Not for profit organisations are important in the local communities of Australia. Sports clubs, charities and community groups are among the many that are run by volunteers and public subsidies. However, risk accompanies public activity, and this is where the not-profit organisations should insure themselves against public liability.

Such cover assists in covering an organisation in case of an injury of a third party or damage to their property due to the actions of the group. Even minor accidents can become expensive claims, and most NPFs simply do not have the money to handle that themselves.

Public Liability Insurance Cover

Public liability insurance normally includes the legal expenses and damages in case somebody sues your organisation. As an illustration, when a visitor falls over equipment at an occasion, or property is accidentally damaged in a community project.

These circumstances are not as rare as individuals would believe concerning NPFs. People are united around events, fundraisers and regular meetings, and with them comes a certain degree of risk. The not-for-profit groups would have public liability insurance so that they are not caught unawares when something goes wrong.

It may also include such things as:

· Injury to a member of the public

· Destruction of the property of another person.

· Legal defence costs

Although this claim may not hold, a legal cost by itself can be costly and so cover such as this one can relieve that burden.

Why NFPs ought not to disregard it

There are not profit groups that assume that they are low risk or too small to warrant insurance. Such a mentality is problematic. Crashers do not require the size or financing because they can occur anytime.

As a matter of fact, in most instances, before a group of people use a space, proof of insurance will be required by councils or venue owners. In its absence, events can be cancelled or postponed. This is the sole reason why, public liability insurance is not a safety net by not profit organisations, but a practical necessity.

It further demonstrates to the members, volunteers and the general public that the organisation is responsible. That instills confidence, which is important when individuals are sacrificing their time or money.

The selection of the Right Cover.

Insurance policies are not equal and thus it is important to take time to know what your group requires. The degree of cover usually is based on the scale of the organisation, and the nature of operations it operates.

If the book club is small, a smaller cover may be required compared to a sports association that organizes big events. Nevertheless, they both have some risk, only at varying degrees.

In considering public liability insurance not for profit making choice:

· The involved number of people.

· Frequency of events or activities

· Utilization of communal or contracted areas.

· Any equipment or property utilized.

Another useful thing to do is to find out whether the volunteers are covered by the policy. The NFPs are often dependent on volunteers, and thus omitting them may leave a gap in protection.

Keeping Costs Manageable

Not for profits have tight budgets and cost is an issue. The positive aspect is that the liability insurance of a person is usually cheaper than anticipated particularly when weighed against the expense of a lawsuit.

There are insurers who provide packages to community groups with possible flexible cover. It is possible to compare a few providers and find something that will meet the needs and budget.

It might seem like an extra cost but not doing it can turn out to be a very expensive mistake. One accusation would affect the whole organisation, or possibly even make it close.

Being a not for profit organization is a responsibility even when good intentions are in place by all those concerned. Whenever there is an activity that involves the people, risks are involved and neglecting them is not a wise thing to do.

A non-profit making organisation that has a public liability insurance at their disposal is a relief and a practical measure. It enables groups to concentrate on their work within the community, rather than worrying what may wrongly happen.

ACS Financial focuses on insurance for not for profit organisations, charities, and faith based groups across Australia. With over 30 years of experience, they understand the kind of risks these groups deal with day to day. They also offer a free NFP insurance health check. There's no pressure or sales pitch, just a clear review of your current cover to see if it actually matches what you think you're protected for. It's a simple way to spot gaps or things that may need updating. You can visit their website to get started.