



PO Box 325, Hokitika

Phone (03) 755 8866

What are the new reporting requirements for registered charities?

All registered charities must complete annual reporting to Charities Services. This includes completing an Annual Return and attaching financial statements. Up until now, there have been no minimum standards on the content or the quality of those financial statements. Reports need to include information about all the different parts of the charity. From 1 April 2015 new reporting standards come into effect to achieve this.

If you are responsible for a charity you need to be aware of these requirements now as it will be easier to collect the information required throughout the year rather than attempt to undertake this retrospectively.

Charities have been divided into four tiers based on the level of annual expenditure and public accountability. The majority of West Coast charities will have annual operating payments under \$125,000, and no public accountability, and will therefore fall into Tier 4.

To meet their reporting standards, Tier 4 charities are now required to submit a Performance Report containing financial and non-financial information. This report requires information to be provided in five sections:

1. Entity Information - who you are, why you exist
2. Statement of Service Performance – describing and quantifying your outputs (what you have done)
3. Statement of Receipts and Payments – this now includes a breakdown of member and non-members
4. Statement of Resources and Commitments – what you own, what you owe and have been promised, coupled with any obligations you have to others
5. Supporting Notes – including details of any related parties (people who hold decision making powers and their families and organisations) and details of the transactions with these parties

For more information visit the Charities Services website to determine which Tier your charity falls within and the reporting you are required to undertake. Go to www.charities.govt.nz then *New Reporting Standards*. Alternatively, call us at the office on 03 755 8866.

