



Queensland's *Associations Incorporation Act 1981* underwent a comprehensive review and the *Associations Incorporation and Other Legislation Amendment Act 2020* was passed by Queensland Parliament on 16 June 2020.

Some of the approved amendments bring the Act into line with other similar legislation around the country. Changes took effect incrementally, with some commencing immediately from June 2020 and others rolling out over the following years.

### Key changes include:

- ➔ You can now hold general meetings using technology such as video conferencing, even if your constitution doesn't provide for this.
- ➔ The maximum penalty for a breach of multiple sections of the Act has been increased to 60 penalty units.
- ➔ Duties of officeholders are better aligned with company directors' duties, including duties to:
  - Disclose material personal interests
  - Exercise care and diligence
  - Act in good faith
  - Not improperly use position or information to gain benefit
  - Prevent insolvent trading

**A material personal interest** refers to a situation where a committee member's personal or financial interests might influence, or seem to influence, their ability to make unbiased decisions in the organisation's best interest.

- ➔ Secretary must be 18 years or older.

- ➔ Any remuneration or benefits paid to management committee members and senior staff members, and their relatives, need to be disclosed at the AGM.
- ➔ Should your members decide to wind up your association, the voluntary cancellation process has been simplified.
- ➔ Management committee members now have the power to appoint an administrator to place their association into voluntary administration.

**Voluntary administration** is a process undertaken when an organisation is facing financial difficulties. It involves appointing an administrator to help the organisation navigate its financial troubles, with the aim of keeping the organisation operational or, at least, maximising returns for creditors.

- ➔ Associations no longer need to have a common seal.
- ➔ Associations that are also Charities only need to report to the Australian Charities and Not-for-profits Commission (ACNC), not the Office of Fair Trading (OFT).
- ➔ Your association's constitution needs to include an internal grievance procedure for dealing with disputes and this procedure must provide for mediation.