Internal disputes

Internal disputes can involve disagreements between individuals or groups inside a charity – for example: between members, an individual and the board/committee, or even between board and committee members.

Such disputes can be damaging for any organisation, but for small charities they can be particularly problematic.

The ACNC does not deal with internal disputes in charities unless there is a serious risk to public trust and confidence. But we do advise of some basic steps small charities can take to reduce the chances of internal disputes.

Having a culture of open, honest conversation, as well as encouraging dialogue, maintaining respect and a willingness to listen are all important.

Disputes shouldn’t be ignored or allowed to fester, so having a practical policy aimed at addressing and resolving disputes is vital.

If an agreement or compromise cannot be reached, consider using an independent mediator.

For more, visit our quick tips on internal disputes document.
Conflicts of interest

Conflicts of interest are common. However, problems can arise when these conflicts of interest aren’t recognised, aren’t declared, or aren’t addressed through a conflict of interest policy.

Small charities, or those operating in small communities, can be more likely to encounter conflicts of interest. Drawing on a smaller pool of people when searching for board members or sourcing goods and services can increase the chance a charity will have to deal with the issue.

Charities should have a written conflict of interest policy, as well as a register of interests for their board and staff. And remember, having a conflict of interest isn’t a problem in itself. Not being open and honest about it, not declaring it – and allowing it to influence decision making – are the real problems.

For more, visit our quick tips on conflicts of interest document.

Insolvency

Being insolvent means your charity can’t pay its debts when they fall due.

A charity which operates while insolvent is likely to be breaching ACNC Governance Standards, as well as damaging public trust and confidence.

If you think your charity may be insolvent, or at risk of becoming insolvent, you should seek professional advice immediately. And if your charity is incorporated, you may need to notify your state or territory regulator.

Double defaulters

Double defaulters are charities that do not submit an Annual Information Statement for two or more years. These charities risk having the ACNC revoke their registration.

The ACNC reminds charities about submitting their Annual Information Statement in a variety of ways – reminder letters, emails, newsletters, the fortnightly Commissioner’s Column and social media campaigns.

Several thousand charities have had their registrations revoked due to ‘double defaulting’.

Complaints about charities

The ACNC does receive complaints about charities from the public, and has the power to investigate and follow up these complaints, or refer them to other agencies if needed. The ACNC does advise members of the public to take up any complaints they have with the charity itself before they approach the ACNC.

For more on how the ACNC follows up on public complaints, as well as areas the ACNC does not have responsibility for, visit: acnc.gov.au/charityconcern.