

ACNC Sector Forum – Wednesday 20th October 2021

Agenda Item 2: Commissioner's Address

Hon Dr Gary Johns, ACNC Commissioner, provided an update on the ACNC's Data Integrity Project. Dr Johns presented the purpose of the project, information regarding one-off and ongoing projects, issues identified throughout the project and benchmarking to the Forum.

Agenda Item 3: Member Discussion

Anna Longley, ACNC Assistant Commissioner General Counsel, provided the Forum with an update on the Regulator Performance Framework, the updated Commissioner's Interpretation Statement (CIS) on Provision of housing by charities, the CIS on Public Benevolent Institutions, the ACNC's decision not to appeal a recent decision of the Administrative Appeals Tribunal regarding Global Citizen Limited, and the review of charities with Deductible Gift Recipient endorsement. Anna also discussed the current individual review discussions held with Sector Forum members and the possibility of conducting one-off specific topic related meetings.

Members discussed matters of interest/issues occurring within the sector, including fundraising (Australia wide and within Victoria), Governance Standard 3, financial institutions accessing charity information from the ACNC Register, the introduction of the Director Identification (The Australian Business Registry Services Modernising Business Registers program), risk, overseas aid, and ACNC External Conduct Standards and private ancillary funds. Relevant links to some of these issues are listed below:

[Director ID's - Who needs to apply and when | Australian Business Registry Services \(ABRS\)](#)

[Links to Obligations for State & Territory specific regulations - includes fundraising](#)

[ACNC Red Tape Reduction](#)

Positive feedback on the 2021 ACNC Regulators Day was also received.

Agenda Item 4: AASB update on NFP-focused projects

Fridrich Housa, Deputy Technical Director, AASB, provided an update on the NFP Financial Reporting Framework. Key messages included updates on the Not-for-profit Financial Reporting Framework, simplification of primary financial statements, leases (including right-of use assets under concessionary leases) and an overview of the AASB Agenda consultation and other projects. Forum members provided feedback during the presentation.

Agenda Item 5: E-Learning package

Rachel Smith and Rachel Gear, ACNC, provided the Forum with a demonstration of the draft course content for one of the ACNC's e-Learning modules, 'So you're thinking of joining a charity board?'. Feedback was received, including regarding ensuring clear and inclusive language. If members are interested in reviewing the course and content, please contact

Rachel.Gear@acnc.gov.au. We can also provide an email for members to send to other potential volunteers.

Agenda Item 6: Treasury Update

Jacky Rowbotham, Principal Adviser, Treasury provided an update. Three developments were highlighted:

1. Financial reporting obligations for registered charities – Treasury has concluded the consultation process on the exposure draft legislation. In response to feedback Treasury intends to make amendments to resolve technical issues around the disclosure of executive remuneration consistent with the Government's policy intent.
2. Recommendation 17 of the ACNC Legislation Review (secrecy provisions) – Treasury has concluded the consultation process. 25 submissions were received from the sector and these will inform the development of the exposure draft legislation which is likely to be released early in 2022.
3. Government's proposal for a transparency code – 22 submissions were received from the sector, with a divided reception. Government has instructed Treasury to engage with the Fundraising Institute of Australia (FIA) to explore areas of commonality between government's proposed transparency code and that of the FIA.

Agenda Item 7: Australian Taxation Office Update

The Sector Forum received a presentation and update from Assistant Commissioner Jennifer Moltisanti from the Not-for-profit Centre and Government, ATO. Key messages included information on strategic initiatives outlined in the recently issued ATO Corporate Plan, an overview on the NFP sector, areas of focus for the ATO NFP Centre including market engagement, key statistics on school building funds, community sheds and self-assessed income tax exempt NFPs.

Jennifer also outlined other measures and programs, including the modernising business registers program, the ATO's NFP advice service as the gateway for NFP and government clients, and tax time messages.

Jennifer welcomed feedback from members on the presentation, in particular in relation to information regarding school building funds.

Agenda Item 8: ACNC Legislation Review Rec 14 - Related party transaction disclosures Update

John Aitkin and Eric Li, ACNC, spoke with Members about draft guidance on related party transaction disclosures. The Forum discussed the guidance, focusing on AASB standards, language and terminology, rationale with donation disclosures and disclosures within the Annual Information Statement. Feedback will be used to ensure clear guidance is provided.