful comments. See discussion of 'Defamation' in part 6 of this guide: Special General Meetings.	**Use:** Concerns were raised about the builder's suitability for the project.'

Drafting motions and resolutions

Convention	Explanation	Example
Begin motions with the word 'that'	Starting motions in a consistent way makes them easier to read and record in minutes.	**Use:** 'That the treasurer's recommendation be adopted.'
Use 'be' rather than 'is'	When a motion begins with 'That', the word 'be' will often produce the correct grammatical structure.	**Avoid:** 'That the media release is adopted.' **Use:** 'That the media release be adopted.'
Draft motions in positive terms	Members should be able to vote 'yes' to support a proposal. Positive wording is usually clearer than negative wording.	**Avoid:** 'That the doors be not shut during the meeting.' **Use:** 'That the doors remain open during the meeting.'
Use separate paragraphs or subparagraphs for complex motions	Breaking complex motions into separate parts makes them easier to discuss, amend and vote on.	**Avoid** a single long motion covering multiple decisions, such as: 'That in addition to any other motions proposed this meeting resolve to thank the members of the Town Hall including Ms J Citizen for providing the refreshments and Mr B Room for making the accommodation available and instruct the secretary to send letters of thanks to Ms J Citizen and Mr B Room with a copy to Mr S Visor.' **Instead use:** 'That the secretary: (a) send a letter of thanks to Ms J Citizen for providing the refreshments (b) send a letter of thanks to Mr B Room for making the accommodation available, and (c) provide copies of these letters to Mr S Visor.'

Tool 21: Flowchart for confirming and verifying minutes of AGM

Minutes are taken during annual general meeting

The secretary prepares draft minutes and discusses them with the chairperson. Once finalised, the secretary distributes the draft minutes to the relevant members before the next meeting. Minutes of an AGM are often distributed with the notice of the next AGM.*

At the next AGM, members review the draft minutes. If members agree that changes are required, the secretary updates the minutes to reflect the agreed amendments.

At the next AGM, members confirm the minutes as an accurate record of the meeting.

At the next AGM, members confirm that the draft minutes accurately record what occurred at the previous meeting, but disagree with a decision made at that meeting.

The minutes must still be confirmed (see left), even if members disagree with the decision. However, a member may propose a motion to overturn or amend the earlier decision.

Members confirm the minutes of the previous meeting (including any agreed amendments) by passing a resolution.

The chairperson signs the minutes to verify them as a true and accurate record of the meeting.

The secretary stores the signed minutes securely in the minute book.

***Note**: If the minutes were not distributed before the meeting, allow attendees time to read them or have the secretary read them aloud before they are considered.

Tool 22: Checklist for notice of SGM

Order	Description	Done
1	**Check your association's rules, resolutions and policies for specific requirements, such as how much notice to give, what information should be included, and who it should be given to**	☐
2	**Content of notice:**	
	• as its heading, the word 'notice'	☐
	• name and registration number of the organisation	☐
	• type of meeting (that is, a general meeting of the organisation's members)	☐
	• date, time and place of meeting	☐
	• nature of business to be discussed at meeting	☐
	• any business that a member has requested (to the secretary in writing – including by fax or email) to be discussed at meeting (a notice of motion)	☐
	• date of notice	☐
	• directions to the meeting venue and disability access (optional)	☐
	• the secretary's contact details (optional)	☐
	• notice 'authorised by xx' (optional)	☐
3	**If relevant, the notice of special general meeting may also include:**	
	• the text of motions or resolutions to be considered at meeting (if a special resolution is proposed, include the exact wording of the resolution)	☐
	• any comments by the committee on the business to be dealt with at the meeting	☐
	• disclosure of the interest of any management committee member in the business to be dealt with at meeting (for example, a potential conflict of interest – see part 3 of this guide: Secretary's Legal Role, Powers and Duties)	☐
	• if the rules allow proxy voting, an explanation of how / when to appoint a proxy, and attach a proxy form	☐
	• if the rules allow direct voting, an explanation of how / when to vote directly before the meeting, and attach a direct voting form	☐
4	**The notice should also attach background information and documents (as appropriate), such as:**	

Order	Description	Done
	• minutes of the last general meeting (if relevant)	☐
	• reports from committee of management, staff or volunteers	☐
	• financial reports	☐
	• where appropriate, relevant background correspondence	☐
5	**Time for giving notice**	
	• check your association's rules, resolutions and policies for specific requirements (for example, 14 days before the meeting date). Note rules on how days are calculated	☐
	• if a special resolution is proposed, you must give 21 days' notice before the meeting date (section 64(2) of the AIR Act)	☐
6	**How to give notice**	
	• can be by email or post – check your association's rules, resolutions and policies for specific requirements (for example, notice in local paper)	☐
7	**Who to give notice to**	
	• usually all members of the association (check the register of members)	☐
	• in special circumstances, others (such as Consumer Affairs Victoria and/or auditor)	☐

Tool 23: Sample notice for SGM

In this part of the guide, a special general meeting means any general meeting other than an annual general meeting. A special general meeting is usually called for a particular purpose. In the example below, the meeting has been convened to consider and vote on a special resolution to change the association's name.

XYZ Club Inc (Registration No A00003333)

Notice of Special General Meeting

Notice is given that a Special General Meeting of the members of XYZ Club Inc will be held on *[date]*, at *[time]* at *[address]*.

The meeting will be for the purpose of considering and, if thought appropriate, passing the following special resolution:

That the name of XYZ CLUB INC. be changed to ZYX CLUB INC.

Note: This is proposed as a special resolution and must be passed by three quarters of the members who are present at the meeting and entitled to vote (in person or by proxy) on the resolution, and who do vote, in accordance with section 64 of the *Associations Incorporation Reform Act 2012* (Vic).

Comment by Management Committee: The Management Committee unanimously believes that a change of the club's name is in the best interests of all members. This is to prevent the club from being mistaken for another well-known club in the eyes of the public.

____

J. Citizen, Secretary, *[date of notice]*
by authority of the Management Committee

Proxies

A member entitled to attend and vote at the special general meeting may appoint a person to attend and vote at the meeting as the member's proxy. A proxy must be a member of XYZ Club Inc.

A proxy may be appointed by returning the proxy form (attached) to the secretary at the club's registered office at *[address]*, at least 24 hours before the commencement of the meeting.

Inquiries

All inquiries should be directed to the Secretary, Ms J Citizen, XYZ Club Inc, 123 Frank Street, Motown, telephone (03) 3333 0000, fax (03) 3300 3300, email j.citizen@xyz.org.au

Attached

Proxy Form

Tool 24: Table of voting methods for SGM

There are a number of methods for voting at an SGM. However, the most commonly used methods are:

- voting by show of hands
- voting by voices, and
- voting by count (particularly for important decisions or where voting is conducted by secret ballot)

These methods are the same as those set out in Tool 16.

Tool 25: Flowchart for confirming and verifying minutes in SGMs

Minutes are taken during special general meeting

The secretary prepares draft minutes and discusses them with the chairperson. Once finalised, the secretary distributes the draft minutes to the relevant members before the next meeting. Minutes of a special general meeting are often distributed with the notice of the next general meeting.*

At the next general meeting, members consider the draft minutes. If amendments are agreed, the secretary updates the minutes accordingly.

At the next general meeting, members confirm that the draft minutes are an accurate record of the meeting.

At the next general meeting, members confirm that the draft minutes accurately record the previous meeting, but disagree with a decision made at that meeting.

The minutes must still be confirmed (see left), even if members disagree with the decision. However, a member may propose a motion to overturn or amend the earlier decision.

Members confirm the minutes of the previous meeting, with any agreed amendments, by passing a resolution.

The chairperson signs the minutes to verify them as a true and accurate record of the meeting.

The secretary stores the signed minutes securely in the minute book.

***Note**: If the minutes were not distributed before the meeting, allow attendees time to read them or have the secretary read them aloud before they are considered.

Tool 26: Checklist for notice of committee meeting

Use this checklist to prepare a notice of a meeting of the committee or other governing body of the association (sometimes called the board).

Note: Committee meetings are generally less formal than general meetings. The association's rules may set out specific notice requirements or allow the committee to determine its own notice procedures (for example, by permitting notices to be sent by email).

Order	Description	Done
1	**Check your association's rules, resolutions and policies for specific requirements, such as how much notice to give, what information should be included, and who it should be given to**	☐
2	**Content of notice:**	
	• the name and registration number of the organisation	☐
	• type of meeting (that is, committee meeting)	☐
	• date, time and place of meeting	☐
	• if necessary, nature of business to be discussed at meeting (for example, if it is a 'special' meeting, why meeting is being held)	☐
	• date of notice	☐
	• directions to the meeting venue and disability access (optional)	☐
	• secretary's contact details (optional)	☐
	• notice 'authorised by xx' (optional)	☐
3	**If relevant, the notice may also include:**	
	• the wording of motions or resolutions to be considered at meeting	☐
	• disclosure of the interest of any committee member in the business to be dealt with at meeting (for example, a conflict of interest – see part 3 of this guide: Secretary's Legal Role, Powers and Duties)	☐
4	**The notice should also attach background information and documents, such as:**	
	• minutes of the last committee meeting	☐
	• reports from staff, subcommittees or volunteers	☐
	• financial reports	☐

Order	Description	Done
5	**Time for giving notice**	
	• check your association’s rules, resolutions and policies for specific requirements (for example, if the meeting is being held to discipline a member of the organisation). Under the new model rules 7 days’ notice is required for all committee meetings other than urgent committee meetings	☐
	• if none, the time of service must be 'reasonable' in the circumstances – good practice is at least one week	☐
6	**How to give notice**	
	• check your association’s rules, resolutions and policies for specific requirements, including use of technology. Note the AIR Act permits the use of technology at committee meetings	☐
7	**Who to give notice to**	
	• all committee members	☐
	• usually also the Chief Executive Officer and secretary (if they are not also committee members themselves)	☐
	• in special circumstances, others (for example, any invited guests, a member who is to be disciplined)	☐

Tool 27: Checklist for content of minutes in a committee meeting

It is good practice to include the following information in meeting minutes:

Order	Description	Done
1	Name of your organisation and heading, ie. 'Committee Meeting'	☐
2	Date, place and opening time	☐
3	Name of chairperson	☐
4	Names of office holders present and other people present, if relevant, such as observers (or reference to separate attendance register)	☐
5	Names of those people who have sent apologies (for not attending)	☐
6	Confirmation of previous minutes	☐
7	Record of motions, resolutions and amendments	☐
8	Names of the people who move and second motions	☐
9	Short summaries of the debates on motions	☐
10	The method of voting on motions etc. (for example, show of hands, count) and the numbers of votes for, against and abstaining	☐
11	Results of voting (for example, passed, rejected or adjourned, etc.)	☐
12	Titles (and any relevant details) of documents or reports tabled	☐
13	(If relevant) cross references to previous minutes or policies of the organisation	☐
14	Committee minutes should approve or ratify all the organisation’s expenditure	☐
15	Details of next meeting	☐
16	Closing time	☐
17	List of tasks arising from the minutes and name of person responsible for each	☐
18	After minutes have been confirmed at the next meeting, signature of chairperson	☐

Tool 28: Flowchart for confirming and verifying minutes in a committee meeting

The secretary takes minutes during the committee meeting

The secretary prepares draft minutes and reviews them with the chairperson before distributing them to committee members before the next meeting. Minutes of a committee meeting are often distributed with the notice of the next committee meeting*.

At the next committee meeting, members consider the draft minutes. If amendments are agreed, the secretary updates the minutes accordingly.

At the next committee meeting, members confirm that the draft minutes are an accurate record of the meeting.

At the next committee meeting, members confirm the minutes as an accurate record of the previous meeting, but disagree with a decision made at that meeting.

The minutes must still be confirmed (see left). However, a member may propose a motion to overturn or amend the earlier decision.

Members confirm the minutes of the previous meeting, with any agreed amendments, by passing a resolution.

The chairperson verifies the minutes by signing them as a true and accurate record of the meeting.

The secretary stores the signed minutes securely in the minute book.

*** Note:** If the minutes were not distributed before the meeting, allow attendees time to read them or have the secretary read them aloud before they are considered.

Tool 29: Flowchart for preparing and lodging an annual statement with CAV (where required)

The association **prepares** its financial statements and completes any required review or audit before the AGM.

The **financial statements** must:

- include details of the association's income, expenditure, assets and liabilities
- include required information about any trusts administered by the association, and
- be certified by two committee members

The association **presents** the financial statements (and any required reviewer's or auditor's report) to members at the AGM.

Members should have an opportunity to consider the financial statements and ask questions before any resolution is put to the meeting.

At the AGM, members may pass a resolution approving the financial statements (with or without amendments) and authorising lodgement of the annual statement.

At the AGM, or as soon as practicable afterwards, a committee member must certify that:

- they attended the AGM, and
- the financial statements were presented to members at the meeting

The secretary **completes** the annual statement and gathers the documents required for lodgement.

If required, the association must lodge an annual statement with CAV through the myCAV portal.

Supporting documents and the applicable lodgement fee must be provided. Requirements vary depending on the association's reporting tier.

Associations registered with the ACNC may be exempt from lodging an annual statement with CAV.

The secretary **lodges** the annual statement and supporting documents with CAV within the required timeframe.

The annual statement must generally be lodged within one month after the AGM.

Annual statements are lodged through the myCAV portal.

If additional time is required, the secretary may apply to CAV for an extension of time under the AIR Act. An application fee applies.

The association **keeps** the required records for at least seven

The association must retain financial statements, the committee member's certificate and any documents lodged with CAV for at least seven years.

justice connect