

# Australian Council of Social Service

19 March 2021

Thresholds Working Group  
C/- Not-for-profit Unit  
Individuals and Indirect Tax Division  
The Treasury  
Langton Crescent  
PARKES ACT 2600

[thresholds@treasury.gov.au](mailto:thresholds@treasury.gov.au)

To whom it may concern,

## **Increasing financial reporting thresholds for ACNC registered charities**

The Australian Council of Social Service (ACOSS) is a national voice in support of people affected by poverty, disadvantage and inequality and the peak body for the community services and civil society sector. ACOSS consists of a network of approximately 4000 organisations and individuals across Australia in metro, regional and remote areas. Our vision is an end to poverty in all its forms; economies that are fair, sustainable and resilient; and communities that are just, peaceful and inclusive.

ACOSS welcomes the opportunity to provide this written submission addressing the consultation paper on increasing financial reporting thresholds for ACNC registered charities. In this submission we focus on questions one, two and three of the consultation paper.

First, ACOSS considers that the thresholds for reporting nominated by the [consultation paper](#) are appropriate, and strike the right balance between the need for transparency, accountability and confidence in the sector, and the desire to reduce regulation where it is appropriate to do so. While ACOSS had some concerns about the thresholds proposed by the ACNC Review report, on the basis that they would reduce transparency, accountability and confidence in the sector, the proposals for lower thresholds in the consultation paper are considered appropriate.

**Recommendation 1:** That the ACNC reporting threshold proposals outlined in the consultation paper be legislated.

Second, (in response to questions two and three) ACOSS considers that implementation of the proposal should not take place until all states and territories

have aligned their thresholds. ACOSS is a member of the #fixfundraising coalition, and our concern is that to proceed with the lower reporting thresholds in the absence of the states and territories adjusting theirs would undermine efforts to harmonise fundraising laws. At the same time, we consider that the number of charities that would benefit from the proposal is actually lower than outlined in the consultation paper, because without alignment, state and territories laws requiring audits and reviews would mean that a smaller number of charities actually benefit.

**Recommendation 2:** That the ACNC reporting thresholds be legislated and implemented at the same time as changes to the reporting thresholds in the states and territories.

Should the Department wish to seek further information from ACOSS please contact Dr John Mikelsons, Senior Advisor (Community Services and Health) on 02 9310 6212 or [john@acoss.org.au](mailto:john@acoss.org.au)

Yours sincerely,

A handwritten signature in black ink that reads 'Edwina MacDonald'.

Edwina MacDonald  
Deputy CEO