

COMPLIANCE ESSENTIAL

# ACNC Compliance Checklist

Complete Guide for Australian Registered Charities — Governance Standards, Reporting Requirements & Practical Templates

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| [AmplifyData.org.nz](https://AmplifyData.org.nz)

Governance Standards

Annual Information Statement

Financial Reporting

Responsible Persons

Record Keeping

Compliance Calendar

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# Introduction to ACNC

Understanding the Australian Charities and Not-for-profits Commission



## What is the ACNC?

The Australian Charities and Not-for-profits Commission (ACNC) is the national regulator of charities in Australia, established in 2012 under the *Australian Charities and Not-for-profits Commission Act 2012*.

### Key Functions

- Registering and maintaining the Australian Charities Register
- Assisting charities to understand and meet their obligations
- Supporting the public to access information about registered charities
- Providing education and guidance to the charity sector
- Investigating charity compliance and taking regulatory action when needed

## Why ACNC Registration Matters

BENEFIT	DESCRIPTION
Tax Concessions	Access to income tax exemption, GST concessions, FBT rebates/exemptions
DGR Status Eligibility	Ability to seek deductible gift recipient endorsement from ATO
Public Trust	Listed on ACNC Charity Register increases credibility
Reduced Red Tape	'Report Once, Use Often' reduces multiple reporting requirements
Access to Grants	Many government and philanthropic funders require ACNC registration

### Key Responsibilities of ACNC-Registered Charities

- Complying with ACNC Governance Standards
- Submitting Annual Information Statements
- Keeping the ACNC informed of changes
- Maintaining records and financial information
- Having qualified responsible persons
- Operating solely for charitable purposes

## Key Legislation

### ACNC Act 2012

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- Establishes the ACNC as the regulator
- Defines registration requirements
- Sets out Governance Standards
- Provides investigation and enforcement powers

### Charities Act 2013

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- Defines what is a charity and charitable purpose
- Establishes the public benefit requirement
- Sets out disqualifying purposes

## Registration Categories

**Basic Religious Charity** Advancing religion as sole purpose. Reduced reporting; only Standard 1 applies. Not entitled to government grants.

**Small Charity** Annual revenue under \$250,000. Simplified financial reporting. All governance standards apply.

**Medium Charity** Annual revenue \$250,000 – \$1 million. Reviewed or audited financial reports. All governance standards apply.

**Large Charity** Annual revenue over \$1 million. Audited financial reports required. All governance standards apply.

# ACNC Governance Standards

The five minimum standards for governance and internal operations

All registered charities (except Basic Religious Charities) must meet ACNC Governance Standards. These are minimum standards for governance and internal operations.

5

Governance Standards

28

Days to notify changes

7

Years record retention

## Standard 1: Purposes and Not-for-Profit Nature

**Requirement:** Charities must be not-for-profit and work towards their charitable purpose.

### Compliance Checklist — Standard 1

#### Purposes

- Constitution/rules clearly state charitable purpose(s)
- All activities further the stated charitable purpose(s)
- Activities provide public benefit
- Purpose(s) align with one or more charitable purpose categories

#### Not-for-Profit Operation

- No distribution of profits/assets to members or responsible persons
- Surplus funds reinvested in charitable activities
- Winding up clause directs assets to another charity or government
- Any payments to members are at arm's length for services rendered

#### Evidence to Maintain

- Governing document with stated charitable purposes
- Records of activities and how they further purposes
- Financial records showing no private benefit
- Board/committee resolutions on use of surplus funds

## Charitable Purpose Categories

CATEGORY	EXAMPLES
Advancing health	Hospitals, mental health services, preventive health
Advancing education	Schools, training providers, scholarships
Advancing social/public welfare	Housing services, emergency relief, disability support
Advancing religion	Churches, religious education, spiritual support
Advancing culture	Museums, cultural preservation, performing arts
Promoting reconciliation	Interfaith programs, community harmony initiatives
Promoting/protecting human rights	Advocacy services, anti-discrimination programs
Advancing natural environment	Conservation, wildlife protection, sustainability
Other community benefit	Community development, aged care, animal welfare

## Standard 2: Accountability to Members

**Requirement:** Charities that have members must be accountable to their members.

### Compliance Checklist — Standard 2

#### Member Information

- Members have access to governing document (constitution/rules)
- Members can access information about purposes and activities
- Financial reports available to members
- Members informed of significant decisions

#### Member Participation

- Regular general meetings held as per governing document
- Members can participate in decision-making as rules allow
- Members can vote in elections for responsible persons
- Adequate notice given for meetings and votes

#### Record Keeping

- Accurate register of members maintained
- Minutes of general meetings recorded
- Voting results documented
- Member communications filed

## Standard 3: Compliance with Australian Laws

**Requirement:** Charities must not commit a serious offence or breach of a Commonwealth, state, or territory law.

### Compliance Checklist — Standard 3

#### Employment Laws

- Fair Work Act compliance (awards, minimum wage, leave)
- Superannuation contributions made on time
- Workers' compensation insurance maintained
- Work health and safety requirements met
- Anti-discrimination policies in place

#### Financial Laws

- Tax obligations met (BAS, PAYG, FBT as applicable)
- Proper financial records maintained
- Anti-money laundering requirements met
- Whistleblower protections in place (if applicable)

### State & Territory Fundraising Requirements

JURISDICTION	REGISTRATION REQUIRED	KEY POINTS
ACT	Yes (if collecting)	Register with Access Canberra
NSW	Yes	Fundraising Authority from Fair Trading NSW
NT	No general requirement	Some specific types regulated
QLD	Yes	Register with Office of Fair Trading
SA	Yes	Licence from Consumer and Business Services
TAS	Yes	Permit from Consumer, Building and Occupational Services
VIC	Yes	Register with Consumer Affairs Victoria
WA	Yes	Licence from Consumer Protection

## Standard 4: Suitability of Responsible Persons

## Compliance Checklist — Standard 4

### Identification

- All responsible persons identified to ACNC
- Contact details for all responsible persons current
- Changes notified to ACNC within 28 days
- Responsible person details up to date on ACNC Portal

### Disqualification Checks

- Check new responsible persons are not disqualified
- Annual declaration obtained from all responsible persons
- Written record of disqualification checks
- Process for handling discovered disqualification

### Automatic Disqualification — A person CANNOT be a responsible person if they:

- Are disqualified from managing corporations under Corporations Act (5 years from disqualification)
- Have been convicted of an offence involving dishonesty punishable by 3+ months imprisonment (within last 7 years in Australia or at any time overseas)
- Are an undischarged bankrupt
- Have been disqualified by the ACNC Commissioner

## Standard 5: Duties of Responsible Persons

DUTY	WHAT IT MEANS
Care and Diligence	Be active, informed, and make careful decisions
Good Faith	Act honestly and for the charity's benefit
Proper Purpose	Use powers for what they're meant for
No Misuse of Position	Don't use role for personal advantage
No Misuse of Information	Don't use charity information for personal gain
Disclose Conflicts	Be open about competing interests
Financial Responsibility	Ensure charity can pay its debts

## Compliance Checklist — Standard 5

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### Conflict of Interest Management

- Written conflict of interest policy exists
- Annual declarations completed by all responsible persons
- Conflicts declared at relevant meetings
- Conflicted persons excluded from discussions and decisions
- Conflicts recorded in minutes
- Register of interests maintained

# Annual Information Statement

Your primary annual compliance obligation to the ACNC



Every registered charity must submit an Annual Information Statement (AIS) to the ACNC each year.

**Due Date: Within 6 months of your financial year end**

FINANCIAL YEAR END	AIS DUE DATE
30 June	31 December
31 December	30 June
31 March	30 September

## What's Required in the AIS

## AIS Sections

### Section 1: Charity Size and Operations

- Revenue for reporting period
- Number of employees (full-time, part-time, casual)
- Number of volunteers
- States/territories operating in
- Operating overseas? (countries and activities)

### Section 2: Contact and Responsible Person Details

- Contact details current
- All responsible persons listed
- Responsible person details up to date

### Section 3: Activities

- Main beneficiary groups
- Activities conducted during year
- How activities furthered charitable purposes

### Section 4: Financial Information

- Financial report (type depends on charity size)
- Revenue and expenses breakdown
- Assets and liabilities

## Financial Reporting by Charity Size

### Small (<\$250k)

- Answer financial questions in AIS
- No mandatory audit or review
- Can use cash or accrual accounting
- Keep underlying financial records

### Medium (\$250k-\$1m)

- Annual Financial Report required
- Must be reviewed OR audited
- P&L, balance sheet, cash flows, notes
- General or special purpose statements

### Large Charities (Revenue over \$1 million)

- Audited Annual Financial Report required
- Full set of financial statements including P&L, balance sheet, equity changes, cash flows, and notes
- Must follow Australian Accounting Standards (AASB)
- May use ACNC-simplified disclosures

## Step-by-Step AIS Submission

- 1 Prepare (1–2 months before)**

Finalise annual accounts, complete audit/review if required, gather responsible person details, prepare activities summary, board approve financial statements.
- 2 Pre-Submission Checks**

Log in to ACNC Charity Portal, check all contact details are current, update responsible persons if changed, have financial documents ready.
- 3 Complete and Submit**

Answer all mandatory questions, enter financial figures accurately, upload required documents, review all sections before submitting.
- 4 After Submission**

Download confirmation receipt, save copy for records, file with charity documents, update internal compliance calendar.

### Common AIS Mistakes to Avoid

MISTAKE	HOW TO AVOID
Late submission	Set calendar reminders 2 months, 1 month, 2 weeks before
Wrong financial year	Confirm reporting period matches ACNC records
Missing audit/review	Book auditor at least 3 months before due date
Outdated responsible persons	Update within 60 days of any change
Incomplete financial figures	Reconcile all accounts before entering figures
Wrong charity size reported	Calculate revenue carefully, including grants

# Responsible Persons Requirements

Who qualifies, appointment process and notification obligations



## Who is a Responsible Person?

ENTITY TYPE	RESPONSIBLE PERSONS
Company limited by guarantee	Directors
Incorporated association	Committee members / Board members
Trust	Trustees
Unincorporated association	Management committee members

## Minimum Requirements

### Responsible Person Requirements

#### Minimum Numbers

- At least 1 responsible person (strongly recommend 3+)
- At least 1 must be an Australian resident
- Age requirements as per governing document

#### Qualifications

- Not disqualified under ACNC Act
- Not disqualified under Corporations Act (if applicable)
- Capable of understanding and performing duties
- No undischarged bankruptcy

## Appointment Process

1

### Before Appointment

Check not disqualified, explain duties/responsibilities, provide governing document and key charity information, confirm willingness to serve.

2

**At Appointment**

Follow process in governing document, resolve or elect as required, record in meeting minutes, obtain consent to act, collect required details for ACNC.

3

**After Appointment**

Update ACNC Charity Portal within 28 days, provide induction materials, add to communications lists, arrange orientation session.

# Record Keeping Obligations

What to keep, how long, and best practices for record management



## Record Keeping Requirements

### Financial Records (keep for 7 years)

- Bank statements and reconciliations
- Invoices (issued and received)
- Receipts for all income
- Payment authorisations
- Petty cash records
- Payroll records
- Tax records (BAS, PAYG summaries)
- Financial statements and audit/review reports

### Governance Records (keep permanently or as specified)

- Governing document (all versions) — permanent
- Meeting minutes — 7 years minimum
- Responsible person register — permanent
- Conflict of interest register — 7 years
- Member register (if applicable) — permanent

### Operational Records (keep for 7 years)

- Contracts and agreements
- Grant applications and acquittals
- Employment and volunteer records
- Insurance policies
- Program/project records

## Record Keeping Best Practices

## Electronic Records

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- Use backup systems (cloud, external drives)
- Maintain access controls and passwords
- Keep records in readable format
- Store copies off-site
- Regular backup schedule

## Physical Records

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- Secure storage location
- Organised filing system
- Protection from damage (fire, water)
- Access controls
- Destruction schedule for expired records

# Financial Reporting Requirements

Standards, simplified disclosures and approval processes

## Overview by Charity Size

REQUIREMENT	SMALL (<\$250K)	MEDIUM (\$250K–\$1M)	LARGE (>\$1M)
Financial Report	Optional	Required	Required
Audit Required	No	No*	Yes
Review Required	No	Yes*	No (audit instead)
Submit to ACNC	AIS only	AIS + Report	AIS + Report

\* Medium charities must have either audit or review

## Key Australian Accounting Standards

STANDARD	DESCRIPTION
AASB 1060	General Purpose Financial Statements — Simplified Disclosures for Tier 2 Entities
AASB 1058	Income of Not-for-Profit Entities
AASB 15	Revenue from Contracts with Customers
AASB 16	Leases
AASB 116	Property, Plant and Equipment

## Financial Report Approval Process

1

### Before Approval

Accounts finalised by accountant, audit/review completed, management representation letter signed, reports provided to responsible persons.

2

### Approval Meeting

Present financial statements to board/committee, discuss significant issues, pass resolution to approve, record in minutes, authorised person(s) sign reports.

3

### After Approval

File signed copies, prepare for AIS submission, distribute to members if required, publish on website if policy.

# Maintaining Registration

Ongoing obligations, change notifications and voluntary revocation



## Ongoing Obligations

### Ongoing Registration Requirements

#### Annual

- Submit Annual Information Statement on time
- Submit financial reports (medium/large charities)
- Review responsible persons and update ACNC
- Confirm contact details current

#### Continuous

- Operate for charitable purposes only
- Meet all Governance Standards
- Keep required records
- Respond to ACNC requests
- Maintain eligible entity type

## Changes That Must Be Notified

CHANGE	WHEN TO NOTIFY	HOW TO NOTIFY
Responsible person added/removed	Within 28 days	Charity Portal
Responsible person details change	Within 28 days	Charity Portal
Contact details change	As soon as practicable	Charity Portal
Charity name change	Before using new name	Application to ACNC
Governing document change	When significant	Charity Portal
Charity ceases operating	Promptly	Contact ACNC

# Common Compliance Issues

Top problems, investigation process and how to respond

## Top Compliance Problems & Solutions

### Late AIS Submissions

- Set reminders 3 months, 1 month, 2 weeks before
- Book auditor early
- Delegate responsibility with backup
- File as early as possible

### Outdated Responsible Person Info

- Review at every board meeting
- Add updates to meeting agenda
- Immediate update when changes occur
- Annual verification with all persons

### Missing Financial Records

- Use accounting software
- Regular bank reconciliations
- Monthly financial close process
- Quarterly financial reviews

### Conflicts of Interest Not Managed

- Written conflict policy
- Annual declarations
- Standing agenda item at meetings
- Proper exclusion and documentation

## ACNC Investigation & Enforcement

### Investigation Triggers

- Complaints received from public
- Concerns from AIS information
- Media reports of issues
- Intelligence from other regulators
- Random compliance reviews
- Referrals from ATO or other agencies

1

#### Initial Assessment

ACNC reviews available information, may contact charity, decides whether to investigate.

2

#### Investigation

Formal information and document requests, interviews if necessary, may engage external experts.

3

#### Findings

Draft findings provided, opportunity to respond, final findings issued.

4

#### Outcome

No further action, warning, enforceable undertaking, directions to comply, revocation of registration, or disqualification.

## Responding to ACNC Requests

### DO

- Respond promptly within timeframe
- Answer all questions fully
- Provide all documents requested
- Be honest and transparent
- Seek clarification if needed
- Keep copies of all correspondence
- Get legal advice if serious matter

### DON'T

- Ignore correspondence
- Provide incomplete responses
- Make misleading statements
- Delay without explanation
- Destroy or hide documents
- Be defensive or aggressive

# Compliance Calendar & Checklists

Annual calendar, board meeting guides and governance reviews



## Annual Compliance Calendar (30 June Year End)

PERIOD	TASKS
July (Month 1)	Begin year-end financial close, finalise accounts payable/receivable, book auditor/reviewer, set AIS deadline (31 Dec)
Aug–Sep (Months 2–3)	Prepare draft financial statements, review and adjust accounts, update responsible person details, prepare activities summary
Oct–Nov (Months 4–5)	Complete audit/review, board approves financial statements, prepare AIS responses, review governance compliance
December (Month 6)	Submit AIS to ACNC, upload financial report, save confirmation, update compliance records
Ongoing	Maintain records, hold board meetings, document decisions/conflicts, update ACNC within 28 days of changes

## Board Meeting Compliance Checklist

## Every Board/Committee Meeting

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### Opening

- Conflicts of interest declared
- Previous minutes confirmed
- Action items reviewed

### Financial

- Financial report presented
- Cash flow reviewed
- Budget versus actual discussed

### Governance

- Correspondence reviewed (including ACNC)
- Compliance matters discussed
- Risk matters addressed

### Quarterly

- Review responsible person register
- Review conflict of interest register
- Review compliance calendar
- Check upcoming ACNC deadlines

### Annually

- Approve financial statements
- Approve AIS submission
- Review governing document
- Review policies and procedures
- Governance training/updates
- Strategic planning review

# Templates & Resources

Ready-to-use forms, declaration templates and ACNC contacts



## Responsible Person Consent Form

### CONSENT TO ACT AS RESPONSIBLE PERSON

I, [Full Legal Name], consent to be a responsible person of [Charity Name] (ABN: [XX XXX XXX XXX]).

I confirm that I am not a disqualified individual under the *Australian Charities and Not-for-profits Commission Act 2012*. Specifically, I confirm that:

1. I am not disqualified from managing corporations under Part 2D.6 of the Corporations Act 2001.
2. I have not been convicted of an offence involving dishonesty punishable by 3+ months imprisonment.
3. I am not an undischarged bankrupt.
4. I have not been disqualified by the ACNC Commissioner.

I understand my duties and agree to act with reasonable care and diligence, honestly and fairly in the charity's best interests, and to disclose conflicts of interest.

Full Name: \_\_\_\_\_

Date of Birth: \_\_\_\_\_

Residential Address: \_\_\_\_\_

Position: \_\_\_\_\_

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

## Conflict of Interest Declaration

## ANNUAL CONFLICT OF INTEREST DECLARATION

Charity Name: \_\_\_\_\_

Financial Year: \_\_\_\_\_

Name: \_\_\_\_\_

Position: \_\_\_\_\_

### Part B: Interests to Declare

Employment/Business Interests: \_\_\_\_\_

Financial Interests: \_\_\_\_\_

Family/Personal Relationships: \_\_\_\_\_

Other Roles/Memberships: \_\_\_\_\_

### Part C: Declaration

I have disclosed all interests that may conflict with my duties / I confirm I have no conflicts of interest to declare at this time. I will update this declaration if my circumstances change.

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

## ACNC Resources & Contact

### ACNC Contact

- **Phone:** 13 ACNC (13 22 62)
- **Email:** [advice@acnc.gov.au](mailto:advice@acnc.gov.au)
- **Hours:** Mon–Fri, 9am–5pm AEST
- **Portal:** [charity.acnc.gov.au](http://charity.acnc.gov.au)
- **Register:** [www.acnc.gov.au/charity](http://www.acnc.gov.au/charity)

### Professional Resources

- CPA Australia: [cpaaustralia.com.au](http://cpaaustralia.com.au)
- Chartered Accountants ANZ
- Australian Institute of Company Directors
- Community Council for Australia
- Governance Institute of Australia

## Quick Reference Card

## ACNC COMPLIANCE QUICK REFERENCE

### ANNUAL INFORMATION STATEMENT

- Due: 6 months after financial year end
- Submit via ACNC Charity Portal
- Include financial report (medium/large charities)

### RESPONSIBLE PERSONS

- Update ACNC within 28 days of change
- Check not disqualified
- Minimum 1 Australian resident

### FINANCIAL REPORTING

- Small (<\$250k): AIS only
- Medium (\$250k–\$1m): Reviewed/audited report
- Large (>\$1m): Audited report

### 5 GOVERNANCE STANDARDS

- Purposes and not-for-profit nature
- Accountability to members
- Compliance with Australian laws
- Suitability of responsible persons
- Duties of responsible persons

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This guide is provided as a general resource and does not constitute legal or accounting advice. Always refer to current ACNC guidance and consult with appropriate professionals for your specific circumstances.