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AMSA's Comprehensive Guide for Men's Shed Committees

February 2020

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SECTION 1: Where Do We Start?

1.1 How can this guide help?

This guide is intended to help Committees (and members who are new to Committees) to settle in at the beginning of taking office. It contains information to assist you in going about the job of dealing with Committee responsibilities and guidelines as well as ways Committees can run with a minimum of fuss and bother. It covers many of the more commonly asked questions that will arise for your Committee during the year.

It does not cover every aspect of Committee administration but it will assist you to deal with most of the usual problems and tasks that come up.

Some of the functions, responsibilities and processes described in the guide may appear complex however experience shows that all Committees can benefit by the application of some simple rules for meeting procedures, Shed operations and financial management.

1.2 Committees of Management

The affairs of an incorporated association are managed by the Committee of Management, which may exercise the powers and functions of the Association, subject to the Act, the regulations and the rules of the Association. The roles of Committees and the responsibilities associated with the positions of office bearers are generally much the same.

Committees of Management are usually responsible for making policies, applying for government funding, understanding legislative compliance, arranging insurances, health and safety, financial management and all things that come with being an official operator of an organisation.

1.3 What is the Role of the Committee?

The Committee's duties include:

- i.** Ensuring that the group is efficiently organised to carry out the aims of its Constitution
 - ii.** Carry out the instructions given to it by the members in general meetings
 - iii.** Giving the members adequate information about the Committee's actions so that these actions can be either endorsed or questioned
 - iv.** Ensuring that office-bearers perform their functions adequately
 - v.** Ensuring that any sub-committees of the group carry out their functions as instructed
 - vi.** Providing an evaluation of the preceding year and recommendations for the next year
 - vii.** Obtaining information about previous policies and initiatives of the group to ensure they are successfully continued or altered if necessary
 - viii.** Forward planning through the preparation of a strategic plan. This plan provides the basis for setting and working towards change, establishing priorities, assessing the financial implications of what it wants to do and for regularly reviewing its progress.
 - ix.** Handing over appropriate written records and written or oral reports to new Committee members so that proper continuity is maintained
 - x.** Ensuring that the finances are managed efficiently and effectively
 - xi.** Ensuring that any legal requirements are met.
-

1.4 Committee Code of Conduct

Every Management Committee member:

1. Must act honestly, in good faith and in the best interests of the Men's Shed
 2. Has a duty to use due care and diligence in fulfilling their role and exercising powers attached to that role
 3. Must use powers of their position for a proper purpose, in the best interest of the Shed
 4. Must recognise that the primary responsibility is to the Men's Shed as a whole but should, where appropriate, have regard to the interests of all stakeholders in the Men's Shed
 5. Must not make improper use of information acquired as a Committee member
 6. Must not take advantage of being in the position of Management Committee member
 7. Must not allow personal interests or those of associated persons to conflict with the interest of the Shed
 8. Has an obligation to be independent in judgement and actions, to take all reasonable steps to be satisfied as to the soundness of all decisions taken by the Management Committee
 9. Has an obligation to ensure that confidential information remains the property of the Shed from which it was obtained-it is improper to disclose it unless that disclosure has been authorised from the person from whom the information is provided or is required by law
 10. Should not engage in conduct likely to bring discredit to the Men's Shed
 11. Has an obligation, at all times, to comply with the spirit as well as the letter of the law
-

1.5 Good Governance

Governance is the process of decision-making and the processes by which decisions are implemented or not implemented. Governance involves the processes and systems by which your organisation operates. Good governance should:

- Enable all to participate
- Be focussed on consensus
- Be accountable and transparent
- Respond to members needs
- Be effective and efficient
- Be equitable and inclusive

Good Governance includes:

- Accountability
- Stewardship and Leadership
- Authority, Direction and Control

Good governance assures that:

- Dishonesty is curtailed
- The views of the minority are taken into account
- All voices are heard in decision-making
- It is responsive to the present and future needs of the organisation.

The development of a governance model for an individual Association should include:

- Training for Committee members
 - Completion of Strategic and Business plans
 - The budgeting process and its regular review
 - The development of comprehensive policies and procedures
 - A review of communication tools used and their effectiveness
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SECTION 2: Specific Roles

Each Committee has its own individual make up and this guide is not meant to confine your Committee's prescribed number of office bearers or styles of operation. Some Committees prefer to have a minimum number of office bearers and set up groups or sub-committees to do particular jobs while other Committees prefer large numbers of office bearers.

Your Constitution will set out your Shed's position and basic requirements. Each Committee:

- Has a President/Chairperson, Secretary and Treasurer.
- Should have a minimum number of members but not all have to be office bearers.

Taking the role of President/Chairperson, Secretary or Treasurer can be a big step and can sometimes be confusing and time consuming.

2.1 The President/Chairperson

The Role of the President

- i. Committees tend to favour 'President' over the term Chairperson. Therefore, for consistency, this guide uses President when referring to the role of the most senior executive position on a Committee and '*Chairperson/Chair*' when referring to the function of managing meetings.
- ii. The President coordinates things to ensure that all Committee members have the opportunity to play an active role and everyone feels informed and included.
- iii. Usually the President chairs Committee meetings. As Chair, the President, or anyone acting in the President's absence, is responsible for keeping the meeting on track and encouraging full and balanced participation by all members.
- iv. It can be a tricky balance getting the work done in Committee meetings. A good President is a motivating force, steering the Committee through its responsibilities and creating an environment where everyone feels able to make a contribution and work together productively.
- v. The President has to be impartial and unbiased when it comes to decisions and discussion. This does not mean the President cannot have a say but that the President, as a first priority, makes sure that all views are given equal consideration.

2.1.1 The President's Overall Responsibilities

1. To co-ordinate the work so that it is shared as equally as possible and still gets done
2. To liaise between the Committee and outside bodies
3. To prepare the Annual Report and deliver the report to the Annual General Meeting
4. To act as a representative of the Committee, making sure to express only the views of the Committee, not personal ones
5. To call and chair all general meetings of the Committee
6. To encourage full and balanced participation by all the members
7. To be sensitive about any differences of opinion that arise, resolution if required to make sure that the Committee can continue to work effectively together
8. To make sure there is a quorum as required by the Committee's Constitution
9. To open, manage and close meetings and keeping order
10. To welcome members and thanks them for any work done outside the meetings
11. To keep the discussion focussed on the business of the meeting, making sure that the important things get done first and other things are held over, if necessary
12. To clarify points and summing up discussions to bring them to a close where needed
13. To make sure everyone understands the decisions being considered
14. To work with the Secretary to ensure minutes are an accurate record of the meetings

Please Note

- i.** In an **emergency or in an urgent situation**, the President can make decisions on behalf of the Committee, ***but a word of warning should be added***: this kind of decision-making should be avoided as much as possible.
 - ii.** If the issue cannot wait until the next meeting, other Committee members should be contacted before a decision is made.
When no one else can be contacted and something must be done immediately, then President can act on behalf of the committee- this should be done **as a last resort**
 - iii.** Decisions of this nature should be reported to the Committee **as soon as possible**.
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2.2 Vice President

- i.** Can support the President and take on some of the responsibilities
 - ii.** Needs to be able to act as chair if the President is unable.
 - iii.** Is a backup in all areas of responsibility
 - iv.** Can share tasks or do them with the President
 - v.** Will also be part of the Executive Committee
 - vi.** Could work with sub-committees or take responsibility for a specific sub-committee
 - vii.** Can be someone learning about the chairing job from the Chairperson. This is a good way to help develop new skills within your Committee.
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2.3 The Secretary

- 1.** Sends out notices of the date, time and location arranged for each Committee meeting
- 2.** Prepares the agenda for each meeting, in consultation with the President
- 3.** Opens all mail addressed to the Committee and reads the mail before each meeting to pick out the important information which then makes it easier for the Committee to deal with correspondence
- 4.** Keeps an accurate record of members and Committee members to show who is entitled to vote and to receive notices
- 5.** Prepares a list of visitors and apologies for the Chair
- 6.** Makes sure that the minutes are kept of valid meetings and the decisions made - these are distributed to members
- 7.** Should be a suitable, friendly contact person for new members, answering enquiries, liaising with officials, organisations, affiliated bodies and government departments
- 8.** It is the Secretary's role to make sure that all correspondence is dealt with appropriately. This can mean bringing to the attention of the President any urgent correspondence needing a response prior to the next general Committee meeting. The Secretary should acknowledge each letter promptly.
- 9.** Is essentially the record keeper for the rest of the Committee
- 10.** Takes the minutes and keeps the official documents of the Committee including the Constitution, policies, list of members, correspondence and any other documentation regarding the operations of the Committee
- 11.** Normally passes on to the Treasurer the accounts and other financial documents, which the Treasurer is delegated to keep
- 12.** Provides valuable support to the President in making the Committee meetings run as smoothly as possible.

In some Committees, particularly the smaller and less formal Committees, the duties of the Secretary may be amalgamated with the Treasurer role.

2.4 The Treasurer

The main focus of the Treasurer's role is to ensure that the Shed's finances are kept in good order and recorded correctly.

Experience has shown that in the majority of cases, Treasurers are quite capable of maintaining a set of books, but most use different methods. A uniform method that is acceptable for audit purposes and simple to operate is important.

You can use a computer to keep the records by using specific programs or even a simple spreadsheet.

But remember that you may not be Treasurer in the next financial year. The next person to take on the task may not have a computer and software or the skills that you do.

In any Association, it is normally the Treasurer who has direct responsibility for looking after the financial affairs. However, overall financial responsibility rests with the entire Committee.

A good Treasurer needs to be:

1. Well organised
2. Able to allocate regular time periods to maintain the books
3. Able to keep good records
4. Careful handling money and cheques
5. Able to work in a logical, orderly manner
6. Be aware of information that needs to be kept for the annual audit
7. Able to ask for help with financial matters when needed.

2.4.1 Important Rules for a Treasurer

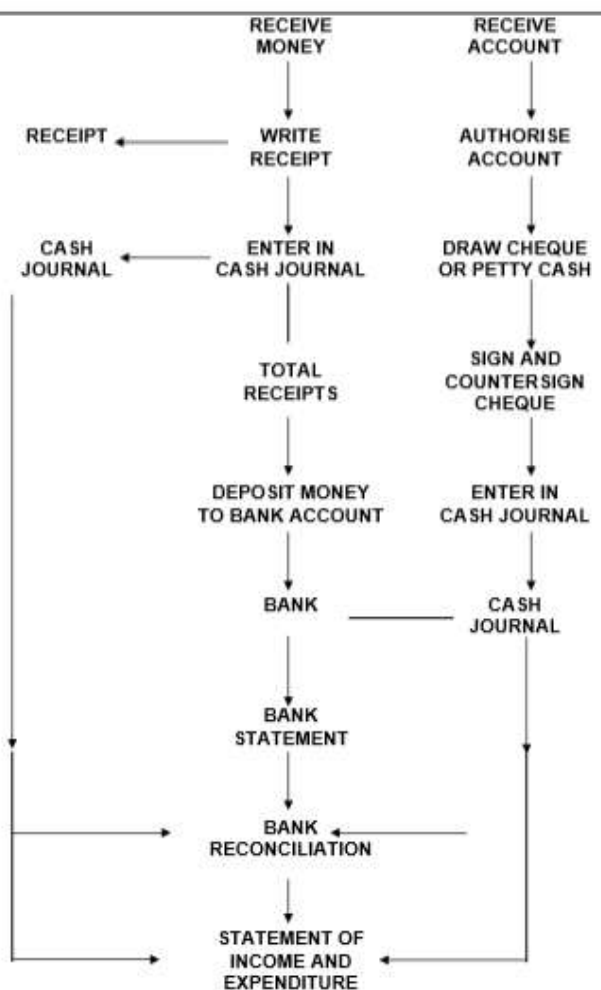
- a. Write a receipt for all monies received
- b. Pay all accounts, preferably by cheque/internet banking so that bank statements can form part of financial records
- c. Record all receipts and payments in the cashbook. Keep the entries up to date
- d. Develop and implement policies and procedures about electronic banking and authorising payments by transfer
- e. Prepare monthly statements of receipts and payments, as well as a bank reconciliation **at the end of each month**
- f. Maintain a Petty Cash Book
- g. Ensure an audited financial statement is prepared at the end of the financial year.

A Treasurer needs to have the following equipment and materials:

1. Ledger for inward and outward money (i.e. Cashbooks)
2. Calculator
3. Receipt book for monies received
4. Index filing system for invoices and statements paid
5. Financial institution deposit books and chequebooks
6. Petty cash tin
7. Copies of previous financial records (from your predecessors).

SECTION 3: Financial Management

3.1 Finances Flowchart



3.2 Rules for Financial Operations

Maintaining and presenting financial records is one of the most important tasks in the administration of the Men's Shed, from both operational and legal viewpoints. It is therefore common for financial procedures to be documented in the Constitution or model rules.

Procedures may include:

- Authorisation of office bearers to operate the group's bank accounts (signatures may be required from two or more persons)
- Limits on expenditure which may be authorised by the Treasurer without reference to the full Committee i.e. Financial Delegations
- Requirements for financial reporting
- Audit requirements

3.3 Financial Documents

The accepted minimum record keeping arrangement involves:

1. Receipt book

- Duplicate pages
- Should have sequentially numbered pages (usually 100)
- Where practical, only one book should be used at any one time
- Should be used for **every** amount of money received.

2. Deposit book

The bank, or other nominated financial institution, provides a deposit book whenever an account is opened. A deposit book is used to record all cheques and cash that have been received and banked.

3. Chequebook

The financial institution provides chequebooks, usually with the group's name printed on the cheques. Some banks charge a service fee and/or charge for chequebooks. Treasurers should look around various financial institutions for an account that suits their requirements and operations. The chequebook is used to pay expenses and there should be a rule that requires two signatures on each cheque for it to be passed by the bank. Proper authorisation should precede the drawing of any cheque.

4. Petty Cash

The preferred method of reimbursing expenses in cash is to have a Petty Cash book system.

- Establish a float- draw a cheque, for example, \$50 cash and keep in a locked cash tin.
- Reimburse small expenses from this money, **on production of a relevant receipt**. This tin must be kept in a secure place.
- Complete a petty cash voucher and attach the receipt for reconciling at a later date
- To reconcile, the vouchers plus the remaining cash must total the original float (\$50)
- To replenish the tin, a cheque is drawn for the amount spent on the vouchers
- To record in the Cash Payments Journal, the cheque amount should be dissected across the columns in accordance with the vouchers and the type of expense incurred. An exercise book will be sufficient for a Cash Payments Journal.

5. Cash Receipt Journal

- The cash receipt journal is a summary listing of the money received according to the receipt book.
- Each receipt is allocated to a column- at the end of each month, the totals can be included in the Treasurer's reports to the Committee
- A money column book is recommended for this type of journal and the number of columns depends on the number of different types of receipt expected.
- The last column in each book should be a **SUNDRY** to cope with any extra categories of a small number.
- The pages of the journal should be sequential
- Interest that shows up on the bank statement should be recorded in the journal to ensure that the bank reconciliation balances at the end of the financial period.
- Group receipts to match what is banked on a given day.

6. Cash Payments Journal

- A summary of the chequebook/internet banking and a money column book like the cash receipts journal
- Size depends upon the number of different types of expenses incurred by the Shed
- Numbers should be sequential
- At the end of every month there will be expenses such as bank fees that must be written into the journal so that the bank reconciliation will balance and the payments of the group will be accurate.
- It is essential to enter cheques when drawn-not the date they were presented at the bank.

7. Bank Reconciliation

- At the end of the month all receipts and payments should be totalled to ensure that the entries agree with bank deposits and withdrawals - *bank statement*.
- When reconciling the bank statement with the cashbook, it is necessary to check for outstanding deposits and cheques and for bank and government charges. Also deposits and cheques which have carried over from the previous month need to be included.
- The process of bank reconciliation is necessary to find out what the current status of the group's finances - the amount of money that a group has at its disposal at a given date.

8. Receipts and Payments - Summary and Reporting

- The Treasurer should prepare a report on the financial standing of the Shed each month. This coincides with the monthly Committee meeting.
- The report informs the Committee of money received and should confirm that accounts passed for payment at the previous meeting were actually paid.
- The process then starts again, as the Treasurer or other Committee members may have accounts needing to be passed for payment.
- A statement of receipts and payments does no more than show the amount of cash received, paid and cash remaining. It does not provide the broader picture of what is owed to, or owed by, the Shed.

9. Internet Banking

- At the end of the month all transactions should be totalled to ensure that the entries agree with bank statement.
- Authorisation of office bearers to operate this facility must be in place
- Limits on expenditure which may be authorised by the Treasurer without reference to the full Committee

10. Credit Cards

- Authorisation of office bearers to operate this facility must be in place including limits and circumstances under which it can be used
- Limits on expenditure which may be strictly monitored authorised by the Treasurer and full Committee
- At the end of the month all transactions should be totalled to ensure that the entries agree with bank statement.

3.4 Treasurer's preparation for the Annual Report

At the Annual General Meeting (AGM), the Treasurer presents the audited financial report. It is dealt with in the same way as the other reports and the Treasurer can move a motion that the report be accepted when the President calls for it.

Note: It is worth having all reports prepared and typed before the meeting and having copies to hand out at the meeting or sent to members before hand. This can make the meeting run more smoothly and avoids the Treasurer having to read out something that can be complicated.

The overall financial position of the Shed can be shown in two ways, the first through an income and expenditure statement and the second through a balance sheet.

The balance sheet aims to provide a 'snapshot' of the financial health of the Shed by comparing its assets (what it owns) with its liabilities (what it owes) at a point in time. It will indicate the net worth of the Shed.

Understanding a Balance Sheet

- Items that the Shed owns are called **assets**
 - Those assets which can be converted into cash within a twelve-month period are called **current assets**- include cash, materials, accounts receivable (any money that is owing which can be expected to be received) and prepaid expenses
 - Those that the Shed will own for more than one year are called **fixed assets**-include land, buildings, furniture and tools and equipment
For some of the fixed assets the value is reduced each year to allow for their loss of productive efficiency. The amount by which they are reduced is called **depreciation**
 - The total monies owed are termed **liabilities**
 - Debts to be repaid within twelve months are called **current liabilities**- include short-term loans and accounts payable
 - Debts to be repaid after 12 months are **non-current liabilities**- include long-term loans.
-

3.5 Budgeting

- The most important task which faces a Committee is the preparation of an Annual Budget- the Treasurer takes a leading role
- A well planned budget makes everyone's job easier throughout the year as it acts as a compass in making responsible financial decisions
- The budget is the point of reference for the Committee throughout the year
- As well as being a valuable administrative tool, the budget can also be important in communicating with the members, particularly if there is a need to justify increased fees or to assess the financial implications of new initiatives
- Changes during the year must be a Committee decision. This is because only the Committee has the authority to spend money raised by the Shed and the Committee is accountable for how funds are spent
- Generally a budget shows a 12-month projection of income and expenses
- Expected expenditures are compared with anticipated incomes
- Continually review.

Points in preparing a Budget

- Make cost and revenue projections as accurate as possible- last year's actual figures are of great assistance
- Keep copies of all working papers
- Adopt a conservative approach (avoid optimistic revenue projections)
- Emphasise cash flow considerations to ensure the payment of bills
- The budget should be used as a system of financial control throughout the year.

Projecting expenditure

- Be aware of price rises; budget for inflationary price rises
- The necessity for increased maintenance of building and equipment as wear and tear takes effect
- Be aware of hidden costs such as the withdrawal of pro bono/donated services such as Auditor.

Revenue projections

- Adopt a conservative approach
 - Consider previous revenue results of more than one period
 - A 'one off' fund raising success may not be as successful the following year
 - Keep membership subscriptions in line with increased costs and prices
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3.6 Expectations for Financial Operations

Accounting is concerned with identifying financial information, expressing it in quantifiable terms and communicating that information to those interested. Bookkeeping collects and retains the basic information to inform accounting reports.

Please Note: Financial reports are not confidential, secret documents. They are the public property of the Association, not the private property of the Treasurer or the Committee.

The financial matters of the Association do not have to be complex. However they should be accurate, timely, consistent, and reported regularly to the Committee. It is also important that all monetary matters be dealt with in accordance with the rules of the Association.

3.7 Auditing Accounts

- An audit is basically a check to confirm the books of accounts are accurate
- The records of all organisations do not necessarily have to be audited. Be familiar with the State regulations, rules/ Constitution and obligations if incorporated. It is a prerogative of the members to pass a resolution requesting an audit and so it is essential that the records be correctly maintained
- The auditor goes through records, checks that receipts and invoices have been recorded correctly and ensures the figures balance
Remember to allow about ten days for the banks to prepare bank statements.
- It is in the interest of Associations to have their financial records audited at least on an annual basis. This may be a legal requirement under the Committee's Constitution and/or relevant State legislation
- In some circumstances, (for instance an unincorporated group), it may be legally acceptable for the auditor to be a member of the organisation. However, the legislation applying to incorporated bodies commonly requires that the responsibility for auditing is taken by an independent person or company with an audit fee being charged
- While auditors must be independent of the Treasurer with regard to carrying out the audit, they can advise the Treasurer on how the financial records should be maintained
- An inexperienced Treasurer will find a Certified Auditor a valuable source of advice.

Your Auditor will need:

1. The books of account consisting of the cashbooks written up and balanced for the year, the journal and ledger if these records are maintained
2. Bank statements for the whole year
3. Copies of deposit slips and cheque butts
4. Receipt books containing duplicates of receipts issued as well as cancelled original receipts. The auditor also needs to sight books of unused receipts.
5. Vouchers or dockets for payments made, which must be placed in numerical sequence of cheques drawn
6. Access to 'paid' cheques from the bank-unless receipts have been obtained from payers for all payments made
7. A copy of the last audited statements of account

8. The financial statements for the year now being subjected to audit, together with all supporting working papers
9. Minute books
10. Any other records or evidence he/she may request to confirm the accuracy of transactions recorded and the existence of assets and liabilities shown in the books of account and the financial reports.

Essentially, the Treasurer is responsible to present to the AGM, a written audited account of how the balance of funds handed over by the previous Committee was used.

The Treasurer therefore has to check the minutes of the previous Annual General Meeting to confirm the closing balance recorded by the outgoing Treasurer. This balance becomes the opening balance for the incoming Treasurer.

Where possible, all payments should be made by cheque or approved electronic transfer.

However, Petty Cash may be available for the Treasurer to deal with small expenses such as postage, coffee, milk and other similar items.

3.8 Hints for Treasurers

- Never sign blank cheques
- Keep a register of cheque signatories and update it regularly
- Bank money promptly so there is less chance of theft or loss
- Keep duplicates of all receipts
- Do not ‘white out’ mistakes in your cashbook – it may look like the books have been altered later.

Cross them out and write the correct figure next to it.

Help! Be prepared to go for help; it is better to be safe than sorry. Try your accountant or auditor or your bank

SECTION 4: How to Make Meetings Work

There are as many ways of running a Committee meeting as there are Committees and generally speaking, there is no right way or wrong way. However, there are some things that have to be done. Everyone has a contribution to make in keeping the meeting on track and making sure everyone who wants to contribute gets a chance to have their say.

It is difficult to get a balance between involving everyone and making sure meetings don't become long, winding roads to confusion. It helps to stick to the purpose of the meeting and to the tasks that are required to be done. This ensures each meeting gets things done, which in turn keeps the Committee feeling positive because no one likes to feel they are getting nowhere.

A lot of the work is required to make sure meetings run well. This has to be done by:

- The person who is chairing the meeting, usually the President.
- The person who has sent out the notice of the meeting, prepared the agenda and who takes the minutes, usually the Secretary.

4.1 Hints for the Meeting Chair

At meetings:

- i.** Don't sit in the '*chair*' until you are about to start the meeting
- ii.** Start on time
- iii.** Follow the agenda strictly, unless directed otherwise by the meeting
- iv.** Know the order of the agenda
- v.** Keep the meeting moving in the desired direction
- vi.** Be firm, but tactful, with members deviating from the point under discussion
- vii.** Be a leader
- viii.** Try to be impartial – be there for the benefit of all members
- ix.** Attempt to get all Committee members to contribute
- x.** Be enthusiastic – your enthusiasm is infectious
- xi.** Keep the meeting moving; avoid awkward breaks
- xii.** When issues are either complex or drawn out, the President may summarise key points of each side of a discussion/debate in order to move the issue on toward a decision
- xiii.** At the end of the meeting, leave the chair to indicate the end of proceedings.

4.2 Getting the Work Done in Meetings

Most of us have been at a meeting that has dragged on and goes nowhere. These meetings tend to lead to frustration. The real problem with these meetings is that they have been allowed to get off the track and go on too long. There is no specific time limit for meetings but the rule of thumb is whether the meeting is still dealing with issues and getting somewhere.

Some Committees are able to get all their business done inside an hour and others find that they can profitably use two hours. Endeavour to avoid meetings becoming a drawn out process of going in circles; some members talking too much and others not getting a say. This can result in members leaving at the end of the meeting feeling like they have wasted their time.

The Chair has the main responsibility for making sure that meetings are open to everyone and are a way of getting the work done. But even the best Chair cannot do it alone. In the end, everybody has to exercise some self-control to allow others to contribute and to make sure that the social parts of the meeting don't completely take over the business parts.

Keeping the meetings on track

- Prepare the agenda before the meeting so people know what will be discussed and can decide what they would like to contribute to the discussion. (More information about setting an agenda is included later in this section of this guide).
- Where an issue will need a lot of discussion, appoint a sub-committee or working group who can report back after looking into the issue. The sub-committee can present the alternatives, advantages and disadvantages of each alternative and answer questions from other members. This can involve other people who might have the time to work on a specific project but can't be involved in an ongoing way.
Find the best meeting cycle and times so that they are open to as many people as possible.

4.3 Preparing the Agenda

An agenda is a list of what is to be done in the meeting. A meeting won't work well if no one knows what is supposed to be happening.

Part of the Secretary's job is to prepare an agenda in consultation with the President. Other members can suggest to the Secretary or President any items, which they would like to be included in the agenda. It is up to the Secretary and President to decide on a suitable agenda for each meeting of the Committee whilst making sure they take other members' items into account.

Circulating the agenda to members before the meeting will let people know what is to be discussed, whether it is vital for them to be there and what information they should find out in advance. Members can also be briefed on issues by preparing and circulating background papers. If there are alternative possible decisions, members can be briefed before the meeting about the advantages and disadvantages of each alternative. All these things can speed discussions, while still making sure members are kept informed and able to contribute to the decision-making process.

The Secretary is responsible for circulating the material in the manner decided by the Committee.

- Agree on the items to be included on the agenda before the meeting
- Make sure there are agreed time limits set for each agenda item
- Agree on a closing time which can then only be altered if the meeting agrees to do so.

Following these steps can stop the meeting getting bogged down in unimportant details and means that everyone has to make a conscious decision to continue with the meeting if it goes over the time limit set. It also means that people who can only stay for the business part of the meeting can have their say.

If all the items on the agenda are not dealt with before the meeting closing time or any extension of that time, the rest of the items have to be postponed until the next meeting of the Committee. People are often keen to have all the work done by the end of the meeting.

4.4 The Agenda

Opening the Meeting

Meetings should always begin on time, regardless of whether everyone is there - the Chair opens the meeting by declaring the meeting open.

Welcome and Apologies

New members should be welcomed by name by the Chair. The Chair then asks for any apologies, which should be read and recorded in the minutes.

Minutes of the Previous Meeting

The Chair asks, '*Will someone move that the minutes be confirmed?*' When someone has proposed the motion, the Chair calls for someone to second the motion and then asks if anyone wishes to have any correction made to the minutes.

The motion is then put to the meeting by the Chair repeating the wording of the motion, "*The motion is that the minutes (or the minutes as corrected, if corrections have been made) be confirmed*"

The Chair asks for a show of hands of those in favour and those against and states whether the motion has been carried or lost. Ideally, the Chair should then sign or initial and date the minutes.

Business Arising from the Previous Minutes

Usually the only matters which arise are questions to the Chair or Secretary about the outcome of any intended action recorded in the previous meetings minutes.

Items already included under General Business should not be dealt with as Business Arising from the previous minutes.

Correspondence

The Chair asks the Secretary to circulate the correspondence. The Secretary can summarise the main contents of the correspondence, or, where the correspondence is of an important nature, can read it out in full. Each item is dealt with separately and the meeting agrees on what action, if any, is required to be taken and who will take that action. The Chair asks for a motion that the correspondence be received, for a seconder of that motion then, puts the motion to the meeting. The Chair then asks for a show of hands of those for and against and states whether the motion was carried or lost.

Treasurer's Report

The Chair asks the Treasurer to present the report which can be given verbally or a copy circulated to everyone. After the report is given, the Treasurer moves that it be accepted. The Chair asks for a seconder, after which, the report can be discussed and questions asked of the Treasurer. The Chair then puts the motion for adoption of the report, asks for a show of hands for/against and states whether the motion is carried or lost.

Accounts for Payment

The Treasurer is asked by the Chair whether any accounts are to be passed for payment. The Treasurer presents them and moves that they be passed for payment. The Chair asks for a seconder and then puts a motion "*that the accounts be passed for payment*". A show of hands for/against is called and the Chair states whether the motion has been carried or lost. It is very important that any accounts passed for payment are listed in the minutes. Any decision to spend money must be passed by a motion of the Committee.

Sub-committee/Working Group reports (if any)

If any sub-committees have been formed, the Chair asks them to report. Again, the Chair follows the same procedure followed for the Treasurer's Report.

General Business

The Chair announces each item of General Business as listed in the agenda. However, if no items have been listed, the Chair can open the meeting to discuss anything, which a Committee member might wish to bring forward. Here, as in all cases, it is the Chair's job to keep order and make sure as far as possible that all views are given equal consideration. All members should have an opportunity to take part in discussion and decision making.

The Chair should remain impartial and unbiased but this does not mean the Chair is not allowed to hold or express views or opinions. It simply means that the Chair makes every effort not to dominate the decision making process and stays aware of the extra weight that is sometimes given to his opinions because of the position he holds.

There are some '**musts**' regarding what types of decisions have to be passed by motions:

- All reports have to be adopted by motion of the Committee
- All policy decisions and any other important decisions have to be made by a motion of the Committee.
- Sub-committees must be set up and given power by motion of the Committee
- All decisions to spend money have to be made by motion of the Committee.

Next Meeting

The Chair reminds members of the date, time and venue of the next Committee meeting. This is included in the minutes.

Closing the Meeting

When the agenda has been dealt with the Chair declares the meeting closed.

If the agreed closing time arrives and the agenda has not been finalised, the Chair asks the Committee to decide whether it wants to extend the meeting or to adjourn. If it is agreed to continue, the Chair asks for a new closing time to be specified. If it is agreed to adjourn, the Chair asks the Committee to agree on the date, time and venue for the meeting's resumption.

4.5 Taking the Minutes

It is essential to have a correct record of the proceedings of a meeting. The minutes serve as a general and attendance record, and, in the case of later doubt or dispute, they can be a legally acceptable reference. Accurate minutes must be kept of each meeting of the Committee and is usually the task of the Secretary.

Useful Tips

- i.** Record the names of those present and those who have sent their apologies
- ii.** Make sure that reports to be delivered by the Treasurer, Secretary and any sub-committees or working groups are in writing
Attach to the minutes as an accurate record of what was reported to the meeting
- iii.** At the start of the next meeting, the minutes of the previous meeting should be accepted as a true and correct record and signed by the Chair. Try not to read them at the start of the meeting, as it is time consuming

- iv. Only record the main themes of any discussion, not the comments made by individuals unless they are particularly important in making a final decision. A 10-minute discussion can be summarised in one phrase, such as: *"The advantages and disadvantages of purchasing a water tank"*
- v. Record all decisions reached, for example, *"It was decided not to purchase tank until September 2020"*
- vi. Record the exact wording of all motions put, including who put the motion, who seconded the motion and whether the motion was carried or defeated, for example, *"That the Treasurer's Report be accepted."*
Moved: Alex Black Seconded: Jeremiah Blue Carried
- vii. Record any action agreed to be taken by members of the Committee, for example, *"Peter White agreed he would bring a list of local suppliers of tanks to the next meeting."*

Minutes should:

- a. Be impartial, not representing just one person's view
- b. Summarise discussion and decisions rather than recording every word
- c. Show the points raised rather than identifying individual members' views
- d. Identify individual views if specifically requested e.g. Abstentions or opposition
- e. Be sent out soon after the meeting so they provide a reminder for work to be done
- f. Include any items for future meetings (a 'forward agenda').

Some hints for taking minutes

- 1. Be prepared – have pen, paper, agenda etc
- 2. Keep alert during the meeting
- 3. Use headings and numbering from the agenda
- 4. Make notes in point form
- 5. Separate discussion from decisions
- 6. Get the important ideas not the exact words from the discussion
- 7. Emphasise decisions e.g. write in bold, underline or italics
- 8. Write the exact wording for formal decisions or motions
- 9. Note the name of the people who move and second motions
- 10. Record action to be taken, person responsible, timeframes and who will monitor it
- 11. Read back and clarify during the meeting to make sure your record is accurate
- 12. Write minutes from notes as soon as possible after the meeting and have minutes typed

4.5.1 Action Column

An action column included in the minutes can focus attention on the tasks to be done.

Sample Action Column			
Action	Person Responsible	Date Due	Completed
Working party on fund raising- Paul Pink, Peter Purple, Ollie Orange to develop draft response for June meeting	President	29 May	Yes
Assess current dust extraction system	Safety Officer	June Meeting	
Review current budget	Treasurer	15 May	

Minutes should ideally be typed and distributed to members as soon as possible after the meeting and distributed or displayed in a prominent place (e.g. a notice board). Members can check to ensure accuracy and be reminded of any tasks which have to be completed.

The minutes *should* be distributed well before the next meeting of the Committee.

4.6 Quorums

A quorum is the smallest number or proportion of members who need to attend a meeting. The quorum should be large enough to represent the full membership of the Committee. At the same time, it should be small enough so that it is practical and possible to achieve a quorum at most meetings.

The Association's Constitution will usually specify a proportion of that total membership required for all general meetings. You should also develop policies that state the quorum for sub-committees. Common proportions for a quorum are one third or one half of the Committee, but it should never be fewer than three.

4.7 Voting at Meetings

The Chair must have a clear understanding of the voting rights of members-*Refer to the Association's Constitution.*

There are different ways of voting at meetings and the Chair must decide which is the most appropriate for the decision being reached.

- **With a show of hands:** The Chair may say "*Will all those in favour of this motion raise their hands?*" followed by "*Will all those who are not in favour raise their hands?*"
- **With a verbal vote:** The Chair may say "*Will all those in favour say Aye?*" followed by "*those against say No*".

A **ballot vote** is most often used when electing officers.

Under no circumstances can voting on any matter take place unless a quorum is present.

4.8 Absentee Voting

i. Proxy Votes

Proxy voting is a form of **voting** whereby a member may delegate their **voting** power to a representative to enable a vote in absence. You can appoint a **proxy** by filling in the **proxy** form and giving it to the Secretary as prescribed in the Notice of Meeting.

Please Note: A proxy vote must be conducted *in accordance with the Regulation relevant in your State/Territory and the Constitution*

ii. Postal and Electronic Votes

The Association may hold a postal or electronic ballot (as the Committee determines) to settle on any issue or proposal.

Please Note: A postal or electronic ballot must be conducted *in accordance with the Regulation relevant in your State/Territory and the Constitution*

4.9 Tied Voting

Where voting is tied at a meeting, the President can have a second or casting vote, ***but a word of warning*** about this situation if it arises. If the Committee is so equally divided, using a casting vote to decide an issue might not be the best way of resolving things. It may lead to the President being seen as having joined one ‘camp’ against the other which could make it very hard for the President to continue to work effectively with the whole Committee.

If this situation does arise, think very carefully before deciding to use a casting vote. Make sure you consider all other possible means by which the issue can be resolved such as deferring the issue for more discussion, forming a working group with a balance of viewpoints to investigate the issue further or getting advice from someone else before making a final decision.

It can also ruin the President’s chances of ever being seen as impartial and unbiased again.

Where a decision **must** be made and the processes above have been tried, the protocol is usually for the President not to stray from current practices.

Remember that this is a guide only and the way Committee meetings are run often depends on the degree of formality that the Committee is comfortable to follow. Many groups conduct Committee meetings in the same format at each meeting. Such formality may seem excessive but it is one way that the business of meetings can get dealt with efficiently.

4.10 Motions and Amendments

4.10.1 Motions (or Proposals)

A motion is the term applied to an item of business or suggestion put forward for consideration at any meeting.

- It must always begin with the word “***That***” and expressed very clearly and concisely
- The wording should always be in the positive
- It must declare an opinion and preferably call for some action. e.g. “*That timber storage in the work area is dangerous and the Health and Safety Committee will develop actions to minimise risk.*”

Not every decision reached by the meeting has to be made by way of a motion put to the meeting, debated, amended if necessary and carried or defeated. For example, people can agree to do certain jobs or the meeting can agree to invite a guest speaker without the need for motions. However, a motion will be needed whenever the Committee is:

- i. Deciding to spend money in a particular way
- ii. Adopting a policy about the way it will deal with a particular issue, such as buying locally or recycling waste products
- iii. Setting up a sub-committee or working group
- iv. Accepting a report made to the meeting by the Treasurer
- v. Making a decision of a lasting nature.

A motion is a positive statement of action, for example:

“That the Treasurer’s Report be accepted” or “That the Fundraising Sub-committee arrange three quotes for printing mugs before the next general committee meeting.” Motions can only be put to the meeting by Committee members.

The motion must be **proposed** and **seconded** before the proposer speaks in favour of the motion to support and explain it. The seconder can speak immediately or reserve the right to speak until the end of the debate. The Chair then calls upon speakers for/against alternately. The proposer has the right of reply at the end of the debate after which a vote is taken.

A “*Carried*” motion means a decision has been made to accept the motion. When a motion is “*Not Carried*”, this means the motion is defeated and the suggested action will not proceed.

All motions may be modified by amendment, but often an amendment may not be necessary. If someone has a better, clearer or more inclusive way of saying what the mover wants, the mover may be happy to re-word the original motion, thus saving a lot of time.

4.10.2 Motions Step-by-Step

- i.** Motion moved
- ii.** Motion seconded
- iii.** Mover speaks
- iv.** Secunder speaks (or reserves right to speak)
- v.** Alternate speakers for and against the motion
- vi.** Mover speaks in reply
- vii.** Motion restated and put to the vote
- viii.** Count of “for” and “against” votes by the chair
- ix.** Chair states the results
- x.** The Secretary records the motion, who put the motion, who seconded it and whether it was carried or not.

4.10.3 Amendments

Any speaker can move an amendment to the motion, which interrupts the debate. People speak for and against the amended motion. If the amended motion is carried, the whole debate is over, but if the amended motion is lost, debate of the original motion is resumed. If another amendment is moved, the whole procedure is repeated.

These substitute, add or delete words anywhere in a motion with the object of improving it. Its purpose is to incorporate suggestions and opinions arising out of the discussion in the motion. They must be brief and not contrary to the meaning of the motion.

A sample amendment might read as follows:

Original motion: “*That the Shed holds a craft exhibition in the winter of 2004.*”

Amendment No. 1: “*That the words ‘and demonstrations’ be added after the word exhibition.*”

If a motion is thoroughly unpopular, no one will bother to amend it. It will be put to the vote, defeated and dropped, withdrawn or the proposer and seconder may both prefer to withdraw it before the voting.

4.10.4 Amendments - Step-by-Step

- i.** Amendment moved (changes the words of the motion)
- ii.** Amendment seconded
- iii.** Mover speaks
- iv.** Alternate speakers for and against the amendment
- v.** Amendment restated and put to the vote
- vi.** If the amendment is carried, the debate is finished OR if amendment is lost, debate on motion continues.

4.10.5 The common terms

- A **Motion** is a subject proposed as a basis for discussion
- A **Resolution** is that same motion after it has been voted upon, i.e. Resolved
- An **Amendment** substitutes, adds or deletes words anywhere in the motion, but must not alter the basic intention of the motion
- An **Addendum** adds words at the end of a motion
- A **Rider** is also added at the end of a motion, usually in the form of a suggestion or recommendation, or puts conditions on the carrying out of the decision
- A **Counter Motion** is an alternative motion for consideration
- A **Counter Amendment** is a drastic alteration in the application of the motion, while retaining its basic intention.

4.10.6 Resolutions

A motion does not become a resolution until it has been put to the vote and 'resolved'.

Procedures

There are certain rules governing procedures for dealing with motions. These are subject to variation in different groups, as each has its own ideas as to the precise way in which the business should be transacted.

- Standing order procedure usually requires that every motion or amendment be proposed (or moved) and seconded
- However, if a seconder is required in the standing orders then any motion for which no seconder is forthcoming fails. No further discussion takes place and the meeting passes to the next item.
- Motions that are not controversial, such as votes of thanks, condolences, etc. should not need seconding. These are called "*pious*" motions and can be put straight to the vote and carried by acclamation. If argument develops, however, a seconder must be obtained at once.
- Motions of a controversial nature should not normally be moved from the Chair, as this detracts from the Chair's impartiality.
- The proposer of an original motion has a right of reply to the points raised during discussion immediately before the vote is taken. Some rules of procedure also give them a right to speak once, for or against, each amendment.

4.10.7 Rescinding a Resolution

Once a motion or amendment has been voted upon, the resolution cannot be rescinded or altered unless a motion is moved for this purpose. This obviously cannot be done lightly or chaos would ensue. Most groups lay down strict rules on the point, usually to the effect that it cannot be done at the same meeting and stating the time which must elapse before such a rescinding motion may be introduced.

4.10.8 Counter Motions and Counter Amendments

There are occasions when the feeling of the meeting is either against the original motion and desires to substitute a counter motion or agrees with the basic idea but wants to alter the application drastically by means of a counter amendment, rather than improve it by slight amendments.

Counter motions and counter amendments seldom occur.

4.11 Guest Speakers

If the Committee has invited a guest speaker, the usual order of procedure is an invitation to speak after Business Arising or prior to General Business. However, this order can be varied by agreement of the meeting.

When the agreed time has arrived, the Chair introduces the guest speaker and topic. Usually before the meeting, the speaker has been given some guidelines on how long to speak and the Chair may need to offer a reminder of the time limit, if it starts to appear necessary.

If a meeting traditionally adopts a formal business approach, a guest speaker may be heard during a “*suspension of standing orders*”. This allows a more relaxed format during the period of the address and ensuing discussion.

When the speaker finishes, allow time for questions. The Chair then thanks them for their time and the information presented to the meeting. Guest speakers can be invited to stay for the rest of the meeting but they may also appreciate being given the option of leaving after their talk if they so desire.

4.12 Making an Annual General Meeting Work

4.12.1 What is the Annual General Meeting?

The Annual General Meeting (AGM) is the forum when the committee formally reports and hands over to the next year's committee. The Committee's Constitution sets out what types of things can be done at an AGM and no other business can be dealt with at these meetings.

It is up to the Committee to decide when you will hold the meeting and this can be as suits the members. The AGM is in fact two meetings in one.

4.12.2 The Agenda for the Annual General Meeting

The President of the outgoing Committee chairs the first part of the meeting. Before the meeting starts, it helps to set out a few chairs at the front of the room for the outgoing President, Secretary and Treasurer. An extra chair should be provided for the **Returning Officer** who will be conducting the elections for the new Committee.

Welcome

The President welcomes everyone present.

Introduction of any Special Guests

The President introduces special guests including the guest speaker if one has been arranged.

Apologies

Apologies are called for by the President and recorded by the Secretary.

Minutes of the Previous Year's Annual General Meeting

The President calls on the Secretary to read or circulate the minutes taken of the last Annual General Meeting. The President then asks for someone to second the motion and then checks whether anyone wants to make any corrections to the minutes. The motion is then put by the President, "*the motion is that the minutes (or if necessary, the minutes as corrected) be confirmed*". A show of hands for and against follows and the President states whether the motion has been carried or lost.

Business Arising from the Minutes

It is rare for business coming out of the minutes but it might be that some special business was dealt with at the last meeting. In such cases, the President or Secretary may be asked to report on the outcome of that business.

Correspondence

The only correspondence that needs to be detailed is any relating to the Annual General Meeting itself. If there is none, this item does not have to be included in the agenda. If there is correspondence, the President follows the normal procedure for meetings.

Business Arising from the Correspondence

Again, this is only needed where correspondence concerning the Annual General Meeting has been received. If not, it doesn't need to be included.

President's Annual Report

This is prepared and read or summarised by the President and should give a brief outline of the highlights of the year, from the Committee's point of view. The Secretary usually assists the President in the preparation of the report.

The President presents the report and then asks for someone to move a motion of acceptance. A seconder is called for, a show of hands for and against. Lastly the President declares the motion carried or lost.

Annual Treasurer's Report

The Treasurer presents the audited financial report which accounts for the amount which was handed over to the Committee at the last Annual General Meeting. The Treasurer's report is dealt with in the same way as other reports, with the exception that the Treasurer can move the motion that the report be accepted when the President calls for it.

Note: If at all possible, it is worth having all the reports prepared in writing before the meeting and having copies to hand out at the meeting. This avoids the Treasurer having to read out something that can be complicated and difficult to explain verbally.

General Business

As outlined in the Constitution, written notice has to be given of any general business which members want to deal with at the Annual General Meeting. This would then proceed as a special meeting of the Committee. If nothing has been received within a specified number of days before the meeting, this item does not need to be included in the agenda. Only the business for which written notice has been given can be dealt with and the President follows the normal procedure for General Business.

Close of the Meeting

The President declares this part of the meeting closed and hands over to the Returning Officer who declares all positions on the Committee vacant and then chairs the elections of the new Committee's Office Bearers.

This is technically the second part of the meeting. The Returning Officer calls for nominations for all office bearer positions. Display a list of all positions in a location that everyone can see, with room for nominations, seconds and acceptances to be recorded. When all the positions have been filled, the Returning Officer will usually welcome the new Committee and, unless there is a guest speaker, will then close the meeting.

Some Committees simply elect the number of Committee members required and at their first meeting of the year, they vote on the Executive.

- i. President
- ii. Secretary
- iii. Treasurer

Some Committees have found it is useful to have other positions such as Fund Raising Coordinator, Publicity Officer or others. This is totally up to your Committee to decide.

4.13 Use of technology at general meetings

(1) A general meeting may be held at 2 or more venues using any technology approved by the Committee that gives each of the Association's members a reasonable opportunity to participate.

(2) A member of an Association who participates in a general meeting using that technology is taken to be present at the meeting and, if the member votes at the meeting, is taken to have voted in person.

SECTION 5: Legal Responsibilities

5.1 What is incorporation?

All groups develop structures and rules of their own. However, these may not be recognised legally.

The process of 'Incorporation' is forming a legally recognised structure. Incorporation means joining a number of separate individuals into one legally recognised body. A group that is not incorporated is not recognised by law as having a separate identity from that of its members. Incorporation allows some flexibility on how each group works and functions. However, when groups become incorporated there are some very specific rules which are governed by the Associations Acts from which committees must not diverge. Incorporation is State specific, meaning that each Incorporation Act differs slightly for each State.

5.2 Unincorporated Associations

An unincorporated association is, by law, generally not recognised as anything more than a group of individuals, the membership of which is frequently changing. There are no special legal requirements except for the need to comply with the rules (if any), adopted by the group. Some of the disadvantages of an unincorporated group arise because it consists merely of a group of individuals with similar interests, who together form a group or club with certain basic rules for its day-to-day running. As a result, no separate legal entity exists.

This means that an unincorporated group cannot:

- Sue and be sued in its own right
- Own land and chattels in its own right
- Enter into tenancy or lease agreements in its own right
- Enter into contractual agreements in its own right-this limitation is of particular concern as incorporation may be a prerequisite to obtain a grant from Local, State or Federal Government.

Another limitation is that, should a person leave money or assets under a will, the bequest or gift may be invalid unless the group is a legal entity.

The most serious problem is the potential liability of the Committee and the members. There is personal liability on Committee members of an unincorporated group, which in some circumstances may also extend to the members. This means that they may be sued for the debts of the group and the negligence of any of its members.

5.3 Why Incorporate?

The Advantages of Incorporation

An incorporated group becomes a legal body or entity. This means it can:

- Sue and be sued in its own right
- Own land and chattels in its own right
- Make contracts and enter into tenancy agreements in its own right
- Receive a bequest or gift from a will
- Perpetually exist, that is, remain in existence no matter who is a member until it is disbanded by direct operation of the law.

5.4 Want to know more?

Incorporation information can be found at the relevant State Department/authority that administers Associations.

i. ACT

Access Canberra is responsible for the administration of the Act, including incorporating associations, maintaining the public register and ensuring incorporated associations meet their reporting requirements

https://www.accesscanberra.act.gov.au/app/answers/detail/a_id/1504/~~/incorporated-associations

ii. NSW

NSW Fair Trading Registry Services regulates incorporated associations registered under the Associations Incorporation Act 2009

<https://www.fairtrading.nsw.gov.au/associations-and-co-operatives>

iii. NT

Licensing NT maintains information about Associations: A public register of Association names, financial statements, Constitutions, names and addresses of Public Officers.

<https://nt.gov.au/law/rights/incorporated-associations>

iv. Qld

The Associations Incorporation Act (1981) is administered by Office of Fair Trading (OFT)

www.qld.gov.au/fairtrading

v. SA

The Associations Incorporation Act (1985) is administered by Consumer and Business Services

<https://www.cbs.sa.gov.au/associations-cooperatives#>

vi. Tasmania

Consumer Affairs and Fair Trading

<http://www.consumer.tas.gov.au>

vii. VIC

Consumer Affairs Victoria

www.consumer.vic.gov.au

viii. WA

The Department of Commerce is responsible for regulating associations in Western Australia.

www.commerce.wa.gov.au/associations

5.5 Constitutions

- The Constitution sets out members' rights and liabilities
- It is a document establishing a group and setting out the purposes for which it has come together and all the rules under which it proposes to operate
- The Constitution must reflect the way in which the group works
- A Constitution is necessary to become incorporated.

There are certain common elements which should always be included for the protection of members. A Constitution should specify:

- **Name** – decide on a name, keep it short
- **Objectives (purposes)** –State two or three formal aims and work out a less formal separate statement covering your aims
- The manner in which a **general meeting** can be called to resolve an issue
- **Powers of the Committee** that enable Committee members to manage day-to-day operations
- **Voting method** (e.g. show of hands, secret ballot, postal voting, telephone voting and situations where voting by proxy will be acceptable)
- Whether the Secretary and Treasurer can be one and the same person (ideally they should be separate to maximise accountability)
- The **number of members of the Committee** (usually 5 -10), but this is really up to the group to decide
- The **regularity of meetings**
- **Numbers for a quorum**- the usual quorum for a Committee is one third or one half of the Committee members, but it should never be fewer than three.
- The manner and reasons for disputes resolution, disciplining members, suspension or expulsion
- The manner and circumstances for Committee members to be **indemnified** out of group funds, in the event that they incur any liability on behalf of the group.
- The manner of **winding up** – by way of distribution of assets to members, or conversion of those assets to cash and then distribution.
- Methods by which the **Constitution can be altered** and under what conditions.

The Constitution should always be available at all meetings so that there can be no confusion about the rules.

5.6 Insurance and Risk Management

It is vital that your Shed protects its Committee members, assets and activities with adequate insurance. This includes the areas of:

- Fire
- Money
- Consequential loss
- Burglary
- Fidelity (the risk of a member absconding with funds)
- Public risk
- Personal accident insurance
- Volunteers
- Theft
- Events
- Property and Assets
- Events

You should discuss your requirements with an insurance broker and/or AMSA.

5.6.1 Public Liability Insurance - why do we need it?

A Public Liability insurance policy is necessary for an organisation to protect itself against negligent claims made by a third party in respect of bodily injury or property damage arising out of the operation of the organisation's operations. Injuries may arise for example workshop hazards or something going wrong at a special event. An organisation is liable when it is found to have breached a duty it owes by acting improperly or not acting.

It is prudent to seek out insurance coverage to suit your particular needs as even the best planned and effective organisations cannot foresee and prevent all accidents and incidents. These situations may leave event organisers, members, volunteers, Committee members and individuals personally liable for actions in cases where negligence can be proven. Financial penalties may attach to the liability.

Insurance cover is the encompassing component to complement a Risk Management Plan for an organisation's general activities, events and members. Potential claims can be minimised by a thorough and rigorous process of assessment and procedures. This includes an honest assessment of the required insurance cover to suit the specific organisation and its activities.

5.6.2 Risk Management

Linked to the issue of Public Liability Insurance is the issue of Risk Management. Many insurance companies are interested in how an organisation is minimising or managing potential risks associated with their organisation's activities and may even ask if your organisation has a Risk Management Plan. There are tools available that will help organisations identify and manage their risks.

Help sheets and resources – Insurance and Risk Management

A range of help sheets and resources are available from the AMSA website- Member Resource Bank or the Community Insurance & Risk Management section of the Our Community website www.ourcommunity.com.au/insurance

5.7 Men's Shed Health & Safety

Your organisation has a legal obligation and a **DUTY OF CARE** not to expose members and visitors to risks to their health or safety arising from the organisation's work, so far as reasonably practicable. You should do everything you can to avoid members suffering injury or illness through their activities. You should designate a person with health and safety knowledge and skills to be responsible for the management of member health and safety.

Members are entitled to a healthy and safe working environment. Treating health and safety as a part of the day-to-day operations will make sure your organisation meets its legal obligations without the cost and effort of establishing additional systems. It will also demonstrate to the members their value and the organisation is serious about their health and safety. On the other hand, if your organisation doesn't manage health and safety, it risks damage to its reputation and possibly prosecution or other legal action.

Health and safety is a shared responsibility. Members have a **DUTY OF CARE** to look after their own health and safety as well as others. Members should be familiar with health and safety procedures, following health and safety instructions and reporting any health and safety issues and incidents as soon as possible.

Assess and control risks involved in the work

It is imperative to think about all hazards and risks in the Shed when doing risk assessments. Talking to and providing training for members will give you a better chance of identifying all hazards and risks and then taking action to make sure these don't cause injury or illness. When you have prioritised the hazards on your list, you need to start immediately on the most important step of all – fixing the problems.

The first aim should be to totally **remove** the risk. For example, if the risk involves a hazardous chemical, try to find a safe alternative to the chemical. If there is a slipping or tripping hazard in your workplace, see if it can be removed. If a task is intrinsically dangerous, look for alternative ways to complete the task. If it is not possible to totally remove a risk, you need to find ways to **control** it. You might have to alter the way certain jobs are done, change work procedures or perhaps provide protective equipment.

You will often find there are simple solutions to many of the hazards in the Shed. Most of them will be inexpensive and some will cost nothing at all. Of course, sometimes there are no straightforward solutions.

- Check with AMSA
- Check publications, alerts and factsheets and see if there is a documented solution to the problem
- Get help from other Men's Sheds. They might have come across a similar problem before and have found a way to fix it.
- New members should undertake work suited to their current skills and experience. Otherwise other members may be put at risk.

5.8 Taxation

There is a range of taxes which some groups may be required to pay. Some exemptions and concessions are available, but community groups are responsible for finding out if they are required to pay this tax.

It is your group's responsibility to seek the latest information available from taxation professionals.

Information is available from the Australian Taxation Office: Telephone: 1 300 130 248
Website: www.ato.gov.au/nonprofit

SECTION 6: Ethics and Conflict of Interest

6.1 Ethics

Committee members should not put their interests before that of the Shed. This does not mean that members will not have their own views and interests. All Committee members should be committed to working:

- Co-operatively
- With a group of people rather than alone
- For the best interests of the group, the committee and the community.

This means:

- Putting aside personal conflicts and grievances
- Declaring any possible conflicts of interest
- Keeping private information confidential
- Not acting for personal benefit or gain
- Taking your job as a committee member seriously.

6.2 Conflict of Interest

Conflicts of interest and potential conflicts occur regularly. They are not necessarily bad in themselves but the danger is when people do not declare them. Try to be aware of potential conflicts of interest. A conflict of interest can arise when a member of the Committee has other involvements or interests which make it difficult for them to act for the best interest of the Shed. This may result from:

- Business or professional activities
- Accountability to other people or groups
- Membership of other community groups or service providers
- Ownership of property or other assets.

The conflict may lead to financial or personal benefits, e.g. increased business.

Committee members also need to be aware of what may appear to be conflicts of interest. Even if there is no actual conflict, those outside the Shed need to know this is the case. Options for the person who has a conflict of interest might include:

- Not participating in a particular decision
- Not being present for discussion of an issue
- Not participating in a series of meetings
- Resigning from or taking leave from the committee.

Funding bodies generally require that groups manage those funds properly. A financial conflict of interest could infringe funding guidelines. Your Constitution should outline how a financial conflict of interest is declared and what the process is that follows.

6.3 Confidentiality

Confidentiality is an important issue for community groups. Your involvement in the Committee may give you access to private and personal information. This could be about individuals or other community groups.

Your Committee should have robust policies for these situations:

- What information is “privileged” and for how long?
- Who should have access to this information?
- Is there a process for deciding if information should be confidential?
- Who decides?
- When does public risk outweigh confidentiality?

If you are not sure, ask what others think - no one else may be sure either. A group decision should be recorded as a policy decision.

SECTION 7 Shed Operations

7.1 Strategic Planning

7.1.1 What is Strategic Planning?

Strategic planning is the process of deciding what a group intends to do in the future and how it will get there. It is about the long term and takes into account a group's external environment, its internal abilities and its overall purpose and direction. Groups operate within their own social, economic and political environment. Success of a group depends on how well it positions itself within this environment which is subject to continual change. Groups need to adopt a range of strategies to cope with this change. Strategic planning is an ongoing process which involves people negotiating together in identifying and solving problems. It is about looking ahead, having visions and finding practical ways of achieving them. Strategic planning looks at what a group is, does and what it could or ought to be.

7.2 Benefits of Strategic Planning

- Assists in setting priorities and identifying high priorities by answering "*What issues facing us will make a difference in three, five, or ten years from now?*"
 - Helps reduce the frequency of crises and unpleasant surprises
 - Positions the group to act on opportunities
 - Allows the group to adopt a pro-active, rather than a reactive, position: thus it plays a part in creating its own future
 - Identifies the most effective use of limited resources and helps the group ensure the maximum return for each resource invested.
 - Strategic planning, therefore, is a useful tool for groups to create a unified approach to deciding what the group intends to do in the future and how it will get there.
-

7.3 How to destroy a group

- Don't attend meetings, but, if you do, come late
- If you do attend a meeting, find fault with the work of the office bearers and other members
- Never accept an office as it is easier to criticise than work. Nevertheless, get upset if you are not appointed on a committee – but, if you are, do not attend committee meetings
- If asked by the chair to give your opinion regarding some important matter, have nothing to say
- After the meeting tell everyone how things ought to be done
- Do nothing more than is necessary, but when other members roll up their sleeves and willingly and unselfishly help matters along, howl that the group is run by a clique
- Keep your eyes open for something wrong and when you find it, resign
- At every opportunity, resign and get all your friends to resign
- Agree to everything said at the meeting and disagree with it outside
- When asked for information, don't give it
- Don't attend general meetings; but if you do, say nothing and accept everything – then leave before the voting starts. Afterwards complain that the group is not being run democratically and accuse the committee of dictatorship
- When everything else fails, curse the Secretary, President and Treasurer, preferably in their absence

Information sourced from the publication, "The call to order", produced by Junior Sports, Sport and Recreation Victoria".

7.4 Communication Tree

A communication tree, or a telephone tree, can be a very useful communication tool within a community group. The purpose of a phone tree is to disseminate information, or messages, to a large number of people in a very short period of time.

- Compile a list – names, addresses and phone numbers- of people who are willing to participate in the “tree”
- When a message needs to be passed on to a large number of people within a short period of time, the “tree” springs into action.

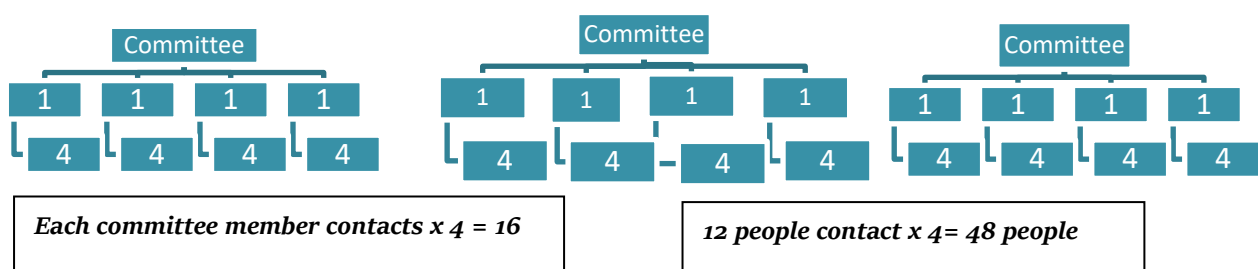
For example:

- A person is assaulted one afternoon in a quiet residential area. The police telephone the local Neighbourhood Watch Area Co-ordinator who then telephones other local coordinators. They then telephone Neighbourhood Watch members. Within two hours, a large contingent of willing helpers delivers over 700 flyers throughout the neighbourhood.

The Shed is planning a market in the local park. Without warning the weather takes a turn for the worse. News must go out that the market needs to be cancelled. Within an hour everybody planning on going to the market could know about the cancellation.

- A telephone tree needs regular ‘maintenance’ to remain effective and contingency plans made for a break in the tree. The plan could include one person telephoning more people than usual. Silent or unlisted telephone numbers also need to be protected.

Diagram of a Communication / Telephone Tree



Moving through three lines/levels, 48 people have been contacted

7.5 Funding

There is a wide range of grant programs available at both the Local, State and Commonwealth level, which all Committees are advised to investigate. These grants are aimed at a range of potential projects and will provide additional funding for the Shed.

Where such funds are accessed, care should be taken to ensure that funds are used for the purpose that they were granted and that proper financial accounting and reconciliation is completed.

For information about funding, grant writing or advice:

- i. Visit the AMSA website at <https://mensshed.org/>
- ii. Call 1300 550 009
- iii. Email amsa@mensshed.net

SECTION 8: Glossary of Terms

Agenda	Items of business to be conducted at a meeting
Assets	Property or possessions of value
Audit	An examination of accounts for the purpose of determining their validity and accuracy
Balance Sheet	Analysis at a given date of the Shed's financial position with total equities listed on one side, balanced by assets listed on the other
Budget	Estimate or plan of expenditure in relation to income
Capital Expenditure	Expenditure that is not of a revenue nature
Cash Book	A book in which is entered a record of money paid and received
Cash Flow	Movement of money into and out
Committee	A group of people appointed by a larger body to attend to business or to manage the business of the Shed
Constitution	The most important and basic agreed upon rules by which your group operates. These will be written rules and form part of your incorporation document.
Duty of Care	A moral or legal obligation to ensure the safety or well-being of others.
Executive	Elected from Committee members and operates between Committee meetings. Also acts as a sorting body, looking into matters in detail to prepare them for their Committee meeting
Expenditure	The amount of money spent
Financial Records	Information detailing all aspects of the Shed's finances
Financial Statement	A record of the Shed's financial standing at a given point in time
Fundraising	Is the art of attracting funds for specific projects or Shed's activities
Goals	Statements that explain the broad direction of your Shed
Grant	Financial assistance given to the Shed by another body
Income	Money received, especially periodically or in a year
Incorporation	The act of forming into a legal corporation
Invoice	Itemised statement of goods indicating quantities, value and charges
Key Result Areas	The specific areas within which the Shed states its desired results
Ledger	Documentation in which the Shed's accounts are kept
Liabilities	Debts for which the Shed or person is liable
Motions	A formal recommendation put to a meeting for debate and consideration
Objectives	The specific results the Shed wants to achieve in each of its major areas
Petty Cash	Money kept for small cash items of receipt or expenditure
Philanthropic Trust	A foundation or trust which supports a range of activities in the community
Promotion	The process by which the Shed is brought to the attention of the "market"
Quorum	The minimum number of people required to make decisions for the Shed
Sponsorship	A business deal between two parties where money or goods are provided by one party to the other and both parties benefit from the arrangement
Statutory	Legal authority of enacted laws or some provisions of the constitution of the Shed
Strategic Plan	An ongoing process to decide the future directions and objectives for your group and outline how they can be achieved
Sub-committee	A committee formed and acting under a main committee: a part of a committee formed for a special purpose
Volunteer	A representative from the community who freely chooses to give their time to support group activities

SECTION 9 Appendices

9.1 Notice of Motion Example

Passing, let alone understanding, resolutions can often be a confusing time for those at the meeting. To assist in streamlining this process, it may be useful to use a Notice of Motion form

Notice of Motion	
Meeting Date	10 March 2020
Name	Patrick Purple
Subject	Purchase of Water Tank
Motion	<i>'That the Secretary and Treasurer research types and costs of a water tank and report back to the next meeting with recommendations'</i>
Signed	<i>P. Purple</i>
Date	10 March 2020

9.2 Notice of Special Meeting Example

Every now and then a need arises to conduct a special meeting.

Notice of Special Meeting	
Notice Of Meeting to Consider Alteration to Constitution	
Dear Member,	
This is to advise that a Special Meeting of (<i>name of organisation</i>) is to be held as follows:	
Date: _____	Place: _____
Time: _____	
The purpose of this meeting is to discuss amendments to the Constitution of (<i>name of group</i>). Under the Association Act "An incorporated association may alter its rules by special resolution but NOT otherwise".	
A special resolution is a decision passed by three-quarters or more of the members of the group present at a general meeting of which notice of the resolution was given. In accordance with the Association Incorporation Act, notice is given that the following resolutions are proposed as special resolutions.	
(Specify the clauses of the constitution proposed for alteration)	
e.g.: It is proposed to amend clause 3 on page 7 of the Constitution dealing with executive Committee meetings. This clause currently reads: <i>'The Quorum of Management Committee Meetings will be five management committee members'</i> .	
The proposed amendment is: <i>'The Quorum of management Committee Meetings will be four Management Committee members'</i> .	
_____ (Secretary)	

9.3 Sample Committee Meeting Agenda

Sample Agenda

Men's Shed Inc Committee Meeting
Wed 15 May 2020 @ 10.30
Meeting Room
Agenda

1. Meeting declared Open @
2. Attendance
Apologies
3. Confirmation of Minutes of previous Meeting - *attachment 1*
4. Business arising from the Minutes
 - i. Policies & Procedures Review -*refer General Business*
 - ii. Garden Storage-update
5. Correspondence-In
 - i. Invitation to Shed Opening
6. President's Report- *attachment 2*
7. Treasurer's Report-*attachment 3*
8. General Business
 - a. *Policies & Procedures Review* -Policy Ratification by Committee
- Men's Shed Inc Financial Delegations/Petty Cash May 2019- *attachment 4*
 - b. *Funding Submission Update:*
 - i. Lots of Money Foundation
 - ii. State Improvement Fund
 - c. Dust Extraction Update *attachment 5*
 - d. Members' First Aid Training *attachment 6*

Next Meeting 15 June 2020 @ 10.30

Meeting Closed @ p.m.

9.4 Declaration of Interests Example

This form is used for Committees members to declare interests (pecuniary or otherwise).

Declaration of Interests

Name: _____

Address(es) of any property or land you own or manage where there is potential conflict of interest:

Describe any types of equipment or other items you might hire or sell to this organisation.

List any other organisations (including political parties) to which you belong and have a direct say in their management and which have dealing with this organisation.

List any companies, businesses or trusts with which you are involved and which have dealings with this organisation.

List any organisations you work for which may compete with this organisation for funds or community support.

List any funding bodies with which you are associated.

INTERESTS OF RELATIVES AND CLOSE ASSOCIATES

Name: _____ Type of interest: _____

I have declared all know areas which may result in a potential conflict of interest for me as part of the (*name of Committee*). If any other potential conflicts arise I will declare them to the Committee as soon as I am aware of them. I will also declare my financial or personal interest in any item to be discussed at meetings of the Committee.

Member's Signature: _____ Date: _____

Witness's Signature: _____ Date: _____

SECTION 10: Other Resources

ACNC

<https://www.acnc.gov.au/tools/browse-topic#atoz>

- Governance Standards Guidance
- Corporate partnerships and charities 2017

AMSA Publications

AMSA website/Resources/AMSA Publications

- Top 10 Tips for becoming a Great Shed
- Effective Communication
- Is your Management Committee managing the Shed?
- Potential Threats to the Future of Men's Sheds

Australian Taxation Office- Publications for Not for Profits

<https://www.ato.gov.au/Non-profit/>

- ATO Fundraising Guide
- ATO Tax Basics for Non Profit Organisations
- ATO Self Governance checklist for not-for-profit organisations
- ATO Supporting not-for-profits 2017

Our Community

<https://www.ourcommunity.com.au/>

Damn Good Advice for Treasurers

Incorporated Associations

AMSA website/Resources/Incorporation

Justice Connect

AMSA website/Resources/Legal

Duties Guide not-for-profit committee members

Volunteering Australia

AMSA website/Resources/Volunteering

- Managers running the risk

Volunteering Qld

AMSA website/Resources/Volunteering

- Developing policies and procedures

This Manual has been prepared in good faith and the information provided is for guidance only. It is recommended that further research be carried out and this is particularly relevant in relation to changes in legislation pertaining to committees, insurance, incorporation and taxation matters.

Accordingly, the AMSA does not accept responsibility for any loss arising from the use of this material. If you are unsure of expectations being placed upon you or a committee, then we recommend that legal advice or the services of a competent professional person be sought.