

ACNC Adviser Forum – Wednesday 22 July 2020

Agenda Item 2: Regulator Performance Framework

- The ACNC sought feedback, through a survey, from the Adviser and Sector Forums (as the ACNC's consultation mechanism) to verify the ACNC's self-assessment of performance against the Regulator Performance Framework.
- Overall, the ACNC self-assessed its performance as very good.
- Strengths of the ACNC's performance over the past year include publication of the charities report, transparency of decision making and proactive engagement with charities with an increased compliance risk.
- Performance improvement opportunities include further work on the ACNC website, forms and Charity Portal to support reduction of compliance costs, additional resources to assist charities with governance risks, implementation of the Legislation Review and ANAO recommendations.

Agenda Item 3: Proposed guidance: Disclosure of Grants

- The ACNC sought feedback from members on a proposal for best practice guidance on financial report disclosures.
- The proposal is that the best practice guidance would outline recommended formats and content for some disclosures to supplement the Australian Accounting Standards.
- It's intended that the guidance could be updated regularly and progressively to introduce other relevant disclosures identified by the ACNC to supplement the information provided in charities' reporting. The first set of guidance will relate to charities receiving revenue from government and how it flows to charities through their provision of goods and services.

Agenda Item 4: ATO Update

- The Adviser Forum received an update from Jennifer Moltisanti, Assistant Commissioner, Not-for-profit Centre and Government, ATO, which included a discussion of the top priorities for 2020-21, key focus areas and improving assurance for not-for-profits.

Agenda Item 5: Review of Commissioner's Interpretation Statement: Public Benevolent Institutions

- The purpose of this session was to gather feedback that will assist the ACNC in reviewing the Commissioner's Interpretation Statement (CIS).
- Feedback on any aspect of the CIS was sought, however discussion focussed on the following:
 - o Main purpose of Public Benevolent Institutions, including the purpose of advancing religion.
 - o Directness of relief.

- Any reflections or need for changes having regard to increasingly PBIs being the vehicle of choice for overseas aid.

Agenda Item 6: Review of Commissioner's Interpretation Statement: Provision of housing by charities

- The purpose of this session was to gather feedback that will assist the ACNC in reviewing the Commissioner's Interpretation Statement (CIS).
- Feedback on any aspect of the CIS was sought, however discussion focused on the following:
 - Provision of equity rather than tenancy - is housing equity an unacceptable private benefit?
 - Government encouragements – are they a barrier to charitable status?
 - Defining 'social' and 'affordable' housing. Is provision of housing on a non-profit basis good for the whole community regardless of the circumstances of each resident?

Agenda Item 7: Charity Marketplace – New Questions on 2020 AIS

- The launch of the 2020 Annual Information Statement has been postponed until September 2020, due to lodgement of the 2019 AIS being extended until 31 August 2020 in light of the bushfire and COVID disasters.
- Last year there were approximately 1 million searches of the Charity Register. This year so far, we have had over 2 million searches.
- The main changes to the 2020 AIS include:
 - Removing some questions to reduce the amount of time charities spend reporting
 - Improved guidance and functionality (particularly in relation to updating the details of Responsible Persons)
 - Collecting information on charity programs instead of activities.
- The taxonomy the ACNC are using to assist with collecting charity program information is called CLASSIE and was established and is maintained by Our Community.
- Charities will be required to enter a minimum of 1 program; however, they can enter up to 10.
- Program information will include the program name, the subject classification, beneficiaries, operating locations and a weblink if one is available.
- A 2020 AIS Program Previewer tool has been established and the ACNC encourages charities to familiarise themselves with it prior to completing the 2020 AIS: <https://www.acnc.gov.au/ais-program-previewer>.
- Feedback on the amendments to the 2020 AIS was sought from members.