

Update

October 2008

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Registration update

As at 3 November 2008 we had registered 15,001 charities.

Registration processing times:

As a guide, we usually process straightforward applications within several weeks of them reaching the front of the processing queue. As at 3 November, analysts were reviewing applications that entered the queue on 9 July 2008.

We received such a lot of applications around this date though (more than 4,000), that if you keep checking the processing update on our homepage, over the next few weeks you may notice the "date entered the processing queue" for the applications that the analysts are processing remains "set" around 9 July. It's not that we're processing applications any slower; it's just that we received so many all around the same date!

Once an application has been assessed to ensure it meets the criteria set out in the Charities Act, an analyst will contact you. They will either ask for more details to help with their assessment, or confirm that your charity has been registered.

But, if your application is not straightforward, it will take several more months in

a queue and more time to process it. This is because it may need additional assessment by a senior analyst.

Our registration update is refreshed on the homepage of our website each week, so you can keep track of the number of applications we have processed and registered.

Snapshot

Overview of types of charities registered as at 30 September 2008

The “big three” most common:

Sectors – Education/training/research, Religious activities, Other

Activities –Other, Provides religious services/ activities, Provides services (eg care, counselling)

Beneficiaries – general public, Children/young people, Other charities

Areas of operation were as follows (note: the total is greater than the total number of registered charities, as some organisations tick two or more categories on their application):

New Zealand	
Auckland – 2,282	Northland – 721
Bay of Plenty – 884	Otago – 916
Canterbury – 1,590	Southland – 499
Chatham Islands – 25	Taranaki - 444
Gisborne – 247	Waikato – 1,064
Hawkes Bay – 606	Wellington – Wairarapa – 1,442
Manawatu - Wanganui - 738	West Coast - 300
Nelson - Marlborough - Tasman - 610	Nationwide – 3,143

Overseas	
Africa – 225	North America - 142
Antarctica - 19	Oceania - 380
Asia - 387	South America - 132
Europe - 187	

Speakers confirmed for annual forum

Newsflash: Speakers confirmed for annual meeting and forum – Paul Hargreaves and John Wells

Thursday 27 November 2008 – you are invited!

Each year the Commission holds an annual meeting, at which registered charities have the opportunity to find out about the Commission’s progress, ask questions and make submissions on the Commission’s work.

As part of our objective of providing education and support to charities, we are incorporating this year’s meeting into a forum, where experts will discuss a relevant topic, raise issues, and stimulate learning.

The Commission has confirmed two eminent speakers, Paul Hargreaves, president of the New Zealand Institute of Directors, and John Wells, Chair of Sparc, as speakers at the annual meeting.

Paul Hargreaves has had many years of experience in corporate governance, in the private, public and not-for-profit sectors.

His board appointments have included NIWA and Radio New Zealand, and he is currently Board Chairperson of Antarctica New Zealand. Paul has been a board member of Preventing Violence in the Home since 2003. He was made an Officer of the NZ Order of Merit in the 2007 New Year Honours, for services to business and the community.

John Wells has extensive governance experience in business and sport, and played a key role in the formation of the New Zealand Academy of Sport. He was a member of the Rugby World Cup 2011 Bid Committee, which won the hosting rights for the 2011 Rugby World Cup. He is currently a Director of Rugby NZ 2011 and Karapiro 2010 Limited. A merchant banker, John is a founding shareholder and Chairman of the Bancorp Group. He also Chairman of a number of other companies.

Paul and John will speak on the topic of good governance for the charitable sector, and provide the introduction to a wider discussion about governance, facilitated by the Commission's chief executive, Trevor Garrett, in which charities attending the forum can participate. Both speakers' extensive business and governance experience, and their wealth of knowledge, should help inform and enliven the discussion.

As part of the meeting and forum, the Commission will host an afternoon tea. The Board and staff of the Commission look forward to talking with you, and hearing your views and ideas.

Please mark your diary now! (We will send you an email reminder closer to the event).

Venue: Loaves and Fishes Hall, Wellington Cathedral, corner of Hill and Molesworth Streets, Thorndon, Wellington.

Time: 1.30pm to 4.30pm

Date: Thursday 27 November 2008

15,000th charity registered

The Commission has registered its 15,000th charity - the Robert & Kathleen Lyon Charitable Trust, which has the unique charities registration number CC33620. The Trust was created for the benefit of the Mary Potter Hospice, which serves the Wellington/Wairarapa area.

Some other "noteworthy" charities we have registered include:

First charity registered – [Te Aute Koiri Foundation Incorporated](#) - 9 February 2007, CC10001

100th charity registered – [North Shore RDA Charitable Trust](#) – 23 March 2007 - CC10102

First marae registered – [Kaiuku Marae](#) – 11 September 2007 - CC11069

First group registered – [Te Kotahitanga o Te Arawa Waka Fisheries Group](#) – 3

November 2007 - CC10819-0

10,000th charity registered – [Papakura Marae Society Incorporated](#) – 30 June 2008 - CC28589

15,000th charity registered - [Robert & Kathleen Lyon Charitable Trust](#) – CC33620 – 30 June 2008 (registration has been backdated)

Tax status while in our processing queue

Remember - while your application is in our processing queue, you are covered by Inland Revenue's [transition guidelines for charities](#)

Any existing exemption from income tax that you have been granted, or any Certificate of Exemption from resident withholding tax you have been issued with, will continue to apply for the time you are in our processing queue – your charity will remain eligible for tax exemptions.

If your application for registration is declined, or we are unable to backdate registration of your charity because it does not meet the criteria of the Charities Act (we have declined a very small number of applications so far), then you will need to **talk to IRD** about your tax liabilities, dating from 1 July 2008.

There is more information on our website about how registration under the Charities Act [affects your tax status](#). If you want to find out more information about your own organisation's tax status however, please see www.ird.govt.nz or call Inland Revenue on **0800 377 774**.

Backdating – a reminder

Remember - if you sent us a properly completed application, the Commission has powers to backdate your registration to the date we received your properly-completed application. There is more about [backdating registration applications](#) on our website.

Imputation Credits discussion document

The Commission has made a submission on Inland Revenue's imputation credits discussion document, in support of charities being able to obtain the financial benefit that can be derived from imputation credits.

A copy of the Commission's submission is available on our [website](#). A copy of the discussion document can be found on [Inland Revenue's](#) website.

Charities Register – open 24/7

Although tax laws have now changed, the Charities Register remains open, and charitable organisations who wish to apply and to be eligible for tax exemptions can do so at any time.

And - speaking of the Register - we encourage you to take a look for yourself, and refer potential donors, supporters and funders to the information it contains. The Register - which is open to the public - is available on our [website](#). You might also like to take a look at our new information sheet [The Charities Register – what's in it for the public, funders and other users?](#) – for some helpful tips on getting the most from the Register.

Please, respond to us as soon as you can

At some point during the processing of your application, you may receive a letter from us called a "letter that may lead to a decline" - it will explain an issue we have found with your application, and set out the options. Please read it carefully and respond to us as soon as you can.

Issues usually relate to the charitable purpose set out in your rules, or the possibility of private pecuniary profit. You can make a submission to the Commission setting out your case for registration, or explaining what you want to do to meet the Charity's Act's criteria (for example, make a change to your rules). Many organisations who have received such letters from us have made changes to their rules and we have continued processing and registered their application.

If the submission leads to the issue being resolved, the application is approved, but if not, the Commission will decline to register it.

If we need to ask you for direction or further information about your application, we would appreciate it if you could reply to us **within 20 days**, either with the information we've requested, or an indication of when you might be able to provide it, or to let us know whether you wish to proceed with your application or not.

If you can't provide the information right away, it is best to let us know as soon as possible when we can expect to receive it. The sooner you reply to us, the sooner we can continue processing your application.

If we don't hear from you within 20 days, we will continue to assess your application **without the information** we've requested - this usually means that the application will be declined.

You can let us know how you wish to proceed and/or provide us with the requested information by emailing info@charities.govt.nz or in writing (remember to include your charity reference number) or through your [online user account](#).

Charities Register mentioned (in a good way!) on Fair Go

The Charities Register was mentioned on a recent Fair Go television programme, when it was used by reporters to help check the activities of a telemarketing company that claimed it was raising money for charities.

The programme suggested that people wanting information about charities should check the [Register](#)

If you haven't received your userID and password from us

If you are waiting to receive your new user ID and password from us, please look at the in-box of the email address you gave us as part of the "Who can we contact?" details at the beginning of your application form – your login details will have been sent to the email address you gave us there.

If you have mislaid the email, contact our friendly call centre staff on **0508 242 748** or info@charities.govt.nz and we will re-send the user ID and password to the "Who can we contact?" email you provided with the application.

Similarly, if you request a new user ID and password, we will send these to the "Who can we contact?" email address in your application for registration.

Please note that the only email address we send password details to is the one given in the "Who can we contact?" details. If no email address has been provided we send the password details to the charity's postal address.

Donee status

The Charities Act does not affect donee status, and Inland Revenue still administers it.

You don't need to register under the Charities Act to be eligible for donee status. You can apply directly to Inland Revenue for it if you don't already have it.

However, we automatically notify IRD when we register charities (we send details of newly registered charities through to IRD every day). If you ticked the 'donations/koha box in your registration application form IRD will treat that as your application for donee status and contact you to work out or reconfirm your donee status.

After you have been registered, if something changes regarding your tax or donee status – for example, you apply for an IRD number or you begin accepting donations – you need to notify IRD of these changes.

If however you have begun accepting donations since your registration with us, please complete and send us a Notification of Change Form and we will enter that information into the Charities Register so that it becomes part of your publicly-available information.

Please don't leave your Annual Return until the last minute!

The Commission received close to 450 Annual Returns in September, and has been processing them in parallel with the work we are doing processing registration applications.

The Commission sends a reminder two months before the Annual Return is due, but some registered charities still did not send us their completed returns before the due date. Filing a late return can mean your organisation incurs a [late filing penalty](#). If a charity persistently fails to provide an Annual Return, it can be deregistered.

So please, remember to leave enough time to complete and send us your Annual Return by the due date. If planning to file online, we suggest you confirm that you have the correct userID and password at least a week beforehand. We also suggest you print out and work through our Annual Return [checklist](#) – a handy reference guide.

If your organisation has gross income of more than \$10,000, the fee for filing an annual return on paper is \$75. If filing online, the form is already partially completed for you, and the fee is less - \$50. If your organisation's gross income is less than \$10,000, filing your annual return is free, whether you file online or on paper.

Payment for Annual Returns

Although we initially indicated that we could accept credit card payments when processing annual returns, we are unable to do so at present.

So please ignore any reference on older printed versions of the *Annual Return Form* or in earlier information sheets that said we accept payments by credit card. Our apologies for any inconvenience this may cause.

We are working on making the process easier for charities, including exploring the possibility of accepting payments with paper and online annual returns at the time they are filed. But please bear with us – this will involve some system changes which we need to work through properly first.

Fees can be paid **by cheque or internet banking**. Cheques should be made out to "Charities Commission". If you prefer to pay by internet banking, we will provide you our bank account details on request - contact us either by calling our free information line **0508 242 748**, or emailing us at **info@charities.govt.nz**

Note: If your charity is exempted from filing an annual return with the Commission, but still chooses to file one, you will be required to pay the filing fee (if you have a gross income of more than \$10,000). This is because of the resources needed to process the annual return and lodge it on the website.

Annual Returns - please check you are completing the right form

When filing your annual return, please make sure you use the right form – [Annual Return for a Charitable Entity](#) (Form 4).

Once you are registered with us you don't need to re-register again. Just send us an annual return and a copy of your (audited or un-audited) financial statements.

Our information sheets and forms

We've compiled a series of helpful information sheets and checklists designed to make your life easier – these can easily be found on the top right of our homepage. They explain – in plain language – the main things you need to know about the Charities Commission, the Charities Act, the registration process, Annual Returns and more. They also explain our views on important issues such as "What is a charitable purpose?"

All our information sheets are listed on our [information finder](#) .

Our information sheet [What to do when something about your charity changes](#) is one of our more 'popular' publications. It outlines the changes to your organisation we need to know about in order to ensure your information on the public Charities Register is as accurate and up-to-date as possible. It explains how you can go about notifying us – for example, what form to use and how to access online forms.

We review all our information sheets and forms regularly and develop new ones as needs are identified.

Copies of all our information sheets and forms are available on our website, by calling our free information line **0508 242 748**, or by emailing **info@charities.govt.nz**

Message to international callers

Please note that the Commission's toll-free 0508 number is not accessible from overseas. Overseas callers can contact the Commission's information line by dialling **+64 4 473 3862**.

This is not a toll-free service, though, so you may prefer to email us on **info@charities.govt.nz**

Offering charities software at a lower cost

Do you know about TechSoup? More than 300 NZ charities are already on board with TechSoup New Zealand, as a result of the work done by New Zealand Federation of Voluntary Welfare Organisations in bringing an existing Australian 'low cost software for charities' scheme to New Zealand

Software is donated by large providers such as Microsoft, the only charge being an administration fee of 4% of the normal retail price (the eligibility criteria are set out on the TechSoup website). Visit the [NZ Federation of Voluntary Welfare Organisations](#) website for more information.

Events

The following events have been confirmed – details are available on the events page on our [website](#).

Completing your Annual Return Online Workshop – Auckland
Tuesday 25 November – phone Auckland City Council, Community Services for details - 09 354 8059 or tania.walters@aucklandcity.govt.nz
(Bookings essential)

And remember – you are invited to attend our own **Annual Meeting and Forum** – Thursday 27 November. 1.30pm - 4.30pm, Loaves and Fishes Hall, Wellington Cathedral, corner of Hill and Molesworth Streets. Afternoon tea provided.

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