



Comparative table on business structures

BUSINESS ITEMS	ASSOCIATION	COMPANY	CO-OPERATIVE
Registration costs	Reservation of name \$36* Registration \$96*	Reservation of name \$40 Registration of Company without share capital \$330 Registration of a company with share capital \$800 Professional costs.	Registration of trading co-operative \$175* Registration of non-trading co-operative \$116*
Registers to be kept	Members, committee members.	Members, directors, option holders and debentures and charges.	Members, directors and shares; loans, debentures, deposits and securities given and taken; subordinated debt; co-operative capital units (CCUs); fixed assets; notifiable interests, and memberships cancelled.
Obligations to register	Changes in public officer, public officer's address, association's name, objects and rules.	Changes in directors, secretary, principal executive officer, registered office, name, auditor, and principal place of business. Changes to constitutions of public companies only need registration.	Changes in directors, registered office, co-operative name, rules, auditor, charges, debentures and declaration of interest by directors.
Annual financial reporting	Submit statement to AGM and lodge with Department. Fees apply.	Send accounts and required reports to members prior to AGM; submit to AGM and lodge with Australian Securities and Investments Commission (ASIC). Small proprietary companies are generally not required to provide the annual financial report. Fees apply.	Send audited accounts and required reports to members prior to AGM; submit to AGM and lodge with the Registry. No fees apply if lodged with Registry within 28 days after AGM.
Audit	No audit necessary unless required by rules or by Charitable Fundraising Act.	Audit required, must appoint a registered company auditor. Small proprietary companies are generally exempt.	Audit in accordance with regulations which require audit by registered company auditor. Smaller non profit co-operatives may apply for an exemption.
Insurance	Nil required by Associations Incorporation Act 1984 as at 10 May 2002.	Nil required by the Corporations Act 2001.	Nil required by the Co-operatives Act 1992.

* fee current as at 1 July 2004

Important Notice: Please note this is a summary giving you some basic information. It does not cover the whole of the relevant law. This summary avoids legal language wherever possible as a result, there may be some generalisations about the application of the law. Some provisions of the law referred to have exceptions or important qualifications, in most cases the particular circumstances need to be taken into account when determining how the law applies.

This summary is not a substitute for professional advice and should not be relied on as legal advice.



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Trade	Associations must be non profit organisations.	No restriction on trading other than as contained in constitution.	No restriction on trading other than as contained in the rules.
Interstate recognition	Limited recognition outside NSW - must register with ASIC if it operates interstate.	Full recognition throughout Australia on incorporation.	Need to apply for foreign registration as a co-operative in other states.
Ease of incorporation	<ul style="list-style-type: none"> ▪ Application for Registration ▪ Rules can be simple and prepared without legal assistance or the model rules can be adopted. 	<ul style="list-style-type: none"> ▪ Application for Registration ▪ Depending on size/type of company replaceable rules can be adopted or a special constitution - legal assistance may be required. 	<ul style="list-style-type: none"> ▪ Application for Registration ▪ An approved set of rules can be adapted without legal assistance.
Management	Model rules provide for a minimum of 7 committee members including a president, vice-president, treasurer, secretary and 3 ordinary members.	<p>Proprietary company: minimum 1 director, not required to have a secretary.</p> <p>Public company: minimum of 3 directors and 1 secretary.</p>	<p>Number of directors can vary. The Registry recommends a minimum of 3 directors.</p> <p>1 secretary.</p>
Official documents	Association's full name must appear on all documentation.	Company's full name and ACN must appear on all documentation.	Co-operative's full name must appear on all documentation. There is no co-operative identification number.
Registered office	Not required. The public officer's address is the official address for service of documents.	Registered office required, notice of registered office must be lodged with ASIC; company name must be displayed.	Registered office required. Notice to be displayed stating the name of the co-operative and identification of the premises as its registered office.
Members	Minimum 5. No upper limit.	<p>Proprietary company if less than 50 non-employee shareholders.</p> <p>Public company if more than 50 shareholders.</p>	Minimum 5. No upper limit.
Active membership	Nil	Nil	Members must undertake a minimum level of activity within the co-operative to retain membership as specified in the rules.
Voting	The principle of one member one vote applies.	One vote usually attached to each share.	The principle of one member one vote applies.
Profits	Non profit organisation. No distribution to members, any surplus remains in the association.	No limit on dividends. Any distribution usually in proportion to shares held.	<p>Non-trading co-operative unable to distribute profits.</p> <p>Trading co-operative may distribute surplus.</p> <p>Distribution is limited by the Act and Regulations.</p>
Governing legislation	Associations Incorporation Act 1984 (NSW)	Corporations Act 2001 (C'wlth)	Co-operatives Act 1992 (NSW)