

30 January 2013

Ms Sue Piper  
Manager  
Charities Unit  
Indirect, Philanthropy and Resource Tax Division  
The Treasury  
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PARKS ACT 2600

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Dear Ms Piper

**Consultation on the Australian Charities and Not-for-profits Commission governance standards for the not-for-profits sector**

The National Heart Foundation of Australia welcomes the opportunity to make a brief submission on the draft governance standards for the not-for-profit sector.

The Heart Foundation supports the draft principles-based governance standards which allow registered charities to decide how best to achieve the organisational goals and missions, rather than a one-size fits all approach. Standards should be proportional to the size of entities, risk factors and receipt of public and government assistance.

As a large charity and a Company limited by Guarantee, the Foundation already has a corporate governance statement in place that complies with the draft standards proposed by the government, as well as mechanisms to complete annual audited reports. In addition, the Foundation has a Constitution that sets out the governance structure and processes for determining membership. This is backed by a detailed risk management plan and a five year strategy reflective of our mission and purpose.

The Heart Foundation ensures that internal policies underpin the values and operations of the organisation allowing delivery of transparent and reliable services and information to all Australians and funding bodies – fitting with the draft governance standards.

The Heart Foundation has previously stated in earlier submission on the not-for-profit reforms that the Foundation does not see any problem with the current requirements under the Corporations Act and the relevant state and territory legislation. However, the Foundation does recognise that the current governance arrangements are duplicated across jurisdictions, with complicated administrative requirements for NFPs and a lack of transparency. The introduction of the *ACNC Act* and associated legislation and regulations will help to elevate the duplication and burdensome requirements on the sector. NFPs have had to work in a complex legislative environment governed by 15 federal Acts and 162 state and territory Acts spanning across 19 federal, state and territory departments including the Australian Tax Office, Australian Securities and Investments Commission, Office of the Registrar of Indigenous Corporations and state Attorneys-General.<sup>1</sup>

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<sup>1</sup> National Roundtable of Nonprofit Organisations, 2011

Any reforms that can simplify this complex legislative environment and streamline governance arrangements for charities will reduce the regulatory and administrative burden currently faced by the sector. This would allow charities to get on with the job of delivering vital services to the community and increase public confidence in the integrity and transparency of charities in Australia.

In summary, the Heart Foundation supports the draft governance standards for the not-for-profit sector.

We wish you well with your deliberations and would be keen to assist with any inquiries you may have or provide further assistance during the consultations. Our contact officer is Megan Jeremenko, National Senior Policy Advisor, email: [megan.jeremenko@heartfoundation.org.au](mailto:megan.jeremenko@heartfoundation.org.au).

Yours sincerely



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