



FOUNDATIONS

Reviewing Your Constitution: A Defensible Review Cycle

No regulator mandates a fixed interval, which makes the choice entirely your board's to defend

No regulator prescribes a mandatory constitution review cycle for Australian associations. There is no legislated five-year rule, no ACNC-mandated interval, no Corporations Act requirement to revisit your governing document on any fixed schedule. Worth stating plainly, because it means the review cycle a board adopts is a governance choice, not a compliance box to tick against a number handed down from above.

Which rules apply to your association?

The law depends on how your association is set up. A **company limited by guarantee** follows the Corporations Act 2001 (Cth) and its constitution. An **incorporated association** follows its state or territory associations Act and its rules. A **registered charity** also follows the ACNC Act and the ACNC Governance Standards, and some Corporations Act rules are replaced for charities that are companies. Check your own governing documents, and get advice before decisions with legal consequences.

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What The Recognised Frameworks Actually Say

The AICD's [Not-for-Profit Governance Principles \(third edition, 2024\)](#) address this under Principle 1, Purpose, vision and strategy. The Principles note that for some organisations the purpose may change or evolve over time, that a board should regularly reflect on and monitor the alignment between activities and purpose, and that revising purpose often means amending the constitution. That is the framework's actual emphasis: regular, not a fixed number of years. The ACNC's own Governance Standard 1 creates a related but distinct obligation, that a charity must actually be working towards its registered charitable purpose, which is an ongoing state of compliance rather than a scheduled event.

So the honest position is this: the sector's recognised frameworks establish that review should happen regularly and be substantive, without prescribing exactly how often. That gap is not a weakness in the guidance. It reflects the fact that the right interval differs between a small, stable local association and a large, fast-growing national body. The task for your own board is to set a defensible interval deliberately, rather than either reviewing constantly, which wastes governance time, or never reviewing at all, which is where most of the risk in this series has originated.

Building The Case For A Bounded Cycle

Everything covered so far in this series points toward the same practical conclusion: an outer bound of three to five years between deliberate, full reviews is defensible for most associations, with earlier review triggered by specific events rather than the calendar alone.

- The model rules risk. An association running on an unmodified template can have its constitution silently altered by regulatory amendment, discussed earlier in this series. A bounded review interval, plus monitoring of regulator updates, is the most reliable way to catch this before it compounds.
- The objects clause risk. Under ACNC Governance Standard 1, a charity's activities must keep pace with its registered purpose. Left unchecked for a decade, mission drift becomes very difficult to unwind cleanly.
- The case law risk. *Carabetta v Carlingford Bowling Club* and *Lawrence v Melbourne Football Club*, both covered earlier in this series, were decided in 2023 and 2024 respectively. Governance case law develops. A constitution drafted, or last reviewed, before a relevant decision may rely on assumptions a court has since tested.
- The growth risk. Voting architecture, membership classes, and entrenchment choices that suited a smaller organisation may no longer fit one that has scaled, a theme running through several earlier articles in this series.

A review cycle is not about ceremony. It exists to catch the specific, accumulating risks this series has documented before a dispute forces the review instead.

Event-Triggered Review, Not Just Calendar-Triggered

A bounded interval sets the outer limit, but several events should trigger an earlier review regardless of where the organisation sits in its cycle: a change of legal structure, as covered in the first article in this series; a material shift in strategy or activities that could arguably sit outside the current objects clause; a significant change to membership composition or classes; charitable registration being sought for the first time; or a governance dispute anywhere in the sector, even at another organisation, that turns on a provision your own constitution shares; or a change in the legislation or model rules that govern your organisation.

What A Thorough Review Actually Covers

- Confirm whether the constitution is still the unmodified model version, and if so, whether that remains appropriate given the organisation's current scale.
- Test the objects clause against actual current activities, not the activities the organisation ran when the clause was last drafted.
- Check membership classes and voting architecture against how the organisation operates today, not how it operated at formation.
- Confirm entrenched provisions still reflect what deserves extra protection, no more and no less.
- Check the document against any relevant case law or regulatory guidance published since the last review.

None of this needs to be expensive or adversarial. A review is a structured conversation the board has with itself, on a schedule it has deliberately chosen, about whether the rules still match the organisation. The absence of a mandated number from the regulator is not permission to skip the exercise. It is an invitation for your board to set a standard fit for your organisation, and then actually hold to it.

This is one of the practical governance topics built into our Board Director course, alongside the papers, tools and frameworks that turn the principle into your board's actual practice. [Explore the course](#)

Annie Gibbins

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BOARDROOM ACTION WORKSHEET

Reviewing Your Constitution: A Defensible Review Cycle

Turn the resource into evidence, a decision and an accountable next step. Keep the completed record in your association's approved board records system.

1 What is the issue or decision?

State the governance question in one clear sentence.

2 What evidence do we already have?

Record the facts, source documents and stakeholder evidence available now.

3 What evidence is still needed?

Identify the legal, regulatory, financial, member or operational information still required.

4 What is the agreed next action?

Capture the owner, timeframe and how the matter will return to the board.

Action owner	Review date	Board decision or resolution

General education, not legal, financial, tax, clinical or governance advice. Confirm specifics at the relevant primary source or with your own qualified adviser. Nexus Leadership is operated by Lipstick Consulting Pty Ltd · ABN 15 619 120 482.

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