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Services for Australian
Rural and Remote Allied Health

Response to a Discussion Paper

‘Australian Charities and Not-for-profits Commission: Implementation design’

February 2012

Background

Services for Australian Rural and Remote Allied Health (SARRAH) welcomes the opportunity to respond to the discussion paper titled 'Australian Charities and Not-for-profits Commission: Implementation design'. In developing this document SARRAH has taken into account the above mentioned discussion paper as prepared by The Treasury.

SARRAH welcomes the establishment of the Australian Charities and Not-for-profits Commission (ACNC) as an independent one-stop shop regulator for charities and other NFPs to reduce regulatory overlap and increase the transparency of Australia's NFP sector.

SARRAH is a NFP organisation, recognised as the national peak body representing rural and remote Allied Health Professionals working in both the public and private sector.

SARRAH advocates for and provides services to rural and remote Allied Health Professionals on a local, state and national level. As a consequence SARRAH is committed to supporting Allied Health Professionals who provide primary health care services to people residing in rural and remote Australian communities.

SARRAH maintains that every Australian should have access to equitable health services wherever they live and that Allied Health Professional services are basic and core to Australians' primary health care and wellbeing.

Responses to Discussion Questions

1. Do you think that the introduction of the Charity Passport would reduce reporting to government? What are the obstacles to achieving one-stop shop reporting on the basis of the data being collected by the ACNC?

The introduction of the Charity Passport will reduce the requirement for registered charities to provide repetitive information to government agencies. However, this will not necessarily reduce reporting requirements to government as generally these details would only form part of the information required to be provided in a report in the first instance. The advantage of a Charity Passport would primarily be for government agencies accessing information about a registered charity as it would ensure that core details are consistent and accurate.

The major obstacle is that for the one-stop shop reporting to be effective the ACNC will need to have agreement with all of the relevant Commonwealth, State and Territory Government agencies that they will utilise the Charity Passport data to be held on the ACNC database. This will require secure access to the ACNC database. How existing data that agencies currently hold will be imported to the ACNC database needs consideration.

2. Will the information collected by the annual information statement be adequate for the purpose of achieving the appropriate level of transparency and accountability to the public?

Yes, the information requested is comprehensive enough to provide the public with an appropriate overview of a charities operations.

3. Is there any additional information that should be collected and provided to the public?

Yes. It would be useful to know when a charity commenced operations.

4. Should the Annual Information Statement give charities the option of providing narrative descriptions?

Yes. Many charities would appreciate another forum in which to inform government agencies and the public of their objectives, activities and achievements.

5. Is the SBR taxonomy an appropriate basis for the reporting of financial items to the ACNC?

Yes. SBR taxonomy will provide charities with an agreed and harmonized set of definitions ensuring a standard context for the provision of requested information. The use of the SBR taxonomy will provide charities with a clear interpretation of information required for reporting purposes. A number of charities will already use SBR-related software, for example, on-line submission of Business Activity Statements to the Australian Taxation Office (ATO).

6. Is the information collected through the annual information statement appropriate for each tier (see Attachments B, C and D)?

Yes.

7. The ACNC Commissioner has the discretion to vary an accounting period. Under what circumstances should the Commissioner allow for an alternate accounting period?

The standard financial year should be used as the accounting period. In circumstances, where historically, the accounting period has not been the standard financial year, the Commissioner should allow an alternate accounting period for a specified transition timeframe.

8. Do the ATO practice statements provide an appropriate guide?

Yes. These statements provide relevant information needed including for FBT, GST and Superannuation Guarantee requirements.

9. Are the transitional arrangements clear for new and existing charities?

Yes. The initial automatic transfer and registration of all existing charities, currently endorsed with the ATO for tax concessions, to the ACNC is a clearly defined and straightforward process. The review of existing charities (commencing as of 1 July 2013) transitioned from the ATO, ensuring they meet the new definition of 'charity' will be an on-going process and provide sufficient guidance and opportunity for existing charities to undertake any changes required to meet the new definition.

From 1 July 2012 the ACNC website will provide information and guidance material on the on-line registration process for entities wishing to register as a charity (new charities) which will be of assistance.

10. What assistance could the ACNC provide to support the sector's use of online engagement?

The most valuable assistance could include not only the provision of easy to understand information such as step-by-step guidelines and appropriate links but also a staffed help-line where queries can be immediately answered and directions issued.

11. Are there barriers to online reporting or registration? How can the ACNC ensure that it is effective?

The only obvious barrier to on-line reporting and registration would be if a charity/entity does not have suitable internet access, in which case the ACNC needs to provide a workable alternative.

The ACNC information portal will be a major determinate of the ACNC's effectiveness.

12. Are there barriers to the AUSkey as the ACNC online authentication tool?

Many existing charities are already part of the AUSkey system. The only obvious barrier to the use of the AUSkey as the ACNC online authentication tool will be those charities that do not currently use AUSkey. It may need to be considered that as part of the charity registration process, charities are required to obtain AUSkey system access.

13. Are these proposed principles guiding the ACNC's role as an educator adequate and appropriate?

Yes. The guiding principles of accessibility, diversity and efficiency are appropriate.

14. What should be the scope of the ACNC's education role?

It is essential that ACNC undertake a leading educative role relating to its core regulatory and reporting functions. A range of information and education materials tailored to suit charities and the public should be provided both on-line and in hard copy.

15. Is it appropriate for the ACNC to endorse education and guidance material provided by other entities?

Yes. It is appropriate that existing expertise and resources be utilised and either incorporated into the ACNC education materials or endorsed as additional reference material.