“Objects are concise statements of the ultimate purpose of the corporation”

“Objects are concise statements of the ultimate purpose of the corporation” Not-for-Profit Incorporator’s Handbook, Government of Ontario.

All not-for-profit corporations must set out their objects as part of their articles of incorporation (for-profit corporations do not need to do this).

Another word for ‘objects’ would be ‘mission.’ Many not-for-profits will also craft a mission statement. The mission statement should be a paraphrase of the objects. Should there be any inconsistency between the mission statement and the objects, the objects will win out as they are the legal statement of the organization’s mission.

What is special about the objects of professional regulatory bodies in Ontario is that, as not-for-profit corporations created by an act of the Ontario Legislature, their objects were given to them by the Ontario Legislature. Unlike ordinary not-for-profit corporations, not-for-profit corporations incorporated by statute cannot add to, subtract from, or modify their objects of their own motion. To change their objects, not-for-profit corporations incorporated by statute would need to petition the Ontario Legislature to pass legislation amending the relevant sections of their act.

The objects authorize the corporation to carry out activities or programs that fall within the scope of its objects, but it also prohibits the corporation from carrying out activities or programs that fall outside the scope of its objects.

Statutes which establish not-for-profit corporations will include a clause which states that for the purpose of carrying out its objects, the corporation has the capacity and the rights, powers and privileges of a natural person, which also means that for any other purpose but to carry out its objects, the corporation does not have the capacity and the rights, powers and privileges of a natural person.
The rights, powers and privileges of a natural person refer to:

- Owning property in one’s own name,
- Acquiring rights, obligations and liabilities,
- Entering into contracts and agreements and
- Having the capacity to sue and be sued as would a natural person (however, statutes which establish professional regulatory bodies will also include clauses which limit the corporation's liability for any act done in good faith in the exercise or performance of statutory powers or duties)

In other words, the corporation can do anything to achieve its objects that a natural person could do in order to achieve its objects, but the corporation has none of the rights, powers and privileges of a natural person beyond the scope of the objects. All activities and programs of the corporation should relate to, or further, the objects of the corporation; if they do not the corporation should not engage in those activities or programs. In fact, directors may be personally liable if they allow the corporation to become involved in activities that are not related to, or further, the objects of the corporation.

Of course, this should not be seen as an invitation to get creative in making up justifications to link activities and programs to the corporation’s objects.