

23 February 2018

Principal Adviser
Individuals and Indirect Tax Division
The Treasury
Langton Crescent
PARKES ACT 2600

By email: ACNCReview@treasury.gov.au

Dear Sir/Madam

Review of Australian Charities and Not-for-profits Commission (ACNC) legislation

Relationships Australia South Australia Ltd (RASA) appreciates the opportunity to meet with the members of the review panel in Adelaide on 20 February 2018.

I am writing at the request of the review panel to provide some information about a matter that RASA staff raised during their meeting with the review panel.

RASA Ltd is a company limited by guarantee, and as such, is registered with the Australian Securities and Investments Commission (ASIC). RASA is also registered as a charity with the ACNC. Following its establishment, the ACNC took over responsibility from ASIC for much of the regulation of companies limited by guarantee.

The relevant page within the ACNC website dealing with the reporting obligations of companies limited by guarantee can be accessed via the following link:
http://www.acnc.gov.au/ACNC/Manage/ASIC_and_other_regulators/CLG/ACNC/Edu/CLG.aspx?hkey=5491330d-d843-4898-a051-4462c28e31a2

The information contained therein is consistent with that contained on the ASIC website concerning the requirement of companies limited by guarantee to notify of any changes to the list of company directors. Both websites clearly state that any such changes must be reported to the ACNC. There is no requirement to report changes of this nature to ASIC.



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In the past eighteen months, RASA has had three changes to its company directorship. We have notified the ACNC of each such alteration. Despite this, on two occasions in the past year we have had documents executed in accordance with section 127 (1) of the *Corporations Act 2001* (Cth) rejected by third parties. These third parties have been insistent that they must rely on the information pertaining to RASA's directors as contained in ASIC's company register. RASA's assertions to the contrary were to no avail, resulting in us having to re-execute documents, and ultimately arranging to update our director information on the ASIC company register.

In one such case RASA was advised by the third party that their reliance on ASIC records was in accordance with section 127 (1) of the *Corporations Act 2001* (Cth). In the other case, the third party stated that an amendment to their internal policy would be required in order for them to accept ACNC records as definitive evidence of company directorship.

We were advised by the ACNC in August 2017 that ASIC have indicated that they will not commit to updating their records to reflect alterations submitted to the ACNC concerning the directorship of companies limited by guarantee that are registered as charities with the ACNC.

It is our view that this scenario is one that can give rise to the onus of duplicate reporting on the part of companies that are registered charities. We would welcome any assistance that the review panel may be able to offer in addressing the situation.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Claire Ralfs', written in a cursive style.

Claire Ralfs
Chief Executive Officer