PART THREE

SPECIFIC INFORMATION FOR SPECIFIC KINDS OF PROJECTS

- PROJECTS REQUIRING VENUES AND WORK SPACES
- ORGANISING AN EVENT
- WORKING AS AN INDIVIDUAL, ORGANISATION OR BUSINESS

PART THREE: SPECIFIC INFORMATION FOR SPECIFIC KINDS OF PROJECTS

Part One of this guide offers up general aspects and processes for planning and delivering any kind of creative project. Beyond this process though, most project ideas will be one of three kinds of projects: projects that involve the setting up of a space or venue; the running of an event; or the establishment of a group or organisation, often in a formal or legal capacity. Some projects might involve a combination of all of these things.

: PAGE :

PROJECTS REQUIRING VENUES AND WORK SPACES 73

- Sharing a work space with other groups
- Finding your own work space
- Finding a venue for events, displays and performances
- Long term considerations in managing a space
- The ramifications of no longer working from home

ORGANISING AN EVENT 78

- Timing
- Event logistics
- Managing volunteers for events
- Security
- Maximising your audience: festivals and cross-promotion
- What to do when things go wrong

WORKING AS AN INDIVIDUAL, ORGANISATION OR BUSINESS 84

- Working as an individual
- Turning your project team into a legally recognised organisation (or not)
- Auspicing
- Incorporating a non-profit organisation
- Starting a business

PROJECTS REQUIRING VENUES AND WORK SPACES

Whether you are looking for an office and organising space, a shopfront, a studio to paint or rehearse, or a venue to display what you make, chances are that at some point in the life of your project you are going to be looking for some kind of space.

The practical issues involved in finding a space vary dramatically depending on where in Australia you are. In regional areas and less populus suburbs of urban centres there is a much higher availability of low cost offices, shop spaces and other venues.

Think realistically about what you need. If you can organise your project from your bedroom or your friend's garage and the budget is tight, the idea of splashing out on a "cool-as-hell" warehouse space in the inner city may be a luxury that you just can't afford. Many a successful project has been organised with as little as a computer in the corner of a bedroom and a mobile phone. It's not the ideal way to work but it is certainly the cheapest and easiest when you are starting out—and the money you save on rent and other expenses can be channelled into other areas of your project.

If the computer in the bedroom option doesn't appeal, you should ask yourself whether you need your own space. Setting up a space is a big commitment that doesn't stop just because you don't have much work on. You take on constant overheads: rent, bills (power, gas, phone), repairs and transport costs. There is also the fact that you will probably be required to sign up for a long term lease—a big commitment for a short term project. So think of possible options.

Can you share an office with someone else? There might be an existing community organisation or group with similar aims and ideals that will let you work out of their space. Or might you be better off selling what you make through someone else's shops rather than starting your own?

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> Even if you don't want to share a space with someone else, investigate all of the subsidised and community spaces in your area before jumping into the commercial market. It will help you meet others with similar aims and ideals

SHARING A WORK SPACE WITH OTHER GROUPS

Most areas have a council or community arts centre, a youth centre, a student organisation or a range of funded organisations with similar aims to yours that have their own offices—they might already have a gallery, studio, shop or performance space attached if you get really lucky. In some cases these organisations have an active responsibility to nurture new projects and will be more than happy to let you use their office for a minimal cost. Many will have minimal money and some times of the year when they are busier and some times when they are quiet—if they are not particularly busy and not particularly cashed up they may be happy to have some company and someone paying the rent.

Ask around to see which organisations might be able to help. Council youth and/or arts officers may be able to point you towards someone you can share with. It might even be possible to negotiate a deal with the council for reduced rent as a form of supporting your project—many councils have such programs set up. Even if you don't want to share a space with someone else, investigate all of the subsidised and community spaces in your area before jumping into the commercial market. It will help you meet others with similar aims and ideals and give you a better idea of how others work and how much they pay to keep their own spaces running.

FINDING YOUR OWN WORK SPACE

What size should it be? How many other people are working on the project? How many desks or work spaces will you need? Are you organising a project that will require rehearsals such as dance and theatre? Will the room need special aspects such as a particular kind of floor surface or noise proofing? Do any members of your team or people that need to visit your work space require disability access? What about toilet or kitchen facilities, storage space, phone lines, access to public transport and Internet connection options? Also, are you going to be able to get your larger pieces of equipment and furniture into the space without too much hassle?

The most important of all considerations will probably be cost. If aiming to rent make sure you have a good look at what the going price is on the market for similar spaces. If you rush in and take the first space you look at you won't know a bargain from a rip off. Don't be afraid to ask real estate agents to show you around all sorts of spaces. The more you look at the better idea you will have of the space you need and the average costs for that space.

Also, if you are involved in a retail project that needs regular customers, visitors or passers-by, it is crucial to think about the location. In certain businesses "passing trade"—people walking in off the street—can account for almost all your custom. Getting people to realise that you are there can be half the battle, so being on a busy shopping strip has a lot of advantages over being in a warehouse in the middle of nowhere and might be worth the extra cost.

Read lease agreements carefully. It is standard practice in corporate leases to require at least $10,000,000 of public liability cover. You may also be signing over certain personal liabilities. And unlike residential leases, lawyers need to be involved. The legal fees for signing a lease can be equivalent to a month's rent! If you are committing to more than a year (it is likely that most corporate leases will be at least two years) make sure that any rent increases are linked to inflation or the Consumer Price Index (CPI)—this can be stipulated in the lease and means they can't force unreasonable rent hikes on you. It is a lot harder to walk away from an office space than a home space after a year because of rising rent. You could move, but for practical (established business, goodwill, reputation) and financial reasons (the money invested in letterhead, renovations, signage, advertising) your commitment to a "business" space extends further than the lease terms.

FINDING A VENUE FOR EVENTS, DISPLAYS AND PERFORMANCES

If your project requires a separate space or spaces for public presentation, consider all of the relevant issues involved in finding a work space (above); think about your required performance area or display size; consider your achievable or desired audience capacity; and think about power capacity—lighting and sound equipment you intend to use might need three-phase power. Also, are there fittings in the space that may be easily damaged? What kind of crowd are you expecting? Is the space suitable for such a crowd? Do you have a plan if graffiti turns up in the toilets or things are stolen?

Is the space accessible by public transport? Does it have good parking? For less accessible spaces you may have to give people directions and/or maps—in some cases you may even have to organise transporting people there. Consider seriously the number of emergency exits and fire extinguishers, especially if you are taking out insurance. Obviously you will have to consider the cost of hire and other responsibilities that the landlord might require you to take on, such as public liability insurance and security.

There are also some less tangible qualities that could influence your choice of venue. Venues develop reputations just like artists do. Is it a good fit with your project? Will it attract the audience you want? There are a lot of benefits associated with using an established venue. For example most pubs, clubs, theatres and conference centres will already have their own public liability insurance and some equipment (such as a PA) in place. This can save you thousands of dollars compared to the cost of putting something on in a park where the power, gear and a large insurance policy all need to be found before you can begin operations.

Also there are a lot of venues around that you can get for free or very cheap. Pubs, for example, will often let you use their back room as long as you can bring a crowd that will spend some money over the bar. Often

you can make a deal where you keep what you make on the door charge and the pub keeps the money from drink sales. If you are looking for something that is an all ages venue you should try and contact your local council and see whether they can subsidise access to a theatre, town hall or some other suitable space.

Be aware of the conditions of hire. Ask for a full list of available amenities. Discuss all conditions relating to the use of alcohol in the space, special security arrangements, agreed neighbourhood noise levels, access to the kitchen, insurance liabilities and so forth. If you are going to sell alcohol, you will need to negotiate this with the venue and apply for a licence—many venues already have exclusive licences or suppliers. If your venue requires you to have public liability insurance, you will need to chase this early, as it may well be your largest expense and can take up to a month to negotiate approval.

LONG TERM CONSIDERATIONS IN MANAGING A SPACE

> "Even if you don't want to share a space with someone else, investigate all of the subsidised and community spaces in your area before jumping into the commercial market. It will help you meet others with similar aims and ideals"

If you do commit to setting up your own office, workspace or shop you will need to plan ahead for the commitments involved in keeping it going. This can involve everything from paying the bills, putting the garbage out once a week, hassling the landlord for repairs, resolving disputes between members of the project team and others in your office or your building and generally keeping the space clean and tidy.

Security can be a big issue on group projects—particularly if you are getting to know each other at the same time as learning to trust each other with expensive equipment and a shared reputation. Who gets to have a key and what happens if you feel you need to take a key back from someone? What if someone loses a key? Who ensures that the place is locked securely at the end of each day? Do you take out insurance on the equipment that you borrow, own and use? If you don't, what happens if that video camera you borrowed suddenly disappears? Decide on systems for these things that everyone agrees with and write them down—stick copies on the walls if you have to. If people are reminded and encouraged to adhere to systems and rules, the routine of running the space will be a little easier.

You also need to consider when the space will be open. People will expect you to be there so they can drop off a package, come in and do a little bit of work in a spare two hours or simply drop in for a chat. If you are only planning on being there for a couple of days a week the first thing that you might want to do is get an answering machine. You need to be very clear on what days the space will be open and be there when you say you will be. There is nothing more likely to make a team member frustrated than getting two buses across town in the rain to do an afternoon's work only to discover that they are locked out because someone with a key decided not to come in.

Once you have a space, you also take on legal obligations for all the people who enter it. You will need to ensure the space is safe to work in, that everyone is clear on what to do in the event of a fire or other disaster and that you have insurance to cover anyone getting hurt while they are on your premises.

THE RAMIFICATIONS OF NO LONGER WORKING FROM HOME

Setting up an office space and moving away from your bedroom causes a fundamental shift in work practice. You become something you weren't. When you work from home you dictate the terms of your engagement with the outside world. When you commit to an office space you can find yourself committed to a nine-to-five day in the eyes of government bodies, businesses, sponsors, stakeholders and debt collectors. Although you are simultaneously empowering yourself with these people by being in an "office space", you do cede some creative and lifestyle freedom to the demands of their expectations.

If you find your relationship with the world around you changing fundamentally, it can have an impact on the creative practices that had you set up an office in the first place—you are committed to showing up first thing in the morning, but you may not feel particularly creative until the phone stops ringing and you are left alone in the evening. The creative bones of a project can still end up happening outside of these hours, either early in the morning (you will begin to see 7am more) or by staying chained to your desk late at night. It can often be difficult to figure out exactly what the middle bit of the day was for, and whether it is worth the money you are spending—keep perspective on what you are using a space for and maintain control and purpose in your use of it.

Running a space can be a great thing and it can be fabulous and empowering to have permanent resources to pool and collaborate where needed—the potential uses are unlimited. But the mundanities of the exercise can massively detract from focus on the project itself if you are not careful—you may end up in extended arguments with your collaborators about placement of the fish tank, whether or not anybody has called the agent about the strange smell from the office next door and who's in your parking spot.

If you have time and management resources, your space can also be a good money-making or at least organisational tool in itself. Look at the resources you have gathered around you, from computers and Net connections through to photocopiers and large open spaces. Think about how others might benefit from these—if you have set up a great system for hosting websites or email you might be able to offer this service to others. Everything in your office is there for a reason and when it is not being used by you it can still be put to use in a general way—so long as this use is not detracting from your own project.

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ORGANISING AN EVENT

TIMING

More so than any other type of project, timing is crucial for events. Unlike ongoing projects such as running an art gallery, where there can be some flexibility about a starting date or how long the project will run for, an event requires you to lock in a date from the beginning and design everything else to work back from that. Once you have picked a date it becomes very difficult to change it later. Make sure you discuss all of the aspects of the timing (likely weather, competing events, school holidays and whether there is enough time to complete your preparations) before you determine the date. As a general rule everything will take longer than you think, so plan early and pick a date that gives you plenty of time.

Because an event happens in a very particular timeframe you will need to make sure that everyone is going to be available when they will be needed. Not just for the performance stage or the launch night but at all the crucial steps leading up to it. If your event is large and involves many people who aren't necessarily coming to your meetings every week, write down all of the key dates and distribute them to everyone before the project gets too far advanced. If someone isn't going to be able to make a crucial deadline it will be a lot better to know this at the beginning than at the end.

EVENT LOGISTICS

Before the day make sure you think through all things that need to happen and that are likely to happen. Write down whose responsibility it is to check that things are going according to plan. For a small-scale project one person may be able to check on everything. As the scale gets larger you will need to start dividing the tasks up among many more people. For a really large-scale project that involves many people and many sites you might want to make one person a designated troubleshooter or decision-maker of last resort. Make it their job to deal with anything that is too tricky or time consuming for all the other members of the project team to deal with. If everything does go according to plan that person won't be needed, but if things do go a little wrong their role will become crucial.

Also have specific back-up plans for everything that might transpire (including cancellations and bad weather). Everyone in your project team should know of the contingency plans in the case of particular things going wrong and be able to go ahead with them (and inform the audience of them) if and when advised by the project managers.

(See Part Two: Common project issues—Troubleshooting, risk analysis and contingency planning)

For everything to work smoothly, you may need to have someone play traffic cop and check that everything arrives when it is supposed to and goes where it is supposed to. You may need to have dedicated loading and unloading zones for people bringing gear in and out—supply performers or contractors with a map (before the day of the event) showing where they can unload their gear, find information and contact the organisers.

You'll also need a "bump out" or wrap-up plan for when the event finishes. Work out in advance who is going to do the cleaning, take back borrowed equipment, etc. Make sure you reward people involved in bumping out because it's generally tiring and unstimulating work that happens after everyone else has had their fun and gone home.

MANAGING VOLUNTEERS FOR EVENTS

On the day of an actual event, depending on the project's size, you are probably going to need a lot more labour and support than at any other time during the project. How are you going to find so many people? Why not try your local schools, universities and TAFEs? People studying in areas such as marketing, events management, leisure studies, sound engineering and creative industries often rely on extensive practical experience as well as theoretical studies to round out their portfolios and work experience. Approaching relevant university or TAFE departments directly might be a way of gaining new and enthusiastic volunteers who bring their talents and skills to the event. If you already have tertiary students volunteering on your event, develop ties with their university department or course coordinator and try to organise for the experience they gain to be credited towards their degree/diploma.

"Approaching relevant university or TAFE departments directly might be a way of gaining new and enthusiastic volunteers who bring their talents and skills to the event."

> Sometimes volunteers who offer their services based on their enjoyment of an event can become torn between wanting to enjoy the event and completing their allocated tasks. They may end up doing neither activity very well at all.

Although most of your volunteers will be utilised on the day/s of your event, it's important to involve them earlier than when they are "needed". This affords them the opportunity to really "own" the event and become an intrinsic part of it. A few months of pre-event involvement (brainstorming meetings, informal parties, BBQs, stuffing envelopes, painting, postering) means they will have seen the project grow from an intangible idea to a physical event and have a vested interest in being there at the end. It will also allow them to forge friendships, develop an understanding of the project and build a strong relationship with the organisers. Generally, a volunteer who feels comfortable speaking with an organiser will call if they can't make it to an event, rather than simply not showing up. They'll also be more likely to approach an organiser with questions or difficulties (this is especially important if you have volunteers working in important roles such as programming or curating), rather than struggling through a problem unaided. Additionally, volunteers will often produce word of mouth publicity and bring in friends and acquaintances as attendees or even as extra volunteers.

Pre-event involvement also allows organisers or managers time to assess how best to utilise the talents and abilities of individuals. For instance, a volunteer may come to you wanting to work on your publicity, writing media releases or as an accounts administrator, but time spent with them might reveal that they are a particularly confident speaker and quite adept at managing people. In such a case it may be more appropriate for the volunteer to work with your event managers, perhaps as a stage manager or even the volunteer coordinator, if they would like to take on the challenge. Often times volunteers nominate themselves for certain activities simply because they are not aware of what else the event has to offer. It's one sign of good management to appoint tasks that are suitable to the person performing them and to cater to a volunteer's needs—whether these be skill development, work satisfaction or just to interact with new and interesting people.

If the event takes place over a few days, spontaneous volunteers will sometimes appear during the actual event itself. These people can literally save an event or an organiser's sanity. The flip side of such fortuitous appearances is that sometimes volunteers who offer their services based on their enjoyment of an event can become torn between wanting to enjoy the event and completing their allocated tasks. They may end up doing neither activity very well at all. Extra helpers who appear during the event should be used to lighten the workload for others, rather than be invested with major tasks and responsibilities, because they'll probably have less of an idea of how the event works as a whole and you'll be less familiar with their skills. Also be sure to value the interests of your long term volunteers and remember that they may have dedicated time over months to be able to perform a particular task during the event.

In the week or so preceding an event get definite time commitments and availabilities from each and every volunteer. Use these details to create a roster. DON'T ask people to "just show up" whenever they feel like it. This method more often than not results in a waste of everyone's time. There is really no better way to lose volunteers (not to mention credibility as an event organiser) than to assume people have all the time in the world to wait around at your event until they are given some menial task. Ideally, it's good to have a single volunteer coordinator in charge of this roster who will meet each volunteer before they start their shift and then say goodbye to them and thank them at the end of the shift. (Or invite them to stay around to enjoy the

event.) The roster should also have a list of back-up volunteers (including those people who offer to volunteer during the event), their contact details and their skills, who are a phone call away if an emergency arises. Your volunteer coordinator should also make sure that volunteers are having breaks and getting enough to eat and drink throughout the event. Ideally the volunteer coordinator shouldn't have too many other responsibilities because organising volunteers is a mentally and emotionally demanding role that has a significant degree of impact on the success of an event.

People will always volunteer to work on an exciting event for little or no financial reward, but it's always essential to acknowledge their invested time and effort. Inexpensive gestures like providing chocolate or pizza during meetings or after a poster run and thanking them in newsletters and e-bulletins demonstrate that you appreciate them as a genuine member and owner of the event. Also offer them letters of reference for their CVs, movie passes, help with grants they wish to submit or simply send them a letter of thanks. It doesn't take much time or expense to acknowledge people in such ways, but it goes a long way in creating an environment where everyone feels welcome and appreciated.

SECURITY

Security of both people and equipment is always a major issue at events. Find out the security laws or guidelines—including the number of security personnel required—that the police, the council and venue owners will expect you to employ. There is a rough rule of thumb for live music and pubs that says you should hire one security guard for every hundred people you expect to attend. This can vary enormously depending on the type of project you are organising. It might be a stereotype, but a jazz band at a non-alcoholic family picnic for 300 people will probably need less security than the same number of young men at an event with a lot of free alcohol. Know your own audience, ask other people's advice and be cautious.

Most states now have a strict licensing system for security guards. If you have not hired enough security for your event it might be problematic if random organisers take on roles reserved for licensed organisers—such as checking IDs, removing people from the venue or breaking up fights. This can be illegal or invalidate your insurance. If you fear trouble and have no security or a limited number of security guards, contact the police at the first sign of danger.

If you are dealing with equipment, expensive artworks or anything else someone might be tempted to steal, make sure it is secured and watched at all times. If there is a lot of equipment circulating you may want to establish a dedicated lock-up space where people can store equipment while it's not in use. Make sure only one or two people have a key to this space and that they are available and reliable at all times. Always advise people to insure their gear before they come to your event, but remember that this is not always feasible.

MAXIMISING YOUR AUDIENCE: FESTIVALS AND CROSS-PROMOTION

> **"The deal with the Fringe is that if you can partly pay for your own event, they will put their name on it, put it in the festival program and market it, etc."**
>
> - Psycho Jonas; Airbrush Artist and Signwriter

Events often work better in relation to other events. An exhibition that takes place as part of a festival (which means it can be publicised both independently and as part of a festival program) is almost always going to attract a larger audience than a stand alone project; particularly if your marketing resources are limited. Many cities and towns have fringe, community, cultural, youth and other festivals that will often include independently organised shows in their program. In some cases, such as fringe festivals, they might charge you a registration fee, which usually covers your inclusion in the festival program and perhaps some help with technical resources. In other circumstances, particularly where festivals are trying to expand their program and activities, being part of a festival may involve the festival giving you money and support in exchange for putting their logo on your publicity materials.

As with any cross-promotional relationship, becoming part of a larger event being organised by people external to your project may have serious consequences to consider. Obviously it will determine a lot of your deadlines—you will need to work on the festival's timeline, not just your own. But it will also have consequences if the fit between your project and the festival isn't quite right. For instance, your target audiences may be different, your idea of "ethical" sponsors may be diametrically opposed, or your personal work may contain content that offends the larger event's audience. Make sure that whoever you join forces with is aware of what kind of project you are doing and that both parties have an understanding of any issues that might arise.

If you are looking for a festival or program of events to be part of, check out what is happening in your local community. Most local councils keep a list of regional events and the contact details for the organisers. There is nothing to lose by calling and asking whether or not they are interested in your project.

If you can't find a festival to be part of, organise one. There is nothing particularly tricky about organising a festival as opposed to any other kind of project. Festivals are just a series of closely related events that happen at the same time and share promotion, expenses and audiences. They can be anything from a series of discussion sessions to a night of bands with an art exhibition attached. The beauty of festivals is that they bring many different people together and have the potential to encourage audiences to see things they wouldn't otherwise see. If people come along for the paintings and wind up seeing the bands, or vice versa, then the festival has found both projects new audiences.

There are a lot of different sized festivals around, so don't think yours has to be on the scale of the Big Day Out or the capital city arts festivals. You might want to start by bringing together a range of local people

or groups who are all doing interesting projects separately and seeing if they want to do their next project at the same time. Pooling money can help with publicity, and pooling resources when applying for funding may increase your chance of getting support.

It isn't always easy to get support for a new festival. For example, some funding bodies don't support festivals directly, although they might still support individual projects in the program; while other funding bodies may already support several festivals in your area, so they can't see the point in funding another one. Opportunities will arise, but like any project you will need to consider what is different and unique about yours and talk to the people making the funding decisions to see if they think it is a good idea.

WHAT TO DO WHEN THINGS GO WRONG

No matter how organised you are things will almost always go wrong with any event—don't worry, it's normal! Before the event, you can reduce the risk of this happening by ensuring that you triple check the details with everyone involved. Make sure everyone knows where they are supposed to be and when (personalised timetables and maps are ideal), how they are getting there and what the plan is if something breaks down along the way. Allow plenty of time for performers to rehearse, sound check and prepare. Tell everyone to arrive at least an hour before they really need to be there and make sure there are plenty of people on hand to help if something unexpected happens.

Productions will start late, bands will play over time, someone's five minute speech will turn into a long rant about nothing in particular, the vegetarian food you ordered will turn out to be a pig on a spit, someone will break up with their partner that morning, your guest of honour will go to the wrong place and the hotel that they are staying at will double book their room. For reasons like these someone should keep track of everything that is going on. That person should be calm, reliable, always easy to contact and needs to have the power to make "on the spot" decisions if they need to be made. They should have the ability to concentrate on the interests of the project's aims as a whole and be able to weigh these up against the interests of the people who might be in their ear about their own needs.

Because you go into the project with a very clear idea of how things should look and work, it can be easy for you to notice a whole lot of things going wrong. But no one else will see or even worry about most of these hiccups. If 95 per cent of what you do works out perfectly, you will inevitably end up spending most of your time concentrating on the one thing that is going wrong. Sure, maybe that's what you should do as an event organiser—take stock of better ways of doing things for next time. But never forget that it won't be what everyone else sees. What may look like problem after problem to you will probably look like an outstanding success to those attending the event.

WORKING AS AN INDIVIDUAL, ORGANISATION OR BUSINESS

Like finding a space, working out what might be formally or legally required of you and your team in financially managing your project is something you will probably need to consider in the early stages. There are a number of ways you can operate if you are running your own project:

- as an individual (or group of individuals)
- auspiced by another organisation
- as a not-for-profit organisation
- as a business (and there are various types of businesses).

WORKING AS AN INDIVIDUAL

There are certain types of projects (working as a painter, writer, freelance designer, visual artist or craftsperson) for which working as an individual is the obvious and easiest way to work. It's just like treating what you do as a job (or as a hobby if there isn't much money involved). For more details and advice check with the tax and GST contacts at the back of this guide or speak to a tax specialist or financial adviser.

(See Part Two: Common project issues—Managing a budget and finding money for it...)

If your project is a group project it is still possible to operate as a group of individuals, particularly if the project is only small in scale and short term. When money becomes involved, or when things go awry, this way of operating can have negative or complicated consequences. Working as a group of individuals (or what the tax office calls a "sole trader") means that there is no legal distinction between you and the project: the project's money is your money (including all the tax implications), the project's debts are your debts and if something goes wrong you are personally liable—you face the possibility of being sued and losing your personal assets.

The other problem with acting as an individual is that if you are looking for funding there are a range of funding options that are only available to non-profit organisations. Even if this is not a legal requirement, it can be hard to argue to a local council that your project is a genuine community festival when the applicants

are “Alex, Ajax, Liz, Gemma and Alison” rather than the “Smith Street Community Arts Association”. While it is pretty common for people to start out as a group of individuals, generally any level of success will quickly lead to exploring a more effective way of working.

If you do decide to operate as an individual make sure you are aware of the financial implications. For a start you will have to declare all the money you make to the Tax Office and you should apply for an Australian Business Number (ABN). For more details and advice check the tax and GST contacts at the back of this guide or speak to a tax specialist or financial adviser.

TURNING YOUR PROJECT TEAM INTO A LEGALLY RECOGNISED ORGANISATION (OR NOT)

When the group that you have brought together for your project starts to seek funding from another organisation or government agency, you will have to consider a range of legal issues. Many grants are only available to project teams that are members of an incorporated non-profit association. That is, they don’t accept applications from individuals or groups of individuals. One way of dealing with this is to start your own association—and this is covered later. But what if your project is only a one-off or only happens for three months a year? It’s hardly worth the hassle involved in running an organisation all year round. Also, are you going to know exactly how to perfectly manage the responsibility of financial accounts for your very first creative project? Or will you need some advice and assistance?

For a small fee—typically 5-10 per cent of your grant—you should be able to find an existing organisation to take on some of these issues for you. This is called auspicing.

AUSPICING

Essentially, auspicing is where you approach an existing incorporated organisation (that has an accounting system and is audited annually) to financially represent your grant application. Auspicing agreements vary from organisation to organisation; typically they involve banking the money, monitoring the finances and preparing regular reports for both the group and the funding organisation. Legally, the auspicing organisation takes responsibility for ensuring that the funds are spent for the purposes for which they were given, while your group keeps control over how the money is spent and the other aspects of the project.

In addition to dealing with the finances, an auspicing organisation may also be able to provide other operational advice or assistance for the project—depending on how they are set up. They may be able to offer public liability insurance at group rates, or help you find it. Because different organisations approach auspicing slightly differently, you might want to look around and find an organisation you are confident you can work with and offers what you need.

State government funding bodies, peak organisations and the arts officer for your local council may have a list of auspicing organisations that you can use. If you are organising an event or a project that is part of a festival, the festival itself may be able to auspice your project—they will certainly be able to help you find someone who can.

INCORPORATING A NON-PROFIT ORGANISATION

Once you've found your feet as an individual working on creative projects it's worthwhile to consider the advantages of starting an organisation of your own—particularly if you want the project to continue for a long time. Even if your group is operating according to a constitution or set of rules, it remains an unincorporated association until it is legally registered with the relevant department in your state. This means leases, bank accounts, motor vehicles, property rentals and other transactions will need to be signed in the name of individuals. If things go wrong with any of these transactions, say if money is lost, the individuals involved have little personal financial protection.

Incorporation overcomes some of these risks by creating a legal entity that is separate from the individual members. It provides your members a degree of protection from being sued as long as they follow accepted business and community standards. It means your organisation can continue regardless of changes to membership; enter into and enforce contracts including the power to hold, acquire and deal with property; and that it can sue or be sued.

It isn't difficult to incorporate an association, but it does come with a series of ongoing legal responsibilities. Your existing non-profit group will need to hold a special meeting and pass a resolution to apply for incorporation.

It will need to legally reserve a name and apply for incorporation with the body that registers organisations in your state or territory. The rules will vary depending on where you are, but your state or territory government website will have all of the rules that relate to where you live. Some of these laws in some states may be costly and time consuming, such as a requirement to advertise the incorporation in the notices section of your local paper 30 days in advance. Check the regulations carefully and don't think you can incorporate at the last minute.

Incorporated associations are required to have documented rules. These may be the model rules (which are also available from your state government), a modified version of the model rules or your own rules. It may even be compulsory, depending on where you live, for an incorporated association to take out public liability insurance. Even if it isn't, you may wish to do so to protect yourself from claims if something does go wrong.

The other thing to remember about incorporating an organisation is that it can be a lot of work. You will need to hold an annual general meeting and maintain an elected committee that appoints a public officer who will be legally required to lodge and maintain certain documents. This could include everything from lodging an annual statement; maintaining audited accounts; keeping minutes; registering members; listing committee members; and updating financial records. Because your organisation is effectively "owned" by the members and not just the committee, if any member wants to inspect the organisation's records they are legally entitled to do so.

Also, have plans for how you are going to keep your organisation ticking over. Who will pay the cheques? Who will do the budgets and ensure that they are followed? Who will answer and return the mail? Who will deal with the tax department and all the other tasks that are likely to be necessary along the way? Before you jump into incorporation, make sure you know exactly what is required and are confident that you can take it on in addition to all of the other day-to-day issues of running your project.

STARTING A BUSINESS

Starting a business is a complex commitment and one that cannot be fully advised on in a few pages. If you believe your project is likely to be commercially viable and you are trying to make money out of it, you will need to take the time to learn much more than this guide can teach you before you embark on setting up a business. As a general introduction, in terms of Australian law, there are three separate types of business: sole traders, partnerships and companies.

Sole traders are about working as an individual and not having a separation between the activities of the business and your personal activities—business income will need to be reported on your personal tax return. Other than registering for an ABN (if necessary) there is no legal requirement for registering as a sole trader—in most states you will need to register a trading name if you are trading under anything other than your own given name.

> **"There was very little advice available when we started out. Most people we asked just said 'don't', and helpful books on starting small businesses are generally of more use for manufacturing flange widgets than for getting started in the creative industries."**
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> - Patrick Pittman; Papercut Media

A partnership is a group of sole traders, or entities of any sort, coming together and sharing a percentage of ownership and liability for a business. If you are an individual in a partnership you are still directly responsible for your percentage of the business—you may wish to draft a formal memorandum of understanding or contract between members of a partnership that ensures you are all equally (or fairly) liable for any debt and that nobody can walk away without liability. This understanding will of course also ensure that profits are shared fairly. Again, a partnership requires no formal registration with government other than an ABN. You can register a trading name if you want.

When most people think of a business, what they are actually thinking of is a company, generally a proprietary company limited by shares (the common Pty Ltd you see on the end of company names). A Pty Ltd company is incorporated in a very similar manner to a not-for-profit organisation. It has a constitution and at least one appointed director and secretary, who are both responsible for the lodging of documents. (This can be the same person.) Even for proprietary companies (those not traded on the stock market) ownership is determined by shares. A small company can easily be established with one share (each worth a dollar) for each director.

The actual process of incorporation is a little complicated and will require the help of an accountant or adviser—this will end up costing you somewhere around $1000, including fees to register the company with the Australian Securities and Investments Commission, the federal body that regulates corporations law. You may find it easier, if you aren't too bothered about specific names or constitutions, to purchase a "shelf company" from an accounting firm or any number of businesses that specialise in supplying ready-incorporated companies.

Why would incorporating a company be worth the hassle and fees? As with incorporated organisations, it protects you as an individual and keeps the company's tax separate to your own. Companies are taxed at a much lower rate than individuals, so in the event that you make a taxable profit you will end up with more money in company coffers than sole traders. It will make dealing with institutions (both government and otherwise) much simpler and you will be able to take out leases and loans. Don't forget, though, that now that the company owns the money, you will need to either pay yourself a salary or director's dividends to get money out of the company for yourself. Although companies do not tend to have access to the funding opportunities of individuals and non-profits, there are other methods of obtaining money from corporate sources that may now be more viable.

When you create a company you have created an entity that will live beyond you and one where control may eventually be taken away from you. Be aware of this because the responsibility may be larger than it first seems.

For more information, federal and state government websites offer excellent information about the laws related to and issues involving small business. There are also courses offered in small business management that are available in each state. Unfortunately, most of this information is focused on very traditional concepts of what a business is. There is not a lot of information available about creative industries or non-manufacturing businesses creating intangible products. Your best bet for advice is to find companies doing similar things and ask them. They may have learned the hard way and might be willing to impart a few lessons to you. They may not show you their business plan, but at least you might get a better idea about the types of challenges to expect (including some you may not have thought of before) and how these other companies have tackled these challenges. Ask your local arts organisations about places to go for general advice.

If you are unemployed you may be interested in finding out more information from Centrelink about NEIS (New Enterprise Incentive Scheme), which provides assistance in training and financial support for setting up a new business.

"Companies are taxed at a much lower rate than individuals, so in the event that you make a taxable profit you will end up with more money in company coffers than sole traders."