

ASSOCIATIONS ACT (NT)

Drafting Guide – Model Club Constitution

Last Updated: June 2016

Prepared by:
Minter Ellison Lawyers
Level 1, 60 Smith St
Darwin NT 0800
Tel: (08) 8901 5900

HOW TO USE THIS DRAFTING GUIDE

The Model Club Constitution (**Model Constitution**) has been prepared for the Department of Tourism and Culture to be used as a template for sporting clubs (**Clubs**) in the Northern Territory. The Model Constitution can either be adopted on the incorporation of the Club or used by the Club to update its existing constitution.

If your Club has an existing constitution, the new Model Constitution can be either adopted as a replacement to your existing constitution or it can be used by the Club to make selective amendments.

The Model Constitution complies with the *Associations Act* (NT) (**Act**). However, the Model Constitution has been designed specifically for a sporting association and so is more detailed than the generic model constitution for incorporated associations in the Schedule to the *Association (Model Constitutions) Regulations*. The document has been also drafted to take into account the Australian Sports Commission's '*Sports Governance Principles*' (March 2012) (**ASC Principles**).

The Model Constitution has been designed for the national system under which sport operates, where the national sporting body can make rulings and set policy that will flow through the sport and affect those playing at local club level. The Model Constitution assumes that the Club will be directly affiliated with the relevant regional sporting association (**Association**) for the Club's sport. The Association will then be itself directly affiliated with the relevant peak sporting organisation for the Northern Territory (**Peak Sporting Organisation / PSO**) and, in turn, the Peak Sporting Organisation will be directly affiliated with the national sporting organisation (**National Sporting Organisation / NSO**) for the sport. The Model Constitution can easily be adapted to accommodate different structures (for example, where there is no Association and the Club is directly affiliated with the PSO).

The benefit of such a structure is that all levels of the sport (NSO, PSO, Association and Club) will share common objectives, common structures, common policies and procedures and will have the ability to work together to address issues of joint concern and to ensure that information can flow freely between all levels of the sport. It also enables the various levels of the sport to share common strategic goals and work together to maximise the ability of the sport to market itself.

Finally with the increasing amount of legislation affecting sport, it enables the NSO to enact consistent and complementary policies and strategies that address areas of common risk and which can flow effectively through the structure and be adopted at the PSO, Association and Club levels.

This Drafting Guide contains notes on certain clauses of the Model Constitutions and highlights clauses that can be varied to suit your Club's situation. As you work through the Model Constitution and this Drafting Guide, you should consider not just your Club's current situation, but where you envisage the Club being in 5 or 10 years. While constitutions can be amended (and should be reviewed from time to time), it would be preferable to try to get it right now so that the Club can operate effectively and grow over time.

It is recommended that the Club check whether there are specific obligations under their affiliation with their PSO or Association (or the PSO or Association's affiliation with the NSO) that may need to be taken into consideration in the development of the Club's constitution (e.g. obligatory inclusions). It is also recommended that you refer to the ASC Principles as you work through the process of developing or updating your Club's constitution.

Following the development of your constitution, you should then develop a set of regulations that provide more detail on sections of the constitution. The Model Constitution is intended to deal with high level membership and governance issues and contemplates that a lot of the detail will be set out in regulations made by the Club's Committee. The regulations (sometimes called rules or by-laws) can be more easily amended and will have a more operational tone to them. This is where you will include more detail on the policies and procedures that underpin the constitution.

As with any legal document, this Drafting Guide does not replace obtaining legal advice on your Club's specific requirements.

DISCLAIMER:
THE INFORMATION PROVIDED IN THIS DOCUMENT IS FOR YOUR INFORMATION ONLY. THE DEPARTMENT OF TOURISM AND CULTURE ACCEPTS NO RESPONSIBILITY FOR THE ACCURACY OF THE INFORMATION OR YOUR RELIANCE UPON IT.

Clause Ref.	Clause	Notes
1.	NAME OF ASSOCIATION	<p>The name of the Club can be varied according to what the Club requires, provided the name is not a prescribed unauthorised name (as specified in Schedule 1 of the <i>Associations Regulations</i>).</p> <p>Section 16 of the <i>Associations Act</i> (NT) (Act) sets out requirements for the Club's name to appear on documents.</p>
2.	DEFINITIONS AND INTERPRETATION	<p>“Association” - The Club's regional sporting association needs to be included here. The term “Association” may be better described as “District” if that is the norm in the Sport.</p> <p>If the Club is not affiliated with an Association and is instead directly affiliated with the Peak Sporting Organisation in the NT, the term Association can be deleted, along with the references to Association in clauses 3(c), 5.5, 5.7, 9.2, 31.1 and 32.1.</p> <p>“Committee Member” - This template does not provide for 'offices' such as President, Vice-President or Treasurer. These terms, despite their cultural weight, are not of any constitutional relevance. The modern practice is to leave it to the Committee to appoint its own chair (who is the nominal head of the Club - see clause 14.6) and allocate roles to Committee Members as it thinks appropriate. The titles of Committee Member positions and job descriptions can be included in the accompanying Regulations, if more formality is desired.</p> <p>“Constitution” - The Constitution must conform to the requirements of section 21 of the Act.</p> <p>“Financial Year” - The Financial year can be varied to suit your organisation, for example a winter sport may choose to run its financial year from 1 January to 30 December.</p> <p>“PSO” - The Sport's peak sporting organisation needs to be included here.</p> <p>If the Club is affiliated with an Association (and is not directly affiliated with the PSO), the term PSO can be deleted, along with the references to PSO in clauses 3(c), 5.5, 5.7, 9.2, 31.1 and 32.1.</p> <p>“Special Resolution” - This is the definition of "special resolution" set out in clause 37 of the Act. For ease of reference, we have included the definition in the Constitution.</p> <p>“Sport” - The Sport needs to be described here.</p>
2.3	RESOLUTIONS	<p>This states that if the Constitution requires a decision to be made or a resolution to be passed by a General Meeting, the Committee or a sub-committee of the Committee, the decision may be made or the resolution may be passed by Ordinary Resolution unless either this Constitution or the</p>

Clause Ref.	Clause	Notes
		<p>Act requires otherwise.</p> <p>The Constitution requires a Special Resolution of Members for:</p> <ul style="list-style-type: none"> • the appointment of a Life Member – see clause 5.4(c); and • the repeal or alteration of, or addition of a new provision to, the Constitution (unless it is necessary to amend the Constitution for specific reasons set out in clause 31.1(b)) – see clause 31.1(a). <p>Note that the Act also specifically requires a Special Resolution of Members for:</p> <ul style="list-style-type: none"> • the Club to apply to become incorporated under the <i>Corporations Act 2001</i> or another Act; or • the distribution of the Club's surplus assets on winding up of the Club (where there is no valid constitution of the Club governing distribution of the surplus assets, which is not the case here) – see section 76 of the Act.
3.	OBJECTS OF THE CLUB	<p>If an association is formed or carried on for one of the purposes listed in the definition of "association" in section 4(a) of the Act and its activities are carried on in whole or in part in the Northern Territory, it may apply for incorporation under the Act. These purposes include "the purpose of recreation or amusement".</p> <p>The objects of the Club are important and must be carefully considered. The objects of the Club are its reasons for existence.</p> <p>The template sets out 4 core objects for the Club, being to:</p> <ol style="list-style-type: none"> 1. encourage, promote and advance the Sport throughout the Northern Territory; 2. enter teams of Members in competitions in the Sport; 3. affiliate with the Association or PSO (as applicable); and 4. maintain and enhance the reputation of the Sport and the standards of play and behaviour of Members. <p>In addition, there is a fifth 'catch all' object, being to undertake and or do other things or activities which are necessary, incidental or conducive to the advancement of these objects.</p> <p>The objects must also recognise the relationship between the Club and its parent Association or PSO (as applicable). ASC Principle 1.9 provides that NSOs and their member bodies should have aligned objects and purposes to ensure effective and efficient achievement of sport outcomes.</p> <p>If the Club is an Affiliate Member of an Association or PSO which has adopted the new template Association or PSO constitution, then the Club will be required, as a condition of its membership, to have constituent documents which:</p> <ul style="list-style-type: none"> • clearly reflect the objects of the Association or PSO; and • conform with the Association or PSO's Constitution and Regulations and the Constitution and policies of

Clause Ref.	Clause	Notes
		<p>the Association or PSO (as applicable).</p> <p>This is intended to align the Clubs with the Association, PSO and NSO.</p> <p>A Club should therefore consider the objects of its Association, PSO and NSO when defining its objects.</p>
4.	POWERS OF THE CLUB	The powers of an incorporated association are set out in sections 11 and 13 of the Act.
5.	MEMBERS	The Members of the Club and their rights and responsibilities are set out in clause 5.
5.1	MINIMUM NUMBER OF MEMBERS	Section 26 of the Act states that an incorporated association must not have less than 5 members.
5.2	CATEGORIES OF MEMBERS	<p>Section 21(1)(a) of the Act requires the Constitution to contain provisions dealing with the qualification of members of the association.</p> <p>Under this template, the Club's Members comprise Life Members and Ordinary Members. Both Life Members and Ordinary Members are voting Members of the Club.</p> <p>The membership categories and their respective rights and responsibilities may, of course, vary between Clubs and the template can be amended as required.</p> <p>The Committee may create new categories of Members (such as corporate members) but any new category would effectively be a change in the Constitution and will therefore need to be submitted to a General Meeting for approval by Special Resolution.</p>
5.3	ADMISSION OF MEMBERS	<p>This sets out how candidates for membership may apply to the Committee to become Members.</p> <p>The application must be in writing, in a form approved by the Committee. This is intended to permit online application forms.</p> <p>The Committee may establish Regulations providing greater detail of the process required for admission of Members.</p>
5.6	OBLIGATIONS OF MEMBERS	Breach of any of these obligations by a Member will be grounds for expulsion of the Member under clause 6.3.
5.6	REGISTER OF MEMBERS	<p>Section 34(1) of the Act requires an association to establish and maintain a register of its members and enter in the register:</p> <ul style="list-style-type: none"> (a) the date on which each member of the association became a member; and (b) if a person ceases to be a member of the association – the date of ceasing to be a member; and (c) the name and address of each member of the association. <p>Section 34(2) of the Act also requires an association to make the register of members available for inspection by</p>

Clause Ref.	Clause	Notes
		<p>members at reasonable times at:</p> <ul style="list-style-type: none"> (a) the address of the public officer of the association; or (b) the place, if any, at which the association is situated or located; or (c) another place in the Territory nominated by the committee.
5.8	EFFECT OF MEMBERSHIP	<p>This clause states that the Constitution is a contract between the Club and its Members.</p> <p>This clause also states that each Member is bound by the rules and regulations governing competitions in which the Member participates.</p> <p>If the Club is an Affiliate Member of an Association or PSO which has adopted the new template Association or PSO constitution, the Club will also be required to apply for each of its Participants (ie. persons who participate in the Sport whether as players, coaches, umpires or other officials) who represent the Club in competition in any way to be an Individual Member of the Association or PSO.</p> <p>Clause 5.8(c) therefore states that each Member authorises the Club to apply on the Member's behalf for the Member to be admitted to membership of the Association or PSO (as applicable).</p> <p>This means that the Members will be bound by the Constitution and Regulations of the Association or PSO (as applicable), as well as the Constitution and Regulations of the Club.</p> <p>This assists the alignment of Clubs, Associations and PSOs with the NSO and therefore the enforcement of national policies.</p>
6.	CESSATION OF MEMBERSHIP	<p>This sets out a list of events that will cause a Member's membership to automatically cease.</p>
7.	DISCIPLINE	<p>This clause does not prescribe procedures for the discipline of Members but instead provides for these procedures to be established by Regulation of the Committee.</p> <p>Section 39 of the Act provides that where the Committee exercises any power of adjudication in relation to a dispute between the Members, or a dispute between the Committee and Members of, the rules of natural justice must be observed. This is reflected in clause 7(d) and also in clause 6.3(c).</p>
8.	SUBSCRIPTIONS AND FEES	<p>This provides for membership fees to be set by the Committee, not the Members.</p> <p>However, in some Clubs, the fees may be set by the General Meeting on recommendation of the Committee.</p>
9.	POWERS OF THE COMMITTEE	<p>Section 21(1) of the Act states that the Constitution must contain provisions that deal with, among other things, the constitution of the committee of the association and the</p>

Clause Ref.	Clause	Notes
		<p>powers of that committee and the manner in which the funds of the association are to be managed.</p> <p>The ASC Principles state that: "The board's primary responsibility is one of trusteeship on behalf of its stakeholders, ensuring that the legal entity, the organisation, remains viable and effective in the present and for the future.</p> <p>The board's role includes determining the organisation's strategic direction, core values and ethical framework, as well as key objectives and performance measures. A key critical component of this role is the board's ultimate authority and responsibility for financial operations and budgeting to ensure the achievement of strategic objectives."</p>
10.	COMPOSITION OF THE COMMITTEE	<p>The numbers on the Committee will vary.</p> <p>This template provides for up to 7 Elected Committee Members and up to 2 "external" Appointed Committee Members who may be appointed by the Elected Committee Members.</p> <p>The Club needs to ensure that the size and composition of its Committee are appropriate for the Club's needs.</p> <p>Section 30 of the Act prohibits certain persons from being members of the committee of an incorporated association.</p> <p>The template Constitution does not entrench portfolios (eg. secretary, treasurer). If the Club wishes to allocate portfolios to Committee Members, the Committee has discretion to allocate portfolios under clause 10.2.</p>
11.	ELECTED COMMITTEE MEMBERS	<p>This clause sets out the following suggested process for electing the Elected Committee Members.</p> <p>If the number of nominations received for the Committee exceeds the number of vacancies to be filled, an election must be conducted at the AGM.</p> <p>However, if the number of nominations received for the Committee:</p> <ul style="list-style-type: none"> • <i>does not exceed the number of vacancies to be filled</i> - then the nominees will be declared elected at the AGM; and • <i>is insufficient to fill all vacancies on the Committee</i> - nominations for the remaining Elected Committee Member positions may be made from the floor of the AGM and if the number of nominations received from the floor does not exceed the number of vacancies to be filled, then those nominated will be declared elected at the AGM. <p>If at the close of the AGM, vacancies on the Committee remain unfilled, the vacant positions will be casual vacancies under clause 13.1 which may be filled by the Elected Committee Members.</p> <p>To ensure that any Committee Members nominated from the floor of the AGM and elected meet any legal requirements for the position (e.g. under the liquor</p>

Clause Ref.	Clause	Notes
		<p>licensing laws), clause 11.4(b) states that the Committee Member's term will not commence until the requirement is met.</p> <p>Under this template:</p> <ul style="list-style-type: none"> • an Elected Committee Member's term is for two years; and • an Elected Committee Member can only serve four, two year terms.
12.	APPOINTED COMMITTEE MEMBERS	<p>The template contemplates both Elected Committee Members (elected by the Members) and Appointed Committee Members (appointed by the Elected Committee Members). The principle behind the Appointed Committee Members is to provide the Elected Committee Members with additional skills that may facilitate or assist the Committee with a particular issue from time to time.</p> <p>For example, a Club may require marketing or lobbying skills and may therefore decide to approach and invite an appropriately skilled person to join the Committee as an Appointed Committee Member.</p> <p>If a Club does not want to have Appointed Committee Members just:</p> <ul style="list-style-type: none"> • delete clauses 10.1(b), 12 and 13.2(i), the last sentence of clause 13.2 and the definitions of 'Appointed Committee Member' and 'Elected Committee Member' in clause 1; • amend the definition of 'Committee Member' in clause 1 by deleting the reference to 'Elected Committee Members' and 'Appointed Committee Members'; and • delete the word 'Elected' from the remaining references throughout the document to Elected Committee Members.
13.	VACANCIES ON THE COMMITTEE	<p>This clause deals with:</p> <ul style="list-style-type: none"> • casual vacancies; and • grounds for termination of Committee Members. <p>Section 30 of the Act states that certain persons are not to be committee members. If an Elected or Appointed Committee Member is disqualified from office under that Section 30, their appointment as Committee Member will immediately terminate.</p>
14.	MEETINGS OF THE COMMITTEE	<p>Section 21(1)(e) of the Act states that the Constitution must provide for the procedure for the conduct of meetings of the committee of the association.</p> <p>The provisions in this clause are intended to provide the Committee with flexibility in terms of how it meets.</p> <p>The ASC Principles recommend that a Committee meet no less than six times per year and often as regularly as monthly.</p> <p>Sections 31 and 32 of the Act deal with disclosure of interests and voting on a contract in which a Committee Member has an interest.</p>

Clause Ref.	Clause	Notes
14.3	DECISIONS OF THE COMMITTEE	The ASC Principles recommend that votes taken at committee or general meetings should be passed by a majority of director/members and not be subject to a casting vote. The principle is based on the premise that if a majority cannot agree on an issue then the vote on the issue should be lost.
14.5	QUORUM	The quorum for a Committee meeting can be varied. It should be at least half of the Committee Members plus one. For example, if there are six Committee Members, the quorum should be four.
14.6	CHAIRPERSON	<p>The chairperson can be any Committee Member that the Committee regards as sufficiently skilled to undertake the role.</p> <p>The template provides that the chairperson will be the nominal head of the Club, unless the Committee decides otherwise.</p> <p>While some Clubs may decide to refer to their chairperson as their "president", the role should remain the same. The chairperson is the chairperson of the Committee, not the chairperson of the Club. It is the Committee that governs the Club (not the chairperson) and the Committee must act collectively in the best interests of the Club as a whole to govern on behalf of the Club's members. Some Clubs have retained a member-elected president despite introducing a Committee-elected chairperson. The Australian Sports Commission and Department of Sport and Recreation do not support this situation as it creates an unnecessary duplication of powers.</p>
15.	EXECUTIVE	This clause permits the Committee to employ a chief executive and other personnel it considers necessary or appropriate, in each case for such period and on such conditions as the Committee determines.
16.	DELEGATIONS	This clause recognises that the Committee may delegate functions and tasks to special committees. In sport, such committees are common. For example, a Club may have rules and technical committees, selection committees and judicial committees.
17.	SEAL	<p>Sections 20 and 113(1)(d) of the Act deal with use of the common seal.</p> <p>The Club may wish to consider establishing a Register for the use of the Seal in addition to the inclusion of a recording in the Committee Minutes of the seal use.</p>
18.	ANNUAL GENERAL MEETING	Section 36 of the Act requires an association to hold an annual general meeting within five months after the end of the association's financial year.
19.	SPECIAL GENERAL MEETINGS	The number or percentage of Members who can requisition a Special General Meeting can be varied. In some cases a lesser or greater percent may be appropriate or it may be on requisition of a specific number

Clause Ref.	Clause	Notes
		of Members.
20.	ATTENDANCE AT GENERAL MEETINGS AND APPOINTMENT OF DELEGATES	This states that Members, the auditor and the Committee Members are entitled to attend General Meetings, but only the Members are entitled to vote.
21.	NOTICE OF GENERAL MEETING	<p>This provides that at least 21 days' notice of a General Meeting must be given to Members, the auditor and the Committee Members, together with:</p> <ul style="list-style-type: none"> (i) the agenda for the meeting; and (ii) any notice of motion received from Members entitled to vote. <p>Proxy voting has not been provided for in this template. It is optional and it is not required to be provided for under the Act.</p>
22.	BUSINESS	<p>Section 43(1) requires the Committee to present at each AGM the following documents for consideration of the meeting:</p> <ul style="list-style-type: none"> • audited statement of the Club's accounts for the last financial year; • a copy of the auditor's report for the last financial year; and • a report signed by 2 Committee Members stating: <ul style="list-style-type: none"> ○ the name of each Committee Member during the last financial year and at the date of the report; ○ the principal activities of the Club during the last financial year and any significant change in the nature of those activities that occurred during the financial year; and ○ the net profit or loss of the Club for the last financial year.
23.	PROCEEDINGS AT GENERAL MEETINGS	This clause sets out provisions governing the procedure at General Meetings.
23.1	QUORUM	The quorum for a General Meeting can be varied. The number or percentage of Members required must be realistic so that a meeting can proceed.
24.	VOTING AT GENERAL MEETINGS	<p>The ASC Principles recommend that votes taken at committee or general meetings should be passed by a majority of director/members and not be subject to a casting vote. The principle is based on the premise that if a majority cannot agree on an issue then the vote on the issue should be lost.</p> <p>Therefore, this template does not give the chairperson a casting vote.</p>
25.	DISPUTE RESOLUTION PROCEDURE	<p>This clause sets out a dispute resolution procedure, which may involve the referral of a dispute to the Community Justice Centre. This is not a requirement of the Act.</p> <p>The Community Justice Centre is a Northern Territory Government service that offers free community mediation</p>

Clause Ref.	Clause	Notes									
		<p>at local venues across the Territory.</p> <p>Note that:</p> <ul style="list-style-type: none"> • Section 39 of the Act provides that where the Committee exercises any power of adjudication in relation to a dispute between the members, or a dispute between itself and members of the association, the rules of natural justice must be observed. • Section 109 of the Act provides that a member or former member of an incorporated association may apply to the Supreme Court or the Local Court for an order under this section on the grounds that: <ul style="list-style-type: none"> ○ the affairs of the association are being conducted in a way that is oppressive or unfairly prejudicial to, or unfairly discriminatory against, a member or in a way that is contrary to the interests of the members as a whole; or ○ an act or omission, or a proposed act or omission, of the association was or would be oppressive or unfairly prejudicial to, or unfairly discriminatory against, a member (also the oppressed member) or was or would be contrary to the interests of the members as a whole; or ○ the constitution of the association contains provisions that are oppressive or unreasonable; or ○ the expulsion of the member was oppressive or unreasonable. 									
26.	FUNDS, ACCOUNTS, AUDITS AND MINUTES	<p>Section 21(1)(f) of the Act requires the constitution of an incorporated association to provide for the manner in which the funds of the association are to be managed.</p> <p>The Act also sets out requirements for:</p> <ul style="list-style-type: none"> • Sections 41 to 52 – Accounts and audits • Section 38 – Minutes 									
27.	AUDITOR	<p>The audit requirements under the Act divide incorporated associations into the following three tiers:</p> <table border="1" data-bbox="639 1509 1334 2094"> <thead> <tr> <th data-bbox="639 1509 724 1570">Tier</th> <th data-bbox="724 1509 1010 1570">Type of Club</th> <th data-bbox="1010 1509 1334 1570">Audit requirements</th> </tr> </thead> <tbody> <tr> <td data-bbox="639 1570 724 1984">1</td> <td data-bbox="724 1570 1010 1984"> <ul style="list-style-type: none"> • Gross receipts < \$25,000; or • Gross assets < \$50,000 </td> <td data-bbox="1010 1570 1334 1984"> <p>Section 46 requires that the Club's accounts are audited by a person who is not:</p> <ul style="list-style-type: none"> • a member of the association; • the spouse, de facto, business partner, employer or employee of a member; or • the spouse, de facto, business partner of a member's employee. </td> </tr> <tr> <td data-bbox="639 1984 724 2094">2</td> <td data-bbox="724 1984 1010 2094"> <ul style="list-style-type: none"> • Gross receipts > \$25,000 (but < \$250,000); or </td> <td data-bbox="1010 1984 1334 2094"> <p>Section 47 requires that the Club's accounts are audited by a person who:</p> </td> </tr> </tbody> </table>	Tier	Type of Club	Audit requirements	1	<ul style="list-style-type: none"> • Gross receipts < \$25,000; or • Gross assets < \$50,000 	<p>Section 46 requires that the Club's accounts are audited by a person who is not:</p> <ul style="list-style-type: none"> • a member of the association; • the spouse, de facto, business partner, employer or employee of a member; or • the spouse, de facto, business partner of a member's employee. 	2	<ul style="list-style-type: none"> • Gross receipts > \$25,000 (but < \$250,000); or 	<p>Section 47 requires that the Club's accounts are audited by a person who:</p>
Tier	Type of Club	Audit requirements									
1	<ul style="list-style-type: none"> • Gross receipts < \$25,000; or • Gross assets < \$50,000 	<p>Section 46 requires that the Club's accounts are audited by a person who is not:</p> <ul style="list-style-type: none"> • a member of the association; • the spouse, de facto, business partner, employer or employee of a member; or • the spouse, de facto, business partner of a member's employee. 									
2	<ul style="list-style-type: none"> • Gross receipts > \$25,000 (but < \$250,000); or 	<p>Section 47 requires that the Club's accounts are audited by a person who:</p>									

Clause Ref.	Clause	Notes	
			<ul style="list-style-type: none"> • Gross assets > \$50,000 (but < \$500,000); or • Club holds a license under the Gaming Machine Act. <ul style="list-style-type: none"> • is a member of an accountants body; or • holds qualifications in a prescribed class of qualifications; or • is, or is a member of a class of persons, approved by the Commissioner. <p>The audit must be conducted in accordance with the applicable Australian Auditing Standards.</p>
		3	<ul style="list-style-type: none"> • Incorporated trading association; or • Gross receipts > \$250,000; or • Gross assets > \$500,000 <p>Section 48 requires that the Club's accounts are audited by a person who:</p> <ul style="list-style-type: none"> • holds a public practice certificate issued by an accountants body; or • is, or is a member of a class of persons, approved by the Commissioner. <p>The audit must be conducted in accordance with the applicable Australian Auditing Standards.</p>
28.	APPLICATION OF INCOME	<p>Section 13A of the Act prohibits an association from disbursing profits or assets to its members, former members or associates of members or former members.</p> <p>Gambling Control Act requirements</p> <p>Under the <i>Gaming Control (Community Gaming) Regulations</i>, a Club must be an "approved association" to conduct lotteries, raffles and games.</p> <p>To become an "approved association", the Club will have to submit an application in an approved form, together with a certified copy of its Constitution.</p> <p>The approved form on the Licensing NT website states that when assessing an application to become an approved association, the Director-General of Licensing requires 'suitable clauses relating to finance and dissolution (disposal of assets)'. The Director-General will therefore review this clause 28 to ensure it is a suitable finance clause.</p>	
29.	WINDING UP	<p>Sections 72 to 77 of the Act deals with the winding up of an association.</p> <p>Section 14 of the Act states that except as provided in the constitution, a member of an association is not liable to contribute towards the payment of the debts and liabilities of the association.</p>	

Clause Ref.	Clause	Notes
30.	DISTRIBUTION OF ASSETS ON WINDING UP	<p>Section 76 of the Act deals with the distribution of assets upon winding up.</p> <p><i>Gambling Control Act requirements</i></p> <p>Under the <i>Gaming Control (Community Gaming) Regulations</i>, a Club must be an "approved association" to conduct lotteries, raffles and games.</p> <p>To become an "approved association", the Club will have to submit an application in an approved form, together with a certified copy of its Constitution.</p> <p>The approved form on the Licensing NT website states that when assessing an application to become an approved association, the Director-General of Licensing requires 'suitable clauses relating to finance and dissolution (disposal of assets)'. The Director-General will therefore review this clause 28 to ensure it is a suitable dissolution (disposal of assets) clause.</p>
31.	CONSTITUTION	<p>The template Constitution provides that the repeal or alteration of, or addition of a new provision to, the Constitution requires a Special Resolution passed at a duly convened General Meeting – unless the Committee considers it necessary to amend the Constitution to:</p> <ul style="list-style-type: none"> (i) to achieve or maintain affiliation of the Club with the Association or PSO (as applicable); (ii) to comply with the Association or PSO's constitution and regulations (as applicable); or (iii) to achieve or maintain a particular tax status, <p>in which case the Committee may, by Ordinary Resolution, make the amendments that it considers necessary for that purpose.</p> <p>This gives the Committee the flexibility to change the amendment on short notice where required for the above reasons, without having to call a General Meeting.</p>
32.	REGULATIONS	<p>Clause 18 permits the Committee to make and amend Regulations (sometimes referred to as By-Laws, Policies or Practices) which are binding on the Club and its Members.</p> <p>The Committee is able to make and amend such Regulations for the proper advancement, management and administration of the Club and the advancement of the purposes of the Club and the Sport in Northern Territory as it thinks necessary or desirable, provided the Regulations are consistent with the Constitution (and the Association or PSO's constitution and regulations (as applicable)).</p> <p>The Regulations can address a whole range of issues for the Club. These include</p> <ul style="list-style-type: none"> • the conduct of competitions (including but not limited to the rules of competition and codes of conduct); • the conduct of meetings; • the resolution of disputes; and

Clause Ref.	Clause	Notes
		<ul style="list-style-type: none"> discipline of Members for breaches of this Constitution or the Regulations. <p>The Club should also adopt:</p> <ul style="list-style-type: none"> work health and safety policies and procedures, such as a Work Health and Safety Policy, emergency plan and first aid plan; and child protection policies and procedures, such as a Member Protection Policy, Working With Children Guidelines and recruitment and selection procedures for paid and voluntary positions, <p>as Regulations, to assist the Club to comply with its legislative requirements.</p> <p>Dealing with these areas in the Regulations, rather than the Constitution itself, means that the Committee can have flexibility in making and amending these rules, without having to obtain a Special Resolution of Members as it would have to do with an amendment to the Constitution.</p>
35.	INDEMNITY	<p>Section 105 of the Act states that any provision (whether contained in the constitution or in a contract with the association or otherwise) exempting an officer or auditor of the association from, or indemnifying him or her against, a liability to the association that by law would otherwise attach to him or her in relation to negligence, default, breach of duty or breach of trust of which he or she may be guilty in relation to the association, is void.</p> <p>However, an association may, in accordance with to its constitution or otherwise, indemnify an officer or auditor against any liability incurred by him or her in defending proceedings, whether civil or criminal, in which judgment is given in his or her favour or in which he or she is acquitted.</p>
36.	TRANSITIONAL PROVISIONS	<p>These provisions are relevant for existing Clubs who are adopting this constitution in substitution for an old one. it is not necessary for a new Club for whom this is the first constitution.</p>
N/A	ADDITIONAL CLAUSES IF CLUB IS TO APPLY FOR LIQUOR LICENCE	<p>If a Club wishes to apply for a class of liquor licence known as a club licence, it may be required to submit to the Director-General of Licensing a copy of its constitution containing the following additional clauses:</p> <ul style="list-style-type: none"> a visitor to the club must not be supplied with liquor in the club premises unless the visitor is a guest in the company of a member the keeping of records of guests the appointment of a secretary