



Australian
Air League

F/RO/04/22
30th April 2022

FEDERAL ROUTINE ORDER

Use of Charitable Funds for Pecuniary Gain to Members

- 1.0 The Australian Air League (**The League**) is an Association incorporated in New South Wales and it is governed by four documents: **The Act**¹; **The Regulations**²; **The Constitution**³; and **The Manual**⁴ (which incorporates the By Laws of the association).
- 2.0 The Act states that: "An association must not conduct its affairs ... so as to provide a pecuniary gain for its members"⁵
- 3.0 One of the major duties of the Council of the League (COL) is to be responsible for the good governance of the incorporated association which includes ensuring that the Act, Regulations and Constitution are complied with.
- 4.0 It has recently become apparent to the COL that there have been different interpretations of some financial processes across the League and this has led to instances where the provision mentioned in 2.0 may not have been strictly complied with on all occasions. A sample of concerns includes, but is not restricted to:
 - 4.1 Some members appear not to appreciate that all funds held in all Air League Accounts are the property of the Incorporated Association and are deemed by the authorities to be "charitable funds".
 - 4.2 Joining Fees and Annual Subscription payments must be paid for by the new/existing members concerned and not subsidised, or paid outright, using Air League funds, which includes funds held in Branch/Squadron accounts.
- 5.0 This possibility is not acceptable to the COL and the COL now seeks to take all necessary steps to ensure that the uniform system of control is applied across all units of the League, on all occasions.

**Issued for and on behalf of the
Council of the Australian Air League Inc.**

Chief Comr. Ray King, MSA
Chief Commissioner

1 Associations Incorporation Act 2009 No 7 [NSW]
2 Associations Incorporation Regulations 2016 [NSW]
3 Australian Air League Inc. Constitution
4 Australian Air League Inc. Manual
5 Section 40 Association not to provide pecuniary gain for members