

LICENSING, REGULATION AND ALCOHOL STRATEGY

Guide to Dissolving an Association

Associations Act 2003 ***Sections 54 & 65***

These sections do not apply to trading associations
There are two processes by which associations may be voluntarily dissolved:

By resolution of the members where the association resolves to transfer all of its real and personal property— section 54 of the Act;

- This process must be used if the association has any assets (real or personal property) whatsoever, and will need to resolve to transfer all of its remaining surplus assets prior to dissolution.
- An association must first determine exactly what the surplus assets of the association are. To do this, the Management Committee must ensure that all grants, whether from the Northern Territory Government, Commonwealth Government or otherwise, have been acquitted. Note: Prescribed property (see definition in section 4 of the Act) does not form part of the assets upon dissolution, and must instead be dealt with pursuant to section 110 of the Act. For further information on Prescribed Property see fact sheet [Guide to Transferring Property](#).
- An association may, by resolution passed in accordance with its constitution, determine to transfer all its real and personal property (assets), other than prescribed property to –
 - a) another body, whether incorporated or unincorporated, formed for promoting objects similar to its own or charitable objects; or
 - b) a municipal council or community government council for the area in which the property is situated.
- Steps required for this process is as follows:
 - 1) All outstanding annual audited financial statement of accounts must be lodged unless an exemption has been granted by the Commissioner.
 - 2) Download all the [Transfer of Property and Dissolution](#) forms [here](#).

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- 3) Within 14 days of the members passing resolutions to transfer the property and dissolve the association, the Public Officer must:
- i. complete and lodge with Licensing, Regulation and Alcohol Strategy the two forms:
 - Resolution Authorising Transfer of Property of an Association; and
 - Notice of Intention to Transfer Property of an Association.

(Note: Take two copies of the completed form Notice of Intention to Transfer Property of an Association for steps 3 (b) and (c) below).

- ii. publish the form Notice of Intention to Transfer Property of an Association in a newspaper circulating in the part of the Northern Territory where the association carries on its activities. This form can be faxed to the newspaper to ensure the correct wording is used in the advertisement.
 - iii. publish the form Notice of Intention to Transfer Property of an Association in the Northern Territory Government Gazette (Phone: 8999 4005). This form can be faxed to the Government Gazette to ensure the correct wording is used in the advertisement.
- 4) The association may, only after first waiting 28 clear days after the publication of the notices in accordance with steps 3 (b) and (c) above (which ever is the later), transfer all of the surplus assets (real and personal property) in accordance with the resolution passed by the members. Note: A member of the association who did not vote in favour of the resolution, or a creditor of the association, may within 28 days of the publication of the notices in accordance with steps 3 (b) and (c) above (which ever is the later), apply to the Supreme Court for an order prohibiting the association from transferring its surplus assets (real and personal property). In this event, the association must not transfer any of its assets unless the court permits the transfer.
- 5) Once the association has completed the transfer of **all** its property, the Public Officer must immediately complete and lodge with Business Affairs the Notice of Completion of Transfer of Property of an Association form. Three months after lodging this form the association is taken to be dissolved, and notification of the association's dissolution will be published in the Northern Territory Government Gazette.

Note: The resolutions will have no effect unless there is compliance with step 3 above.

No lodgement fees apply for the lodgement of the Transfer of Property and Dissolution forms.

By application of the Public Officer – section 65 of the Act.

- This process may only be used where the association is no longer carrying out its objects and purposes (members of the association have lost interest in the association), and the association has no outstanding liabilities, or assets from which the cost of dissolving the association could be paid.
- Where the association has any surplus assets (real or personal property) whatsoever to be transferred, the effect of resolving to transferring the last

remaining asset would require the association to use Process 1 above to dissolve.

- Steps required for this process is as follows:
 1. All outstanding annual audited financial statement of accounts must be lodged unless an exemption has been granted by the Commissioner.
 2. Download all the Dissolution Statutory Declaration forms [here](#). This Statutory Declaration must be completed and sworn by the Public Officer in the presence of a witness over the age of 18 years.
 3. Lodge the Statutory Declaration with Licensing, Regulation and Alcohol Strategy.
 4. Upon receipt of the Statutory Declaration, the Commissioner may commence to dissolve the association by:
 - a) Publishing in the Northern Territory Government Gazette and sending to the Public Officer, a notice stating that, after 3 months after the date of that notice, the association will, unless cause is shown to the contrary, be dissolved; and
 - b) Unless cause to the contrary is previously shown as to why the association should not be dissolved, three months after the publication of the notice above, publishing in the Northern Territory Government Gazette a further notice that the association is dissolved.

Note: The liability, if any, of each officer and member of the association continues and may be enforced as if it had not been dissolved. No lodgement fees apply for the lodgement of the Dissolution Statutory Declaration.

Please note all lodgement fees are exempt from GST

TERRITORY BUSINESS CENTRES

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