

Ngā Ratonga Kaupapa Atawhai

Charities Services Newsletter

News of interest to charities in New Zealand



Te Tari Taiwhenua
Internal Affairs



Message From Charlotte



*Charlotte Stanley
General Manager*

Tēnā koutou katoa,

The Matariki Celebration has come around quickly this year! A welcome opportunity to pause and reflect on successes of the past year and plan for the year ahead.

We have recently published an article that gives information about early adoption of the new reporting standards, that is set by the External Reporting Board (XRB). Most charities won't use the new standards until they start reporting next year. We will provide you with more information about the new standards through the newsletter, so make sure your treasurer has subscribed.

Looking ahead, we are preparing for the final changes from the Charities Act Amendment, effective from 5 July 2024. A new appeals and objections process is being introduced. You can read details about the new process in this newsletter and we will provide you with more information on [our website](#) once these changes come into effect. Another key change is that membership of the Charities Registration Board will increase from three to five people. The appointment process for this is underway and we look forward to introducing the new members later this year.

Recently we held our second in-person Community Session of 2024 in Christchurch. We presented information on Financial Reporting and Good Governance and provided a drop-in session for charities to get answers to their questions. It was a good opportunity to connect with charities from the region. We were fortunate enough to be joined by our colleagues from Hāpai Hapori, Community Operations, who administer community funding including the Lottery Grant Funds. It was great to have them in the room answering queries about funding.

Our next Community Session will be in Hamilton on 31 July, and you'll find the link to register below. We have received great feedback from our last two sessions, so if you are in the Waikato region we look forward to seeing you there.

Last week we recognised Te Wiki Tūao ā-Mōtu (National Volunteer week). This is our opportunity to acknowledge and celebrate the important mahi (work) that volunteers do in our communities. We have a proud history of volunteering in Aotearoa with over 1,700,000 hours of volunteering recorded on average per week in 2022. Although the number of people that volunteer per week has decreased since 2021, the average hours they volunteer per week has increased. If you are interested in a breakdown of some volunteering statistics for the past few years, [check out our website](#). Thank you to each and every volunteer for your generosity and commitment to making our communities better places.

Lastly, I want to remind you that, while there's change happening, we are here to help you make sense of it all. If you have questions, or need some support, please get in touch with the team at info@charities.govt.nz.

Nā Charlotte Stanley

Kaiwhakahaere Matua, General Manager

Charities Act Updates

From 5 July 2024, there will be new ways to object to certain intended decisions, or appeal decisions that are made. This means that people will be able to appear before the Board or Charities Services to object to and be heard before decisions are made. People will also be able to go to the Taxation Review Authority as a first appeal step, before going to the High Court.

We'll keep you updated with more information, including what to expect from these processes, on [our website](#).

Changes for Charities Webinar

Charities Services Webinar

Changes for charities

charities.govt.nz



There have been lots of changes for charities lately and we will be discussing them with you in our next webinar on Tuesday 6 August 2024 at 12pm.

We'll tell you about some of the changes to the Charities Act, changes to the reporting standards and tiers, and there will be plenty of time for you to ask your questions.

The webinar runs from 12 - 1pm with 30 minutes of presentations, followed by question time.

To book please [click here](#). We will email you a link to join the webinar a day before the event.

Early adoption is now available!

In May 2023, the External Reporting Board (XRB) published new reporting standards for registered charities reporting at Tier 3 and Tier 4. These new standards will become mandatory from next year (2025), but charities can choose to start using them now for any reporting periods that end after 15 June 2023. To learn more about how to early adopt, we have an article to guide you [on our website](#).

Hamilton Community Session



CHARITIES
SERVICES
Ngā Ratonga Kaupapa Atawhai



CHARITIES SERVICES

Hamilton Community Session

Date: 31 July 2024
Time: 10:00am - 3:00pm
Location: Western Community Centre,
46 Hyde Ave, Nawton, Hamilton

Meet the team for presentations, support and Q&A!

Our next Community Session will be held on 31 July at Western Community Centre in Hamilton. We will be running a session from **10.00am to 12.30pm** which will include presentations on reporting and good governance with lots of time for questions from the audience. In the afternoon from **1pm -3pm** we will be holding drop-in sessions where you can pop in, have a chat and get some general support and information for your charity. You can talk to us about governance, reporting, registering your charity, recent Act changes or updating your details on the register. We will also be joined by Hāpai Hapori, Community Operations, where they will be able to talk about funding opportunities.

To sign up for the presentations in the morning please follow this link. This event is free and has capacity for 100 people, so book in while you can!

There is no need to sign up for the afternoon, just pop in and see us!

We will keep you updated on the other sessions happening throughout the year in our newsletter and [Facebook](#). If you're not located in any of the areas we're visiting or unable to attend, but still need assistance with your reporting, please book a [one-on-one clinic with us](#).

Quick News of Interest

Is your charity inactive? Have you considered deregistering?

There are over 28,000 charities listed on the Charities Register and most are doing amazing mahi around the country.

However, we know that many charities get set up by people with great ideas and tremendous vision, but life gets in the way, and they never become active.

If you have set up a charity but you are inactive and you can't see yourself actually doing any charitable mahi, then we recommend you hit the deregister button.

If your charity remains registered, then you are obliged to file an annual return, every year. This includes providing a Performance Report as part of your Annual Return, even if you have had no activity.

Some charities might not have any financial activity for a short period, while you are just starting up. However, if you repeatedly report that you have not had any activities or finances year after year, we will be getting in touch.

We have contacted a number of these charities lately and most are choosing to deregister rather than spend their time filling out forms to report on their inactivity.

Charity Reporting Awards



This year's winner and highly commended entries in the New Zealand For Purpose Charity Reporting Awards have been announced, with a new category recognising first time entries. Congratulations to everyone who entered their inspiring reports.

You can find details of the winners and links to their performance reports on the [Chartered Accountants Australia and New Zealand's website](#).

Board Talks: Charities Act - changes for our charities

Board talk

Board Talks: Charities Act – changes for our charities



Community Governance have a lot of useful resources to help explain some of the recent changes to the Charities Act and how they affect your charity. Included in the resources is a webinar where we appeared alongside members of the sector to talk about the changes. This is part of the online series, Community Governance Board Talks. There is a recording and a lot of useful resources on the [Community Governance website](#).

Send In Your Photos!



Photos: (Top) Potahi Marae, Te Pūtahi Kura Puhou O Aotearoa New Zealand Kindergartens Incorporated (Bottom) Burn Support Group Charitable Trust, Age Concern Nelson Tasman.

We're putting out a call for photos that could be featured in our Annual Review and the resources that we produce. It's a fantastic way to promote your charity and to celebrate your wonderful mahi. Here is what you need to know:

- The photo needs to be of a high quality and size suitable for publication.
- You will need get the permission of everyone who is in the photo, and if there are children in the photo you will need the permission of their parents or caregivers.
- By sending us your photos, you will be allowing Charities Services to use the photo in different publications and online. We will credit your charity.
- Before we can use your photos, we need to make sure you are fully compliant as a registered charity, so please include your registration (CC) number.

Don't be shy! Send your photos to info@charities.govt.nz and include the word 'Photos' in the subject line.

Governance Matters

Good governance and the Charities Act

The Charities Act changed in 2023 and now there is a new requirement related to the governance of your charity. Charities will now need to review their governance every three years. When you come to file your annual return, there will be a new question in the form asking whether you have reviewed your governance and the date you did the review.

Please note that this is a self-directed review and will be different for every charity. Charities vary immensely in size, skill and capacity.

The most important thing to remember when reviewing your current governance activities and procedures, is to think about whether what you have in your governance kete is **“fit for purpose”**, if it **“assists your charity to achieve its charitable purpose”** and **“assists your charity to meet your legal requirements”**.

We recommend starting with your rules document, your essential policies and procedures. You can find your rules document on the [Charities Register](#).

Take a good look at your most essential governance tools and see if they are still working for you. Think about the biggest areas of risk for your charity and plan to mitigate them with good governance. Use the [governance checklist](#) to help.

Update From The Wider Government

Making the most of our Constitution Builder tool



If you are an incorporated society and you need some help to draft your constitution, the Companies Office have a ‘do-it-yourself’ tool for writing or revising constitutions. This tool can help you draft a constitution that complies with the Incorporated Societies Act 2022. Once your draft constitution is ready, you may choose to seek external advice. For example, there may be community legal services available to you. [Read the guide on using the Constitution Builder tool.](#)

Exciting Changes to Hāpai Hapori: Making Lottery Funding Easier

Hāpai Hapori



Hāpai Hapori, Community Operations is working to better support communities, hapū, and iwi by developing our funding delivery and advisory services. Over the next four years, Hāpai Hapori will be implementing these changes to help support greater outcomes for Aotearoa New Zealand.

In the 2024/2025 financial year, we are taking some steps, or 'quick wins', to make it easier to access lottery funding. On behalf of Te Puna Tahua Lottery Grants Board we are starting with the Lottery Community Fund, the largest fund administered by Hāpai Hapori. This allows us to test our new ways of working and evolve any new learnings before rolling out changes across other funds.

Te Tahua Whakatinana Papakāinga Lottery Community Fund Quick Wins 2024/2025

Te Tahua Whakatinana Papakāinga Lottery Community Fund provides grants for not-for-profit organisations with a community or social service focus. It’s available to help

organisations improve the quality of people's lives and can contribute towards both operational and project costs. The quick wins implemented in the 24/25 financial year allow for a streamlined approach to both the application and reporting processes for this fund. [Find out more here.](#)

This fund (round 1) opens 26 June 2024 and closes July 2024. For funding reminders and guidance be sure to follow our Hāpai Hapori Community Matters [Facebook](#) page.

Please note that funding requests are considered by eleven regional committees and one national committee. Each committee has their own locally-determined priority outcomes. Be sure to check these out before applying. Requests that provide services or programmes in more than one region should be submitted to the national committee.

The Lottery Significant Projects and Lottery Community Sector Research Funds will remain in recess for FY 24/25.

If your organisation would like more information about the Lottery, Crown and Trust funds administered by Hāpai Hapori please visit our community matters website www.communitymatters.govt.nz.

For support on how to apply for funds feel free to email community.matters@dia.govt.nz or freephone 0800 824 824 to leave us a message.

Law change for charity deregistration



Donee organisations and donations

Individuals who give monetary donations of \$5 or more to an approved charity may claim a donation tax credit. To qualify for the donation tax credit the gift cannot be a gift of property.

If your charity accepts cryptoassets as donations, they will not qualify for donation tax credits. This is because cryptoasset donations are gifts of property, not money.

Further information for donee organisations can be found on IR's website: [Helping people who donate to you claim their refund \(ird.govt.nz\)](#). This also covers how to apply for approval to become an approved donee organisation if you believe your organisation meets the criteria.

When should a charity register for GST?

If you have a continuous or regular taxable activity, then you may need to register for GST. Understanding what constitutes a taxable activity is crucial for compliance and reporting purposes. Donations and unconditional gifts aren't considered taxable activities and are not subject to GST.

When completing a GST registration, please provide as much information about the **taxable activities** of the charity. For example, attaching copies of contracts or invoices issued by the charity to the application. This will help your application to be processed application faster.

Find out more on Inland Revenue's website: [Registering for GST](#) (ird.govt.nz) Click on the links to go to the guides: [IR255 'Charitable and donee organisations'](#) and [IR249 'Grants and subsidies'](#).

Addresses for correspondence

When a charity registers with Charities Services, Inland Revenue is automatically notified and uses the postal address provided to Charities Services. Please ensure this is a valid postal address.

If you need to update your contact details with Inland Revenue, please get in touch.

Need to contact Inland Revenue?

Please contact them through your myIR account. For more information, please visit [myIR Secure Online Services](#) (ird.govt.nz) or email charities.queries@ird.govt.nz.

Resources

Latest Blogs

[Ending an incorporated society](#)[Hot Tips for Funding](#)

[New requirement to review your governance procedures](#)

[Changes to the definition of officer](#)

[Myth Busting: Advocacy is not charitable](#)

Webinars

[Hot Tips for Funding](#)

[Proposed changes to the Tier 3 and Tier 4 Standards webinar series](#)

[Incorporated Societies Act webinar series](#)

[Before you register as a charity](#)

Governance

[The Charity Handbook](#)

[Video for new officers](#)

[Charities' obligations under the law](#)

[Digital stuff we love](#)

[CommunityNet Aotearoa](#)

[Just had an AGM? Don't forget to update your charity's details](#) [Societies, trusts, companies - which structure is right for your charity?](#) [Effective governance- Te Puni Kōkiri](#)

[Myth Busting: your officers always need to be NZ Citizens and physically in New Zealand](#) [Tier 4 reporting - an overview](#) [NZ Navigator](#)

[Myth Busting: you need an accountant to prepare your Performance Report](#) [Funding your charity in a post-COVID world](#)

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