



Australia's Charities and Not-for-profits

Written Submission

The Options Paper, Australia's Charities and Not-for-profits sets out proposed replacement arrangements for charities in Australia. The paper outlines policy directions proposed by the Government to introduce effective replacement arrangements that reduce the burden of regulation on the civil society sector.

The paper is being released to seek feedback from charities and interested parties on the proposed replacement options. Comments and feedback will inform development of the replacement arrangements. A summary of written submissions will be provided on the Department's website in September 2014.

Please use this submission template to provide your feedback on the proposed replacement arrangements for charities in Australia.

Completed submissions are to be sent by 20 August 2014 to:

consultationwithcharities@dss.gov.au (preferred method) OR

Civil Society and Programme Delivery Policy Branch

Department of Social Services PO BOX 7576

Canberra Business Centre, ACT 2610

Submissions received after 20 August may not be considered.

Unless otherwise stated, the information and feedback you provide may be used for publishing purposes. Please state if you do not wish for your comments to be published.

Instructions for completing the Submission Template

- Download and save a copy of the template to your computer.
- Refer to the *Options Paper, Australia's Charities and Not-for-profits* for context and discussion questions.
- You do not need to respond to all of the questions.
- Please keep your answers relevant to the topic being addressed, we ask that submissions be limited to two pages



WESTMEAD MEDICAL RESEARCH FOUNDATION

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Response to options paper:

Westmead Medical Research Foundation is a Western Sydney based charity that has been working to provide people with access to the best possible treatment and care for over 20 years. Working with two stakeholders being Westmead Hospital and Westmead Millennium Institute for Medical Research, the Foundation funds new and cutting edge medical equipment, patient services and life-saving research.

Working within this setting the foundation has always taken their reporting and compliance responsibilities seriously and closely adhere to all relevant legislative requirements.

In response to the proposed changes outlined in the options paper, the impact of these will be minimal to WMRF as we currently host a public website with all the relevant content displayed and accessible to the public.

While WMRF recognise the additional reporting requirements some charities may have had under the ACNC, WMRF felt no additional regulatory burden. WMRF welcomed the ability to direct all inquiries to a centralised service under the ACNC (a one stop shop) for specialised NFP information. The impact of not having access to this service due to the abolishment of the program remains to be seen.

In regards to the impediments some charities may suffer in complying with these requirements, smaller charities who don't already have audited financial reports, financial statements or websites may lack the resources to complete this effectively.

While transparency is the ideal benchmark and much of the ACNC proclamations centred around it, measuring all charities on the same scale and set of determinates would not allow for true representations of where they may be in their life cycle. Newer and smaller charities may need to invest in their infrastructure or programs to solidify their place in the market and achieve growth; where more established charities that have already done this will not. If both were measured in terms of their ability to return the highest percentage in the dollar, the newer or smaller organisations would not appear to be an attractive proposition to potential donors accessing the ACNC style of reporting.

Given this the new propositions outlined in the options paper appear to provide a more level playing field to NFP's of all sizes and ages.

When looking at options in regards to determining charitable status and the appellate rights of this, an independent panel separate to the office of the ATO would provide reassurance to the NFP sector that the process is impartial. It would also ensure that decisions are made accessing knowledge and experience from sector professionals.

WMRF have a professional Board that has always taken their compliance requirements seriously and model best practice in regards to this. It is seen as a critical component of the work that we do and so resurrecting previous frameworks or implementing new ones is a necessary function to optimise our effectiveness.

In determining transitional requirements WMRF would like to note the time of year that this occurs is critical. Major fundraising appeals and campaigns often centre on activities occurring at the end of financial year. If transition is required for a July 1st change over, some charities will struggle to prepare and ready themselves for the new system whilst operating within the busiest time of their calendar. An August or September changeover would allow for potential revenue not to be compromised.