

It is proposed that the Committee for Brisbane transition from an Incorporated Association to a Company Limited by Guarantee. This will mean a:

- New Constitution
- New Board of Directors
- New regulator.

This proposal needs the support of members through a vote to be held at a Special General Meeting, proposed to be held on Wednesday, 1 April 2026.

Should the vote be successful, members would need to consent to become a member of the company and provide a guarantee, which is a nominal amount of \$1.

**For the most part, day-to-day operations of CFB will look and feel the same for members**

## FREQUENTLY ASKED QUESTIONS

### Why is the Committee for Brisbane considering a shift to a Company Limited by Guarantee?

Many not-for-profit organisations move to a CLG structure as they grow, take on more significant responsibilities or begin to expand their operations more broadly. A CLG provides a governance model designed for larger or more complex entities and is recognised nationally under federal law (Corporations Act).

Additionally,

- CFB’s current Constitution is unnecessarily complex and requires a significant rewrite to ensure it is fit for purpose. This includes the membership structure
- Currently governed under the *Associations Incorporation Act 1981*, which is designed for small, volunteer-managed organisations. It has significant government oversight and requires permission from the regulator to make changes
- Updating our governance model recognizes the future of CFB as an organisation run by professionals, and allows the Board greater autonomy to make decisions as and when needed

### What is the difference between an Incorporated Association and a Company Limited by Guarantee?

Element	Incorporated Association	Company limited by guarantee
Regulators	Office of Fair Trading (Qld)	ASIC (Commonwealth)
Governing laws	Associations Incorporation Act	Corporations Act

<b>Membership</b>	Must be a minimum of 7 members at all times	Must be at least one member
<b>Limited liability of members</b>	Usually limited to amount of unpaid membership fees	Liability of membership is limited to the amount of the 'guarantee' on becoming a member, usually a small amount (\$1)  Liability ceases 12 months after termination of membership
<b>Number of members on governing body</b>	Must have at least 3 Management Committee members, including one president and another treasurer  Must have a secretary	Must have at least three directors and a secretary  The secretary may but need not be a director
<b>Qualifications of members on governing body</b>	Management Committee must be elected from members	Directors may be members or non-members and may be elected by the members or appointed by the Board  Each director must hold a Director Identification Number before taking office
<b>Limited liability of members on governing body</b>	Generally, no personal liability, however breaches of duties may result in penalties up to \$10,014	Generally, no personal liability, however breaches of duties may result in penalties up to \$1.1 million, or where benefit was derived, up to three times the value of the benefit; imprisonment
<b>Regulator's fees</b>	No annual fees  Lodging annual return- \$64.25  Changes to constitution- \$24.20	Annual review fee- \$1,528 (unless it is a Special Purpose Company, i.e. pursue charitable purposes)  Generally, no lodgement fees
<b>Reporting requirements</b>	Must lodge return within 6 months from the end of the Association's financial year, and depending on assets and revenue, must be verified or	Financial reports must be lodged within 4 months from the end of the Company's financial year, and depending on revenue, must be audited or reviewed

	audited by an accountant or auditor	
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**Does this mean the organisation’s purpose or activities are shifting?**

No. The transition changes only the legal structure, not the mission. The organisation continues to advocate for a better Brisbane and support its members. Its activities, objectives, and strategic direction remain the same. The change is simply about ensuring the structure aligns with the organisation’s growth and responsibilities.

**Will the Committee for Brisbane’s name change?**

No. We will remain the Committee for Brisbane (just with Ltd. rather than Inc. after our name).

**Will staff roles change?**

No. Day-to-day operations will look and feel the same for members.

**Will the Committee for Brisbane’s assets remain protected?**

Yes. When an incorporated association transfers to a CLG, the legal entity continues and its assets and liabilities remain with the organisation. Ownership does not change; only the structure under which it operates.

**Will the membership structure change?**

Yes. The Committee for Brisbane will remain a member body, however the proposed Constitution will reduce the number of member categories to just two- Ordinary Members and Life Members.

**Will my membership rights change?**

All members will remain eligible to vote (one vote per member organisation) and nominate for the Board. Under the proposed Constitution all members will have the same rights and responsibilities.

**Will there be any impact on membership fees?**

Member fees are set at the discretion of the Management Committee (Board) as part of the annual budget process and do not form part of the Constitution.

**What will the governing body look like?**

Currently, the Committee for Brisbane is governed by a 14-person Management Committee, elected from the membership. There are rules regarding which membership categories must be represented, and the positions of President, Vice President, Treasurer and Secretary are directly elected.

The proposed structure would see the Management Committee replaced by a Board of Directors. The Board would comprise up to seven (7) Directors, directly elected from the membership (these 7 Directors are called *Elected Directors*). The Board would then have the discretion to appoint an additional two (2) Directors (*Appointed Directors*), based on their skills and experience.

All Directors must hold a Director Identification Number and meet their directorial responsibilities under ASIC.

The Board would be responsible for appointing the Secretary, Chair, and potentially Deputy Chair.

**How will the Board transition occur?**

Upon registration with ASIC, current Management Committee members willing to continue on as Directors will become ‘First Directors’ of the company. At the first AGM of the CLG (CFB usually holds its AGM in November), all First Directors will vacate their positions, and members will be asked to elect (vote) up to seven (7) Directors.

The new Board will then have discretion to appoint up to two (2) Directors for their skills and experience.

**Will the term for members of the governing body remain the same?**

Yes. It is proposed that Directors are appointed for up to two years, and must seek re-election or reappointment at the end of each two-year term. Directors may serve for a period of up to six years as an Elected Director (aggregate) or as an Appointed Director (aggregate).

**Will Directors be paid?**

No. The draft Constitution specifically notes that Directors will not be paid for their role as Board members.

**What protections will directors have?**

CFB provides insurance for its directors. Additionally, directors are not personally liable when acting properly, but breaches to carry higher penalties under the Corporations Act.

**Will there be any changes to sub-committees?**

There is no intention to change the current focus and operation of sub-committees. The draft Constitution provides the Board with the discretion to establish member-based advisory groups, including the terms and structure of how they are to be created.

**Will AGMs still be held?**

Yes. CLG are required to hold Annual General Meetings to report back to members and elect the governing body.

**What steps are required to make the change?**

The transition involves:

- A special resolution, to be approved by members at the Special General Meeting (proposed for 1 April, 2026);
- Adopting the new constitution;
- Applying to transfer the association's registration;
- Issuing member consent and guarantee forms.
- Registering the organisation as a CLG with ASIC;

### **When would the changes take effect?**

Should members vote to support the transition, it is hoped registration from ASIC will be received prior to the new financial year (1 July, 2026). This would permit CFB to commence the new financial year as a CLG with the new member structure in place.

### **How will members be kept informed?**

In the coming days, members will receive notice of a Special General Meeting (proposed for 1 April, 2026). The draft Constitution will be provided with this notice.

Members will be kept informed via email and newsletters of the outcome of the vote at the Special General Meeting.

Subject to the vote, members will be kept informed of progress with the ASIC registration process.

Any questions regarding the process can be directed to [admin@committeeforbrisbane.org.au](mailto:admin@committeeforbrisbane.org.au) or 0494 375 523 at any time.

### **What do member organisations need to do to become members of the new company?**

Should registration be approved by ASIC, members will need to provide written consent to become a member and agree to a \$1 guarantee (only payable if in the unusual event the company were to be wound up). Written consent is a simple process, with a form to be sent to all current members for agreement.

### **Does providing the \$1 guarantee make members a shareholder of the new company?**

No. Instead of shareholders, the CLG simply has members who have a limited liability to the company should it be wound up and unable to pay its debts and liabilities. Members do not hold shares or receive dividends.

### **What happens if members do not approve the transition?**

If members vote against the special resolution, the Committee will continue operating as an incorporated association. However, remaining under the current structure may limit the organisation's ability to operate effectively as it grows and engages more widely across Brisbane and nationally.

Separate to the proposed transition to a CLG, significant changes are required to the current Constitution to update and simplify its contents. Should the transition not proceed, members

will be asked to vote on Constitutional amendments to the incorporated association through a separate process.

**Thank you**

At this pivotal time for our city-region, we are appreciative of your continued support for CFB and our vision of Greater Brisbane as the world's most liveable place.

Should you have any questions regarding the process, please reach out to the team at [admin@committeeforbrisbane.org.au](mailto:admin@committeeforbrisbane.org.au) or 0494 375 523 any time.