

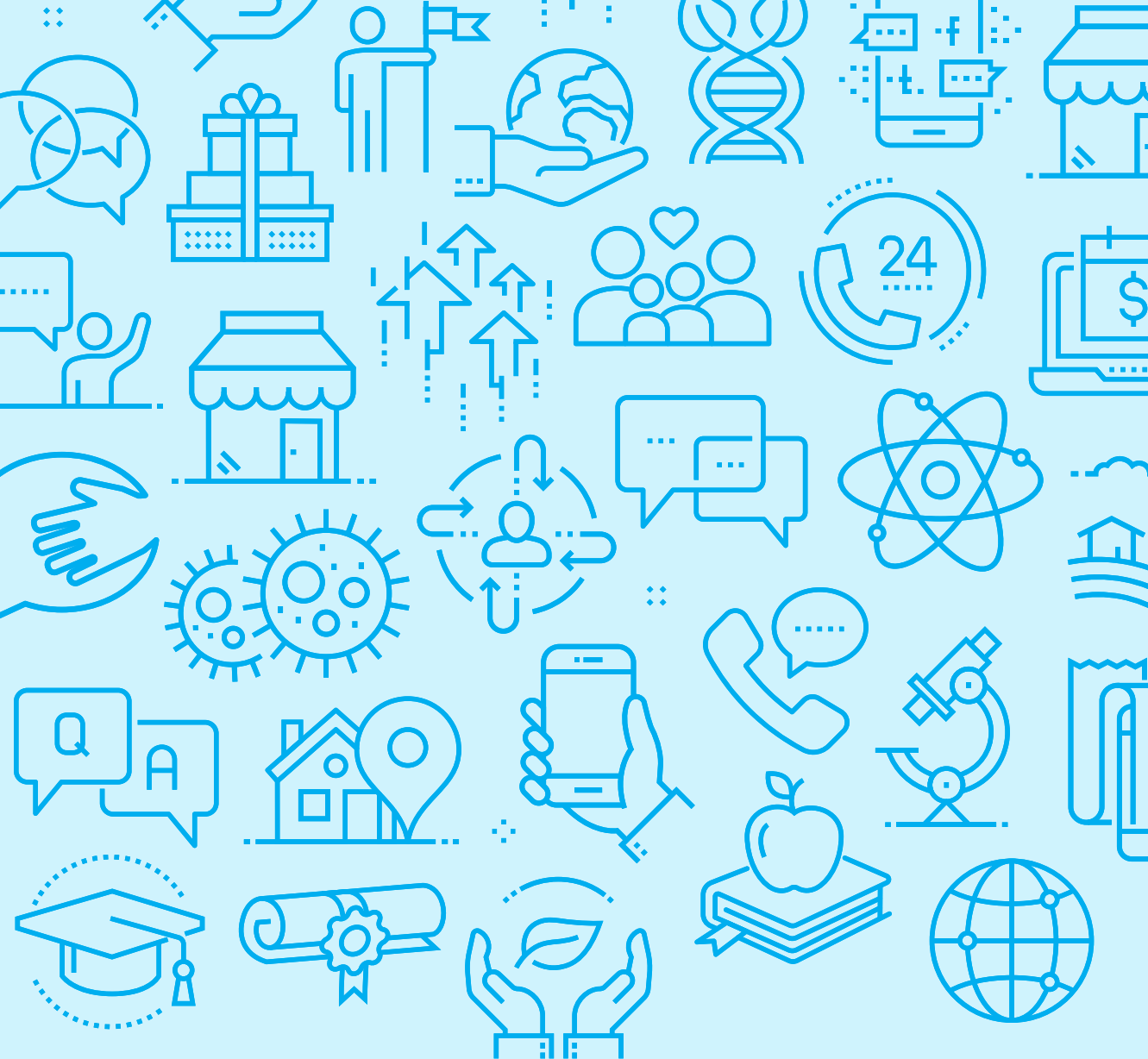


Australian Government



Australian
Charities and
Not-for-profits
Commission

ANNUAL REPORT
2022–23



ANNUAL REPORT
2022–23

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ISSN 2205-3050 (Print)

ISSN 2205-3069 (Online)

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DE-59014 NAT 75013-10.2023



Australian
Charities and
Not-for-profits
Commission

The Hon Dr Andrew Leigh MP
Assistant Minister for Competition, Charities and Treasury
Parliament House
Canberra ACT 2600

Dear Assistant Minister,

I am pleased to provide you with the Australian Charities and Not-for-profits Commission Annual Report 2022–23 for presentation to Parliament.

This report has been prepared for the purposes of Division 130 of the *Australian Charities and Not-for-profits Commission Act 2012* (Cth) and section 46 of the *Public Governance, Performance and Accountability Act 2013* (Cth).

Yours sincerely

Sue Woodward AM

Commissioner

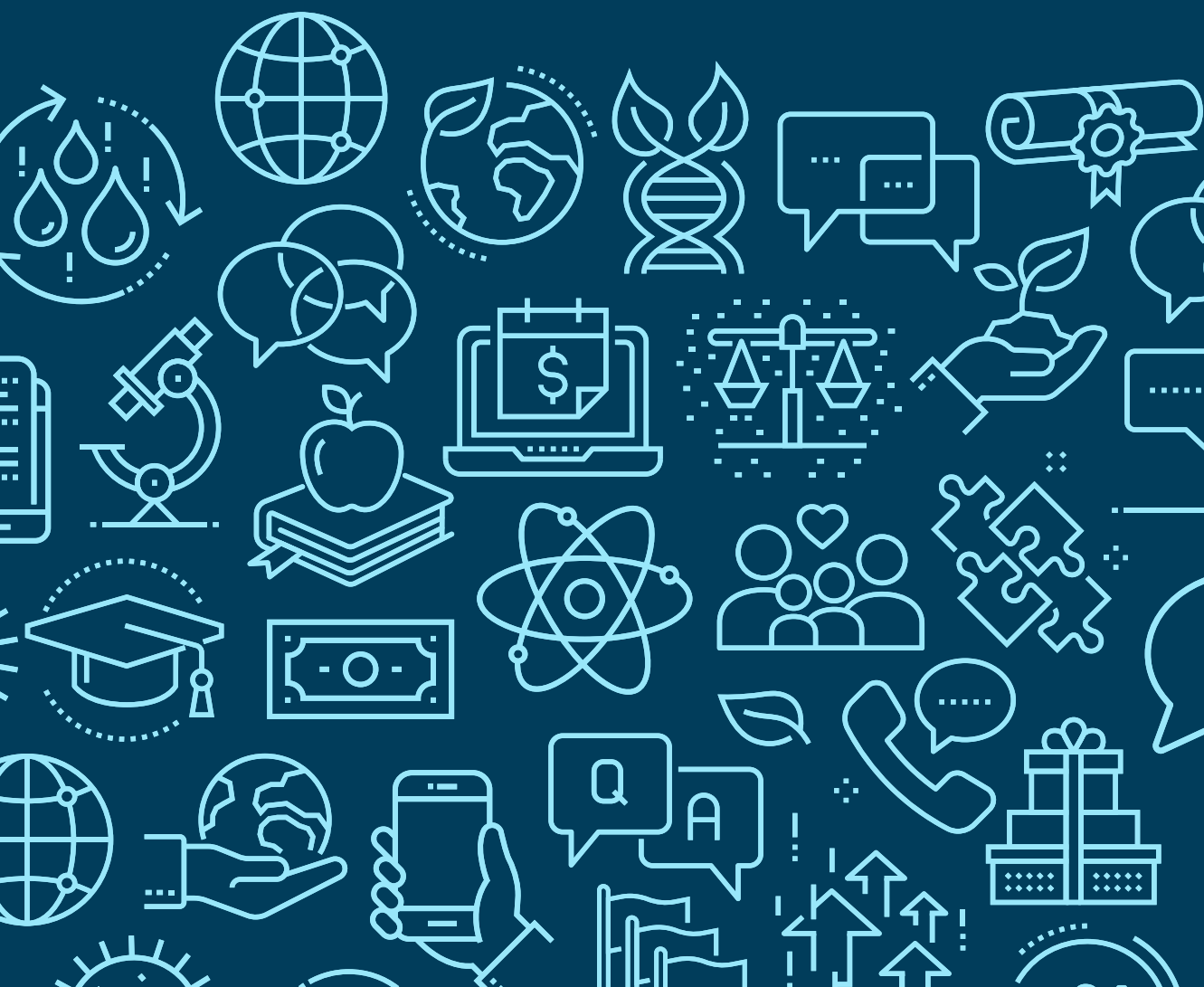
Australian Charities and Not-for-profits Commission

26 September 2023

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A dense, repeating pattern of white line-art icons on a dark blue background. The icons represent a wide array of concepts: education (graduation cap, books), science (DNA helix, microscope, atom, virus/cell), technology (smartphone, laptop with dollar sign, puzzle pieces), social interaction (speech bubbles, handshake, group of people, heart), nature/environment (leaf, globe, sun/moon), and business/economics (scales of justice, bar chart with upward arrows, calendar). The style is minimalist and modern, suitable for a professional or academic-themed design.

Commissioner's review



I am pleased to present the Australian Charities and Not-for-Profits Commission (ACNC) Annual Report for 2022–23, my first since becoming Commissioner on 12 December 2022.

During the five months prior to this date, the ACNC was led by Acting Commissioner Deborah Jenkins. I would like to thank Deborah and Anna Longley (Assistant Commissioner, General Counsel), for their support and help with my transition into the Commissioner role. Many of the achievements described in this report were under their leadership.

Key achievements

In 2022–23, we strengthened our focus on stakeholder engagement and sector consultation.

For example, there was extensive consultation about two key ACNC Commissioner Interpretation Statements, with an updated statement on Health Promotion Charities published at the end of this financial year.

Red tape reduction has progressed well. For charities conducting fundraising in Queensland, streamlined reforms were announced that enabled them to report once to the ACNC and notify (rather than register) their intention to fundraise with the state regulator. Annual return requirements for Queensland incorporated associations were also switched off.

Significantly, this means that ACNC registered charities that conduct fundraising or are structured as incorporated associations only need to report once to the ACNC, no matter which state or territory they operate in. We then share the data securely with the relevant regulators.

This is the realisation of a decade of work and is a major red tape reduction for charities.

Building on this foundation of one-stop registration and reporting, I was delighted that in May this year, Australian governments agreed on reforms to charitable fundraising laws that provide a nationally consistent approach and will save Australia's charity sector millions each year.

The ACNC will actively work with all state and territory governments to promote and support the implementation of their agreed national fundraising principles.

Also of relevance to the sector's financial sustainability was the Australian Government's announcement of the Productivity Commission Philanthropy Inquiry. The ACNC made a submission to the Inquiry, and our latest Australian Charities Report has supported this work with additional data analysis on grant-making by charities – including various types of philanthropic bodies.

Our core work continues to focus on registering charities and supporting them to understand and comply with their obligations.

Our compliance and Charity Register integrity work remain risk based and are further refined with each year of experience and data insights.

In line with our priority on education and support, the ACNC's Governing Charities online learning program was launched – this is a suite of 12 free online learning courses to support charity leaders.

Soon after I started, we published guidance to help charities understand opportunities and risks associated with crypto-assets. More recently we published guidance and a podcast to clarify the rules around charity advocacy and the referendum on an Indigenous Voice to Parliament.

Government investment in ACNC to enhance trust and confidence

In May, I welcomed an allocation of funding in the 2023–24 Federal Budget that will allow the ACNC to disclose information about registration and compliance decisions for educational purposes.

This funding amounts to \$2.9 million over the next four years, with \$600,000 per year after that on an ongoing basis.

This important reform will foster enhanced trust and confidence in the charity sector. We will begin work to implement this reform – some of which requires law change – in the coming year.

Charity data reveals state of the sector

In June we published our latest, new-look edition of the Australian Charities Report. This report provides insights on how the charity sector is faring, and confirmed expenses have risen across the sector, dampening the effect of increases in revenue and donations.

While revenue increased by \$14 billion to top \$190 billion, and donations rose to \$13.4 billion, it is important to note that increases in revenue and donations are unevenly spread across the sector – with a limited number of charities experiencing those increases.

Overall, the report showed that charities have a strong asset base but concerningly, our data confirmed a decline in volunteers of about 600,000 since 2018. This decline has produced challenges across the sector, especially for the more than half of Australia's charities that are run entirely by volunteers.

As someone who envisioned the establishment of a regulator and was here at the ACNC's beginning, it is a pleasure to see how far the ACNC has come.

I view my stewardship of the ACNC as a great privilege. During my term, I aim to build on its success by evolving our regulatory approach further and responding to changes in the sector, while also ensuring we get the fundamentals right.

Thank you to the Advisory Board, staff and all stakeholders who have played a role in the ACNC and its work so far. I look forward to ongoing engagement to gain insights and feedback to help us be the best regulator we can be – inspiring trust and confidence – as that is the underpinning of why we exist and what supports the sector to make its best contribution to the Australian community and beyond.

I invite you to read this report that sets out the ACNC's achievements for 2022–23 as well as some of the milestones of the last 10 years.



Sue Woodward AM
ACNC Commissioner

Advisory Board Chair's review



Charities continued to rise to significant challenges in 2022–23.

Like all Australians, charities are impacted by cost-of-living pressures. Demand on services from Australians doing it tough has increased, while the cost of delivering services and running operations have also risen. Volunteer numbers continue to decline, and many donors impacted by the effects of inflation may reduce their support for charities.

Despite these challenges, charities continued to be resilient and work hard to achieve their purposes, as evidenced by the many charities the ACNC Advisory Board members met with during the year, which is always a pleasure.

Our engagement helps us to provide the ACNC Commissioner and the Australian Government with sound advice and feedback.

We were pleased to be able to provide a briefing to the incoming government early in this financial year to propose priority areas for its consideration in supporting the work of the ACNC.

The Advisory Board welcomed the government's announcement in the 2022–23 October Budget of the Development of the Not-for-profit Sector Development Blueprint and doubling philanthropic giving by 2030 measure. The Blueprint will provide a roadmap for government reforms and sector-led initiatives that will help to achieve the vision of a stronger charity sector. I was pleased that the ACNC Advisory Board were able to contribute to the Blueprint during the consultation process.

We welcomed the new ACNC Commissioner, Sue Woodward AM, in December 2022, shortly after the ACNC's 10th anniversary milestone. Sue has already made a great contribution toward the further maturation of the ACNC as a world class regulator.

The 9th edition of Australian Charities Report has a fresh design and the addition of a section focussing on giving and philanthropy that will inform the work being undertaken by the Productivity Commission Philanthropy inquiry.

The ACNC also published a Charity Data Hub on its website. The Hub consolidates the ACNC's publications and uses data collected via Annual Information Statements submitted by registered charities each year.

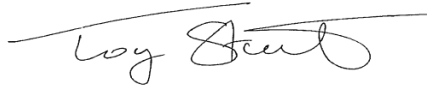
The wealth of information published on the Charity Register demonstrates the contribution charities make to communities and the economy.

The Charity Register provides information about the important work and locations of charity's efforts and offers transparency to the public considering supporting charities.

After several years on the ACNC Advisory Board, charities continue to inspire me, and I am proud of the important contribution the ACNC makes to maintaining public trust and confidence in charities by helping them understand their obligations, maintaining the Charity Register, and undertaking compliance work to ensure that only eligible charities remain registered.

It's been my pleasure to work with the members of the ACNC Advisory Board – and the ACNC Commissioners – over the past year. I want to thank them for contributing their expertise to our thoughtful discussions, and for their commitment and enthusiasm for the sector.

Each member has made an invaluable contribution to supporting the work of the ACNC.

A handwritten signature in black ink, appearing to read 'Tony Stuart', with a long horizontal line extending from the end of the signature.

Tony Stuart

Chair, ACNC Advisory Board



[illegible]

About us

The ACNC is the national regulator of charities. We are responsible for administering the *Australian Charities and Not-for-profits Commission Act 2012* (Cth) (the ACNC Act) and the *Australian Charities and Not-for-profits Commission Regulations 2022* (Cth), our primary legislation and legislative instrument.

The ACNC was established by the ACNC Act, which has the following three objects:

- maintain, protect and enhance public trust and confidence in the Australian not-for-profit sector
- support and sustain a robust, vibrant, independent and innovative Australian not-for-profit sector
- promote the reduction of unnecessary regulatory obligations on the Australian not-for-profit sector.

Although the ACNC Act refers to not-for-profits and the not-for-profit sector, the ACNC only regulates registered charities – organisations that meet the definition of charity as set out in the *Charities Act 2013* (Cth) (the Charities Act).

We determine whether an organisation meets the legal definition of charity and is entitled to registration as a charity. Our guidance and support help charities meet their obligations.

By publishing information about charities' governance, activities, operations, and finances on the ACNC Charity Register, we support public trust and confidence in registered charities.

We use the information we collect about charities to provide an overview of the registered charity sector and report on emerging trends through our annual Australian Charities Report.

When a charity fails to meet its obligations and acts in a way that poses a serious risk to public trust and confidence, we investigate and act. Consistent with our regulatory approach, we focus on ensuring charities protect both the vulnerable beneficiaries they work with, and charity assets. We also help charities to stay on the right track and maintain good governance.

When implementing new regulation, we commit to working with charities and other stakeholders to minimise any unnecessary regulatory burden. We also work with state and territory governments, in addition to Australian Government agencies, to reduce unnecessary regulatory obligations for charities.

We work to harmonise and simplify reporting for charities and establish data sharing agreements to help them consolidate their reporting to governments.

Our vision and values

We strive to be an innovative leader in charity regulation.

Our Corporate Plan 2022–23 outlined our vision, values and priorities for the year.

Our vision is ‘charities that inspire confidence and respect’. Our vision and purposes inform the way we engage with charities, governments and the public.

Our objects guide our activities, and our supporting capabilities help us deliver our vision.

Our values are: fairness, accountability, independence, integrity and respect.

These values align with the Australian Public Service values and underpin the way we perform our work.

Vision

Charities that inspire confidence and respect

Purposes

Maintain, protect and enhance public trust and confidence in the Australian not-for-profit sector

Support and sustain a robust, vibrant, independent and innovative Australian not-for-profit sector

Promote the reduction of unnecessary regulatory obligations on the Australian not-for-profit sector

Activities

Registration

Education and advice

Compliance

Reporting and red tape reduction

Supporting capability

Information technology

Governance, risk and resource management

Legal and policy

Our leaders

Sue Woodward AM – ACNC Commissioner



Sue Woodward AM started as ACNC Commissioner on 12 December 2022.

Previously, she was Chief Adviser for Not-for-profit Law with the charity Justice Connect.

Sue was awarded a Member of the Order of Australia in 2021 for 'significant service to the not-for-profit sector, fundraising and the law.'

She played an instrumental role in the formation of the ACNC, serving as the inaugural Director of Policy and Education during the early years of the Commission.

As an academic at Melbourne Law School, she made a seminal contribution to reforming charity and not-for-profit sector regulation with her 2004 research report: 'A Better Framework: reforming not-for-profit regulation.'

Sue also has extensive experience as a volunteer charity board member, most recently sitting on the boards of the Victorian Council of Social Service (VCOSS), the Human Rights Law Centre and the Australian Communities Foundation. Previously Sue sat on the boards of SANE Australia and Social Firms Australia.

Additionally, Sue is a staunch supporter of reducing unnecessary regulatory obligations on the sector. She has worked with an alliance of peak bodies and federal and state governments to make modernised and harmonised fundraising laws a priority.

Note:

- The former ACNC Commissioner, the Hon Dr Gary Johns stepped down from the role on 31 July 2022.
- Deborah Jenkins was appointed as the Acting Commissioner from 1 August to 11 December 2022.

Anna Longley – Assistant Commissioner General Counsel



Anna Longley was the ACNC's Assistant Commissioner – General Counsel during 2022–23. In that role, she was the senior legal adviser to the ACNC Commissioner and Advisory Board.

Prior to taking up her role at the ACNC, Anna was an Assistant Commissioner at the Australian Taxation Office and led audit and assurance teams on work involving high wealth individuals, private groups and not-for-profit entities. She also sat on the ATO General Anti-Avoidance Rules Panel.

Through previous roles, Anna gained significant experience with administrative law, dispute resolution and litigation. Anna holds a Bachelor of Laws with Honours, a Graduate Diploma of Legal Practice and a Master of Taxation. She was admitted to practice as a lawyer in 2005.

In the charity sector, Anna spent several years volunteering for and on the boards of community legal centres.

Nadine Clode – Acting Assistant Commissioner



Nadine Clode began her role as the ACNC's Acting Assistant Commissioner on 15 June 2023 after the creation of a second Senior Executive (SES) Band 1 role on the same date.

Nadine joined the ACNC in January 2023, serving as an Executive Adviser to the Commissioner and Assistant Commissioner, General Counsel.

In Federal and State government, she has significant experience at the executive level in roles ranging across senior departmental liaison, service delivery and program and policy. Nadine has volunteered in local government and the sector.

Nadine is admitted to practice law and holds a Bachelor of Arts (Politics and Economics), Jurist Doctor and Master of Legal Practice.

Our structure

The ACNC has six directorates, each of which plays an important role in helping us achieve the objects of the ACNC Act.

Advice Services, Education and Public Affairs

Our Advice Services team provides information to charities and members of the public about a wide range of topics related to charity governance and the charity sector. The team responds to written and phone enquiries about obligations and legislation affecting charities.

Analysis of enquiries to Advice Services identifies information gaps and helps improve our services to charities, their advisers and the public.

Our Education and Public Affairs team manages internal and external communications, including delivering the latest regulatory news, managing the ACNC website and its content, social media, government and media relations.

The team is responsible for developing guidance and resources to help charities meet their obligations to the ACNC, promoting awareness of the work of the ACNC and our Charity Register and delivering accessible information about Australia's charity sector.

Compliance

Our Compliance team works to address risks that pose a threat to trust and confidence in the charity sector. The team uses data analytics and intelligence to identify risks and decide on appropriate action.

The team responds proportionately when addressing a charity's non-compliance. It considers several factors in determining appropriate action, including the severity and persistence of the non-compliance, the risk of harm to the sector and community, and the willingness and ability of the charity to address the non-compliance.

The team uses a combination of guidance and investigative methods to address non-compliance and support charities in meeting their obligations. When the team finds that a charity has been involved in serious or deliberate non-compliance, it may use its enforcement powers or revoke the charity's registration.

The ACNC's compliance work is integrated with state, territory and federal regulators and law enforcement agencies, to ensure information is exchanged and actions are taken in a coordinated manner. Doing so ensures the most appropriate response to charity non-compliance is undertaken.

Information Technology

Our Information Technology (IT) team manages the implementation, maintenance, support and improvements of the ACNC's IT services, platforms and solutions. The team also supports the ACNC's use of data analytics.

The team manages system configuration and architecture as well as information governance. It also provides data to support ACNC operations and inform strategic decisions, as well as overseeing data exchanges with other government agencies.

Legal and Policy

Our Legal and Policy team provides legal advice to the Commissioner and staff on interpretation and application of the ACNC Act, the Charities Act and other applicable legislation and regulations. The team also manages legal review and appeal proceedings of ACNC administrative decisions.

The team provides training to staff and advises on memoranda of understanding with external agencies, agreements and contracts. It also manages obligations under the *Freedom of Information Act 1982* (Cth) (the FOI Act) and the *Privacy Act 1988* (Cth) (the Privacy Act).

It also coordinates submissions to parliamentary inquiries and consultative bodies on policy and legislative initiatives and supports strategic policy work and engagement with the ACNC's Adviser and Sector Forums, the ACNC's Consultation panel and coordinates updates to overseas charity regulators.

Reporting, Red Tape Reduction and Corporate Services

Our Reporting and Red Tape Reduction team administers our reporting framework and works with other government agencies to reduce red tape for charities.

The team administers reporting obligations set out in ACNC legislation, manages the Charity Passport, oversees the design of the Annual Information Statement and works to ensure the integrity of the data we collect from charities. They also undertake analysis of ACNC data, including the analysis for our annual Australian Charities Report.

Our Corporate Services team oversees resource management. The team is committed to developing and maintaining a high performing workforce that can manage risks as well as deliver the priorities set out in our corporate plan.

The team ensures that all ACNC financial, governance and risk obligations are met. It is also responsible for the implementation of key strategic initiatives from the ACNC's Workforce Plan, with a focus on workplace culture, capability development, inclusion, and wellbeing.

The team works across the ACNC and with key stakeholders to create a positive employee experience and to increase efficiency and innovation in human resources, governance processes and finances.

Registration

Our Registration team is responsible for assessing charity registration applications and reviewing charities' continued entitlement to registration.

The team also assesses requests from charities to have information withheld from the Charity Register, to have new charity subtypes added to their registration, and to have their registration voluntarily revoked.

The team helps streamline the process through which charities get access to Commonwealth charity tax concessions by collecting necessary information and passing it onto the ATO.

Our Advisory Board

The ACNC Advisory Board supports and advises the ACNC Commissioner.

The Board is appointed by the Minister and consists of up to eight general members with expertise in the not-for-profit sector, law, taxation or accounting, and specified office holders. The Board currently includes one ex officio member.

General members are appointed for a term of up to three years. Ex officio members remain on the Board for as long as they hold the specified office. The Board meets quarterly.

In 2022–23, Dr Susan Alberti AC left the board. Her position had not been filled as at 30 June 2023.

General members

Tony Stuart

Tony Stuart is the Chair of the ACNC Advisory Board, recently chaired the NFP Advisory Board to the National Covid Commission and has been the Chief Executive Officer of UNICEF Australia since 2016.

Previously, Tony was the Group Chief Executive Officer of National Roads and Motorists' Association, one of Australia's largest not-for-profit organisations. He is a former Director of the Heart Research Institute, the Starlight Children's Foundation and Business Council of Cooperatives and Mutuals. He is a Fellow of the Australian Institute of Company Directors and a Fellow of the Australian Institute of Management.

Dr Martin Lavery

Dr Martin Lavery is Deputy Chair of the ACNC Advisory Board. He is Chief Executive of Aruma, a national disability services charity.

He was an inaugural Director of the National Disability Insurance Scheme, Chair of the Heart Foundation and a member of the NFP Advisory Board to the National COVID-19 Commission.

He is currently a director of the international aid organisation Caritas Australia and is an Adjunct Professor at the University of Western Australia's Not-for-Profits Initiative.

David Pigott

David Pigott is a board member of Uniting NSW.ACT and a member of the Council of Wesley College within the University of Sydney. He has served as a member of the NSW Ministerial Advisory Council on Ageing. He was previously an executive at Mission Australia and has been an adviser to federal and state governments, including as private secretary to the NSW Premier.

David is a former non-executive director of Child Fund Australia and was Chair of the Ella Centre, a disability and aged services support charity in Sydney's Inner West.

Heather Watson

Heather Watson is a specialist charity lawyer with experience across the not-for-profit sector.

She holds non-executive appointments with several charities including as Chair of Uniting NSW.ACT and the Epic Good Foundation, and a director of Australian Regional and Remote Community Services.

Heather also serves as the independent chair of the ACNC's Performance, Audit and Risk Committee.

Peter Hogan

Peter Hogan is a Chartered Accountant with more than 50 years of experience. Peter's career began at the ATO before moving into the private sector and then as a corporate tax partner with PricewaterhouseCoopers (PwC).

Since his retirement from PwC in 2008, Peter has served on the boards of several listed public companies.

Peter currently serves as a member of the Tax Practitioners Board and on the Board of Don Bosco (Brunswick) Youth Foundation Inc.

Ex officio members

Dini Soulio

Dini Soulio is the Commissioner of Consumer Affairs and Liquor and Gambling with Consumer and Business Services (CBS) in South Australia. CBS has a broad portfolio which includes regulation of charities.

Dini's background is as a solicitor in private practice, working in the areas of insurance, workers' compensation and criminal law. He has also held senior regulatory roles with Customs and ASIC.

Highlights of the 2022–23 year



**Launch of the free
Governing Charities
online learning program**
designed to support
leadership and accountability
in the charity sector



**20 submissions to all
levels of government on
a range of topics**, including
the Productivity Commission's
Philanthropy Inquiry and
changes to the Australian
Accounting Standards



Red tape reduction
for charities in Queensland



Publication of a new look
**Australian Charities Report
– 9th edition**



Guidance on **crypto-currency**,
cybersecurity for charities
and the **referendum
for an Indigenous Voice
to Parliament**



**Content review of the
entire ACNC website**
(990 pages)



Publication of the
updated **Commissioner's
Interpretation Statement
on Health Promotion
Charities**



Significant consultation
and engagement on
**related party transaction
reporting, DGR reviews,
and Commissioner's
Interpretation Statements**



**Delivery of a high
impact safe giving
media campaign**
for Türkiye and Syria
earthquake



**48 speaking
engagements**

Key statistics

Registration activities



2,652

charities registered



95%

satisfaction with
registration experience



480

Deductible Gift
Recipient reviews

Regulatory activity and enforcement action



2,106

concerns about
charities received



55

investigations
finalised



9

objections



41

self-audits
completed



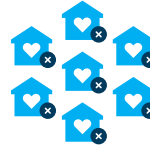
310

self-evaluations
sent



50

reviews
completed



7

Charity registrations
revoked following
investigation

Engagement activities



22,932

calls answered



11,889

written enquiries
answered



103,460

online forms submitted
to the ACNC



284,706

visits to our online
Charity Portal

193



meetings or forums
that involve charities,
sector representatives
or peak bodies

More than

8.6m



searches of the
Charity Register

More than

20m



views of the website

Responded to

172 media
inquiries



Initiated

49



proactive media placements

1,818 media
mentions



Purpose and priorities

The ACNC's purpose and performance measures were published in our 2022–23 Corporate Plan.

Our purposes align with the objects in the ACNC Act:

- maintain, protect and enhance public trust and confidence in the Australian not-for-profit sector
- support and sustain a robust, vibrant, independent and innovative Australian not-for-profit sector
- promote the reduction of unnecessary regulatory obligations on the Australian not-for-profit sector.

Our key activities include:

- maintaining a public register of Australian charities
- registering new charities
- revoking the registration of charities that are no longer entitled to registration
- collecting and publishing information about charities annually
- providing advice and guidance to charities and the public
- disseminating resources to build capacity and good governance in the sector
- sharing our data with the public, charities and government
- monitoring charities for compliance with legal requirements, and acting on identified concerns
- working across governments to reduce unnecessary regulation.

Outcome and program

Although the ACNC operates independently to the ATO, we are included in the ATO's program structure and are one of the programs that delivers the ATO's outcome.

The ATO's outcome statement is:

Confidence in the administration of aspects of Australia's taxation and superannuation systems through helping people understand their rights and obligations, improving ease of compliance and access to benefits, and managing non-compliance with the law.

As Program 1.4 of the ATO's program structure, our deliverables and performance indicators, which are used to assess and monitor our performance, are published in the Treasury Portfolio Budget Statements.

These deliverables and performance indicators are the same as the priorities and performance measures contained within our corporate plan.

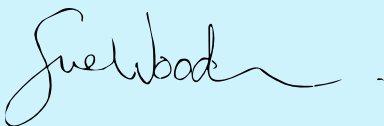
Performance reporting

In line with the Commonwealth Government’s enhanced performance framework, our performance measurement and reporting processes were assessed against the requirements of government entities under the *Public Governance, Performance and Accountability Act 2013* (Cth) (the PGPA Act). Our performance for each criterion is graded as described in Table 3.1.

Table 3.1: Criterion result grading








Result	Symbol	Description
Met	✓	Target met or exceeded
Partially met	!	80% or more of the target achieved
Not met	✗	Less than 80% of the target was achieved

I, Sue Woodward AM, Commissioner of the ACNC, as statutory office holder appointed to administer the ACNC Act, present the Annual Performance Statement of the ACNC, as required under paragraph 39(1)(a) of the *Public Governance, Performance and Accountability Act 2013* (the PGPA Act). In my opinion, this annual performance statement is based on properly maintained records, accurately reflects the performance of the entity, and complies with subsection 39(2) of the PGPA Act.



Sue Woodward AM
Commissioner, Australian Charities and Not-for-profits Commission
26 September 2023

Purpose 1 – Maintain, protect and enhance public trust and confidence in the Australian not-for-profit sector

No.	Performance measure	Annual target	Result
1.1	Percentage of new charity registrations completed within agreed timeframes <ul style="list-style-type: none"> 2022–23 ATO PBS page 206 2022–23 ACNC Corporate Plan page 5 	90%	 88%
1.2	Percentage of charities complying with timeliness of Annual Information Statement lodgement requirements <ul style="list-style-type: none"> 2022–23 ATO PBS page 206 2022–23 ACNC Corporate Plan page 5 	75%	 72%
1.3	Percentage of investigations finalised within 12 months <ul style="list-style-type: none"> 2022–23 ATO PBS page 206 2022–23 ACNC Corporate Plan page 5 	75%	 51%
1.4	Number of investigations completed <ul style="list-style-type: none"> 2022–23 ATO PBS page 206 2022–23 ACNC Corporate Plan page 5 	75	 55
1.5	Number of DGR reviews conducted annually <ul style="list-style-type: none"> 2022–23 ATO PBS page 206 2022–23 ACNC Corporate Plan page 5 	2% of DGR endorsed charities (480)	 480
1.6	Number of Compliance risk reviews conducted annually <ul style="list-style-type: none"> 2022–23 ACNC Corporate Plan page 5 	50	 50
1.7	Number of annual financial reports examined for accuracy <ul style="list-style-type: none"> 2022–23 ACNC Corporate Plan page 5 	250	 250

Analysis of performance

1.1 Percentage of new charity registrations completed within agreed timeframes (15 business days)

To determine an organisation's eligibility for registration as a charity, we assess applications according to the requirements of:

- the ACNC Act
- the Charities Act
- the *Charities (Consequential Amendments and Transitional Provisions) Act 2013* (Cth), and
- case law.

This year, we received over 5,500 registration applications. We registered 2,652 charities.

88% of new charities were registered within 15 business days of the ACNC receiving the required information, an improvement from 83% in 2021–22.

While this figure was below our performance measure of 90%, several factors affected our ability to meet this performance measure, including staff vacancies and a significant increase in registration applications during May and June 2023 (the average application rate for May and June 2023 was 31.5% higher than the average application rate for the 2021–22 year).

The remaining registration applications were:

- closed because the application was incomplete
- withdrawn after we contacted the applicant to advise that they did not meet one or more of the requirements listed above, or
- refused as the applicant was either not charitable or didn't provide enough information to allow us to make a decision.

1.2 Percentage of charities complying with timeliness of Annual Information Statement lodgement requirements

Each year, charities must submit an Annual Information Statement (except charities that are also registered with the Office of the Registrar of Indigenous Corporations (ORIC)).

The Annual Information Statement asks for information about a charity's programs, beneficiaries, human resources and finances. Medium and large charities must provide reviewed or audited annual financial reports with their Annual Information Statement.

Each charity must submit its Annual Information Statement within six months of the end of its reporting period, but this can be extended at the Commissioner's discretion.

The 2022 Annual Information Statement was available from August 2022.

As of 30 June 2023, 72% of charities had submitted their 2022 Annual Information Statement on time, an improvement on 68% the previous year.

We continue to send multiple reminders to charities, as well as trial different approaches with our reminders, in order to support charities to meet their reporting obligations and improve submission rates.

1.3 Percentage of investigations finalised within 12 months

Investigating a charity is our most significant response to non-compliance. In line with our regulatory approach, we will begin an investigation when we identify a risk of serious or deliberate non-compliance.

In 2022–23, we completed 51% of our investigations within 12 months, a decrease from 78% in 2021–22.

Our ability to meet this measure was affected by the increasing complexity of our investigations, a significant multi-charity investigation, changed processes to improve the integrity of investigation outcomes, and staff vacancies.

1.4 Number of investigations completed

Investigations can lead to a range of regulatory actions. This includes revocation of charity status, use of our compliance powers, compliance agreements (for example, an action plan about improving management practices), or education (such as advice on improving record keeping or financial management policies).

We finalised 55 investigations in 2022–23, compared to 96 in the previous year.

The factors listed in 1.3 affected our ability to meet this measure.

1.5 Number of DGR reviews conducted annually (based on Desktop reviews completed)

The ACNC has been funded by government to review 2% of DGR endorsed charities each year to assess their continued eligibility for subtype and charity registration.

For 2022–23, we were required to review 480 charities. We met this target.

The focus of our reviews expanded in 2022–23 to include not only Public Benevolent Institutions, but also other DGR categories (including, for example, school building funds, public libraries and animal welfare charities).

Other selection criteria included whether the charity was registered prior to 3 December 2012 (the date of our establishment) and indicators of heightened risk (such as the lack of Responsible People or a missing governing document).

1.6 Number of Compliance risk reviews conducted annually

As part of the 2020–21 budget, the ACNC received funding to conduct targeted compliance risk reviews for charities at risk of failing to meet their obligations under the ACNC's Governance Standards or External Conduct Standards.

We finalised 50 reviews in 2022–23, meeting our target.

Our reviews focused on:

- 'founder' syndrome
- charities with only one Responsible Person.

1.7 Number of annual financial report reviews examined for accuracy

In 2022–23, we met our target of reviewing 250 annual financial reports (from the 2021 reporting period). These reviews focused on:

- the accuracy of the financial information provided
- the quality of information disclosed
- the completeness of the financial report and accompanying audit/review report
- overall compliance with the ACNC Act and Australian Accounting Standards.

Purpose 2 – To support and sustain a robust, vibrant, independent and innovative Australian not-for-profit sector

No.	Performance measure	Annual target	Result
2.1	Increased usage of the enhanced Charity Register with searchable program data available <ul style="list-style-type: none"> 2022–23 ATO PBS page 206 2022–23 ACNC Corporate Plan page 6 	Increased usage of the Charity Register	✓
2.2	Percentage of phone calls answered within four minutes <ul style="list-style-type: none"> 2022–23 ATO PBS page 206 2022–23 ACNC Corporate Plan page 6 	80%	✓ 80%
2.3	Information and guidance materials are reviewed and updated or published for the first time on the ACNC website to assist charities in understanding their obligations <ul style="list-style-type: none"> 2022–23 ATO PBS page 206 2022–23 ACNC Corporate Plan page 6 	Information and guidance materials reviewed and updated or published for the first time as required	✓
2.4	Information about charities is published <ul style="list-style-type: none"> 2022–23 ACNC Corporate Plan page 6 	Publication of Australian Charities Report	✓

Analysis of performance

2.1 Usage of the Charity Register

The Charity Register is a free online register of all registered charities.

In 2022–23, we improved the Charity Register by implementing additional filters to help users find the information they need more quickly. We also improved the Register by providing users with the extra option to search by charity programs.

During 2022–23, there were more than 8.6 million interactions with the Charity Register, an increase from the previous year (5.6 million). An interaction is when a member of the public interacts with the Charity Register to conduct either a charity search or program search.

The improvements to the Charity Register affected the way we monitor Charity Register usage, which in turn may have contributed in part to the increased searches compared to 2021–22.

2.2 Percentage of phone calls answered within four minutes

In 2022–23, we answered 22,932 phone calls. 80% were answered within four minutes, a significant improvement compared to 2021–22 (where 50% of calls were answered within four minutes).

2.3 Information and guidance

We consult with relevant experts and stakeholders to develop guidance that meets the diverse needs of the sector.

In 2022–23, we launched the ‘Governing Charities’ online program of 12 free e-learning courses. Over 11,000 people have enrolled in the courses.

We conducted a full review of our website content. This saw us review 990 pages to ensure that our guidance was current, consistent, accurate and easy-to-understand.

We published new guidance relating to crypto assets, as well as guidance on charity advocacy in relation to the referendum about an Indigenous Voice to Parliament.

We updated our guidance on key management personnel remuneration. The ACNC started collecting information about this in the 2022 Annual Information Statement.

Further, we updated our guidance on reportable related party transactions. The update followed consultation we conducted about how we collected this information from charities. Charities must provide information about their reportable related party transactions from the 2023 Annual Information Statement.

We also updated our Commissioner’s Interpretation Statement on Health Promotion Charities following extensive consultation.

In 2022–23, we produced two webinars:

- **Gaining and retaining charity registration with the ACNC** – in which we explored how the ACNC helps organisations seeking registration as charities, as well as how we work to ensure charities retain their right to registration.
- **What you can do to protect your charity from fraud** – in which we looked at fraud threats that charities may face, and provided guidance on the ways charities can protect themselves against fraud.

We also published two podcast episodes:

- **Insights from the new Commissioner Sue Woodward AM** – a conversation with the ACNC Commissioner which outlined her vision for the ACNC.
- **Charities, Advocacy and the Voice referendum** – a discussion with the ACNC Commissioner about advocacy, which specifically covered the upcoming Indigenous Voice to Parliament referendum and what charities should be aware of before conducting advocacy relating to the referendum.


2.4 Publication of charity data

In June 2023, we published the 9th edition of the Australian Charities Report – the annual analysis of the charity sector based on the most current publicly-available information for 49,402 registered charities.

The report shows the charity sector’s size, financial contributions and the breadth of its services. For the 9th edition, we also included a profile of philanthropy within the charity sector.

While the report itself contains our analysis, we also make the data available through our [Charity Data Explorer](#) to allow members of the public to use the data for their own custom searches.

Purpose 3 – Promote the reduction of unnecessary regulatory obligations on the Australian not-for-profit sector

No.	Performance measure	Annual target	Result
3.1	Reduction of unnecessary regulatory burden for charities <ul style="list-style-type: none"> • 2022–23 ATO PBS page 206 • 2022–23 ACNC Corporate Plan page 7 	80% of respondents agree that the ACNC has met this measure through a stakeholder survey	 83%

Analysis of performance

3.1 Reduction of unnecessary regulatory burden

The ACNC is committed to working across government to reduce unnecessary regulatory burden.

In 2022–23, we used an online survey to ask members of our Adviser and Sector Forums, as well as our Consultation Panel, to measure our performance in reducing unnecessary regulatory burden for charities.

This survey included the following examples of our efforts to reduce unnecessary regulatory burden in 2022–23:

- successful implementation of changes that increased the financial levels of our reporting thresholds
- development of a data sharing arrangement with the Queensland Office of Fair Trading, which removed the need for associations and fundraisers to submit a separate annual return

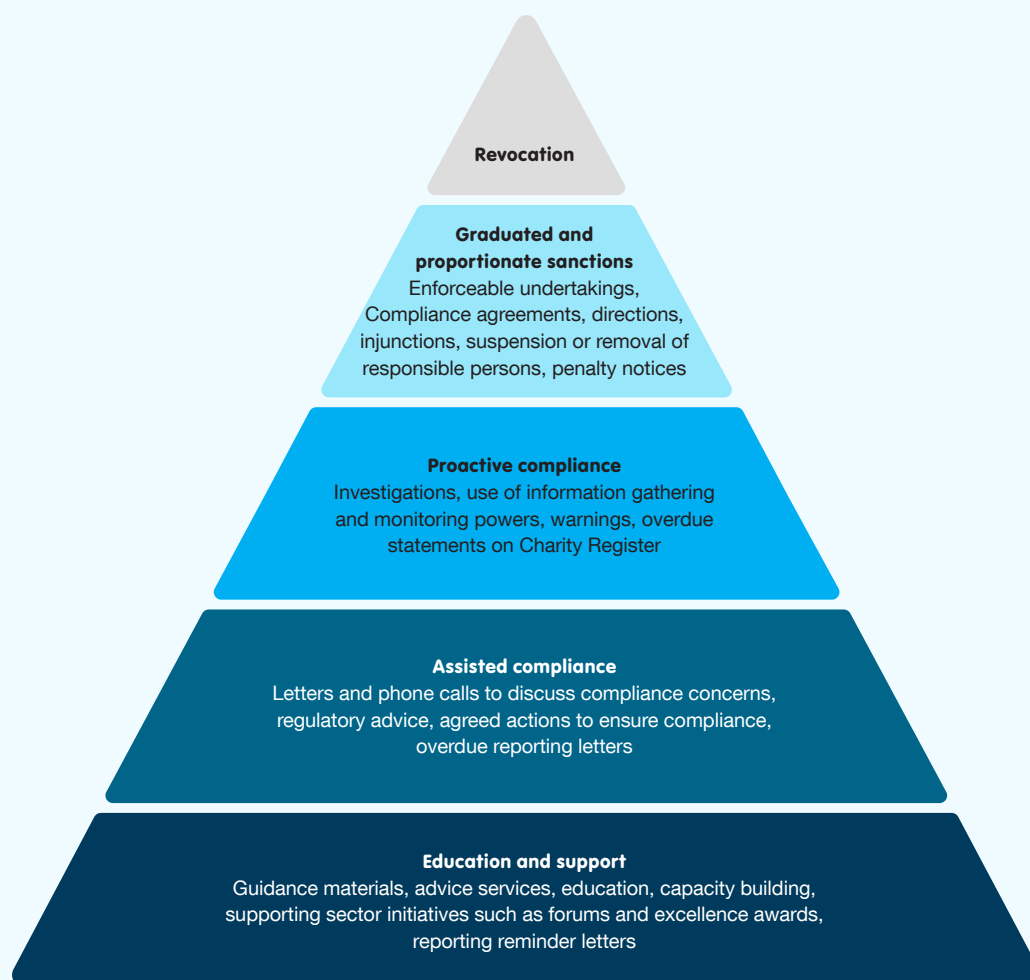
- supporting fundraising reforms in Queensland, removing the need for charities to apply separately to receive a fundraising license
- supporting the harmonisation of fundraising across Australia
- making 20 submissions to all levels of government, highlighting the impact that potential reforms will have on the charity sector. We made submissions on a range of topics, including changes to the privacy law, changes to the Australian Accounting Standards and a submission into the Productivity Commission's Philanthropy Inquiry.

Of the 47 respondents, 39 respondents (83%) either agreed (or strongly agreed) that we had helped to reduce unnecessary regulatory burden for charities.



A dense, repeating pattern of white line-art icons on a dark blue background. The icons represent a wide variety of concepts across different domains: education (graduation cap, books), science (DNA helix, microscope, atom, virus/cell), technology (smartphone, laptop with dollar sign, puzzle pieces), social and communication (speech bubbles, handshake, group of people, heart), business and finance (laptop with dollar sign, bar chart with upward arrows), health and environment (heart, leaf, hand holding globe), and general symbols (gift box, scales of justice, clock with 24, person at desk). The style is clean and modern, suitable for a professional or academic context.

The ACNC applies a risk based approach to regulation. This is demonstrated by our regulatory pyramid. While most of our efforts are focused on education and support, we will use our compliance powers based on the level of risk.



How we refine our understanding of risk

We are a data-driven regulator, and use data to refine our understanding of risk. This ensures that we:

- effectively target key issues that have the greatest impact on public trust and confidence
- maximise charities' voluntary compliance with our obligations.

We continue to refine our understanding of risk in the charity sector by:

- working with government agencies to receive intelligence and insight
- analysing any trends or concerns that emerge through our regular activities
- evaluating thousands of concerns from a range of sources, including the public.

In 2022–23, we chaired regular forums with state, territory and Australian Government regulators to share insights and discuss emerging risks within the sector. We hosted two forums with international charity regulators in which we discussed common compliance risks across the sector.

We received 2,106 concerns about charities, a decrease of 16% compared to the previous year (where we received 2,522 concerns). Of the concerns received in 2021–22, 490 were about charities engaging in advocacy either for or against a political party or candidate (largely related to the 2022 federal election).

Around 45% of concerns originated from the public. Nearly one third of all concerns related to private benefit (using the charity's money for personal gain and in a fashion that goes beyond the appropriate payment for services) and almost one quarter related to the mismanagement of charity funds.

Education and support

Additional information has been provided in performance measures: 2.2 and 2.3

Providing education and support to charities is a key priority for the ACNC and takes many different forms. We consult with the sector when developing guidance. We also conduct significant outreach to help charities comply with their obligations.

In addition to the 22,932 calls we answered (performance measure 2.2), we also responded to 11,889 written enquiries during 2022–23.

Consulting with the sector to provide useful guidance and reduce unnecessary burden

We consult with the sector to gain greater understanding of charities' points of view and ensure we can make informed decisions about how we meet our objects. In line with our Stakeholder Engagement Framework, we continue to develop new ways to engage with the sector.

The ACNC has established various forums to seek views on charity regulation and insights into emerging issues that affect the sector:

- **the Adviser Forum** – which comprises professional advisers to charities such as legal and accounting professionals
- **the Sector Forum** – which comprises representatives from registered charities.

The ACNC has also established a Consultation Panel that includes charities, advisers to the charity sector, and people with relevant experience in the sector.

The Forums and Panel also provide feedback on the policies, guidance and tools we develop for charities.

In 2022–23, we convened the Adviser and Sector Forums twice, as well as hosting a combined Regulators Day. Minutes of these meetings are published on our website.

Through these Forums, as well as the Consultation Panel and a public survey, we consulted on how we would ask charities to report on related party transactions. In addition, the Commissioner sent a letter to all affected charities to inform them of these changes, and of their reporting responsibilities.

We also consulted with the Adviser and Sector Forums on our review of our Commissioner's Interpretation Statements. In June 2023, we published an updated Commissioner's Interpretation Statement on Health Promotion Charities, providing additional clarity on the ACNC's view of how 'Health Promotion Charity' is defined.

Outreach

As part of our outreach, we also made a significant effort to meet directly with our stakeholders.

In 2022–23, our executive and senior leadership team had 48 speaking engagements and attended 193 meetings or forums that included charities, sector representatives or peak bodies.

The Commissioner engaged with the sector by speaking at key conferences, including the Volunteers Australia Conference, the Infoxchange Connecting Up Conference and the Neighbourhood House Conference.

The Commissioner also participated in a webinar hosted by the Australian Council of Social Services and the Stronger Charities Alliance to outline how charities could advocate on the referendum for an Indigenous Voice to Parliament.

We responded to 172 media enquiries and initiated 49 media pitches and placements, with the ACNC receiving 1,818 media mentions.

In response to the Türkiye-Syria earthquake disaster, we issued safe giving messaging that was widely picked up by news outlets around Australia and reached an audience of 1.1 million. The Commissioner did numerous media interviews to provide information on how people could give safely.

To keep charities and stakeholders informed, we sent out 12 editions of our e-newsletter, *The Charitable Purpose* (TCP) to all registered charities as well as 13,500 other subscribers.

Sharing our data to support the sector and minimise red tape

As the national charity regulator, we hold valuable data about the charity sector.

We share our data through our [Annual Charities Report](#), the Charity Data Explorer and in our submissions to government.

The charity sector is often affected by concurrent regulatory reforms initiated by various governments at state, territory or federal levels.

In 2022–23, we made 20 submissions to all levels of government, using our insights into the charity sector to minimise unnecessary red tape for registered charities.

We also share our data on data.gov.au. Doing so allows the public, researchers and other charities to analyse data we hold in a way that suits their needs. Users can either download spreadsheets containing ACNC data, or use an application programming interface (API).

As of 30 June 2023, we had published [10 datasets](#) to data.gov.au. These datasets include all Annual Information Statements (up to and including the 2021 reporting period) and a list of registered charities. We update the datasets on a weekly basis.

Assisted compliance support

Additional information has been provided in performance measures: 1.5, 1.6 and 1.7

In 2022–23 we continued to engage in activities to help charities comply with their obligations, and to ensure that the information on the Charity Register was accurate.

DGR reviews

Our reviews ensure that DGR-endorsed charities remain entitled to subtype and charity registration.

These reviews comprise two stages. The first sees us conduct an initial desktop review of charities that are selected through a risk based approach. If that initial review uncovers any issue, or if we need further information to help us make an assessment, we conduct a more detailed review.

While these reviews are focused on ensuring that charities remain entitled to charity subtype and registration entitlement, we also take the opportunity to support charities in complying with their obligations.

For example, a charity may not have provided the ACNC with its current Responsible People. In these situations, we provide the charity with information and guidance detailing their responsibilities and then support the charity to update details and ensure the Charity Register is current.

Of the initial DGR desktop reviews conducted in 2022–23:

- 37% progressed no further, as the charity had no administrative issues and remained entitled to their charity subtype
- 30% saw us help charities with various administrative issues
- 33% progressed to a more detailed review.

Annual financial reporting reviews – financial reporting advice

Our reviews of annual financial reports from 250 charities help us assess compliance with ACNC reporting requirements. Where relevant, we provide direct advice to the charities whose reports we review, and also publish guidance relevant to the wider charity sector.

In 2021–22, we contacted 84 charities to help them rectify material errors they had made in their financial reporting.

Findings from the reviews helped us update relevant website guidance, as well as our annual financial report checklist. This ensured the guidance and checklist are based on current and emerging trends.

Supporting charities to provide the ACNC with accurate and timely information

We know that more than half of Australia's registered charities operate without any paid staff, and in many volunteer-run organisations there is a more frequent turnover of roles.

We supported charities by sending them reminders and ensuring that important reporting was not overlooked.

In 2022–23, we trialled a new approach to support charities in submitting their Annual Information Statements on time. While the ACNC is a digital-by-default regulator, our new approach involved sending first reminders by both letter and email.

We will continue to trial different approaches to ensure the Charity Register is up to date.

Helping charities with potential compliance concerns

We continued to use data to contact charities that may be at higher risk of non-compliance. This included our:

- **self-evaluations** – where we asked a charity to evaluate their compliance against the ACNC's Governance Standards
- **self-audits** – where we required charities to return a survey that allowed us to conduct a high-level assessment of their compliance and provide advice
- **reviews (performance measure 1.6)** – where we assessed a charity's compliance on a particular issue.

In 2022–23, we recommended 310 charities complete a self-evaluation program. These charities were identified as being at higher risk of non-compliance based on analysis of our data, and we asked them to use our online self-evaluation tool to help them assess if they were meeting their obligations.

We continued the self-audit program, finalising 41 cases. The charities involved were selected based on identified risks of non-compliance, and we requested they provide us with information about their governance.

We then assessed that information to see if it complied with the ACNC Governance Standards (and, if applicable, the External Conduct Standards) and, where necessary, provided targeted advice to them to improve their governance.

In 20 cases, charities self-identified areas for improvement in their governance after undertaking the self-audit, and they told us how they would improve their governance. This outcome not only underscored how important it is for charities to regularly consider whether their governance arrangements are sufficient, but clearly showed the value of ACNC programs that prompt them to do so.

Of our 50 compliance reviews, 22 of the reviews resulted in a 'satisfactory' outcome, meaning we did not find deficiencies in their governance relative to risk we were looking into. In most other cases, we provided targeted information to charities to improve their governance.

Proactive compliance and graduated and proportionate sanctions

Additional information has been provided in performance measures: 1.3 and 1.4

Consistent with our [Commissioner's Policy Statement: Compliance and enforcement](#), the ACNC takes a proportionate response in working with charities to resolve investigations.

As a result of our investigations, we provided 30 charities with regulatory advice to help them resolve outstanding governance issues that did not warrant the use of a legislative enforcement power.

Our enforcement powers include enforceable undertakings, directions and warnings. We can use these powers if the charity is a 'federally regulated entity' as defined in the ACNC Act or if the charity is not complying with the External Conduct Standards.

We did not issue any enforceable undertaking, directions or warnings in 2022–23.

Additionally, the ACNC can enter into a Compliance Agreement with a charity.

A Compliance Agreement is an action plan written by the ACNC in consultation with a charity which sets out what the charity needs to do to ensure it is not in breach of the ACNC Act or Regulations. It generally requires a charity to improve its management practices or governance arrangements.

A Compliance Agreement is not a formal enforcement power under the ACNC Act, and a charity's participation is voluntary. We monitor the charity's implementation of the agreement. If we are not satisfied with the charity's progress, we may take further action.

In 2022–23, we did not issue any Compliance Agreements.

We worked on multiple joint investigations and other activities with Australian and state agencies which improved all agencies' understanding of risks in the charity sector.

In 2022–23, we referred 46 charities to other government agencies when we thought the other agency may be able to act.

Revocations

Revoking a charity's registration is the most serious step that the ACNC can take. Revoking registration may affect a charity's eligibility for tax concessions and other government benefits, concessions or exemptions.

In 2022–23, we revoked the charity registration of:

- 7 organisations due to the outcome of an investigation
- 23 organisations as a result of our reviews of DGR-endorsed charities
- 708 organisations for being a 'double-defaulter.'

We classify a 'double-defaulter' as any charity that has not submitted two or more Annual Information Statements.

As part of a regular process, we make numerous attempts to contact 'double-defaulter' charities and request they submit any outstanding Annual Information Statements within 28 days. Where they fail to do so, we revoke their registration as a charity.

This process ensures that the Charity Register is up-to-date and helps maintain public trust and confidence in the sector.



A dense, repeating pattern of white line-art icons on a dark blue background. The icons represent a wide variety of concepts across different domains: education (graduation cap, books), science (DNA helix, microscope, atom, virus/cell), technology (smartphone, laptop with dollar sign, puzzle pieces), social interaction (speech bubbles, handshake, group of people, heart), business/economics (scales of justice, bar chart with upward arrows, storefront), health/environment (hand holding leaf, hand holding globe, handshake), and general symbols (gift box, clock, 24-hour cycle, Q&A speech bubbles). The style is clean and modern, suitable for a professional or academic-themed design.

Service standards

In 2022–23, we:




- met (or exceeded) five of our eight service standards
- partially met one service standard (service standard 5)
- did not meet two service standards (service standards 4 and 8).










Service standards 1, 5 and 8 are also performance measures 2.2, 1.1 and 1.3 respectively. Our analysis against service standards 5 and 8 have been included in Section 3: Performance.

While our performance against service standard 4 improved from 59% to 67%, we did not meet this service standard. Our ability to meet this standard was affected by staff vacancies.

We continue to identify efficiencies to improve our performance against all service standards.

Table 5.1: Criterion result grading

Result	Symbol	Description
Met		Target met or exceeded
Partially met		80% or more of the target achieved
Not met		Less than 80% of the target was achieved

No.	Service	Our commitment	Target (%)	Result (2021–22) (%)	Result (2022–23) (%)	Change
1	General telephone enquiries	If you call us we aim to answer your call promptly and courteously within four minutes and respond to your queries on the spot.	80	 50	 80	 Up
2	General correspondence	We aim to give you a full response to general correspondence within seven business days of receiving all the information. In some cases, we may request you for further information to give you a full response.	80	 62	 85	 Up
3	Approved forms	<p>When you submit any of the following forms to update your charity's details, we aim to process the request (or make a decision) within seven business days of receiving all the information:</p> <ul style="list-style-type: none"> • Form 3A – Change of Responsible Persons • Form 3B – Change of charity details • Form 4A – Request substituted accounting period • Form 4B – Request group reporting • Form 4C – Bulk Annual Information Statement • Form 4D – Apply to keep charity size • Paper Annual Information Statement 	80	 67	 89	 Up

No.	Service	Our commitment	Target (%)	Result (2021–22) (%)	Result (2022–23) (%)	Change
4	Approved forms	When you submit any of the following forms to update your charity's details, we aim to make a decision within 15 business days of receiving all information necessary to make a decision: <ul style="list-style-type: none"> • Form 1C – Change charity subtype • Form 1D – Request withholding • Form 5A – Apply to revoke registration 	90	✗ 59	✗ 67	↑ Up
5	Registering a charity	We aim to register your organisation as a charity within 15 business days of receiving all information necessary to make a decision.	90	! 83	! 88	↑ Up
6	Registering a charity	We aim to deliver a registration service by knowledgeable staff who are courteous, friendly, helpful, communicate clearly and keep you informed.	90	✓ 91	✓ 95	↑ Up
7	Complaints about the ACNC	We aim to acknowledge receiving a complaint within 3 business days and to respond within 20 business days.	95	N/A*	100	N/A
8	Investigations	Percentage of investigations finalised within 12 months.	75	✓ 78	✗ 51	↓ Down

* This service standard was updated in 2022–23.




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Operating principles

Australian charities make a valuable contribution to our communities and their work reaches into every corner of our lives. To help them carry out this important work, charities need a regulator that listens, understands and communicates appropriately.

To ensure we continue to effectively achieve our purposes, we have embedded three principles of better practice in the way we operate.

Table 6.1: Criterion result grading



Result	Symbol	Description
Met		Target met or exceeded
Partially met		80% or more of the target achieved
Not met		Less than 80% of the target was achieved

In 2022-23, we asked members of our Adviser and Sector Forums and Consultation Panel to rate our performance on each of the operating principles via an online survey.

Our questions had five response options: strongly disagree, disagree, neutral, agree, strongly agree.
We received 47 responses.

Principle 1 – Continuous improvement and building trust

We adopt a whole-of-system perspective, continuously improving our performance, capability and culture to build trust and confidence in Australia’s regulatory settings.

No.	Measure	Target	Result
1.1	Launch of the new registration application form which will simplify the process for the applicant and increase efficiency within the ACNC	Completion by committed timeframe.	
1.2	Results from specified questions from ACNC stakeholder survey	80% of responses from ACNC’s stakeholders agree.	 89%

1.1 New registration application form

Apart from minor updates, we have not made significant changes to the ACNC’s online registration application form since our establishment in 2012.

In 2022–23, we consulted with representatives from our Adviser and Sector Forums to develop a new application form.

The form will include new features and improved data validation. The form will aim to capture all the information we need during the application stage, reducing the need to request further information from the applicant.

Following our initial consultation with the Adviser and Sector Forums, we staged a focus group to ensure that the new form was simple and easy-to-use.

While this has delayed the launch of the new form, we are committed to implementing the form in a way that minimises unnecessary regulatory burden.

The form is now in development, and we expect to release the form by 30 June 2024.

1.2 Stakeholder survey


To help our stakeholders to rate our performance, we provided the following examples of continuous improvement in the survey:

- our new Governing Charities online learning program, which aims to improve the capability of charity board members
- consultation with the Adviser and Sector Forums, and Consultation Panel, to improve the way we manage our reviews of DGR endorsed charities
- our review of 990 webpages on our website to ensure that our content is consistent, accurate and up to date
- our work with key stakeholders to refine the data we publish as part of our annual Charities Report
- our updated Commissioner's Interpretation Statement on Health Promotion Charities
- our updated Culture Vision, which outlines how our staff will work together as 'One ACNC' to achieve our purposes
- enhancements to our corporate governance by appointing an independent chair to our Performance, Audit and Risk Committee.

Of the 47 respondents, 42 respondents (89%) either agreed or strongly agreed that we had demonstrated continuous improvement.

Principle 2 – Risk based and data driven

We manage risks proportionately and maintain essential safeguards while minimising regulatory burden, and leveraging data and digital technology to support those we regulate to comply and grow.

No.	Measure	Target	Result
2.1	Results from specified questions from ACNC stakeholder survey	80% of responses from ACNC's stakeholders agree.	 77%

2.1 Stakeholder survey

To help our stakeholders to rate our performance on being a risk based and data driven regulator, we provided the following examples in our stakeholder survey:



- refinement of our risk profiles based on ACNC data and the outcomes of our 2022–23 compliance reviews
- consultation with the Adviser and Sector Forums to discuss potential risk based topics for our 2023–24 compliance reviews
- working with stakeholders to ensure that our annual Charities Report maximised the use of the data we hold
- engagement with the Adviser and Sector Forums on a refined risk based approach for our annual financial report reviews.

Of the 47 respondents, 36 respondents (77%) either agreed or strongly agreed that we had been risk based and data driven. 9 respondents provided a neutral rating.

As part our 2023–24 Corporate Plan, we have refined our performance measures which will better demonstrate the risk based and data driven approach to our activities.

Principle 3 – Collaboration and engagement

Regulators are transparent and responsive communicators, implementing regulations in a modern and collaborative way.

No.	Measure	Target	Result
3.1	Services are delivered in accordance with the ACNC's service standards	Service standards achieved.	 5 out of 8 service standards were met
3.2	Results from specified questions from ACNC stakeholder survey	80% of responses from ACNC's stakeholders agree.	 87%

3.1 Service standards

Refer to section 5 for our performance against service standards.

3.2 Stakeholder survey

To help our stakeholders to rate our performance on collaboration and engagement, we provided the following examples:

- consultation with the Adviser and Sector Forums, the Consultation Panel and the broader charity sector (through forums and a public survey) to ensure that the reporting of related party transactions from the 2023 Annual Information Statement is as easy as possible for charities
- engagement with the sector on our review of Commissioner's Interpretation Statements
- our approach to seeking feedback from the Adviser and Sector Forums on a range of topics, including our 2023–24 Compliance reviews, our annual financial report reviews and our approach to reviews of DGR endorsed charities.

Of the 47 respondents, 41 respondents (87%) either agreed or strongly agreed that we had been transparent and responsive communicators.

Highlight

The Australian Charities Report helps inform the public and the sector about the diversity and nature of the charity sector. The information we publish in the Australian Charities Report needs to evolve to ensure it remains timely and useful.

As a data driven regulator, we use our analysis from the Charities Report in our policy submissions. This helps to inform policy makers of the impact that reforms may have on the charity sector. We also use our analysis to identify trends and potential risks in the sector and to inform the public about the sector through our media campaigns.

In 2022–23, we conducted consultation with key stakeholders on the format and content of the report to ensure its relevance to users. This included Social Ventures Australia, Philanthropy Australia, Victorian

Council of Social Services, Community Council for Australia, the Australian Centre for Philanthropy and Non-profit Studies and members of the Not-for-profit Researcher Network.

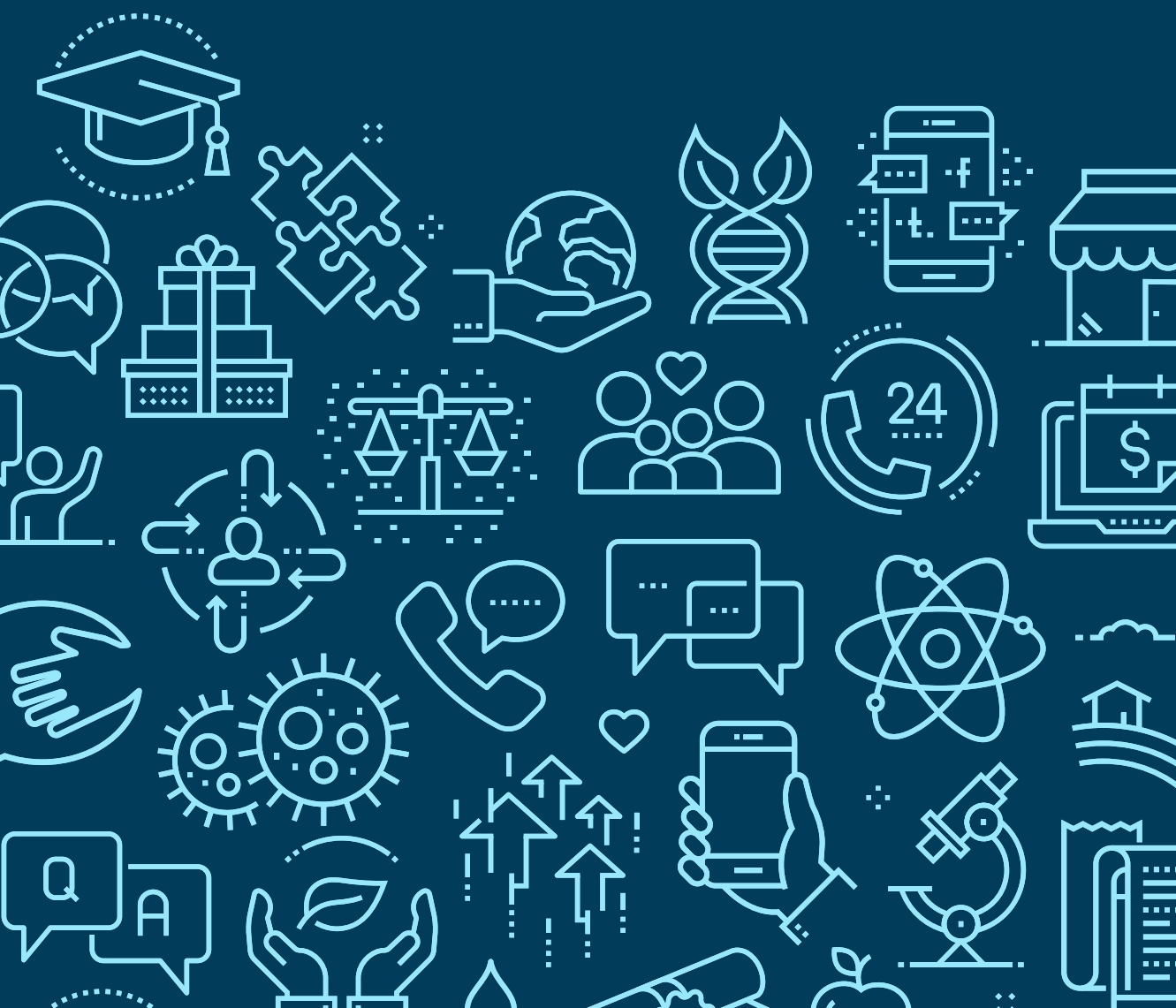
Based on their responses, we made significant changes to the Charities Report. These included adding a special feature section – A Focus on giving and philanthropy – and extensive revenue, donation and bequest information.

For the first time, we also included trend analysis of changes over the last three years.

These changes provide greater insights into the charity sector, and our focus on giving and philanthropy is informative in the context of the Productivity Commission Philanthropy Inquiry.



7. TEN YEARS OF THE ACNC

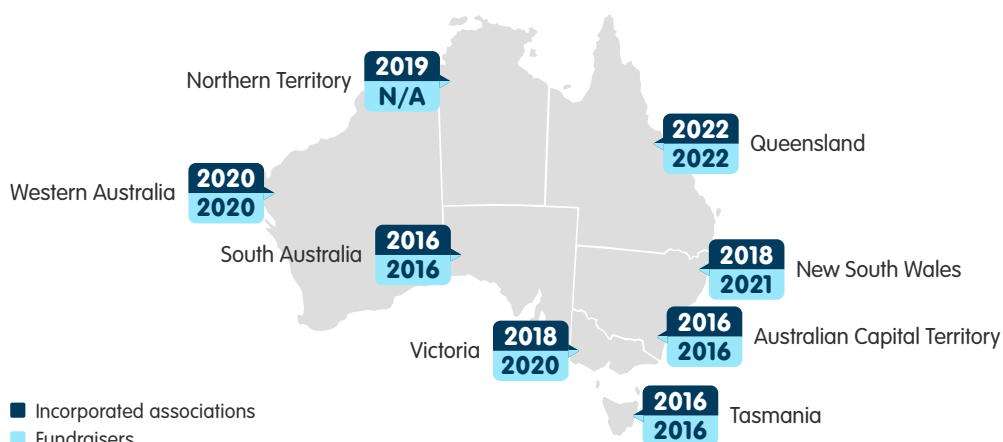


In December 2022, the ACNC celebrated ten years since our establishment.

Our key achievements

- **The Charity Register** – an online register that allows the public to find information on Australia's registered charities.
- **Providing data back to the sector** – we have published 9 editions of our Charities Report, providing the public, government and the sector with data on the charity sector that was previously missing or unavailable publicly. We have published landmark reviews (for example on charities' response to the 2019–20 bushfires) to promote public trust and confidence in charities.
- **Supporting good governance** – we developed an extensive library of guidance including published guides (Governance for Good), Governance Toolkit, hubs (for example, the Annual Information Statement hub) and an online learning program to support capability.
- **Minimising regulatory burden** – while there is more to be done, we have reduced red tape for charities across Australia:
 - At a state and territory level, we reached streamlined reporting arrangements for all incorporated associations and fundraisers.
 - At a Commonwealth level, we have reduced red tape for charitable ancillary funds. We have minimised red tape for ORIC charities and non-government schools.
- **External scrutiny** – rated as largely effective as part of an Australian National Audit Office audit in 2020.

Streamlined reporting arrangements over time



*Years represent the relevant AIS period.

Our key stats over ten years

No. of charities
registered

More than 
 **28k**

No. of phone calls
answered

More than 
 **342k**

No. of pieces of
general written
correspondence

More than 
 **245k**

No. of revocations for
serious non-compliance

 **129** 

No. of website
page views

More than 
 **85m** 

No. of Charity Register
interactions (includes
searches and views)

More than 
 **25m**

 **7** 

Commissioner's
Interpretation
Statements published.

No. of speaking
engagements, sector
events and conferences

More than 
 **1800**



A dense, repeating pattern of white line-art icons on a dark blue background. The icons represent a wide variety of concepts across different domains: education (graduation cap, books), science (DNA helix, atom, microscope), technology (smartphone, laptop, puzzle pieces), social interaction (speech bubbles, group of people, handshake), nature/environment (leaf, globe, virus/cell), business/economics (dollar sign, bar chart, gift box), and general symbols (heart, arrows, scales of justice). The style is minimalist and modern, suitable for a digital or academic-themed design.

Senate Estimates

In 2022–23, we appeared with the Treasury before three Senate Estimates hearings of the Senate Standing Committee on Economics. We responded to nine questions on notice, including all portfolio questions.

Freedom of Information

Under Part II of the FOI Act, we are required to publish information as part of the Information Publication Scheme (IPS).

Each agency must display on its website a plan showing the information it publishes in accordance with the IPS requirements. The ACNC publishes this information at: acnc.gov.au/IPS.

In 2022–23, we responded to 26 FOI requests.

Review and Appeal

We conduct an internal review of a decision if an affected applicant submits an ‘objection’. The internal review is conducted by a different person to the one who made the original decision.

This is known as an ‘objection decision’ under the ACNC Act.

Administrative Appeals Tribunal review

If a charity is dissatisfied with our objection decision, it can apply for a review by the Administrative Appeals Tribunal (AAT).

In 2022–23, one application was made to the AAT for review of a decision. That application is ongoing. Another application that was made in the previous financial year was withdrawn by the applicant.

During the year, the AAT handed down one decision where the Commissioner of the ACNC was a party. The AAT decided in favour of the ACNC.

Court appeal

If a charity is dissatisfied with an AAT decision, it can appeal to the Federal Court of Australia on questions of law. A charity can also appeal objection decisions directly to the Federal Court.

In 2022–23, no applications in which the ACNC was a party were made to the Federal Court. Further, no decisions (in which the ACNC was a party) were made by the Federal Court.

The Commissioner

The ACNC Commissioner is a statutory office holder. Sue Woodward AM was appointed to the role of Commissioner on 12 December 2022.

The ACNC Act (Part 5-2) provides for the establishment of the Commissioner's position, functions and powers, including terms and conditions of appointment.

Internal governance and risk management

Our governance framework provides for effective governance and risk management, informed decision-making, and professional performance accountability.

Our internal governance practices ensure we meet the principles and requirements of the PGPA Act.

The ACNC is not a Commonwealth entity for the purposes of the Commonwealth Resource Management Framework or the PGPA Act. The Commissioner of Taxation is the Accountable Authority for the ACNC. Further information is available in the ATO's annual report.

Risk management is built into our practices as an essential component of sound management and good corporate governance. Our Enterprise Risk Management Framework and guidelines are based on the ATO Enterprise Risk Management Framework. They align with the Commonwealth's Risk Management Policy.

Our Commissioner sets the ACNC's direction and priorities, which are outlined in the ACNC corporate plan and evaluated in our annual performance statements.

The ACNC comprises six directorates as well as the Executive. Each directorate has processes in place to review the quality of our work.

In 2022–23, we attended six meetings of the ATO Audit and Risk Committee and relevant subcommittees.

As a demonstration of our commitment to transparency, better practice and risk management, we refined our Performance, Audit and Risk Committee (PARC) in 2022–23. While the ATO Audit and Risk Committee is the audit committee under the PGPA Act, the ACNC has chosen to maintain an independent Performance, Audit and Risk committee (PARC).

In 2022–23, we updated the Charter of the PARC to ensure that the PARC is chaired by an independent member. This will enable the ACNC to receive additional external insights into our performance.

The PARC provides advice to the ACNC Commissioner. The committee also has a role in providing assurance (to the ATO Audit and Risk Committee and Accountable Authority) that the ACNC is meeting its obligations under the PGPA Act.

The PARC met four times in 2022–23.

The ATO's annual report includes information on the following:

- Audit and Risk committee as required by section 17AG (2A) of the *Public Governance, Performance and Accountability Rule 2014* (PGPA Rule)
- Fraud prevention as required by section 10 of the PGPA Rule.

Ecologically sustainable development and environment performance

Our facilities and some of our assets are provided by the ATO under various agreements. We adopt the ATO's Environmental Sustainability Strategy. Further information is included in the ATO's annual report.

Financial management

For the purposes of the PGPA Act, the ACNC is listed as a program of the ATO.

Division 125 of the ACNC Act established an ACNC Special Account, which is an appropriation mechanism that sets aside an amount within the Consolidated Revenue Fund to be expended for the purposes of the ACNC Act.

The balance of the Special Account does not lapse at the end of the annual appropriation period.

The ACNC Special Account is administered in accordance with the Department of Finance guidelines.

The ATO helps us by providing financial and taxation management services through a memorandum of understanding.

Our appropriation in 2022–23 was \$18.3 million. Our operating expenditure in 2022–23 was approximately \$18 million.

Table 9.1 sets out our expenditure by our cost centres. The ATO prepares annual financial statements in accordance with subsection 43(4) of the PGPA Act, which includes our financial information.

Table 9.1: Direct expenditure by cost centre 2022–23

Cost centre	Staff costs (\$'000)	Supplier costs (\$'000)	Total (\$'000)
Executive	926	144	1,070
Advisory Board	9	138	147
Registration	2,460	10	2,470
Corporate Services	207	1,628	1,835
Education and Public Affairs	855	181	1,036
Advice Services	1,444	5	1,449
Information Technology	1,117	2,423	3,540
Reporting and Red Tape Reduction	770	5	775
Compliance	1,893	8	1,901
Legal and Policy	682	46	728
Deductible Gift Recipient Reform	1,829	342	2,171
Litigation	0	61	61
Modernising Business Registers	241	42	283
Compliance Review Program	400	88	488
Total	12,833	5,121	17,954

Significant non-compliance with financial law

In 2022–23, there were no significant instances of non-compliance to report.

Asset management

We have our own appropriation which provides financial transparency. Our assets are managed in accordance with the ATO's policies and are reported in the ATO's financial statements.

Purchasing and consultancies

We make decisions regarding our budget independently of the ATO. We purchase the goods and services required to support our operations using the ATO's procurement policies and processes, in line with the requirements of the PGPA Act. This includes consultancies, contractors, travel, information technology, legal and advertising. The ATO includes the procurement details in its annual report.

Procurement initiatives to support small business

We follow ATO policies and procedures when it comes to supporting small business. Our approach is outlined in the ATO's annual report.

Grants

In 2022–23 we did not award any grants.

Advertising campaigns

In 2022–23 we did not conduct any advertising campaigns.

[illegible]

ACNC staff

We are a national regulator based in Melbourne.

We are proud of the expertise and contribution of our diverse workforce, which has helped us deliver quality services to the charity sector and the Australian public.

While the ACNC is the independent regulator of charities in Australia, staff are engaged as ATO employees. The ATO's annual report contains further staff statistics.

Table 10.1: Headcount by classification level and gender as of 30 June 2023

Classification	Woman/Female	Man/Male	Non-binary	Total
APS4	13	8	–	21
APS5	10	6	–	16
APS6	26	14	2	42
EL1	16	14	–	30
EL2	3	3	–	6
SES1	2	–	–	2
COMM	1	–	–	1
Total	71	45	2	118

Table 10.2: Headcount by employee type and gender as at 30 June 2023

Employee type	Woman/Female	Man/Male	Non-binary	Total
Statutory appointee	1	–	–	1
Ongoing full-time	51	37	1	89
Ongoing part-time	13	2	1	16
Non-ongoing full-time	5	5	–	10
Non-ongoing part-time	1	–	–	1
Secondment from ATO full-time	–	1	–	1
Secondment from ATO part-time	–	–	–	–
Total	71	45	2	118

Diversity and inclusion

In 2022–23, we refreshed our Culture Plan. Our plan commits us to cultivating an environment where all people belong and can be their authentic selves at work.

We believe that a diverse workforce leads to greater creativity, improved productivity and better outcomes.

We continue to strive to be a leader in diversity, equity, and inclusion in the Australian Public Service, which includes a focus on:

- Aboriginal and Torres Strait Islander peoples
- employees living with disability
- gender equality
- cultural and linguistic diversity
- lesbian, gay, bisexual, transgender, intersex, queer (LGBTIQ+) staff
- mature-age people.

We use and support the ATO's 2024 Diversity and Inclusion Strategy and commit to continuous improvement to ensure our workplace is diverse and inclusive.

Indigenous staff

We support and follow the ATO's Reconciliation Action Plan 2021–24, which includes activities to empower Aboriginal and Torres Strait Islander staff.

We encourage our workforce to understand and value the contribution of Indigenous Australians by supporting NAIDOC and National Reconciliation weeks. In 2022–23, we renamed our kitchens to celebrate the important connection Aboriginal and Torres Strait Islander peoples have to Country, kin, culture, language, and community.

We aim to always maintain a minimum of two Aboriginal Liaison Officer positions. Our Aboriginal Liaison Officers play a large role in developing culturally appropriate support, education and guidance materials. They also work closely with ORIC to ensure Indigenous Corporation data on the Charity Register is current.

As stated in our Aboriginal and Torres Strait Islander Communities Engagement Strategy Action Plan, we endeavour to achieve Aboriginal and Torres Strait Islander staffing levels that reflect the proportion of registered charities that are Indigenous-controlled (approximately 5%).

There was a slight decrease in the number of Indigenous Australians working with the ACNC in 2022–23. As at 30 June 2023, we had four ongoing staff members that identify as Indigenous Australians (compared to five in the previous year), comprising 3% of our staff.

Staff with a disability

Australia's Disability Strategy 2021–2031 is the overarching framework for inclusive policies, programs and infrastructure that will support people with disability to participate in all areas of Australian life. This, in tandem with the *Australian Public Service Disability Employment Strategy 2020–2025* provides frameworks for better policies, programs, and services for all Australians.

We are committed to these strategies, supporting our staff who identify as having a disability or neurodiversity by providing equitable reasonable adjustments to help them achieve their best at work.

In 2022–23, 2% of our staff identified as having a disability or neurodiversity. Not all staff choose to disclose this information – 7% of respondents in our 2022 APS Employee Census indicated that they had an ongoing disability.

We will continue to encourage supportive recruitment activities in line with the APSC's RecruitAbility scheme.

LGBTIQ+ staff

9% of our staff identify as part of the LGBTIQ+ community and we have several gender diverse staff members.

We recognise our staff members within these communities and those with loved ones in these communities through celebrating the International Day Against Homophobia, Biphobia, Interphobia and Transphobia, Pride month, International Non-Binary People's Day, and Wear it Purple Day.

Separation and recruitment

In 2022–23, our staff retention rate was 77.5%.

Our retention figure is based on staff who have left the ACNC – it does not include any staff member that converted from non-ongoing to ongoing employment with the ACNC.

Most staff leaving the ACNC returned to or took up new roles with the ATO or another Australian Public Service Agency.

Hybrid working environment

The ACNC supports a hybrid working model, providing staff the flexibility to work in the office at least 40% of the time, while up to 60% of the time they can work from home.

We embrace this hybrid model, promoting the benefits of both working from home and on site and encouraging staff to find and share efficiencies discovered in both environments. Each month, all staff attend the office for a 'town hall' style meeting to share updates, hear from speakers and discuss our strategic priorities.

This aligns with our updated Culture Plan (relaunched in 2022–23), which ensures that we all come together as One ACNC to deliver on our objects.

Our approach has supported our productivity goals while maintaining our internal relationships and networks to effectively work across directorates. We will continue to adapt and remain flexible as the external environment changes.

Reward and recognition

Our reward and recognition program is an integral part of our retention activities, while we also encourage on-the-spot recognition for staff in meetings and other opportunities. These include 'employee of the moment' recognition and 'thank you' cards.

Our program is intended to positively influence employees by highlighting exceptional performance and providing a goal for staff to aspire toward.

As part of our 10 year anniversary, we formally recognised current staff members that had been with the ACNC since its establishment in 2012.

Learning and development

All ACNC staff have access to the ATO's suite of learning and development courses.

We also provide specific learning and development opportunities to our staff. In 2022–23, staff attended a range of courses on topics such as management, leadership, understanding and responding to charity governance issues, psychological safety and managing challenging interactions.

In addition, our Higher Value Education Program provides financial support for accredited training.

Policies and procedures

As ATO employees, ACNC staff are bound by ATO corporate policies, procedures and instructions, unless ACNC staff have been deemed explicitly exempt. In some situations, we may develop our own corporate policies or procedures to better manage our risks and reflect our jurisdiction and operating conditions.

Enterprise Agreement

The ACNC operates under the ATO Enterprise Agreement 2017.

ACNC salaries are covered by the relevant ATO Determination. Further information (including salary figures) are available in the ATO's annual report.

Work health and safety

Work health and safety is a priority. During the pandemic, the ACNC followed all public health orders and ATO advice to ensure the safety of ACNC staff.

The ATO has several obligations under the *Work Health and Safety Act 2011* (Cth) and the ATO Enterprise Agreement 2017. These obligations are included in the ATO's annual report.

Executive remuneration

The ACNC Commissioner's remuneration is determined by the Australian Government Remuneration Tribunal.

The PGPA Rule about executive remuneration has been amended to improve the transparency of Commonwealth executive remuneration arrangements in annual reports. While the ACNC is listed as a program of the ATO, the ACNC Commissioner is not included in the ATO's annual report.

For completeness of information and greater transparency, the ACNC Commissioner's total remuneration for 2022–23 was \$341,700.

Other ACNC Executive remuneration arrangements adhere to the ATO's Senior Executive Service guidelines and are set out in the ATO's annual report.

ACNC Advisory Board member remuneration

The ACNC's Advisory Board members are appointed by the Treasurer, and their remuneration is also determined by the Australian Government Remuneration Tribunal. Information about their remuneration can be found at remtribunal.gov.au.

A dense, repeating pattern of white line-art icons on a dark blue background. The icons represent a wide array of concepts: education (graduation cap, books), science (DNA helix, microscope, atom, virus/cell), technology (smartphone, laptop, puzzle pieces), communication (speech bubbles, handshake, group of people), business (scales of justice, calendar with dollar sign, bar chart), health (heart, leaf, hand holding heart), and general life/social themes (gift box, clock, person sitting, person standing, handshake). The style is minimalist and modern, suitable for a corporate or institutional branding project.

Appendix A – PGPA Rule annual report requirements for 2022–23

This table sets out what non-corporate Commonwealth entities are required to include in their annual reports for the 2022–23 reporting period. Page references show where this report meets the requirements and are provided for easy reader access.

The ACNC is not a non-corporate Commonwealth entity and the Commissioner of Taxation is its Accountable Authority.

Wherever possible we adhere to the following requirements:

PGPA Rule Reference	Part of Report	Description	Requirement	Page number
17AD(g)	Letter of transmittal			
17AI		A copy of the letter of transmittal signed and dated by accountable authority on date final text approved, with statement that the report has been prepared in accordance with section 46 of the Act and any enabling legislation that specifies additional requirements in relation to the annual report.	Mandatory	Included in the ATO's annual report
17AD(h)	Aids to access			
17AJ(a)		Table of contents	Mandatory	iv–v
17AJ(b)		Alphabetical index	Mandatory	78–80
17AJ(c)		Glossary of abbreviations and acronyms	Mandatory	76–77
17AJ(d)		List of requirements	Mandatory	68–75
17AJ(e)		Details of contact officer	Mandatory	ii
17AJ(f)		Entity's website address	Mandatory	ii
17AJ(g)		Electronic address of report	Mandatory	ii
17AD(a)	Review by accountable authority			
17AD(a)		A review by the accountable authority of the entity	Mandatory	2–3
17AD(b)	Overview of the entity			
17AE(1)(a)(i)		A description of the role and functions of the entity	Mandatory	8–9
17AE(1)(a)(ii)		A description of the organisational structure of the entity	Mandatory	12–13
17AE(1)(a)(iii)		A description of the outcomes and programmes administered by the entity	Mandatory	20

PGPA Rule Reference	Part of Report	Description	Requirement	Page number
17AE(1)(a)(iv)		A description of the purposes of the entity as included in corporate plan	Mandatory	20
17AE(1)(aa)(i)		Name of the accountable authority or each member of the accountable authority	Mandatory	Included in the ATO's annual report
17AE(1)(aa)(ii)		Position title of the accountable authority or each member of the accountable authority	Mandatory	Included in the ATO's annual report
17AE(1)(aa)(iii)		Period as the accountable authority or member of the accountable authority within the reporting period	Mandatory	Included in the ATO's annual report
17AE(1)(b)		An outline of the structure of the portfolio of the entity	Mandatory for Portfolio departments	N/A
17AE(2)		Where the outcomes and programs administered by the entity differ from any Portfolio Budget Statement, Portfolio Additional Estimates Statement or other portfolio estimates statement that was prepared for the entity for the period, include details of variation and reasons for change	If applicable, mandatory	N/A
17AD(c)	Report on the performance of the entity			
	Annual Performance Statements			
17AD(c)(i);16F		Annual performance statement in accordance with paragraph 39(1)(b) of the Act and section 16F of the Rule	Mandatory	21–27
17AD(c)(ii)	Report on financial performance			
17AF(1)(a)		A discussion and analysis of the entity's financial performance	Mandatory	59
17AF(1)(b)		A table summarising the total resources and total payments of the entity	Mandatory	59
17AF(2)		If there may be significant changes in the financial results during or after the previous or current reporting period, information on those changes, including: the cause of any operating loss of the entity; how the entity has responded to the loss and the actions that have been taken in relation to the loss; and any matter or circumstances that it can reasonably be anticipated will have a significant impact on the entity's future operation or financial results	If applicable, mandatory.	N/A

PGPA Rule Reference	Part of Report	Description	Requirement	Page number
17AD(d)	Management and accountability			
	Corporate governance			
17AG(2)(a)		Information on compliance with section 10 (fraud systems)	Mandatory	Included in the ATO's annual report
17AG(2)(b)(i)		A certification by accountable authority that fraud risk assessments and fraud control plans have been prepared	Mandatory	Included in the ATO's annual report
17AG(2)(b)(ii)		A certification by accountable authority that appropriate mechanisms for preventing, detecting incidents of, investigating or otherwise dealing with, and recording or reporting fraud that meet the specific needs of the entity are in place	Mandatory	Included in the ATO's annual report
17AG(2)(b)(iii)		A certification by accountable authority that all reasonable measures have been taken to deal appropriately with fraud relating to the entity	Mandatory	Included in the ATO's annual report
17AG(2)(c)		An outline of structures and processes in place for the entity to implement principles and objectives of corporate governance	Mandatory	Included in the ATO's annual report
17AG(2)(d) – (e)		A statement of significant issues reported to Minister under paragraph 19(1)(e) of the Act that relates to non-compliance with Finance law and action taken to remedy non-compliance	If applicable, mandatory	N/A
	Audit Committee			
17AG(2A)(a)		A direct electronic address of the charter determining the functions of the entity's audit committee	Mandatory	Included in the ATO's annual report
17AG(2A)(b)		The name of each member of the entity's audit committee	Mandatory	Included in the ATO's annual report
17AG(2A)(c)		The qualifications, knowledge, skills or experience of each member of the entity's audit committee	Mandatory	Included in the ATO's annual report
17AG(2A)(d)		Information about the attendance of each member of the entity's audit committee at committee meetings	Mandatory	Included in the ATO's annual report
17AG(2A)(e)		The remuneration of each member of the entity's audit committee	Mandatory	Included in the ATO's annual report

PGPA Rule Reference	Part of Report	Description	Requirement	Page number
External scrutiny				
17AG(3)		Information on the most significant developments in external scrutiny and the entity's response to the scrutiny	Mandatory	N/A
17AG(3)(a)		Information on judicial decisions and decisions of administrative tribunals and by the Australian Information Commissioner that may have a significant effect on the operations of the entity	If applicable, mandatory	56
17AG(3)(b)		Information on any reports on operations of the entity by the Auditor General (other than report under section 43 of the Act), a Parliamentary Committee, or the Commonwealth Ombudsman	If applicable, mandatory	N/A
17AG(3)(c)		Information on any capability reviews on the entity that were released during the period	If applicable, mandatory	N/A
Management of human resources				
17AG(4)(a)		An assessment of the entity's effectiveness in managing and developing employees to achieve entity objectives	Mandatory	62–65
17AG(4)(aa)		Statistics on the entity's employees on an ongoing and non-ongoing basis, including the following: a. statistics on full-time employees; b. statistics on part-time employees; c. statistics on gender d. statistics on staff location	Mandatory	62
17AG(4)(b)		Statistics on the entity's APS employees on an ongoing and non-ongoing basis; including the following: a. statistics on staffing classification level; b. statistics on full-time employees; c. statistics on part-time employees; d. statistics on gender; e. statistics on staff location; f. statistics on employees who identify as Indigenous	Mandatory	62
17AG(4)(c)		Information on any enterprise agreements, individual flexibility arrangements, Australian workplace agreements, common law contracts and determinations under subsection 24(1) of the <i>Public Service Act 1999</i>	Mandatory	Included in the ATO's annual report

PGPA Rule Reference	Part of Report	Description	Requirement	Page number
17AG(4)(c)(i)		Information on the number of SES and non-SES employees covered by agreements etc. identified in paragraph 17AG(4)(c)	Mandatory	62, 66
17AG(4)(c)(ii)		The salary ranges available for APS employees by classification level	Mandatory	Included in the ATO's annual report
17AG(4)(c)(iii)		A description of non-salary benefits provided to employees	Mandatory	65
17AG(4)(d)(i)		Information on the number of employees at each classification level who received performance pay	If applicable, mandatory	N/A
17AG(4)(d)(ii)		Information on aggregate amounts of performance pay at each classification level	If applicable, mandatory	N/A
17AG(4)(d)(iii)		Information on the average amount of performance payment, and range of such payments, at each classification level	If applicable, mandatory	N/A
17AG(4)(d)(iv)		Information on aggregate amount of performance payments	If applicable, mandatory	N/A
Assets management				
17AG(5)		An assessment of effectiveness of assets management where asset management is a significant part of the entity's activities	If applicable, mandatory	N/A
Purchasing				
17AG(6)		An assessment of entity performance against the Commonwealth Procurement Rules	Mandatory	60
Reportable consultancy contracts				
17AG(7)(a)		A summary statement detailing the number of new reportable consultancy contracts entered into during the period; the total actual expenditure on all such contracts (inclusive of GST); the number of ongoing reportable consultancy contracts that were entered into during a previous reporting period; and the total actual expenditure in the reporting period on those ongoing contracts (inclusive of GST)	Mandatory	Included in the ATO's annual report

PGPA Rule Reference	Part of Report	Description	Requirement	Page number
17AG(7)(b)		A statement that <i>"During [reporting period], [specified number] new reportable consultancy contracts were entered into involving total actual expenditure of \$[specified million]. In addition, [specified number] ongoing reportable consultancy contracts were active during the period, involving total actual expenditure of \$[specified million]"</i>	Mandatory	Included in the ATO's annual report
17AG(7)(c)		A summary of the policies and procedures for selecting and engaging consultants and the main categories of purposes for which consultants were selected and engaged	Mandatory	Included in the ATO's annual report
17AG(7)(d)		A statement that <i>"Annual reports contain information about actual expenditure on reportable consultancy contracts. Information on the value of reportable consultancy contracts is available on the AusTender website."</i>	Mandatory	Included in the ATO's annual report
Reportable non-consultancy contracts				
17AG(7A)(a)		A summary statement detailing the number of new reportable non-consultancy contracts entered into during the period; the total actual expenditure on such contracts (inclusive of GST); the number of ongoing reportable non-consultancy contracts that were entered into during a previous reporting period; and the total actual expenditure in the reporting period on those ongoing contracts (inclusive of GST)	Mandatory	Included in the ATO's annual report
17AG(7A)(b)		A statement that <i>"Annual reports contain information about actual expenditure on reportable non-consultancy contracts. Information on the value of reportable non-consultancy contracts is available on the AusTender website."</i>	Mandatory	Included in the ATO's annual report
17AD(daa)	Additional information about organisations receiving amounts under reportable consultancy contracts or reportable non-consultancy contracts			
17AGA		Additional information, in accordance with section 17AGA, about organisations receiving amounts under reportable consultancy contracts or reportable non-consultancy contracts	Mandatory	Included in the ATO's annual report

PGPA Rule Reference	Part of Report	Description	Requirement	Page number
Australian National Audit Office access clauses				
17AG(8)		If an entity entered into a contract with a value of more than \$100,000 (inclusive of GST) and the contract did not provide the Auditor General with access to the contractor's premises, the report must include the name of the contractor, purpose and value of the contract, and the reason why a clause allowing access was not included in the contract	If applicable, mandatory	Included in the ATO's annual report
Exempt contracts				
17AG(9)		If an entity entered into a contract or there is a standing offer with a value greater than \$10,000 (inclusive of GST) which has been exempted from being published in AusTender because it would disclose exempt matters under the FOI Act, the annual report must include a statement that the contract or standing offer has been exempted, and the value of the contract or standing offer, to the extent that doing so does not disclose the exempt matters	If applicable, mandatory	Included in the ATO's annual report
Small business				
17AG(10)(a)		A statement that "[Name of entity] supports small business participation in the Commonwealth Government procurement market. Small and Medium Enterprises (SME) and Small Enterprise participation statistics are available on the Department of Finance's website."	Mandatory	Included in the ATO's annual report
17AG(10)(b)		An outline of the ways in which the procurement practices of the entity support small and medium enterprises	Mandatory	Included in the ATO's annual report
17AG(10)(c)		If the entity is considered by the Department administered by the Finance Minister as material in nature – a statement that "[Name of entity] recognises the importance of ensuring that small businesses are paid on time. The results of the Survey of Australian Government Payments to Small Business are available on the Treasury's website."	If applicable, mandatory	N/A

PGPA Rule Reference	Part of Report	Description	Requirement	Page number
Financial statements				
17AD(e)		Inclusion of the annual financial statements in accordance with subsection 43(4) of the Act	Mandatory	Included in the ATO's annual report
Executive remuneration				
17AD(da)		Information about executive remuneration in accordance with Subdivision C of Division 3A of Part 23 of the Rule	Mandatory	66
17AD(f)	Other mandatory information			
17AH(1)(a)(i)		If the entity conducted advertising campaigns, a statement that <i>"During [reporting period], the [name of entity] conducted the following advertising campaigns: [name of advertising campaigns undertaken]. Further information on those advertising campaigns is available at [address of entity's website] and in the reports on Australian Government advertising prepared by the Department of Finance. Those reports are available on the Department of Finance's website."</i>	If applicable, mandatory	N/A
17AH(1)(a)(ii)		If the entity did not conduct advertising campaigns, a statement to that effect	If applicable, mandatory	60
17AH(1)(b)		A statement that <i>"Information on grants awarded by [name of entity] during [reporting period] is available at [address of entity's website]."</i>	If applicable, mandatory	N/A
17AH(1)(c)		Outline of mechanisms of disability reporting, including reference to website for further information	Mandatory	Included in the ATO's annual report
17AH(1)(d)		Website reference to where the entity's Information Publication Scheme statement pursuant to Part II of FOI Act can be found	Mandatory	56
17AH(1)(e)		Correction of material errors in previous annual report	If applicable, mandatory	N/A
17AH(2)		Information required by other legislation	Mandatory	Included in the ATO's annual report

GLOSSARY

AAT	Administrative Appeals Tribunal
AC	Companion of the Order of Australia
ACNC	Australian Charities and Not-for-profits Commission
ACNC Act	<i>Australian Charities and Not-for-profits Commission Act 2012 (Cth)</i>
AM	Member of the Order of Australia
Annual Information Statement	The annual statement that registered charities are required to provide to the ACNC.
APS	Australian Public Service
ASIC	The Australian Securities and Investments Commission
ATO	Australian Taxation Office
AASB	Australian Accounting Standards Board
Board	ACNC Advisory Board
Charity	An entity defined in section 5 of the Charities Act. Broadly speaking, a not-for-profit entity that has charitable purposes for the public benefit, that does not have any disqualifying purposes and that is not an individual, political party or a government entity (see also Registered charity).
Charities Act	<i>Charities Act 2013 (Cth)</i>
Charity Passport	A mechanism by which the ACNC shares publicly available charity information with other government agencies. An integral part of the ACNC's 'report once, use often' approach to reporting.
Charity Portal	An online portal in which charities update details and submit reports and information to the ACNC.
Charity Register	A freely available online public database of information about the charities registered with the ACNC.
DGR	Deductible Gift Recipient
Dr	Doctor
FTE	Full-time equivalent staff number
FOI	Freedom of information
FOI Act	<i>Freedom of Information Act 1982 (Cth)</i>
IPS	Information Publication Scheme
Hon	The Honourable
IT	Information technology
MP	A member of parliament

MOU	Memorandum/a of Understanding
NFP	Not-for-profit
ORIC	Office of the Registrar for Indigenous Corporations
PARC	Performance, Audit and Risk Committee
PBS	Portfolio Budget Statements
PGPA Act	<i>Public Governance, Performance and Accountability Act 2013</i> (Cth)
Registered charity	A charity registered with the ACNC. Referred to in this report in context as a 'charity'
SES	Senior Executive Service

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