

ACNC Quarterly

Spring 2015



From the Commissioner...

Charities inform the community of their activities, their finances and their governance arrangements each year through the Annual Information Statement. Increasingly donors, grant-makers and those wanting to contract with charities for service delivery are relying on this quality assured data. It is very important that it is accurate and up to date. It is a legal requirement of registered charities. Hence the focus of the ACNC in ensuring that all charities have submitted this information.



99%
of all registered charities submitted their 2013 Annual Information Statement



81%
of all registered charities submitted their 2014 Annual Information Statement

The data submitted by charities through these Annual Information Statements has already allowed us to make some exciting discoveries about the sector. Recent research reports such as [Australian charities involved overseas](#), [Australia's faith-based charities](#) and the [2015 Public Trust and Confidence Report](#) have added significantly to our understanding of the work of charities and the perceptions and behaviour of charity supporters.

From this year we have published the financial information of over 40 000 charities. This provides a rich source of data.

We are currently working with the Centre for Social Impact at the University of New South Wales to produce a series of reports based on this and other data we have obtained. These will be published later in the year.

We will continue to build on this research as we receive Annual Information Statements in future years.

The 2015 Annual Information Statement online form is now available, and charities which use a standard financial year reporting period will need to submit their Statements by 31 January 2016. Guidance is available at acnc.gov.au/2015AIS

We are in the process of reviewing the 2016 Annual Information Statement and will be undertaking consultation on its development over the next couple of months. More information on how you can provide feedback is available at acnc.gov.au/2016AISconsultation and I encourage you to participate in the process.

Consultation and engagement with charities is a key part of our approach to regulation. As part of our 2015 stakeholder engagement program, we have continued to deliver a combination of targeted consultative roundtable meetings and webinars to provide tailored support to charities.

In July, we held a roundtable meeting focused on volunteering and held two sector briefings in Melbourne and Sydney for charities sending money overseas. Most recently, in mid-September, we held a roundtable meeting in Sydney for the disability services sector with another to follow in Brisbane in mid-October.

These events provide attendees with specific information and research, as well as an opportunity to provide feedback and ask questions of the ACNC.

Thank you to everyone who has participated in a session.

I hope you enjoy this edition of ACNC Quarterly.

Good wishes

Susan Pascoe

Susan Pascoe AM

Working with charities to correct errors on the ACNC Charity Register

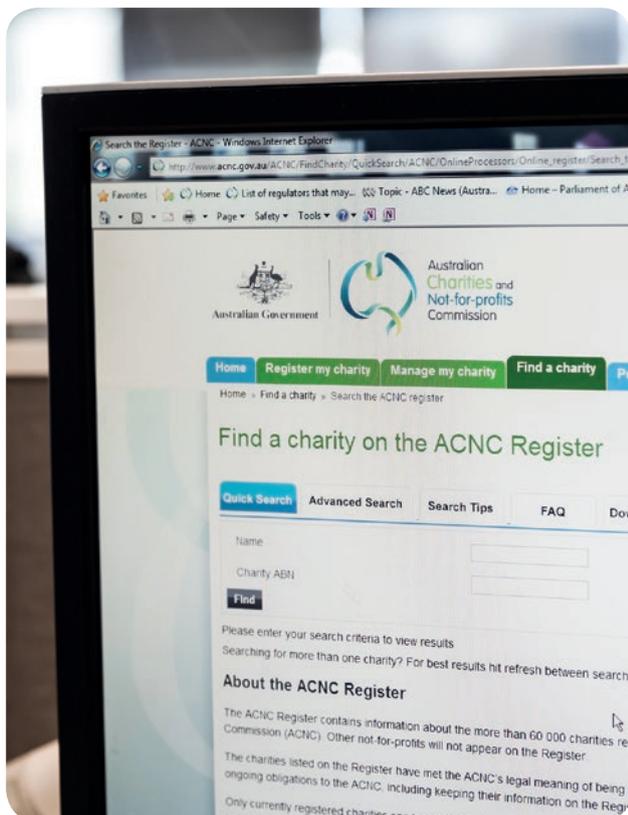
The ACNC is proactive in maintaining the accuracy of the information on the Charity Register. It is a valuable resource for the public, donors, government, grant-makers and the charity sector, and it is crucial that the information is reliable.

Following a systematic review of data submitted through the 2014 Annual Information Statement, we identified that thousands of charities had made significant errors in their financial reporting. Common mistakes included miscalculating totals and errors stemming from charities rounding financial figures to the nearest thousand.

We contacted these charities and were encouraged by the overwhelming response from charities to ensure the accuracy of their data.

With the 2015 Annual Information Statement soon due for many charities, we encourage charities to take care with their reporting, particularly their financial information.

Read our top 10 tips for reporting financial information at acnc.gov.au/top10reportingtips



Resolving issues affecting companies limited by guarantee

We have noted that the lack of alignment between the up-to-date ACNC Charity Register and the out-of-date ASIC Register is causing significant difficulties for registered charities that are companies limited by guarantee, particularly when accessing financial services. This group, which accounts for approximately 10% of registered charities, were regulated by ASIC prior to the establishment of the ACNC in December 2012. We have brought this to ASIC's attention and relevant bodies such as the Australian Bankers' Association, and will continue to work with them on a resolution.

For more information about the obligations companies limited by guarantee have to the ACNC visit acnc.gov.au/clg

It's a good time to...

Submit your 2015 Annual Information Statement, due 31 January 2016 for charities with a reporting period of 1 July to 30 June. For charities that use a different reporting period, the Annual Information Statement is due six months from the end of your reporting period.

More > acnc.gov.au/2015AIS

Read our refreshed guidance on responsible persons and governing documents.

More > acnc.gov.au/responsiblepersons and acnc.gov.au/governingdocument

Join us for a webinar on the ACNC governance standards (5 October) and one for newly elected charity board or committee members (9 November). You can also watch videos of past webinars and read the transcripts on the ACNC website.

More > acnc.gov.au/webinars

Keep an eye out for new resources in coming months, including a guide on conflicts of interest, and charities and managing money.

Improving the way we regulate

An important step forward in our efforts to reduce red tape is the development of a set of measures to help us evaluate our performance against the new **Regulator Performance Framework (RPF)**. This framework was recently introduced as part of the Government's deregulation agenda, and all Commonwealth regulators will now be assessed against the same six key performance indicators. We will be publishing the outcome of the ACNC's annual self-assessment next year. We have also reviewed the **ACNC's Regulatory Approach Statement** against the RPF and have taken the opportunity to update the Statement. We have published a consultation draft on our website at acnc.gov.au/regulatoryapproachreview and we welcome your feedback by email to policy@acnc.gov.au by 30 October 2015.

Encouraging innovation

GiveEasy and Australia Post are conducting a survey to look into the innovation performance of the Australian Not-For-Profit sector. We welcome this research into innovation and encourage you to take the survey.

More > www.giveeasy.org/innovationindex/

We aim to support and sustain a robust, vibrant, independent and innovative sector.

Charity chat

We asked David Herman, CEO of Lort Smith Animal Hospital about his experiences running a charity

- Q** What is your number one tip for charities to keep on top of record keeping?
- A** My number one tip is discipline, which must be inherent in your corporate culture. At Lort Smith, our good record keeping is a cultural discipline that cascades from the Board and throughout the organisation.
- Q** What is the hardest thing your charity has encountered and how did you overcome it?
- A** We are constantly sensitive to the challenges of financial sustainability. We address this challenge by constantly communicating the efforts of our mission to existing and new donor and stakeholder networks.

Would you like to be interviewed for our next 'Charity Chat' feature? Let us know by emailing charitychat@acnc.gov.au



Helping you this quarter

Advice Services' most frequently asked questions

Q How do we apply for DGR if we are already registered with the ACNC?

A Some charities are eligible for deductible gift recipient (DGR) status, but not all charities are. DGR status is decided by the Australian Taxation Office (ATO), not the ACNC. However, some categories of DGR require an organisation to be registered with the ACNC as a particular charity sub-type.

Information about DGR categories and conditions is available on the [ATO website](#) or by calling their Non-Profit line on 1300 130 248. If you are seeking DGR endorsement and your charity is already registered as the right charity sub-type, you can [apply directly to the ATO](#). Otherwise, contact our Advice Services team for information about changing your charity sub-type.

Q What happens if our audited accounts aren't ready on time?

A Medium and large charities are required to provide their auditor or reviewer's reports as part of the Annual Information Statement. Delays with your audited accounts are unlikely to be [grounds for extension](#) so it is very important to make the due date for the Annual Information Statement clear to your charity's auditor or reviewer.

Q We've just had our AGM. What do we need to tell the ACNC?

A If your charity elected new committee or board members (responsible persons), removed committee or board members, changed the governing document (constitution or rules), or changed its legal name, you need to let us know. You can tell the ACNC about changes to your charity details by logging in to the [Charity Portal](#).



Let's meet

We'll be at a range of sector events in the coming months. Come and say hello.

- **NDS Disability & Diversity Conference 2015**
(Alice Springs, 8–9 October)
- **2015 QCOSS State Conference – Individuals building thriving communities**
(Brisbane, 13–14 October)
- **National Housing Conference 2015**
(Perth, 28–30 October)
- **FECCA 2015 National Biennial Conference**
(Sydney, 5–6 November)



The next Advisory Board meeting will be in Melbourne on 6 November.

Summaries from this meeting and previous meetings are available at [acnc.gov.au/advisoryboard](#)

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You can also interact with us and other charities on social media:



Facebook
[acnc.gov.au](#)



LinkedIn Aussie Charities & NFPs



Twitter
[acnc_gov_au](#)



YouTube
[acncvideos](#)

If you need information from us you can contact us by phone, fax and email.

More > [acnc.gov.au/contact](#)

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More > [charity.acnc.gov.au](#)