

## SO YOU WANT TO START AN ORGANISATION?

Most community groups start because they have an idea, concern or passion for an issue in their community. For your group to be successful it's important to consider the most appropriate type of structure for your organisation to operate. Perhaps an informal, unincorporated group is sufficient or you may need to establish something more formal, such as an incorporated society, or a charitable trust.

To take your group's passion and great idea forward, the first steps are to do some preparation and planning. This preparation may include some background research, discussion within your group and consultation with others in your community. You will need to be clear on your group's aims, and that you have enough people who are willing to help get it started and more importantly, to keep it running effectively.

### Why start a new group?

As part of identifying your group's niche, it is a good idea to check whether any similar organisations already exist in the community. A brief Internet search for listings of similar organisations in your area, including local council's website will reveal if there's a need to establish a new group which could provide a service that's not currently available in your community or whether your group could join an established organisation.

An existing group may already be established under a formal structure with aims and objects that are compatible with your group. The established group may welcome new, enthusiastic members to help manage their organisation. A key advantage of this approach is that it will limit the number of groups with similar aims and objects trying to access limited funding.

Alternatively, you may wish to consult an established group with an existing legal structure (such as an incorporated society) about their ability to be an umbrella organisation for your group. This arrangement may allow your group to get on with its key projects while avoiding the time and effort of establishing and maintaining a formal legal structure.

**Community Waikato is available to facilitate and support this process with you.**

**For more information please contact Cheryl  
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## Planning to start

It will be helpful to consider some foundational questions before progressing to the stage of choosing a legal structure under which to operate.

*These key questions may include:*

- What is our vision?
- What do we want to achieve?
- Why do we want this?
- Who will benefit?
- Who will be involved?
- What do we value?
- Where are we now?
- Where do we want to be?
- Who else is doing this work?
- Should we set up independently or would this be duplication of services?
- Could we work collaboratively with an existing, similar organisation?
- Is there interest in our community for the support/services we plan to provide?
- How much time and effort will be needed?
- How much money will be needed?
- Where will the funding come from?
- What activities, programmes or services will it offer?
- What equipment (such as office, phones, computers and vehicles) will be needed?

The answers to such questions can be used to develop a plan and can inform the content of several key documents during the development of a group such as a trust deed or constitution for example. The founders of a new organisation need to clarify and document the answers to such questions as the primary functions needed to carry out the core purpose. This will help determine the most suitable structure and legal entity for the organisation to operate successfully.

## Choosing what structure to start

If your group wants to have a legal structure, it is important that your group considers what legal structure it will adopt. The structural form of your organisation will influence how you manage:

- your decision making, including committee/board meetings, and AGMs;
- your organisations activities;
- your financial responsibilities, audits and liability for debts;
- taxation obligations;
- legal procedures for dealing with other people and their organisations

It is up to your group which structure you choose, however, it is advisable to discuss these options with a professional such as an accountant, solicitor or skilled community advisor. The Companies Office maintains and provides up-to-date information on a variety of legal entities ([www.companies.govt.nz](http://www.companies.govt.nz)). Keeping it Legal, available from <http://www.keepingitlegal.net.nz/> is a comprehensive guide to provide you with further information.

Another consideration when deciding which legal structure will suit your group best is the taxation obligations you will have to meet. To minimise the amount of tax your organisation is liable to pay it is important to understand the tax system and seek professional advice when necessary.



**COMMUNITY  
WAIKATO**

*"Supporting strong communities"*

Hurhia te whakaaronui

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