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INCOME RECOGNITION TEMPLATE DESIGNED FOR NOT-FOR-PROFITS

The new Australian Accounting Standards AASB 15: *Revenue from Contracts with Customers* and AASB 1058: *Income of Not-for-Profit Entities* will significantly change how and when NFPs record income.

To assist the NFP sector we have held a number of workshops and seminars, and now have developed a template to enable NFP's to determine how and when to record income under the new Standards.

The new Standards are applicable:

- from 1 January 2019 for 31 December year ends (i.e. 7 months ago!) and
- from 1 July 2019 for 30 June year ends (i.e. 2 months ago!)

Our discussions with members of the NFP community tell us that most organisations are well behind in determining how to comply with the new Standards, and that many Boards or other governing bodies have not yet set plans for the significant work involved.

The new Standards are complex and, in many cases, not easy to follow. To make the process easier, we have developed the HLB Not-for-Profit Income Recognition Template.

We have produced a short tutorial that outlines how the Template works - the tutorial can be found on hlb.com.au. It will navigate you through the requirements of the new Standards, and give you a process to determine how and when to recognise income.

Not-for-profit entities should document how they comply with the new Standards. A number of decisions will need to be made - some of which require an educated judgement. These judgements should also be documented, and the Template gives you space for this.

This Template provides a way to document your compliance and your revenue recognition policies. The completed Template should then be approved by your Board or other governing body.

AASB 1058 and AASB 2016-8: *Amendments to Australian Accounting Standards – Australian Implementation Guidance for Not-for-Profit Entities* both include a number of examples of different types of

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income to demonstrate how to apply the new Standards. We have also prepared an “example” version of the Template which includes each of the examples in AASB 1058 and in AASB 2016-8, and also some other examples of membership organisation

fees, to demonstrate how to use the Template, and to provide guidance in working out how to recognise your income. The Template has been provided to HLB clients. If you are not a HLB client and wish to use our Template please speak with your HLB contact.

GOVERNANCE

FRAUD GUIDE RELEASED

The Australian Charities and Not-for-profits Commission has released *Protect your charity from fraud – the ACNC guide to fraud prevention*.

It's opportune – fraud and financial crime are among charities' biggest worries. Indeed, data shows that there is more fraud in NFPs than in “for profit” organisations!

The guide highlights some of the risks charities face and provides practical steps that can be taken to reduce and manage those risks.

Aimed at Board and committee members, trustees and charity managers, it should also interest employees and volunteers.

The guide covers the following:

- Why is this guide needed?
- What is fraud?
- What types of fraud are there?
- Are charities particularly vulnerable to fraud?
- What are the legal duties and responsibilities of those governing and managing charities?
- What can I do to protect my charity?
- The ACNC's approach to reports of fraud, and
- Case study: uncovering a fraud.

The Commission's top tips to protect charities from fraud are:

TIP	ACTION
Clear, written financial procedures and delegations	Have staff and volunteers follow proper financial controls. For example, always have two people involved in handling money and approving payments. Establish clear financial delegation guidelines.
Robust HR procedures	Ensure recruitment processes are sound and provide training and communication to staff and volunteers about fraud prevention.
Establish a code of conduct	Demonstrate and encourage ethical behaviour. Display codes of conduct prominently and embody it.
Define financial responsibilities	Ensure that people with financial responsibility are competent and understand their roles. Have written role descriptions that set out what to expect from staff, including financial responsibilities.
Develop a fraud-prevention policy	Fraud prevention policies should specify the steps a charity takes to prevent, identify and respond to fraud, as well as who is responsible for them.
Be secure when banking online	Ensure accounts and online banking passwords are secure, and limit who has access to them. Regularly change passwords.
Limit cash handling	The presence of large amounts of cash can encourage theft and fraud. Limit the amounts staff and volunteers may handle.
Monitor bank accounts, budgets and grant funding	Monitor your accounts and budget, and identify variations that don't make sense. Ask questions about variations. Keep track of how grant funds are used.
Ask questions	Board members should feel comfortable asking questions about their charity's finances, and managers should make sure that staff are accountable.
Understand the importance of reporting fraud	Ensure that staff and volunteers understand the importance of reporting fraud and that there is a clear process on how to report to senior management, the police and the ACNC.

REFORMS TO THE WHISTLEBLOWER PROTECTIONS REGIME

The ACNC has advised that several charities will be affected by upcoming changes to whistleblower protection laws.

From 1 July 2019, whistleblower protections in the Corporations Act 2001 have been expanded to provide greater shielding for whistleblowers who report misconduct about companies and company officers.

The reforms, which will be enforced by the Australian Securities & Investments Commission ("ASIC"), are designed to broaden the definition of whistleblower, extend whistleblower protections and create provisions for civil penalties.

Changes in the Corporations Act will apply to companies registered with ASIC (public companies, including companies limited by guarantee). It will also apply to incorporated associations that are significantly or principally engaged in trading or financial activities. Charities that are incorporated associations will therefore need to decide if this applies to them.

Whistleblower protection is provided for persons who make eligible disclosures about the tax affairs, including tax avoidance, of another entity. Separately administered by the Australian Taxation Office, the protections are detailed on the ATO website at ato.gov.au.

The ACNC encourages charities to consider whether they have an appropriate plan for managing whistleblower disclosures. It encourages public companies and incorporated associations to make themselves familiar with the requirements and obligations of the new rules.

The Commission will soon publish more information about whistleblower protections.

WOOMERA PUT UNDER SPECIAL ADMINISTRATION

Registrar of Indigenous Corporations Selwyn Button has placed the Woomera Aboriginal Corporation Albury under special administration.

Established in 1990, Woomera operates as a social housing and statutory out-of-home care provider. It also operates a pre-school and provides a variety of family support services to people in Albury and surrounding areas.

Several of the corporation's stakeholders have made complaints about the corporation's standard of governance and decision making. High staff turnover and alleged disputes among directors have allegedly interfered with the proper conduct of Woomera's affairs.

Serious concerns have been raised about the Board's understanding and compliance with its statutory out-of-home care and related legislative requirements.

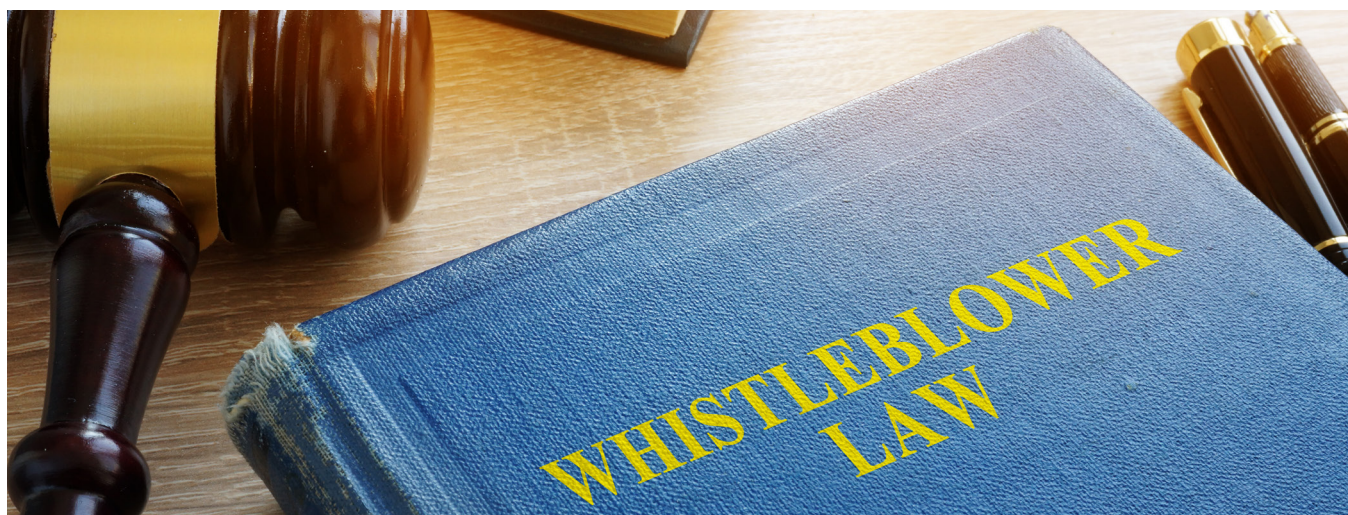
The NSW Office of the Children's Guardian has deferred renewal of the corporation's accreditation as an out-of-home care provider.

BUTTON BUTTONS DOWN NATIVE-TITLE CORPORATION

Registrar Button has placed the Yinhawangka Aboriginal Corporation RNTBC under special administration following discovery of governance and financial problems.

The corporation's primary role is to manage native-title rights and the interests of the Yinhawangka people.

An examination of the corporation's books revealed that governance and financial issues and internal disputes have allegedly interfered with operations and distracted the Yinhawangka Board from performing its duties.



LATEST CHARITY SECTOR INSIGHTS

The ACNC has released its 5th annual report, which provides invaluable insight into Australia's charity sector.

There are now more than 57,500 charities registered with the ACNC. The Australian Charities Report 2017 analyses annual information statements from about 47,000 charities — those that were submitted by 13 February this year. Key findings include:

- Total revenue of \$146.1 billion
- Government grants as a revenue source increased by \$7 billion
- Donations and bequests as a revenue source totalled \$9.9 billion
- There were 3.3 million volunteers across Australia's charities
- Most registered charities (36%) are 'extra small', a subset of 'small'
- 30% of charities reported that their main activities were religion-related, and
- 4,567 charities operated overseas, mostly in India, the Philippines, Papua New Guinea, Indonesia and New Zealand.

The report corroborated many findings from previous years:

- Most charities are small — with annual revenue of less than \$250,000 (65%)
- The most common activity is religion (30%)
- The geographic distribution of charities aligns with Australia's population: New South Wales, Victoria and Queensland, in that order, being home to most, and
- Just under half of all charities (49%) were run solely by volunteers.

The Commission noted some significant changes, for example:

- Donations and bequests made to registered charities were \$9.9 billion, a decrease of \$600 million
- Total combined revenue increased from \$143 billion in 2016 to \$146 billion in 2017.
- Government funds to charities increased by \$7 billion
- Total combined employee expenses decreased to \$74.8 billion, down from \$75.4 billion in 2016, and
- 400,000 more people volunteered for a registered charity.

Download the full report at acnc.gov.au/charitiesreport.

NEW RESOURCES FOR SMALL CHARITIES

A new collection of resources designed specifically for small charities has become available on the ACNC website.

The Small Charities Library contains factsheets, guides and templates designed to provide Australia's smallest charities with information, advice and tools to help them to manage their organisations, run effective meetings and ensure that they understand and meet their ACNC obligations. Explore the resources at acnc.gov.au/node/4478081.

RED TAPE REDUCED FOR NT CHARITIES

Northern Territory charities no longer need to submit an annual return to both the ACNC and Licensing NT. The new exemption came into effect on 1 July 2019.

'This is welcome relief for registered charities that are also incorporated associations in the Northern Territory', said acting ACNC Commissioner Catherine Willis.

'The change [means] that charities registered with the ACNC and Licensing NT [...] will only have to submit an annual return once to the ACNC.'

Acting Licensing NT Director-General Sally Ozolins confirmed that the new streamlined reporting arrangement could save hundreds of charities from duplicating their annual return to both agencies.

They need only to comply with certain exemption requirements. More information about the exemption is available at acnc.gov.au/NT.

ACNC'S PERFORMANCE UNDER THE SPOTLIGHT

The Australian National Audit Office has announced a performance audit of the ACNC's regulation procedures.

The ANAO proposes to examine:

- Registering charities and maintaining the charity register
- Supporting charities to meet their compliance obligations, and
- Reducing their regulatory burden and strengthening the sector.

Lodge your submission at <https://www.anao.gov.au/work/performance-audit/regulation-charities-australian-charities-and-not-profits-commission> by 25 August.

AASB 16 LEASES IS LIVE – ACT NOW

AASB 16 *Leases* became operative on 1 January 2019 for entities with a 31 December year end, and on 1 July 2019 for those with a 30 June year end. If you haven't thought about it, it's time you did. Implementing *Leases* isn't easy.

More than 340 pages of authoritative material and 4 related interpretations replace the 30-year-old AASB 117. 90 pages cover the standard itself, and 57 give examples. There are 90 pages of Bases of Conclusions and 103 of Effects Analysis.

To say the least, the new *Leases* presents a significant challenge for CFOs!

Simply put, AASB 16 eliminates the classification of leases as either 'operating' or 'finance' for lessees. There is now a single lessee model, which requires a lessee to recognise on the statement of financial position a right-of-use asset, and a liability, for leases with terms of more than 12 months unless the underlying asset is of low value.

Simple in theory but not in practice.

Some basic questions will get you thinking:

- What is a lease under AASB 16?
- Where is my lease documentation? Is it complete?
- What other agreements are there that could be a lease?
- What data do I need to capture?
- What does a 'make good' liability mean?
- What practical expedients are there?
- What is the lease term?
- How are separate components identified and accounted for?
- Which transitional method should I use?
- What discount rates should be used?
- Do I have to account for my sub-lease as a lessor?
- Do 'peppercorn' leases for not-for-profits have transitional relief?
- What software options are available?

The questions abound.

The CFO to-do list includes:

- Get your operating lease commitment disclosure right under existing AASB 117: *Leases*
- Acquire the AASB 16 knowledge and also the knowledge of 'peppercorn' transitional relief (AASB 2018-8 *Amendments to Australian Accounting Standards – Right-of-Use Assets of Not-for-profit Entities*)
- Conduct an initial assessment of AASB 16's effect

(for example, size threshold, bank covenants, and strategic business decisions), seek auditor input, prepare governance papers and seek the Board's approval

- Evaluate sufficiency of accounting processes and controls
- Educate other affected individuals within the organisation
- Perform a 'stocktake' of your lease portfolio – obtain original lease documents and understand leasing arrangements
- Consider software solutions for lease management
- Field-test the impact of AASB 16 on a few contracts
- Develop a detailed accounting policy that, inter alia, addresses the decisions made
- Update the financial-reporting template for AASB 16 presentation and disclosures as well as for peppercorn leases
- Quality-assure your decisions and continue the dialogue with your auditor, and
- Communicate what is coming to stakeholders.

Don't forget that AASB 15 *Revenue from contracts with customers* and AASB 1058 *Income for Not-for-profit entities* also apply to 31 December 2019 balance dates for the first time.

None of them is easy nor are they set and forget. They will pose ongoing challenges at reporting dates.

“Simply put,
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NEW NFP DEFINITION AND GUIDANCE PROPOSED

The Australian Accounting Standards Board has issued exposure draft *Not-for-Profit Entity Definition and Guidance* that proposes to replace the existing NFP definition.

This draft proposes to:

- Retain the term ‘not-for-profit entity’
- Revise the definition to align with the definition of a *Public Benefit Entity* in NZ accounting standards
- Remove the NFP entity definition from AASB 102 *Inventories*, AASB 116 *Property, Plant and Equipment* and AASB 136 *Impairment of Assets* and include both the revised definition and the guidance in AASB 1057 *Application of Australian Accounting Standards*, and
- Include it in AASB 1057 *Appendix B Implementation guidance: When is an entity a not-for-profit entity: Implementation guidance to support the revised definition.*

The proposed appendix B to AASB 1057 addresses the following:

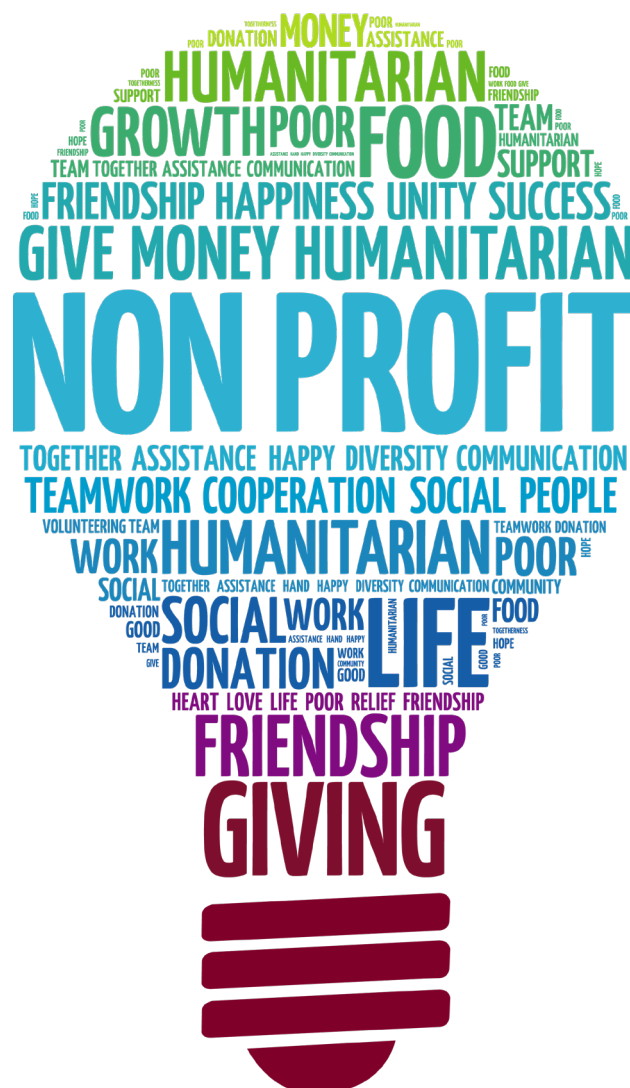
- Purpose
- Definition of an NFP entity
- Indicators (stated objectives, nature of the benefits, including the quantum of expected financial benefits, primary beneficiaries of the benefits, nature of equity interest, purpose and use of assets, and nature of funding)
- Conflicting indicators, and
- Changing classification.

The classifications 'for-profit' and 'not-for-profit' are important as the application of the Australian accounting standards can differ. Different recognition, measurement, presentation and disclosure requirements may also apply.

The distinction might become even more significant if the AASB develops a separate NFP entity financial reporting framework with simplified recognition and measurement requirements and several NFP reporting tiers.

Submit your comments to the AASB by 9 September.

EXISTING DEFINITION
‘An entity whose principal objective is not the generation of profit. A not-for-profit entity can be a single entity or a group of entities comprising the parent entity and each of the entities that it controls.’
PROPOSED DEFINITION
‘An entity whose primary objective is to provide goods or services for community or social benefit and where any equity has been provided with a view to supporting that primary objective rather than for a financial return to equity holders.’



SPFSS TO DISCLOSE NEW COMPLIANCE MEASURES

The AASB has issued Exposure Draft 293 *Amendments to Australian Accounting Standards – Disclosure in Special Purpose Financial Statements of Compliance with Recognition and Measurement Requirements*.

It proposes that entities preparing special purpose financial statements ('SPFS') disclose explicitly whether accounting policies they applied comply with all of the recognition and measurement requirements of Australian Accounting Standards.

Draft 293 proposes that for-profit entities lodging SPFSSs with ASIC and NFPs lodging them with the ACNC disclose compliance in an explicit statement.

Information about whether entities have subsidiaries or investments in associates or joint ventures, and how they have accounted for them, would also be required.

The AASB contends that although users of SPFSSs should be able to demand any information they need, this is not always the case. The proposals in ED 293 are aimed at addressing concerns that the quality of disclosures in a significant number of SPFSSs fails to enable users to determine what additional information they might need.

ED 293 proposes that entities lodging SPFSSs with either ASIC or the ACNC (that is, entities required to comply with AASB 1054 *Australian Additional Disclosures*), disclose:

- The basis on which a decision to prepare an SPFS was made
- Where the entity has subsidiaries, investments in associates or joint ventures, whether or not they have been consolidated or equity-accounted in a manner consistent with the requirements set out in Australian Accounting Standards. If an entity has failed to consolidate its subsidiaries or equity-accounted its investments in associates or joint ventures consistently with requirements, it must disclose it, and give reasons. If an NFP has failed to determine whether or not its interests in other entities give rise to interests in subsidiaries, associates or joint ventures, it must instead disclose it, and
- An explicit statement as to whether or not accounting policies applied in statements comply with recognition and measurements, and, if not, give an indication of where they do not comply.

Where an entity's accounting policies fail to comply with recognition and measurements, the AASB is not proposing, and does not expect, a quantification or reconciliation of the extent of non-compliance.

The proposed standard is an interim measure intended to provide greater transparency for users of publicly-lodged SPFSSs and to improve their comparability with other financial statements.

A broader project proposes to remove the ability of certain entities to prepare SPFSSs when they should comply with Australian Accounting Standards and replace them with general-purpose financial statements.

The ED proposes that the disclosures apply to annual reporting periods ending on or after 30 June 2020. Entities are encouraged to adopt early the proposed disclosures.

PROGRESSING THE *FRAMEWORK* FOR FINANCIAL REPORTING

A new conceptual framework has been issued for for-profit private-sector entities that have public accountability and are required by legislation to comply with Australian Accounting Standards.

It applies to annual reporting periods beginning on or after 1 January 2020.

The AASB is continuing to develop Phase 2 of the framework project, which will extend the it to more for-profit private-sector entities.

NFPs will continue to reference the existing *Framework for the Preparation and Presentation of Financial Statements* until it is replaced.

“A broader project proposes to remove the ability of certain entities to prepare SPFSSs when they should comply with Australian Accounting Standards and replace them with general-purpose financial statements.”

GETTING TO KNOW YOUR NEW ETHICAL RESPONSIBILITIES

The restructured *Code of Ethics for Professional Accountants (including Independence Standards)* is operative from 1 January 2020. The revision is substantial. 60 requirements apply to members in business and that includes those in the not-for-profit sector.

Our January-March newsletter described the five fundamental principles that underpin the Code and members' responsibilities.

The Code sets out fundamental ethical principles, reflecting the profession's recognition of its public-interest responsibilities. The principles establish standards of behaviour expected of accounting bodies members, whether in business or public practice.

A member in business must comply with the fundamental principles and apply the conceptual framework to identify, evaluate and address threats to compliance with them.

Parts 1 and 2 apply to members in business.

- *Part 1 – Complying with the Code, Fundamental Principles and Conceptual Framework*, which includes the fundamental principles and the conceptual framework and is applicable to all members, and
- *Part 2 – Members in Business (including employment relationships of Members in Public Practice)*, which sets out additional material that applies to members in business when performing professional activities.

Members in business include members employed, engaged or contracted in an executive or non-executive capacity in, for example, commerce, industry or service, the public sector, education, the not-for-profit sector, and regulatory and professional bodies.

The Code requires that:

- Members comply with the fundamental principles of ethics, and
- That they apply the conceptual framework to identify, evaluate and address threats to compliance with the fundamental principles. (Applying the conceptual framework requires exercising professional judgement, remaining alert for new information and to changes in facts and circumstances, and using the reasonable and informed third-party test).

The conceptual framework specifies how a member should:

- Identify threats (self-interest, self-review, advocacy, familiarity, intimidation) to compliance and with the fundamental principles
- Evaluate the threats, and
- Address them by eliminating or reducing them to an acceptable level (a level at which a member using the reasonable and informed third-party test would probably conclude that the member complies with the fundamental principles).

Threats to compliance with the fundamental principles fall into one or more of the following categories:

Threat	Explanation
Self-interest	The threat that a financial or other interest will inappropriately influence a member's judgement or behaviour.
Self-review	The threat that a member will not appropriately evaluate the results of a previous judgement made or an activity performed by him or her or by another individual within his or her firm or employing organisation on which he or she will rely when forming a judgement as part of performing an activity.
Advocacy	The threat that a member will promote a client's or employing organisation's position to the point that the member's objectivity is compromised.
Familiarity	The threat that due to a long or close relationship with a client or employing organisation a member will be too sympathetic to their interests or too accepting of their work.
Intimidation	The threat that a member will be deterred from acting objectively because of actual or perceived pressures, including attempts to exercise undue influence over him or her.

Safeguards are actions, individually or in combination, that a member takes that effectively reduce to an acceptable level threats to compliance.

The conceptual framework recognises that the existence of conditions, policies and procedures established by the profession, legislation, regulation, the firm and the employing organisation might affect identifying threats. Conditions, policies and procedures might also be a relevant factor in a member's evaluation of whether a threat is at an acceptable level.

When threats are not at an acceptable level, the framework requires a member to address them.

Applying safeguards is one way that threats might be addressed. Safeguards are actions done individually or in combination that effectively reduce threats to an acceptable level.

The Code also contains sections on specific topics for members in business:

- Conflicts of interest (Section 210)
- Preparation and presentation of information (Section 220)
- Acting with sufficient expertise (Section 230)
- Financial interests, compensation and incentives linked to financial reporting and decision-making (Section 240)
- Inducements, including gifts and hospitality (Section 250)
- Responding to non-compliance with laws and regulations (Section 260), and
- Pressure to breach fundamental principles (Section 270).

We will analyse in future editions other elements of the Code.

FRAUD & NOCLAR

NSW CHARITY'S BOOKKEEPER JAILED FOR FRAUD

A trusted bookkeeper, Marissa Esposito, who stole more than \$330,000 from the Tuggerah-based charity Autism Central Coast, has been jailed for two-and-a-half years with a non-parole period of a year.

Gosford Local Court Magistrate John McIntosh said that Ms Esposito's actions were a breach of trust that involved 'systematic thieving' to feed a pokies and online-shopping addiction.

The North Gosford woman pleaded guilty to 2 counts of dishonestly obtaining property by deception from April 2017. She transferred the money from the charity's accounts into her own personal bank accounts, claiming that the funds were for staff wages, superannuation payments and insurance fees.

Ms Esposito also stole \$3,415.76 from a day-care centre linked to the charity when handling their accounts. Her fraud continued until she went on maternity leave in August last year and an audit conducted by another bookkeeper revealed the missing money.



NEW LAWS FOR NSW RETIREMENT VILLAGES

The NSW Retirement Villages Amendment Act 2018 came into force on 1 July 2019.

New laws include:

- Mandatory rules of conduct for operators that are designed to establish a benchmark for the conduct and behaviour of operators, penalties for breaches coming into effect from 1 January 2020
- New emergency-management requirements designed to ensure that villages are well prepared to deal with an emergency
- Giving residents the opportunity to get an annual update on the costs that would be associated with their leaving the village through a 'contract check-up' meeting with the operator, and
- Giving residents scrutiny and approval rights over the appointment of the person to audit the village's accounts.

For operators, guidelines have been developed to help them to implement the new requirements. They include guidance on contracts, emergency plans, evacuation exercises, and annual audits.

For more information visit <https://www.fairtrading.nsw.gov.au/about-fair-trading/legislation-and-publications/changes-to-legislation/retirement-village-laws-and-inquiry>.

REPORTING CHANGES FOR CHARITABLE ASSOCIATIONS

New South Wales associations registered as charities should remember that they no longer need to lodge an annual summary of financial affairs with NSW Fair Trading and pay the lodgement fee.

The change occurred on 1 October last year.

Charities must, however, lodge an annual information statement (and financial statements if required) with the ACNC each financial year. The information previously provided to Fair Trading will be collected by the ACNC and sent securely to Fair Trading.

The ACNC's annual information statement for NSW organisations has been updated to include extra questions two which Fair Trading wants answers.

All questions must be answered, including providing an association's NSW registration number and name so it can be correctly identified as being exempt. If the association chooses not to answer one or more of the questions, it will need to lodge its annual summary with Fair Trading and pay the fee.

Incorporated associations must continue to notify Fair Trading of any changes to names, details, constitutions and public officers.

If an association is not on the ACNC charities register it must report to Fair Trading and a lodgement fee must be paid.

Associations must hold their AGMs within six months of their financial year end. Financial statements must be submitted to members at that meeting.

Visit the <https://www.fairtrading.nsw.gov.au/associations-and-co-operatives/associations/running-an-association> for more information about reporting obligations.

Changes do not apply to charities approved by the ACNC to withhold details (for example, revenue or address) or financial reports from the ACNC register.



TRANSITIONAL PERIOD FOR WA INCORPORATED ASSOCIATIONS EXPIRES

Under the Associations Incorporation Act 2015 (WA), all existing incorporated associations were given three years to review and update their rules to address each of the 19 matters set out in Schedule 1 Division 1, and comply with each of the matters set out in Schedule 1 Division 2.

During the transition period, an Association's management committee has the power to amend an association's rules (without a special resolution of members being passed at a general meeting), if the amendments are to make the rules consistent with the new Act.

The transition period expired on 30 June 2019.

After 30 June 2019, if an association's rules do not comply with one or more of the Schedule 1 requirements, the model rules will be deemed to apply to the extent that the association's rules do not address or comply with a matter in Schedule 1.

NEW VICTORIAN FUNDRAISING REGULATIONS

New Victorian fundraising regulations began on 1 June 2019, amending counterparts a decade old.

They prescribe:

- Certain activities as not being fundraising appeals
- Certain record-keeping requirements
- Information and consents required for an application to renew registration as a fundraiser
- The fee for inspecting records
- Infringement penalties for offences in section 61D of the Fundraising Act
- Extra information that may be contained in the register of fundraising appeals, and
- Other matters necessary to give effect to the act.

NFPS MOVE TO STPS

If your NFP has 19 or fewer employees you will need to start reporting through Single Touch Payroll between 1 July 2019 and 30 September 2019. This means you report your employees' tax and superannuation information to ATO each time you pay them.

The ATO has made several resources available to assist with transition to STP, including a: guide for small employers, a list of STP software providers and a news, events and resources page.

If your NFP has between one and four employees and doesn't use payroll software, other ways to report STP information are:

- Implementing a no-cost and low-cost solution for STP that may include simple payroll software, mobile phone apps and portals, and
- Working with a registered tax or BAS agent – you can report your STP information quarterly at the same time you lodge your business activity statements rather than each payday. Your tax or BAS agent will still need to report your STP information through a STP-ready solution. The option is available only until 30 June 2021.

For more information visit ato.gov.au/Non-profit/Newsroom/Lodgment-and-concessions/Single-touch-payroll-for-small-employers/.

“The ATO has made several resources available to assist with transition to STP, including a: guide for small employers, a list of STP software providers and a news, events and resources page.”

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FINANCIAL REVIEW

CLIENT CHOICE AWARDS WINNER 2018|17|16

All material contained in this newsletter is written by way of general comment. No material should be accepted as authoritative advice and any reader wishing to act upon the material should first contact our office for properly considered professional advice, which will take into account your own specific conditions. No responsibility is accepted for any action taken without advice by readers of the material contained herein.

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