



Australian Charities and Not-for-profits Commission Amendment Regulation 2013 (No. 3)

Select Legislative Instrument No. 124, 2013

I, Professor Marie Bashir AC CVO, Administrator of the Government of the Commonwealth of Australia, acting with the advice of the Federal Executive Council, make the following regulation under the *Australian Charities and Not-for-profits Commission Act 2012*.

Dated 13 June 2013

Marie Bashir
Administrator

By Her Excellency's Command

David Bradbury
Assistant Treasurer

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Regulation 2013 (No. 3)* *i*

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1 Name of regulation

This regulation is the *Australian Charities and Not-for-profits Commission Amendment Regulation 2013 (No. 3)*.

2 Commencement

This regulation commences on the day after it is registered.

3 Authority

This regulation is made under the *Australian Charities and Not-for-profits Commission Act 2012*.

4 Schedule(s)

Each instrument that is specified in a Schedule to this instrument is amended or repealed as set out in the applicable items in the Schedule concerned, and any other item in a Schedule to this instrument has effect according to its terms.

Schedule 1—Amendments

Australian Charities and Not-for-profits Commission Regulation 2013

1 Section 4

Insert:

accounting standards—see section 300-5 of the Act.

2 Section 4

Insert:

general purpose financial statement has the meaning given by the accounting standards.

3 Section 4

Insert:

special purpose financial statement means a financial statement that is not a general purpose financial statement.

4 At the end of the regulation

Add:

Division 60—Requirements for annual financial reports

Subdivision 60-A—Purpose of Division 60

60.1 Purpose

For subsection 60-15(1) of the Act, this Division prescribes requirements for annual financial reports.

**Subdivision 60-B—Requirements for annual financial reports
(core rules)****60.5 Contents of annual financial report**

A registered entity's financial report for a financial year consists of:

- (a) the registered entity's financial statements for the year (see section 60.10); and
- (b) the notes to the financial statements (see section 60.10); and
- (c) the responsible entities' declaration about the statements and notes (see section 60.15).

60.10 Financial statements and notes

- (1) The financial statements for the financial year are the financial statements in relation to the registered entity that are required to be prepared by the accounting standards.
- (2) The notes to the financial statements are:
 - (a) notes required by the accounting standards; and
 - (b) any other information necessary to give a true and fair view of the financial position and performance of the registered entity.
- (3) The financial statements and notes:
 - (a) must give a true and fair view of the financial position and performance of the registered entity; and
 - (b) subject to Subdivision 60-C, must comply with the accounting standards.

Note 1: The accounting standards set out the test for whether a registered entity will need to prepare a general purpose financial statement or can instead prepare a special purpose financial statement. See section 60.30 for the accounting standards that must be complied with in preparing a special purpose financial statement.

Note 2: If the financial statements and notes prepared in compliance with the accounting standards would not give a true and fair view, additional

information must be included in the notes to the financial statements under paragraph (2)(b).

60.15 Responsible entities' declaration

- (1) The *responsible entities' declaration* is a declaration by the responsible entities of the registered entity that states:
 - (a) whether, in their opinion, there are reasonable grounds to believe that the registered entity is able to pay all of its debts, as and when they become due and payable; and
 - (b) whether, in their opinion, the financial statements and notes satisfy the requirements of the Act.
- (2) The declaration must be signed by a responsible entity that is authorised to do so by the responsible entities.

Subdivision 60-C—Requirements for annual financial reports (special rules)

60.20 Application of Subdivision 60-C

This Subdivision applies if the accounting standards are inconsistent with Subdivisions 60-E and 60-G of the Act.

60.25 Resolution of inconsistency

The financial statements and notes mentioned in Subdivision 60-B do not have to comply with the accounting standards to the extent to which the accounting standards are inconsistent with Subdivisions 60-E and 60-G of the Act.

Note 1: In requiring further information under Subdivision 60-E, or allowing joint and collective reporting under Subdivision 60-G, the Commissioner may specify requirements relating to the information or reports, including particular accounting standards that do not need to be complied with.

Note 2: A registered entity would not breach a requirement in the accounting standards to prepare a general purpose financial statement if this Subdivision does not require the entity to comply with the requirement.

60.30 Special purpose financial statements

- (1) This section applies if a registered entity:
- (a) is not required to prepare a general purpose financial statement; and
 - (b) does not propose to prepare a general purpose financial statement.
- (2) Each accounting standard mentioned in the following table is taken to apply in relation to the registered entity and the preparation of a special purpose financial statement unless the Commissioner allows the registered entity not to comply with part or all of the accounting standard.

Accounting standards	
Item	Standard
1	AASB 101, <i>Presentation of Financial Statements</i>
2	AASB 107, <i>Statement of Cash Flows</i>
3	AASB 108, <i>Accounting Policies, Changes in Accounting Estimates and Errors</i>
4	AASB 1031, <i>Materiality</i>
5	AASB 1048, <i>Interpretation of Standards</i>
6	AASB 1054, <i>Australian Additional Disclosures</i>

- (3) However, subsection (2) does not apply to any part of an accounting standard referred to in the table in that subsection that is expressed to apply only to a reporting entity.

Subdivision 60-D—Requirements for annual financial reports (transitional rules)**60.35 Application of Subdivision 60-D**

This Subdivision applies if a registered entity:

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- (a) was not required, under an Australian law, to prepare a financial report that complied with the accounting standards in the 2012-13 financial year, or a substituted accounting period that commenced during the 2012-13 financial year; and
- (b) did not prepare a financial report for that financial year, or substituted accounting period, that:
 - (i) complied with the accounting standards; or
 - (ii) purported to comply with the accounting standards.

60.40 Financial statement

- (1) The registered entity’s financial statement for the 2013-14 financial year, or a substituted accounting period that commences during the 2013-14 financial year, must comply with section 60.10, subsection (2) or subsection (3).
- (2) For a medium registered entity, a statement that complies with this subsection must consist of the information set out in the following table.

Information	
Item	Information
<i>Income statement—gross income</i>	
1	Government grants
2	Donations and bequests
3	All other revenue
4	Total revenue
5	Other income
6	Total gross income
<i>Income statement—expenses</i>	
7	Employee expenses
8	Grants and donations made by the registered entity for use in Australia
9	Grants and donations made by the registered entity for use outside Australia

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Information	
Item	Information
10	All other expenses
11	Total expenses
<i>Income statement—net surplus/deficit</i>	
12	Net surplus/deficit
<i>Balance sheet—assets</i>	
13	Total current assets
14	Total non-current assets
15	Total assets
<i>Balance sheet—liabilities</i>	
16	Total current liabilities
17	Total non-current liabilities
18	Total liabilities
<i>Balance sheet—net assets/liabilities</i>	
19	Net assets/liabilities

Note 1: This information is also proposed to be contained in the medium registered entity's 2014 Annual Information Statement.

Note 2: Government grants are grants that the medium registered entity receives from the Commonwealth, a State or Territory or a local government body.

- (3) For a large registered entity, a statement that complies with this subsection must consist of the information set out in the following table.

Information	
Item	Information
<i>Income statement—gross income</i>	
1	Government grants
2	Donations and bequests
3	All other revenue
4	Total revenue

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Information	
Item	Information
5	Other income
6	Total gross income
<i>Income statement—expenses</i>	
7	Employee expenses
8	Interest
9	Grants and donations made by the registered entity for use in Australia
10	Grants and donations made by the registered entity for use outside Australia
11	All other expenses
12	Total expenses
<i>Income statement—net surplus/deficit</i>	
13	Net surplus/deficit
<i>Balance sheet—assets</i>	
14	Total current assets
15	Non-current loans
16	Other non-current assets
17	Total non-current assets
18	Total assets
<i>Balance sheet—liabilities</i>	
19	Total current liabilities
20	Non-current loans
21	Other non-current liabilities
22	Total non-current liabilities
23	Total liabilities
<i>Balance sheet—net assets/liabilities</i>	
24	Net assets/liabilities

Note 1: This information is also proposed to be contained in the large registered entity's 2014 Annual Information Statement.

Note 2: Government grants are grants that the large registered entity receives from the Commonwealth, a State or Territory or a local government body.

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