

## **MEETING NOTES: ACNC CHARITY FORUM – OCTOBER 2025**

Meeting date & time	29 October 2025, 10:00am – 1:30pm
Meeting location	Microsoft Teams [Virtual]

## **WELCOME**

ACNC Assistant Commissioner – General Counsel and Regulatory Services, Cate Bennett, opened the meeting, sharing an Acknowledgement of Country. There were no conflicts declared.

#### **UPDATE FROM THE ACNC COMMISSIONER**

The ACNC Commissioner, Sue Woodward AM, welcomed Forum members and provided an update on the ACNC's work, with key highlights including:

- In the last financial year, there were 2.1 million searches of the <u>ACNC Charity Register</u>, which displays reported information from nearly 64,000 charities.
- The ACNC published the 11<sup>th</sup> edition of the <u>Australian Charities Report</u> in June 2025, and the data insights included that charities:
  - o generated a record \$222 billion in revenue.
  - employ more than 10% of Australians.
  - o donations remained virtually unchanged, except for one outlier donation.
  - o extra-small charities made up over 30% of the sector but generated only 0.1% of total revenue.
- There was an increased demand on ACNC services in 2024 2025, however, the ACNC largely maintained our service standards. Some key figures include:
  - 4,621 new charities were registered, more than half of which flowed from changes to the reporting for self-assessing income tax exempt not-for-profit organisations.
  - o 1640 charity concerns were received.
- 73.4% of charities completed their annual reporting on time, an improvement on the previous year.
- The ACNC has continued to build relationships with other regulators to help ease regulatory burden on charities. This work included:
  - Welcoming six ex-officio appointments to the ACNC Advisory Board, ensuring the ACNC is more strongly connected with state regulators.
  - Collaborating with the cyber security and privacy regulators to improve the ACNC's guidance for charities in these areas.
  - Meeting with international charity regulators to share valuable insights and approaches to supporting each other's work.

# **UPDATE FROM THE ACNC'S LEADERSHIP TEAM**

- Advice Services, Education and Public Affairs
  - The Advice Services team has been focusing on a range of projects that look at barriers to reporting or groups that fail to submit their Annual Information Statements twice or more (and become <u>double</u> <u>defaulters</u>). One insight gained from this work has been to identify that charities that fail to report

- often don't have handover processes or keep records effectively to allow for on-time, efficient reporting.
- o The ACNC held a webinar for newly registered charities in the last week of October 2025.
- o To improve accessibility, the ACNC has deployed a text-to-speech feature for all ACNC news articles.
- The ACNC will be reminding charities with a reporting due date of 31 January of their upcoming reporting obligations over coming weeks.

#### Registration

- The focus of the ACNC's registration team continues to be on finding ways to reduce the time for registration applications to be reviewed and completed.
- The ACNC will be focusing on data integrity with its latest round of <u>reviews of deductible gift recipient-endorsed charities</u> (DGR) commencing soon.

#### Compliance

 The ACNC's findings from its review into charities operating within complex structures has been published on the <u>ACNC website</u>.

# Legal and Policy

- o An updated <u>Commissioner's Interpretation Statement: Public Benevolent Institution</u> was recently published, following extensive consultation.
- o In August 2025 The ACNC made a <u>submission</u> to the Victorian Parliamentary inquiry into the recruitment methods and impacts of cults and organised fringe groups.
- o In September 2025 the ACNC also made a <u>submission</u> Federal Parliamentary Joint Committee on Law Enforcement on the capability of law enforcement to respond to cybercrime.
- o The ACNC will shortly launch a public survey to understand more about debanking in the charity sector.

## Digital Services

- o ACNC has recently welcomed Chris De Sair as the Director of Digital Services.
- Under Chris' leadership the ACNC will continue to enhance its cybersecurity posture and look for ways to optimise its use of technology in fulfilling our organisation's role and purpose.

#### Reporting, Red Tape Reduction and ACNC Corporate Services

- The ACNC spoke at the August 2025 Economic Reform Productivity Roundtable about the charity sector and how productivity can be enhanced by reducing red tape, including 'the report once use often' approach promoted by the ACNC.
- The ACNC has extended the <u>transitional reporting arrangements</u> for charities registered with the Office of the Registrar of Indigenous Corporations, charities that are non-government schools, and cooperatives in each state or territory.
- The ACNC is finalising analysis from recently published report <u>Reviewing Charities' Financial</u> <u>Information and Annual Financial Reports</u>, to identify trends and look at areas for improvement for our guidance. The ACNC has identified that many charities are incorrectly answering questions regarding key management personnel. Guidance is available on the website to assist.
- The ACNC will be working with the Australian Taxation Office to map the lifecycle of a charity to identify areas of unnecessary regulatory burden and red tape.

# **ACNC REGULATORY FOCUS AREAS FY25/26**

- The ACNC regulatory focus areas for 2025 2026 have been set to support charities:
  - o with effective record keeping, and
  - o at risk of being misused to launder money or finance terrorism.
- The ACNC has an education first approach to regulation and intends for this approach to continue with these focus areas.
- When the ACNC receives a concern, assessing a charity's records is a first step in the ACNC's work and is used

- to assess whether further regulatory action is required, whether through education and guidance, or an enforcement outcome.
- The ACNC will be undertaking a series of reviews of charities and a high volume of self- audits; but the ACNC's focus is on supporting charities to understand and comply with their obligations effectively.
- The ACNC continues to provide extensive guidance to charities on compliance and good governance practices via the <u>website</u>.

# **ACNC STAKEHOLDER ENGAGEMENT PLAN FY25/26**

# **Key points:**

- The ACNC has updated its approach to <u>stakeholder engagement</u>, creating the ACNC Charity Forum that will
  meet twice a year, and be complemented by various subsector forums which will be convened from time to
  time.
- This change in approach is intended to improve the quality of engagement the ACNC has with key stakeholder groups.

# UPCOMING CONSULTATION – UPDATES TO THE COMMISSIONER'S INTERPRETATION STATEMENT ON THE PROVISION OF HOUSING BY CHARITIES

## **Key points:**

- The ACNC spoke to Forum members about forthcoming public consultation on proposed updates to the <u>Commissioner's Interpretation Statement: Provision of housing by charities</u> (CIS) and provided a high level overview of the intended updates.
- Forum members provided some insights and suggestions for matters to be considered in updating the CIS.

## **ACNC CHARITY FORUM MEMBER DISCUSSION**

Charity Forum members discussed the following themes and issues during the open discussion.

#### **Key points:**

- The impact of legislative changes regarding the Commonwealth funding and disclosure scheme for electoral expenditure on charities.
- The ACNC's process of reviewing charities with deductible gift recipient (DGR) status, including how those charities are contacted and engaged with.
- Fundraising obligations in different jurisdictions for charities that enter into auspicing agreements.
- Resolving inconsistencies between a charity's entity type in ACNC records and those on the Australian Business Register (ABR).
- Sustainability reporting requirements, from which registered charities are exempt.
- Reporting for charities that are operators of a Public Benevolent Institution (PBI).
- Implementation of the Global Anti-Base Erosion (GloBE) rules.

# **UPDATE FROM THE DEPARTMENT OF THE TREASURY**

Representing the Department of the Treasury, Pete Robjent provided an update to Charity Forum members.

- The government has announced funding for the <u>RegistryConnect</u> program, to improve the efficiency and effectiveness of a number of business registers.
- Public consultation on reforms affecting giving funds (referred to in tax law at present as "ancillary funds") has now closed, and feedback is being considered.
- The ACNC charity registration form has been updated for community charity deductible gift recipients (DGRs)

## **UPDATE FROM THE AUSTRALIAN TAXATION OFFICE**

Representing the Australian Taxation Office, Tom Wheeler provided an update to Charity Forum members.

- 32,000 self-review return forms, for those not-for-profit organisations that self-assess as being income tax
  exempt, were lodged for the last financial year. 9000 self-review return forms have been lodged between 1 July
  and 30 September in 2025.
- Contact details for authorised contacts are often not up to date. The ATO would appreciate Charity Forum
  members encouraging any NFP representatives they know of to ensure their organisation's contact details are
  up to date. More information is available on the ATO's website here: Notifying us of changes to your not-forprofit | Australian Taxation Office. From the ATO's perspective there are three key risk areas of focus that can
  affect NFPs and Charities on-going entitlement to tax concessions: not operating for purpose, not meeting tax
  and super obligations, and external fraud.