

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,

I'm not sure about anyone else, but I thought the early long Easter weekend was perfectly timed this year. The first few months of the year have raced by in a flurry of activity.

Last year we consulted with you on proposed changes to our forms for registration, details updates, and annual returns.

These changes aim to improve the quality of information on the Charities Register, as well as align with new Reporting Standards by the External Reporting Board (XRB) and amendments to the Charities Act 2005. The forms will be available later this month.

On 26 April, we'll be appearing alongside members of the sector to talk about the changes to the Charities Act and how they affect your charity. This is part of the online series, Community Governance Board Talks. We hope you'll tune in for this important discussion by registering below.

Recently we held the first in-person Community Session of 2024 in Wellington. We gave two presentations on Financial Reporting and Good Governance and then had a chance to connect with several charities from the region. We're so pleased that many of you said you found the session useful and informative. Our next Community Session will be in Christchurch on 30 May 2024. Registration information is below.

We also met with the Charities Sector Group in March, which is made up of representatives from across the charitable sector. Members meet with us a few times a year to discuss priorities and the issues facing the charitable sector. When Charities Services plan changes to our policies or processes, we also test these with the group. You can learn more about the [Charities Sector Group](#) and read meeting reports on our website.

You may have noticed the newsletter's new appearance. We've made some changes to improve its accessibility, and we hope it makes it easier for you to use our links and to enjoy our content.

Nā Charlotte Stanley  
Kaiwhakahaere Matua, General Manager

## In The Spotlight

### Charities Act Update

You may have heard that the Charities Act has changed but are you aware of what the changes mean for your charity? Take a look at the [Charities Act hub](#) on our website to keep up to date.

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 discuss some decisions before they 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.



### XRB Update: New Tier Thresholds

The External Reporting Board (XRB) has increased the size thresholds of reporting tiers for Public Benefit Entities. This means reduced reporting requirements for the registered charities that move a lower tier.

Registered charities with financial years ending on 31 March 2024, can apply the new thresholds immediately. [Click here for more information on XRB's website.](#)

These changes also affect Incorporated Societies under the new Incorporated Societies rules introduced in 2023. There is [information on XRB's website to help societies](#) with the changes.

Tier	Old criteria	New criteria
Tier 1*	Total expenses greater than \$30 million	Total expenses greater than \$33 million
Tier 2	Total expenses less than \$30 million	Total expenses less than \$33 million
Tier 3	Total expenses less than \$2 million	Total expenses less than \$5 million
Tier 4	Total operating payments \$140,000	No change

\*Note; an entity is also required to apply Tier 1 if it has "public accountability"

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## New Forms Are Coming

Our forms are being updated and they will be available late April 2024. These include the forms you use to register, update your details, and file your annual returns with us. We've also updated the help text that guides you through the forms, to make them easier to use.

The changes include the new reporting standards set by the External Reporting Board (XRB), changes to the Charities Act 2005, and other changes to improve the information on the register.

The new reporting standards aren't mandatory yet, so you'll be able to choose if the annual return you complete is under the new standards or not. If you use the new standards you will need to make sure you're also using one of [XRB's new performance report templates](#) and select that option in the annual return form.

We'll give you more information once the forms are live. If you have any questions, [please let us know](#).

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CHARITIES  
SERVICES  
Ngā Ratonga Kaupapa Atawhai



# CHARITIES SERVICES

## Community Session

Te Hāpua: Halswell Centre  
Christchurch  
10.00am - 3.00pm

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

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## Christchurch Community Session

We are excited to announce that our next Community Session is at [Te Hāpua: Halswell Centre](#) in Christchurch on 30 May 2024.

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.

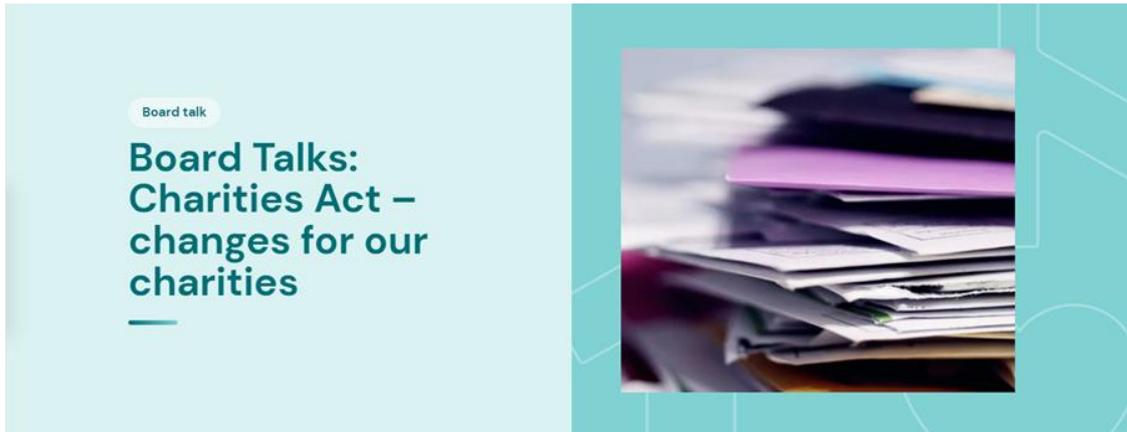
There will be tea and coffee available.

[To sign up for the presentations in the morning please follow this link.](#) This event is completely 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](#).

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## Register for Board Talks: Charities Act - changes for our charities

Join Community Governance's Board Talks online on 26 April 2024, for an insightful discussion on the changes to the Charities Act and what they mean for your charity. With over 28,000 charities in Aotearoa, understanding these updates is crucial for effective governance and management. [Click here for more information.](#)

## Quick News of Interest

### State Of The Sector Survey

The 2024 State of the Sector Survey, led by Community Networks Aotearoa, is now open! This survey is specifically for not-for-profit organisations. The findings will provide vital insight into the Community and Voluntary sector, facilitating the identification of trends, addressing challenges, and finding collective solutions for the sector as a whole.

To take the survey, or to find out more, click here: [State of The Sector Survey - Community Networks Aotearoa.](#)

### Time To Think About Reporting

Data from the Charities Register shows that over the next three months approximately 20% of registered charities will be getting ready to file their annual returns. We have a range of information and guidance on our website to help you prepare.

Many of you are Tier 3 or Tier 4 charities and you may find these resources helpful:

[Tier 3 resources](#)

[Tier 4 resources](#)

Remember, if you are a small Tier 4 charity you may be able to use the [Simple Tier 4 Reporting Template](#). This template is suited to charities with a single bank account, few, or no other significant resources, few or no significant commitments and you have not

entered into other complex transactions (such as multi-year grants or controlling businesses).

If you have any questions related to reporting, please email us at [info@charities.govt.nz](mailto:info@charities.govt.nz) or [book into a clinic to receive some one-on-one support](#).



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

## **Send In Your Photos!**

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](mailto:info@charities.govt.nz) and include the word 'Photos' in the subject line.

## Governance Matters

### SocialLink Governance Resources

The team at SocialLink have created a range of resources on their website to help with governing your charity. They have information on funding, policy and procedures, measuring your impact plus a whole heap more. There are templates and checklists to help you with governance and information about financial management to help keep track of your money. [Check out SocialLink's website today!](#)

## Update From The Wider Government



MINISTRY OF BUSINESS,  
INNOVATION & EMPLOYMENT  
HĪKINA WHAKATUTUKI

### Key changes for registered charities

Stay informed about the latest regulatory changes that could affect your charity, under the Incorporated Societies Act.

If you are an incorporated society that is also a registered charity, the New Zealand Companies Office's website has information on the key changes that you need to be aware of, including the reregistration process with them. Visit the [New Zealand Companies Office](#) to find out more.



Inland Revenue  
*Te Tari Taake*

### Law change for charity deregistration

Parliament has passed into law a change to the charity deregistration tax rules. When a charity is deregistered and does not reregister with within one year, income tax must be paid on certain net assets if they are not transferred to another registered charity or a New Zealand tax-exempt entity.

Assets transferred to an overseas charity do not qualify. In this situation, you may be required to pay deregistration tax.

This applies to charities that deregister on or after 1 April 2024. You can find more information about deregistration tax on assets on the [Inland Revenue website](#).

## **Law change for disposal of or a donation of trading stock to approved donee organisations**

A permanent change now applies when a business disposes of, or donates trading stock to approved donee organization(s) at less than market value. This change replaces the temporary measures that were in place due to Covid-19 and adverse weather events, which ended on March 31, 2024.

Previously, businesses were required to treat such disposals or donations as if they were sales at market value. However, this is no longer the case.

This change applies to disposals of, or donations of trading stock to approved donee organisations from 1 April 2024.

For more information about disposals of trading stock below market value, [visit the Inland Revenue website](#).

## **Resources**

## Latest Blogs

[Ending an incorporated society](#)

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

[Changes to the definition of officer](#)

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

[Just had an AGM? Don't forget to update your charity's details](#)

[Myth Busting: your officers always need to be NZ](#)

[Citizens and physically in New Zealand](#)

[Myth Busting: you need an accountant to prepare your Performance Report](#)

[Click here to \*view all our past blogs\*](#)

**[Read the plain version of this email here.](#)**

## 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](#)

[Societies, trusts, companies - which structure is right for your charity?](#)

[Tier 4 reporting - an overview](#)

[Funding your charity in a post-COVID world](#)

[Click here to \*view all our past webinars\*](#)

## Governance

[The Charity Handbook](#)

[Video for new officers](#)

[Charities' obligations under the law](#)

[Digital stuff we love](#)

[CommunityNet Aotearoa](#)

[Effective governance- Te Puni Kōkiri](#)

[NZ Navigator](#)

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