

ACNC Quarterly

Summer 2016



From the Commissioner...

Welcome to 2016. I hope you had a refreshing break over the Christmas and New Year period and you're ready for a successful and productive year.

Late last year, I was proud to release the [Australian Charities Report 2014](#) – a landmark report which analyses the aggregate financial information of registered charities for the first time.

The analysis for this report was undertaken by academics at the Centre for Social Impact and the Social Policy Research Centre at the University of NSW (UNSW). It provides new and fascinating insights into the charity sector.

The *Australian Charities Report 2014* gives us a clear view of the economic and social significance of the charity sector. It also highlights the rich diversity of the sector with contributions from a wide range of areas, including education, health, aged care, social services, environment, and human rights.

Importantly, we have made the data from the report available to the public on an interactive website. With access to the data in this way, people are able to filter information according to specific variables and explore the charity sector in greater detail.

The report offers a rich source of data for new research and analysis, and provides detailed information about charities that can guide policy and decision-making, support planning, and enable innovation and sustainability.

I'd like to thank all the charities that contributed to the report by completing their Annual Information Statements, and also the researchers at UNSW for their wonderful work.

You can download the full report and explore the interactive data at australiancharities.acnc.gov.au.

With the public release of a report that includes charity financial information for the first time, we are aware that there will be some interest in how charities use their charitable funds, such as administration costs.

As *Australian Charities Report 2014* demonstrates, there is great diversity, variability, geographic spread, and complexity in the sector. Rudimentary dollar figures or percentage levels of administration costs do not tell an adequate story of charity impact or effectiveness. Effective charity governance and compliance takes investment of both time and financial resources, so this needs to be taken into account.

As part of our plans for 2016, we will continue to develop guidance to help people understand the complexity of this issue and clear up common misconceptions. Reducing red tape will again be a priority for us in the coming year as we continue to work determinedly and collaboratively with other agencies to streamline and simplify reporting for charities. It is also our goal to further enhance the value of the Charity Register as a source of accessible, reliable and accurate charity information.

Wishing you all the very best for 2016.

Good wishes,

Susan Pascoe

Susan Pascoe AM

URGENT REMINDER:
2015 AIS due soon – see page 3

Australian Charities Report 2014

Australian Charities Report 2014 is a comprehensive look at Australia's charity sector over the 2014 reporting period and, importantly, it is the first of its kind to include the financial information of registered charities.

The report was produced in collaboration with the Centre for Social Impact at the University of New South Wales, and is based on the information provided by registered charities in their 2014 Annual Information Statements.

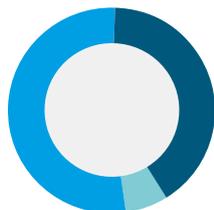
It provides a new view of Australia's registered charities and fascinating insights into the state of the sector.

The data collected by the ACNC lives on beyond the report. The full data set is available free online for everyone to explore. You can use the data to look at the sector from new angles and in more depth to find out more about Australia's charities at australiancharities.acnc.gov.au.

Charities have combined
total income over
\$103 billion

Income sources

- **\$54.5 billion** is from other income and revenue
- **\$42 billion** is from government grants
- **\$6.8 billion** is from other donations and bequests



Charities employ over
1 million staff



4 out of 5 charities engage volunteers



Most charities operate a balanced budget

They have a surplus or deficit of no more than 20% of their total income and were more likely to have a surplus.



Education and guidance

We have recently released some topical new resources to help charities.

Managing conflicts of interest: a guide for charity board members

When a conflict of interest pops up at your charity, it is important to know that the board has a good system in place to address it. Our new guide will help charity board members identify and confidently resolve conflicts of interest.

More > acnc.gov.au/conflictsofinterest

Charity money myths – facts about operating as a not-for-profit

Operating as a charity requires that the organisation is not-for-profit. This can cause confusion about how a charity should manage its finances. Our new guide seeks to clarify some of the common misunderstandings and separate the myths from the facts.

More > acnc.gov.au/moneymyths

Charities & money: a guide for board members on meeting ACNC duties

Managing the finances of a charity is a crucial aspect of its operations. Our new guide will help charity board members understand the importance of their roles in good financial management as set out in the ACNC governance standards, how to meet their obligations in relation to money to the ACNC, and some of the myths and facts about money and not-for-profit status.

More > acnc.gov.au/charitiesandmoney

Information in languages other than English

We now have a range of resources available in the most common languages spoken in Australia's registered charities.

More > acnc.gov.au/languages

Webinars in 2016

Following the success and popularity of our free webinars in 2015, we are pleased to offer another series this year. The 2016 schedule will cover a wide range of topics, including starting a charity, information for new charity board members, and help with reporting to the ACNC and other regulators.

More > acnc.gov.au/webinars.

Australia's Disability Charities 2014

To complement *Australian Charities Report 2014* we are producing a series of supplementary reports focused on particular areas of the charity sector. These reports will again be produced in collaboration with the Centre for Social Impact at the University of New South Wales.

The first of these was released in December 2015 and focused on charities that support people with disabilities.

Australia's Disability Charities 2014 demonstrates that the disability sector is diverse, economically significant, and makes a vital contribution to the community. It shows that support for people with disabilities comes in a variety of ways and extends beyond what people perceive as traditional disability service providers.

More supplementary reports will be released in the first half of 2016. These will include a report analysing red tape in the charity sector and a report looking at Australian charities involved overseas.

You can download the full *Australian Charities Report 2014* and its summary, explore the charity data and keep an eye out for the upcoming reports at australiancharities.acnc.gov.au.

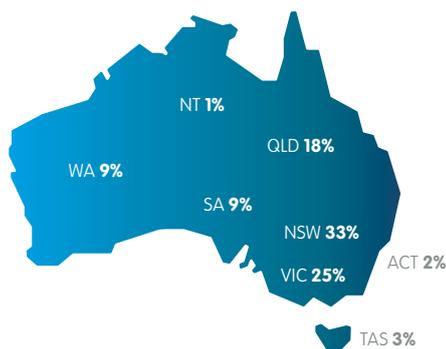
1 out of 3

disability charities received most of their income from government.



47% of disability charities received no income from government.

Where disability charities are located



Disability charities had income of

\$52.2 billion

(half of the total income of the charity sector).



Disability charities employed over **600,000** paid staff.



Large numbers were involved in social services, education, aged care, and social and community development.

URGENT REMINDER:

Submit your 2015 Annual Information Statement

If your charity operates on a regular financial year reporting period (that is, 1 July to 30 June), the 2015 Annual Information Statement is due very soon. You must submit your charity's 2015 Annual Information Statement before the deadline of 31 January 2016.

Do not miss the 31 January deadline – charities that fail to submit an AIS on time run the risk of penalties and losing their charity status.

Similar to previous Annual Information Statements, this one is an online form which asks questions

about your charity and its operations and activities. It also requires you to provide some financial information, but what you need to provide depends on the size of your charity – medium and large sized charities also need to submit a financial report.

Prepare to submit your charity's 2015 Annual Information Statement by reading the guidance and using the worksheet and checklist available at acnc.gov.au/2015AIS, and submit the 2015 Annual Information Statement in the Charity Portal at charity.acnc.gov.au.

Helping you this quarter

The most frequently asked questions of our Advice Services team.

Q When is my 2015 Annual Information Statement due?

A A charity is required to submit its Annual Information Statement within 6 months of the end of its reporting period. For charities that operate on a regular financial year reporting period (1 July – 30 June), the deadline would ordinarily be 31 December. However, with the ACNC closed in the last week of December and unavailable to assist, Commissioner Susan Pascoe granted an extension until 31 January for these charities. For charities that operate on alternative reporting periods, the Annual Information Statement is due within 6 months of the end of the reporting period. Make sure you get yours done on time.

Q Our charity recently received a Notice of Revocation – what do we do?

A If you received a Notice of Revocation, you have 60 days from the date of revocation on the letter to complete your outstanding Annual Information Statements. [Log in to the Charity Portal](#) at charity.acnc.gov.au to submit them. If you are unable to login, or have questions about your Notice of Revocation, please contact us on 13 22 62.

Connect with ACNC

Did you know you can sign up to our email news updates at acnc.gov.au/signuptoemailalerts?

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



Facebook acnc.gov.au



Twitter [acnc_gov_au](https://twitter.com/acnc_gov_au)



LinkedIn [Aussie Charities & NFPs](#)



YouTube [acncvideos](#)

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

More > acnc.gov.au/contact

To change how you receive future copies of ACNC Quarterly, log into the Charity Portal and update your 'address for service' details.

More > charity.acnc.gov.au

Charity chat

We spoke with Afadang Akuey from Twich Women's Sewing Collective about running a charity.

Q What is your number one tip for charities to keep on top of record keeping?

A Check and update records on a weekly or fortnightly basis. This makes it easier to stay on top of things.

Q What is the hardest thing your charity has encountered and how did you overcome it?

A Just getting our name out there and getting people to understand what we are trying to do. We have overcome it by making our social media presence more visible to the community and by holding events to engage the community.

Q What tip would you give to charities starting out?

A Don't be afraid to ask for help and don't be afraid to put yourself out there and make connections within the community.

Q Is there any guidance and tools which you have found particularly helpful?

A Being able to get help over the phone if we had questions about anything.



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