**SYDNEY UNIVERSITY BOAT CLUB**

**Background to incorporation**

Sydney University Sport and Fitness became incorporated on 1 January 2020.

SUSF strongly recommends that the Clubs, especially the large ones, also become incorporated. This is partly because they will no longer be “part of” the new incorporated SUSF, and SUSF will not be liable for their debts. Incorporation means the club becomes an entity which can own property and enter contracts, and members and office bearers of the club will have limited liability for the debts of the club.

The process of incorporation is relatively simply. There are two options – (i) becoming an incorporated association under the NSW Incorporated Associations Act, or (ii) becoming a company limited by guarantee under the Corporations Act. The former is simpler and cheaper and provides the same protection and legal capacity as the latter, so it is what we recommend.

We will need an accountant to approve our annual accounts, although SUSF will still provide accounting services, which may cover that. There are some other reporting requirements which are not onerous.

When we become incorporated the relationship with SUSF will be governed by an Affiliation Agreement, which sets out what SUSF will continue to do for its clubs. Generally the agreement provides that SUSF will still provide the services that it does now, including an annual allotment of funds, scholarships, facilities etc and will have some ultimate control over the Club. For example, SUSF would have to agree to any changes to the constitution (see the proposed new Constitution) which is attached, and to the use of the Sydney University and SUSF brands.

Due to the particular situation of our Club, being off campus, and having a significant amount of assets (boats and oars) we negotiated a side letter to protect our situation beyond the general provisions of the Affiliation Agreement. It makes it clear that the boats and oars, ergometers, trailers and coaching boats etc will be the property of SUBC Inc. Up until now this has been assumed, but it was not specifically documented as such. For example SUBC has been depreciating our boats in their accounts. Also we have required clarity that SUSF will still employ our coaches and provide them with all relevant benefits and conditions. They will also undertake to ensure that our equipment remains insured under the University’s global policy, which is very advantageous to us. We are in negotiations with SUSF in relation to the coaches’ vehicles, as they have been keen to offload them onto us, and make them our expense. We have also ensured that SUBC Inc will have guaranteed access to the Linley Point and Glebe boatsheds.

Any member who would like a copy of the Affiliation Agreement or the side letter please let us know.