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Setting Up a Not-For-Profit and Raising Funds

SECTION FIVE
THE CARER PEER SUPPORT GROUP
FACILITATOR GUIDE

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Registering and Incorporating a Group

At the start, your carer support group may be fairly informal but over time it might grow and develop into a more formalised structure.

Regardless of how your carer support group begins, you may at some point want to raise funds to progress the group or for a specific project.

To be eligible to apply to some bodies for funding you may need to be a registered group. It may also help to open a bank account in the group's name.

Be clear about the purpose of your group and how it would benefit by becoming a registered association. Your carer support group, legally and financially, would be classified as a not-for-profit organisation.

Auspiced and Affiliated Groups

If financial activities are not regular or you remain small with limited financial means or activity, you may be able to become auspiced by, or an affiliate of, an existing established organisation such as a community health centre or neighbourhood house.

Advantages of these arrangements may be:

- › use of meeting rooms with public liability insurance cover
- › use of equipment
- › use of kitchen facilities for tea, coffee, etc.
- › being covered by their insurance
- › assistance with funding applications under an auspicing organisation.

Registered Groups

There are generally two types of registered not-for-profit associations. They are:

Unincorporated associations

- › An unincorporated association is a group of people who agree to act together as an organisation and form an association. The group can remain informal and its members make their own rules on how the group is managed. The rules may also be referred to as a constitution. The individual members are personally responsible for the association's activities.
- › An unincorporated association is not recognised as a separate legal entity to the members associated with it.
- › An unincorporated association is an entity under tax law and treated as a company for income tax purposes.

Incorporated associations

- › An incorporated association is a legal entity separate from its individual members. Associations are incorporated under the state or territory legislation in which they operate.
- › An incorporated association can continue regardless of changes to membership.
- › Incorporated associations have a number of responsibilities such as financial record keeping and reporting, following constitutional rules and holding annual general meetings.
- › Financial protection is provided to individuals by limiting personal liability to the organisation, not individuals, by being able to take out insurance.

TO BECOME AN INCORPORATED ASSOCIATION IN VICTORIA

You must register with Consumer Affairs Victoria.

Full details are available at www.consumer.vic.gov.au/clubs-and-fundraising

Alternatively, you can phone 1300 55 81 81.

IF YOU WANT TO OPERATE BEYOND VICTORIA

You will need to register with the Australian Securities and Investments Commission (ASIC).

For full details visit www.carersvic.com.au/asic

Starting a Not-For-Profit Organisation

To access the most comprehensive government information on establishing not-for-profit organisations visit the following websites:

- › Australian Taxation Office www.ato.gov.au/Non-profit
- › the Australian Charities and Not-for-profits Commission www.acnc.gov.au
- › the Australian Securities and Investments Commission www.asic.gov.au

Justice Connect www.justiceconnect.org.au is also a useful resource and provides a clear explanation of incorporation options and processes in Victoria. Their not-for-profit law service provides free and low-cost legal resources, training and advice to community organisations.



This is not legal or financial advice.

Consult an accountant or lawyer before making any decisions.



TIP Prior to registering for incorporation be clear about the purpose and objectives of the group. Establish the boundaries and structure.

This work will need to be completed prior to writing the constitution. This should be documented in the *Terms of Reference*.

Terms of Reference

A “Terms of Reference” (TOR) is simply a description of the aims and structure of your carer support group. The aims and structure of the group will depend on what the people in the group want to get out of it. What are the expectations of the group? Do members want an informal group that meets for a cup of tea and a chat? Or do they want something more formal with structured discussions and regular guest speakers?

It is a good idea to discuss everyone’s ideas and expectations at the first meeting. You may like to brainstorm, using a white board or go around the circle asking what everybody would like to get out of the carer support group.

Your TOR should address:

- › vision and objectives of the carer support group (i.e. what you want to achieve)
- › members, roles and responsibilities (i.e. who will take part in it)
- › resources, financial plan (i.e. how it will be financed)
- › relationships with other bodies/associations/community.

At the end of your discussion it is important to agree upon the TOR and document them. Each member of the carer support group should be provided with a copy.

Committee Roles

Some carer support groups prefer to keep their roles and committees very informal, while other carer support groups like to be more formal and assign roles or committees for the group.

At your first meeting you should discuss each role and decide who is the best person for these roles. Some roles may be shared if this is more suitable for members. It is ideal to have more than one Facilitator or Coordinator; for example, to share the task and to help the group dynamics.

Below is a list of possible roles

Facilitator or Coordinator

- › Runs and leads the meeting.
- › The contact person for the carer support group for telephone enquiries and mail.
- › Informs relevant organisations of the aims of the carer support group and asks for their support.

Secretary

- › Looks after paperwork, maintains membership details, types up meeting minutes, sends out meeting reminders etc.

Treasurer

- › Pays the bills, receives incoming money, keeps accurate financial records.

Communications or Publicity Officer

- › Promotes the group through media releases, group newsletter, emails, flyers, social media.

General committee members

- › Help with decision making and other tasks as needed.

Fundraising

In Victoria, individuals and organisations do not need to register to fundraise if less than \$20,000 gross in a financial year is raised using only unpaid volunteers and meet other exempt requirements. However, there are strict requirements if you expect your event or activities will exceed that amount.

Please check with Consumer Affairs Victoria for details before starting any fundraising www.carersvic.com.au/consumervic or phone 1300 55 81 81 as these requirements may change over time.

Donations

Some businesses or individuals may wish to make a donation to your carer support group. They may also request a tax-deductible receipt for their donation. To be able to provide them with such a receipt your carer support group will have to become a registered 'Deductible Gift Recipient' (DGR).

This means that your group will need to be registered with the Australian Charities and Not-for-profits Commission (ACNC).

See their website www.acnc.gov.au or phone 13 22 62 for more detail.

Please note Government and legal requirements can change from time to time. Check directly with these bodies when you are setting up or undertaking these activities for exactly what is required at the time.

Sponsorship

Seeking sponsorship from local businesses or other groups is another way to fund your group.

For example:

- › local businesses such as the local supermarket
- › local Lions Club or Rotary Club
- › RSL or CWA groups
- › local council
- › cultural groups.

This sponsorship could be 'in-kind' or practical rather than monetary. For example, use of the Senior Citizens club room for holding your meetings, or the Lions Club holding a sausage sizzle at an event you hold.

Registering for an Australian Business Number (ABN)

An ABN is a unique number which identifies your organisation with the Australian Taxation Office (ATO) and other government agencies. You do not need to have an ABN, but it can be helpful for reasons including:

- › registering your group's name so no other group can use it
- › it is needed for applying to be a Deductible Gift Recipient
- › dealing with invoices from suppliers
- › claiming GST
- › can be helpful if setting up a bank account for the group
- › applying for grants.

If you decide to register your carer support group for an ABN there are several steps to follow all of which can be done online:

- › Check whether the name of your group is available on ABN LookUp at www.abr.business.gov.au
- › Register your organisation with the Australian Business Register at www.carersvic.com.au/abrgov or phone 13 92 26.
- › You will also need a tax file number (TFN). You can apply for an ABN and a TFN at the same time.
- › Visit the ATO website at www.carersvic.com.au/ato for full details as tax may be payable.

For more information about an ABN, GST registration and taxation issues, talk to an accountant or phone the Australian Taxation Office on 13 28 66.

Insurance

Your carer support group's insurance requirements depend on how your carer support group is structured, where you meet and if you are affiliated or auspiced with any other organisations.

In Victoria all incorporated associations must indemnify its office holders for liabilities they incur in good faith while performing their duties. This means that any expenses the office holder incurs on behalf of the association must be reimbursed.

The group should take out insurance which is tailored for not-for-profits. Make sure it covers all 'directors and officers' to ensure personal coverage for members.

The main types of insurance are:

Public liability insurance

This type of insurance protects your carer support group against paying compensation to a third party who suffers loss, injury or property damage as a result of a mistake or negligence by your group or by one of your members.

Personal accident insurance

This type of insurance covers the carer support group against costs that may arise from a member being injured through an accident that occurred as a result of, or while, attending your meeting or activity. Sometimes known as Volunteer Insurance.

Directors and officers insurance or association's liability

This policy covers the personal liability of carer support group members if they make an organisational decision that causes such acts as causing financial loss to another person or to the group, asks someone to undertake a dangerous activity which results in loss, or are negligent. If you have public liability insurance you may not need this type of insurance.



TIP When considering your insurance needs, check with Consumer Affairs Victoria and insurance brokers who specialise in insuring not-for-profit organisations before making any decisions.

See Justice Connect's Not-for-Profit Law Program at www.nfplaw.org.au for more detail on Insurance and Risk Management for Community Organisations.



TIP Being auspiced by or affiliated with another organisation might mean that their insurance may cover your meeting place, and activities needs. If considering these arrangements, be sure to ask about insurance coverage.

Where to Apply for Grants and Funding

The most comprehensive guide we know of about where to and how to apply for grants and funding comes from www.ourcommunity.com.au

This includes grants and funding from government, businesses, philanthropic foundations and not-for-profit organisations.

There are also ideas about crowdfunding and setting up donation platforms.

Community fundraising and grants information can be found here:

- › www.fundingcentre.com.au
- › www.fundingcentre.com.au/help/grantseeking-basics

Other sources for seeking funding and grants include:

- › State government grants for self-help groups www.dffh.vic.gov.au/grants
- › A full list of Victorian state government grants www.vic.gov.au/grants
- › Most councils in Victoria offer annual community grants for small groups. Visit your council's website and search for "community grants" or simply call and ask
- › Local banks and businesses can also be a good source and worth developing a relationship with. For example, the Bendigo Bank www.carersvic.com.au/bendigobank, or
- › Community organisations such as Lions Clubs.

For details on becoming incorporated and other legal requirements for receiving grants and funding see page 1.

Grant Application Tips

- › Plan your project properly
- › Read the guidelines and criteria
- › Answer the questions
- › Don't replicate what's already being done in your area
- › The funder wants to know what the benefits and outcomes will be
- › Spend time on your budget
- › Get someone else to proofread.



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