



AssociationsInfo

Issue 13 | December 2015

New laws for incorporated associations and clubs coming in 2016

New laws have been passed which are aimed at helping incorporated associations in WA operate more efficiently by providing them with a clearer framework in which to operate.

The new law will replace the existing *Associations Incorporation Act 1987* and will apply to all existing incorporated associations in Western Australia. It is the culmination of many years of work by the Department and key stakeholders in the not for profit sector and will provide incorporated associations with a legal framework that reflects modern expectations around corporate governance and the need to protect the privacy of association members.

The changes are expected to come into effect from 1 July 2016.

In the coming months the Department will release more information and resources [on our website](#) including step by step guides to assist incorporated associations through this transition period

What do we do now?

It is important to understand that the new law will not come into effect until 1 July 2016 so in the meantime the current 1987 Act still applies. The new proposals will require associations to review their rules or constitution but there is a generous three year time frame to get this done.

Right now it is important to:

1. Enrol for [AssociationsOnline](#) and ensure that your contact details are up to date. If you are not registered already you can request a username and password by [completing the online enrolment form](#).

2. Make sure you know when your association's financial year ends. In preparing for the financial reporting requirements introduced by the new laws it is important to understand your association's current financial record keeping practices and identify any areas where there could be room for improvement.

The new accounting and financial reporting requirements will apply from the first financial year of an association that commences on or after 1 July 2016. For example an association with a financial year that runs from 1 July to 30 June must comply with the requirements starting from 1 July 2016. An association with a financial year that runs from 1 January to 31 December must comply from 1 January 2017. These reporting requirements are based on financial tiers based on assets and turnover.

We will have information about these changes available early in 2016.

Transition Pack for associations and clubs

At each stage of the new laws' introduction the Department will be releasing a Transition Pack explaining what associations are required to do at that particular time. Our first Transition Pack will be released in February to help associations understand the financial tier process and the annual reporting requirements.

Enrol for AssociationsOnline now to ensure you are notified as soon as this Transition Pack becomes available.