



Key reasons why Blackmans Bay Childrens Services Inc (Adventure Patch), as a charity, should change to a company limited by guarantee.

1. **It reduces bureaucratic red tape.** Currently AP is registered under 2 Acts, the Tasmanian Associations Incorporation Act and the Commonwealth ACNC Act. While there has been some harmonising of requirements between the laws, there are differences. As a company limited by guarantee the ACNC Act would be the predominant Act for AP as many of the elements under the Corporations Act are removed by the ACNC Act.
2. **It gives clearer powers to Members.** For example Members dissatisfied with a Director of a company can remove the Director while for an incorporated association there is no such power, they can only be voted out via the normal election process. It also protects whistle blowers.
3. **It gives clearer understanding of legal obligations** as there have been more rulings by the courts as to the meaning of the law for companies.
4. **It gives clearer obligations for Directors** but also added protection for Directors such as the business judgment rule.
5. **It gives greater certainty for AP** as the constitution will be self-contained while with an incorporated association a model rule not in the constitution may still apply to AP.
6. **It is a form of incorporation that better suits the size of the organisation;** indeed in Victoria and NSW the regulator could require an association of AP's size to transfer to a company.
7. **The Associations Incorporation Act has steps that facilitate the transfer** happening and ensure that all assets and liabilities remain the same.