

Terrell, Nick

From: s 47E(d)
Sent: Tuesday, 6 January 2026 11:43 AM
To: s 47F
Cc: Terrell, Nick
Subject: FW: AFR Qs: deadline EOD [SEC=OFFICIAL]

Follow Up Flag: Follow up
Flag Status: Flagged

OFFICIAL

FYI

s 47F — Departmental Liaison Officer, CBR
Office of the Hon Dr Andrew Leigh MP
Assistant Minister for Productivity, Competition, Charities and Treasury
P s 47F M s 47F E s @Treasury.gov.au

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OFFICIAL

From: s 47F @acnc.gov.au>
Sent: Tuesday, 6 January 2026 11:41 AM
To: s 47E(d) @TREASURY.GOV.AU>
Subject: FW: AFR Qs: deadline EOD [SEC=OFFICIAL]

OFFICIAL

OFFICIAL

Dear Colleagues

Happy New Year!

I am writing to advise that following an article in the AFR published on 4 January, ([Australian Charities and Not-for-profits Commission warns of terrorism financing risk in charity sector](#)) the ACNC requested some corrections as set out in the below email.

Most of the content in the article was drawn from a document acquired under FOI. The angle of the article changed between when they contacted the ACNC with some questions on 12 December (prior to the Bondi Beach attack) and its publication this week.

regards

s 47F

Director | Advice Services, Education and Public Affairs | Australian Charities and Not-for-profits Commission

T s 47F | Ms 47F | Es 47F | [@acnc.gov.au](mailto:acnc.gov.au) | [W www.acnc.gov.au](http://www.acnc.gov.au)

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OFFICIAL

OFFICIAL

From: s 47F

Sent: Monday, 5 January 2026 3:44 PM

To: 'joshua.peach@afr.com' <joshua.peach@afr.com>; 'joshua.peach@nine.com.au' <joshua.peach@nine.com.au>

Cc: Media <Media@acnc.gov.au>

Subject: FW: AFR Qs: deadline EOD [SEC=OFFICIAL]

Good afternoon Joshua

I am writing to request corrections to an AFR article ([Australian Charities and Not-for-profits Commission warns of terrorism financing risk in charity sector](#)) authored by yourself and Edmund Tadros dated Jan 4th as it contains a number of inaccuracies as follows:

Para 5-7 re Michael O'Neill appointment – this is not an accurate reflection of his role:

- Michael O'Neill's role is set out on our [website](#). CORRECTION: Michael joined the ACNC on 24 November 2025. His role is to provide the ACNC Commissioner with strategic regulatory advice, particularly focused on work to embed the whole-of-government [Regulatory, Policy, Practice & Performance Framework](#) (August 2024) within the ACNC. The Framework sets out six principles to drive fit for purpose regulation in a digital era, protect against regulatory failures, and improve productivity.

Para 13/20 - comments on funding:

- CORRECTION: The ACNC directs funding in accordance with risk. In the last year the ATO has assisted the ACNC with additional funding as required, including for additional staffing resources and the provision of additional litigation funding for 2025-26.

Para 16: In 2015, Australia was found to be non-compliant with task force mutual evaluation standards

- CORRECTION: This does not include details of subsequent changes to Australia's compliance rating. The 2018 follow up report upgraded the rating on R8 to 'largely compliant'. [Australia: 3rd Enhanced Follow-up Report](#)

Para 21: incorrect number of charities quoted as 50,000

- CORRECTION: As per our 2024-26 Annual report there are around 63,667 charities [ACNC Annual Report 2024-25 | ACNC](#)

Para 23-23 – incorrect comments on proposed regulatory changes to allow additional disclosures:

- CORRECTION: New laws came into effect on 3 December 2025 [ACNC welcomes new laws to increase understanding of some ACNC investigations | ACNC](#)

regards

s 47F

Director | Advice Services, Education and Public Affairs | Australian Charities and Not-for-profits Commission

Ts 47F | Ms 47F | Es 47F | [@acnc.gov.au](mailto:) | [W www.acnc.gov.au](http://www.acnc.gov.au)

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Terrell, Nick

From: s 47F
Sent: Sunday, 14 December 2025 1:04 PM
To: Terrell, Nick
Subject: FW: AFR Qs: deadline EOD [SEC=UNOFFICIAL]

UNOFFICIAL

FYI.

s 47F

Office of the Hon Dr Andrew Leigh MP
Assistant Minister for Productivity, Competition, Charities and Treasury

M s 47F

E s 47F @TREASURY.GOV.AU

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UNOFFICIAL

From: s 47F @acnc.gov.au>
Sent: Friday, 12 December 2025 6:14 PM
To: s 47F @TREASURY.GOV.AU>
Subject: Fw: AFR Qs: deadline EOD

OFFICIAL

Hi s 47F as per previous email

ACNC response below

Regards

s 47F

OFFICIAL

OFFICIAL

From: Media <Media@acnc.gov.au>
Sent: Friday, 12 December 2025 4:49 PM
To: Joshua Peach <joshua.peach@nine.com.au>

Cc: Media <Media@acnc.gov.au>
Subject: RE: AFR Qs: deadline EOD

OFFICIAL

Good afternoon Joshua

Thanks for contacting ACNC Media. Please see a reply to your queries below, and if needed, please attribute to an ACNC spokesperson.

Has the ACNC received any additional funding or resourcing related to anti-terrorism financing since requesting it from the Treasury in June?

The ACNC has not received additional funding or resourcing related to anti-terrorism financing.

Does the ACNC believe it has the appropriate funding and resourcing to correctly combat terrorist financing, money laundering and tax evasion in Australia's not-for-profit sector?

Responsibility for combatting terrorist financing, money laundering and tax evasion in Australia's NFP/NPO sector has cross jurisdictional responsibility. The ACNC regulates only charities, one part of the sector. We regulate charity compliance with the ACNC Act and Regulations including the Governance Standards and External Conduct Standards. Where our regulatory responsibilities overlap with those of other agencies we work cooperatively with the other regulators to achieve the most appropriate regulatory outcome. We work with state, territory and federal agencies – as well as those with international jurisdiction – to curtail activities that threaten public trust and confidence in the charity sector. Where an investigation discloses criminal activity we [refer](#) matters to relevant law enforcement partners.

Do you believe in its current state, the ACNC and the broader not-for-profit regulatory sector is likely to pass the upcoming FATF review in 2027?

The ACNC has a role in supporting Australia's compliance with the [Financial Action Task Force](#) (FATF) obligations which is framework covering all levels of government and the private sector. These are internationally agreed-on standards aimed at guarding against money laundering and terrorist financing risks. Not for profit regulation is cross sectoral in relation to the FATF review. The assessment of Australia's progress against recommendations made in the 2015 FATF Mutual Evaluations is a matter for the assessors.

Does Micheal O'Neill's new role as "specialist advisor" at the ACNC carry specific executive powers and was his appointment at the request of the ACNC? Can you detail THE new role more thoroughly?

Please refer this question to ATO media. Mediaunit@ato.gov.au

In one document regarding the investigations into charities connected to the conflict in Gaza the ACNC says that thus far no "no charities have had their registration revoked because of concerns related to the Gaza conflict" -- is this still the case? To date, how many charities have had their register revoked due to terrorist financing more broadly?

The ACNC continues to receive concerns about charity activities associated with the conflict in Gaza. No charities have had their registration revoked because of matters associated with the conflict.

ACNC [compliance powers](#) relate to a charity's ongoing entitlement to registration and compliance with the ACNC Act and Regulations, including the Governance Standards and External Conduct Standards. The reasons for revocation must be related to non-compliance with the ACNC Act of these standards. These standards do not include a specific reference to terrorist financing. Generally speaking, these types of concerns would fall under the standards as follows:

- [Governance Standard 5 – Duties of Responsible People](#) which includes a duty to ensure that the financial affairs of the charity are managed responsibly
- [External Conduct Standard 1 – Activities and Control of Resources](#) that covers the way a charity manages its activities overseas, how it is required to control the finances and other resources it uses overseas and the requirement to comply with Australian laws including a range of laws relating to money laundering, terrorism financing, safeguarding and taxation.
- The ACNC reports on the total number of revocations as a result of compliance investigations in our [Annual Report each year](#).

Regards,

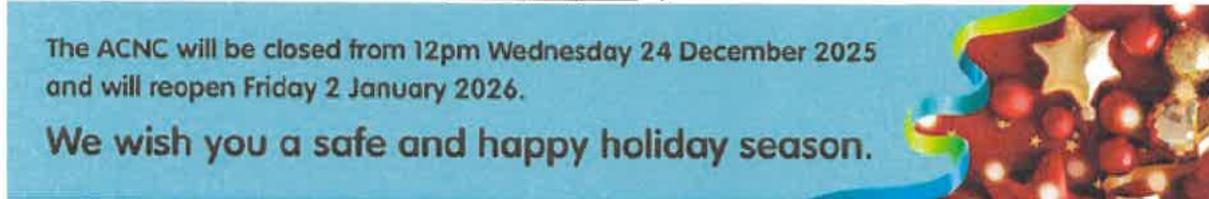
s 47F

Media and Communications Officer | Education and Public Affairs | Australian Charities and Not-for-profits Commission

Ts 47F | E media@acnc.gov.au | W acnc.gov.au



Your audience may like to check the [Charity Register](#) - please include a link.



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OFFICIAL

From: Joshua Peach <joshua.peach@nine.com.au>
Sent: Friday, 12 December 2025 11:47 AM
To: Media <Media@acnc.gov.au>
Subject: AFR Qs: deadline EOD

**** EXTERNAL EMAIL – Think quick before you click****

Morning,

Joshua Peach here from The Australian Financial Review. Questions below, deadline EOD. If you need more time to get a substantive response, we can speak about moving the deadline, but that would only be in the case of us getting something more than a basic comment.

For context, these relate to FOI documents released to use last week.

Has the ACNC received any additional funding or resourcing related to anti-terrorism financing since requesting it from the Treasury in June?

Does the ACNC believe it has the appropriate funding and resourcing to correctly combat terrorist financing, money laundering and tax evasion in Australia's not-for-profit sector?

Do you believe in its current state, the ACNC and the broader not-for-profit regulatory sector is likely to pass the upcoming FATF review in 2027?

Does Micheal O'Neill's new role as "specialist advisor" at the ACNC carry specific executive powers and was his appointment at the request of the ACNC? Can you detail THE new role more thoroughly?

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--

Joshua Peach

Australian Financial Review

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e-mail: joshua.peach@afr.com

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Terrell, Nick

From: s 47F
Sent: Friday, 12 December 2025 3:31 PM
To: Terrell, Nick
Subject: FW: Media: AFR Qs Deadline EOD: ACNC funding // terrorism financing [SEC=UNOFFICIAL]

UNOFFICIAL

Hey, Treasury has sent the below.

Will draft a response shortly.

s 47F s 47F
Office of the Hon Dr Andrew Leigh MP
Assistant Minister for Productivity, Competition, Charities and Treasury
Ms 47F
Es 47F @TREASURY.GOV.AU

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UNOFFICIAL

From: s 47F @TREASURY.GOV.AU>
Sent: Friday, 12 December 2025 3:23 PM
To: s 47F @TREASURY.GOV.AU>
Cc: Baudinette, Emma s 47F @TREASURY.GOV.AU>; s 47E(d) @TREASURY.GOV.AU>; Media <media@treasury.gov.au>; s 47F @TREASURY.GOV.AU>; s 47E(d) @TREASURY.GOV.AU>
Subject: RE: Media: AFR Qs Deadline EOD: ACNC funding // terrorism financing [SEC=UNOFFICIAL]

UNOFFICIAL

Hi s 47F

Please see below for relevant information on the media enquiry, some of which is background for you and some of which is for your response to the AFR:

Background only

- In 2015, Recommendation 8 of the Financial Action Taskforce's (FATF) [Mutual Evaluation Report](#) rated Australia as non-compliant for the following reasons:
 - Australia had not undertaken a risk review of the non-profit organisations (NPO) sector to identify the features and types of NPOs that are particularly at risk of being misused for terrorism financing.

- There was no terrorism financing-related outreach to, or terrorism financing-related monitoring of, the part of the sector that would be at risk and that account for a significant share of the sector's activities.
- On 20 December 2017, the then Turnbull government commissioned the [Review of Australian Charities and Not-for-profits Commission \(ACNC\) legislation](#). The review focused on inquiring into, and making recommendations on appropriate reforms to ensure the regulatory environment established by the ACNC Acts remained contemporary. Amongst other things, the review made the following recommendations:
 - **Rec 17:** The Commissioner be given a discretion to disclose information about regulatory activities (including investigations) when it is necessary protect public trust and confidence in the sector.
 - **Rec 18:** The Commissioner be authorised to collect the personal details of responsible persons involved in unlawful activity.
 - **Rec 23:** The *ACNC Regulations 2013* (Cth) be changed to disqualify a person from being a responsible person if they have a conviction for terrorism, terrorism financing, money laundering, fraud, importation or distribution of illicit drugs or a child sexual offence under Commonwealth, State or Territory law.
- The Turnbull government [supported](#) the implementation of Recs 17, 18 and 23.

For AFR response

Questions relating to Treasury's role as it relates to ACNC funding / resourcing

- Decisions in relation to the resourcing and funding of the ACNC are decisions of government.

Questions relating to response to 2015 FATF Mutual Evaluation Report and Australia's compliance with the FATF's next review

- There have been two subsequent follow-up reports on Australia's progress in addressing technical compliance deficiencies identified in the 2015 FATF Mutual Evaluation Report.
- The [2018 FATF Follow-up Report](#) re-rated Australia as largely compliant in relation to Recommendation 8, noting that Australia 'has significantly improved its compliance with Recommendation 8'. Amongst other things, the report noted that:
 - Australia had undertaken a comprehensive [risk assessment](#) of its NPO sector which included identifying the main threats to NPOs (e.g. diversion of funds to senior NPO personnel finance offshore terrorist activity, use of online platforms to solicit funds for terrorist purposes).
 - Australia had conducted a review of its main NPO legislation, the ACNC Act 2012 (Cth) and expressed its intention to update the regulatory framework to increase oversight of charities operating overseas, strengthening the role of the ACNC, and strengthening governance requirements.
- The [2024 FATF Follow-up Report](#) reiterated the findings in the 2018 report.

Questions relating to Treasury's position on ACNC's 'asks'

- 1. More funding for its litigation budget.
 - This is a decision for the government.
- 2. Law changes to allow it the power to strike off key charity persons if they have serious criminal charges (and the ability to collect this information).
 - This is a decision for the government.
 - Please note that ACNC [Governance Standard 4: Suitability of Responsible People](#) currently requires charities to take reasonable steps to be satisfied that their responsible people are not disqualified from managing a corporation under the *Corporations Act 2001* (Cth), or from being a responsible person by the ACNC Commissioner within the previous 12 months. If charities are unable to be, or remain, satisfied that a responsible person meets these conditions then they must take reasonable steps to remove the relevant person(s).
- 3. The ability to publicly disclose its investigations into charities, "where such disclosure would prevent or minimise a risk to public harm".
 - The government has recently introduced the [Treasury Laws Amendment \(Strengthening Financial Systems and Other Measures\) Bill 2025](#) to allow the ACNC to make disclosures of information about ACNC investigations, subject to a safeguard of a public harm test.

- o The amendments allow the ACNC Commissioner to authorise an ACNC officer to disclose information about a recognised assessment activity in relation to a registered entity suspected of contravening a provision of the ACNC Act or not complying with a governance standard or external conduct standard.

Hopefully this assists with the office's response.

Please note that I am on leave on Mondays so if you have any further queries, please reach out to s 47F team (cc'ed).

Emma – FYI only.

Kind regards,

s 47F

— A/g Director, SYD

Not-for-profits Unit, SIITN
Personal and Indirect Tax and Charities Division

s 47F

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UNOFFICIAL

From: s 47F

Sent: Friday, 12 December 2025 12:53 PM

To: Media <media@treasury.gov.au>; s 47E(d) @TREASURY.GOV.AU>

Cc: s 47F @TREASURY.GOV.AU>; s 47E(d) @TREASURY.GOV.AU>

Subject: RE: Media: AFR Qs Deadline EOD: ACNC funding // terrorism financing [SEC=UNOFFICIAL]

Hi s 47F

Thanks for the chat just now.

As discussed, I am currently acting for s 47F while he is on leave. I understand there may have been previous emails that have been circulated in the team on this topic but unfortunately, I might not have access to these.

Acknowledging these limitations, I am happy to get the team to have a look for any information we have on the below to try and get the ball rolling initially.

Kind regards,

s 47F

— A/g Director, SYD

Not-for-profits Unit, SIITN
Personal and Indirect Tax and Charities Division

s 47F

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From: Media <media@treasury.gov.au>
Sent: Friday, 12 December 2025 12:45 PM
To: s 47F <[REDACTED]@TREASURY.GOV.AU>; s 47E(d) <[REDACTED]@TREASURY.GOV.AU>; Media <media@treasury.gov.au>
Cc: s 47F <[REDACTED]@TREASURY.GOV.AU>; s 47E(d) <[REDACTED]@TREASURY.GOV.AU>
Subject: Media: AFR Qs Deadline EOD: ACNC funding // terrorism financing [SEC=UNOFFICIAL]

UNOFFICIAL

Hi s 47F can I call you about this media enquiry please?

Cheers s 47F

s 47F

Media Unit, Communications Branch
[REDACTED]

UNOFFICIAL

From: s 47F <[REDACTED]@TREASURY.GOV.AU>
Sent: Friday, 12 December 2025 12:39 PM
To: Media <media@treasury.gov.au>
Cc: s 47E(d) <[REDACTED]@TREASURY.GOV.AU>
Subject: FW: AFR Qs Deadline EOD: ACNC funding // terrorism financing [SEC=UNOFFICIAL]

UNOFFICIAL

Hi Treasury media team,

Joshua Peach from the AFR is after a response from our office on the ACNC by EOD today.

Are you able to provide any relevant information on the below media enquiry as soon as possible – in particular information on the changes since 2015 and the FATF compliance?

Kind Regards,

s 47F

[REDACTED]
s 47F

Office of the Hon Dr Andrew Leigh MP
Assistant Minister for Productivity, Competition, Charities and Treasury

M s 47F

E s 47F <[\[REDACTED\]@TREASURY.GOV.AU](mailto:[REDACTED]@TREASURY.GOV.AU)>
[REDACTED]

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UNOFFICIAL

From: Joshua Peach <joshua.peach@nine.com.au>
Sent: Friday, 12 December 2025 11:32 AM
To: s 47F <[REDACTED]> <[\[REDACTED\]@TREASURY.GOV.AU](mailto:[REDACTED]@TREASURY.GOV.AU)>
Subject: AFR Qs Deadline EOD: ACNC funding // terrorism financing

Hey s 47F

We spoke last week about PAF reforms, just chasing up some answers to an unrelated story we're putting together on the ACNC. Questions below, deadline EOD. If you need more time to get a substantive response, we can speak about moving the deadline, but that would only be in the case of us getting something more than a basic comment.

Background: In June, the ACNC called on Treasury for a greater allocation of funding and increased regulatory powers to combat criminal and terrorism financing in Australia's charity sector.

Questions:

Has Treasury allocated more funding or resources to the ACNC following the request, if so can they be detailed. (If more resourcing or funding is expected in the near term, also let us know).

In 2015 Australia's non-profit sector was found non-compliant for terrorism financing by the Financial Action Task Force, does the minister accept the ACNC's assessment that current resourcing could hamper a positive outcome in the 2027 FATF evaluation?

What steps have been taken since the 2015 evaluation to mitigate the risk of criminal and terrorist financing in Australia's charity sector?

Does Treasury expect Australia to be foundfully compliant in the upcoming FATF review in 2027?

The ACNC has also ask for:

- 1. more funding for its litigation budget*
- 2. law changes to allow it the power to strike off key charity persons if they have serious criminal charges (and the ability to collect this information)*
- 3. The ability to publicly disclose its investigations into charities, "where such disclosure would prevent or minimise a risk to public harm"*

Does the Treasury support any/all of the above?

Any questions give me a call,

--

Joshua Peach

Australian Financial Review

mobile: s 47F

e-mail: joshua.peach@afr.com

Twitter: @Joshua_Peach_

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Terrell, Nick

From: s 47F
Sent: Friday, 12 December 2025 11:52 AM
To: Terrell, Nick
Subject: FW: AFR Qs Deadline EOD: ACNC funding // terrorism financing [SEC=UNOFFICIAL]

UNOFFICIAL

Hey Nick,

We have an enquiry from the AFR on the ACNC. Should we direct them to Treasury given the nature of their questions?

Thanks,

s 47F

s 47F

Office of the Hon Dr Andrew Leigh MP
Assistant Minister for Productivity, Competition, Charities and Treasury

M s 47F

E s 47F @TREASURY.GOV.AU

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UNOFFICIAL

From: Joshua Peach <joshua.peach@nine.com.au>
Sent: Friday, 12 December 2025 11:32 AM
To: s 47F @TREASURY.GOV.AU>
Subject: AFR Qs Deadline EOD: ACNC funding // terrorism financing

Hey s 47F

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Questions:

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What steps have been taken since the 2015 evaluation to mitigate the risk of criminal and terrorist financing in Australia's charity sector?

Does Treasury expect Australia to be foundfully compliant in the upcoming FATF review in 2027?

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- 2. law changes to allow it the power to strike off key charity persons if they have serious criminal charges (and the ability to collect this information)*
- 3. The ability to publicly disclose its investigations into charities, "where such disclosure would prevent or minimise a risk to public harm"*

Does the Treasury support any/all of the above?

Any questions give me a call,

--

Joshua Peach

Australian Financial Review

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Twitter: @Joshua_Peach_

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Terrell, Nick

From: s 47F @aph.gov.au
Sent: Monday, 16 June 2025 5:16 AM
To: Terrell, Nick
Subject: Fw: Detailed Brief - Australian Charities and Not-for-profits Commission
Attachments: Detailed Government Brief - ACNC - June 2025.pdf

FYI. FATF might be worth you discussing with Rowland's cos, ahead of 2027.

~~~~~  
Andrew Leigh  
Assistant Minister for Productivity, Competition, Charities & Treasury  
Federal Member for Fenner  
Parliament of Australia

phone(02) 6247 4396

address Corner of Efkarpidis St & Gungahlin Pl W, Gungahlin ACT 2912

We acknowledge the Traditional Custodians of the ACT, the Ngunnawal people. We acknowledge and respect their continuing culture and the contribution they make to the life of this city and this region.

---

**From:** Cate Bennett  
**Sent:** Thursday, June 12, 2025 10:49:14 AM  
**To:** Leigh, Andrew (MP)  
**Cc:** Sue Woodward ; s 47E(d) Natasha Sekulic  
**Subject:** Detailed Brief - Australian Charities and Not-for-profits Commission

OFFICIAL

Dear Assistant Minister Leigh,

It was great to see you in Melbourne last week!

Please find attached the ACNC's detailed brief, which supplements the initial brief also recently shared with you.

Kind regards, Cate

## Cate Bennett

Assistant Commissioner – Operations and Engagement  
Australian Charities and Not-for-profits Commission

T +61 3 s 47F E Cate.Bennett@acnc.gov.au

Executive Assistant: s 47F @acnc.gov.au



*The ACNC acknowledges the Traditional Custodians of country throughout Australia and their connections to land, sea and community. We pay our respects to them and their cultures and elders past and present.*



**DETAILED BRIEF –  
AUSTRALIAN CHARITIES AND NOT-FOR-PROFITS  
COMMISSION**

**Date:** 11 June 2025

**File No:** MIN2025/

|                   |                                                                                                                                                            |
|-------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>To:</b>        | Assistant Minister for Productivity, Competition, Charities and Treasury, the Hon Dr Andrew Leigh                                                          |
| <b>Copies to:</b> | Commissioner of Taxation (in his capacity as Accountable Authority for the ACNC), Mr Rob Heferen<br>A/g Deputy Secretary - Revenue Group, Dr Shane Johnson |

Dear Dr Leigh

As foreshadowed in our initial brief, I now provide a more detailed brief.

This document includes:

- i. more information about the ACNC
- ii. an update on the implementation of the National Fundraising Principles as well as links to key ACNC guidance and reports, and
- iii. other useful reference material.

After our meeting on 2 June, and noting your responsibility for productivity and the RegistryConnect program led by ASIC, I have also added a detailed explanation of the opportunity to address inconsistencies between the ACNC's Charity Register and ASIC's Company Register. This additional detail is included under the heading "Enhancing our ability to promote public trust and confidence" at page 3, and is intended to give you a fuller description of what I regard as the biggest red tape reduction opportunity for the sector - which will resolve an issue that has been consistently raised since 2012.

For ease of reference, a copy of the initial brief is also included at Appendix A.

Yours sincerely,

**Sue Woodward AM**  
ACNC Commissioner

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Australian Charities and Not-for-profits Commission

## The ACNC's role in the upcoming Financial Action Task Force Mutual Evaluation

1. As we highlighted in the initial brief, the Financial Action Task Force (**FATF**) is an international body that sets global standards to prevent illegal financial activity (money-laundering, terrorism financing and proliferation financing). Australia's compliance with the FATF Standards is periodically assessed through a mutual evaluation process.
2. Australia's last mutual evaluation was conducted in 2015. At that time **Australia was found to be non-compliant with the FATF Standards that relate to how well charities and not-for-profits are protected against being used for terrorism financing – Australia was unable to provide sufficient evidence of a program of proactive and reactive engagement on terrorism financing risks across the sector and private industry (such as banks).**
3. A follow-up evaluation is underway and expected to be finalised in June 2027. The evaluation is a national, cross-agency exercise, led by the Attorney-General's Department.
4. We are committed to supporting Australia's efforts to respond to the forthcoming FATF mutual evaluation, and we are already collaborating with multiple agencies across the Commonwealth to prepare for this review. Given our expertise and awareness of the charity sector, we know this will require a significant amount of ACNC effort and resource.
5. We are preparing initial evidence for FATF (case studies, data and written submissions). A significant amount of effort will be required to ensure our contributions are presented in alignment with detailed FATF methodology and the best-practice guidance materials.
6. It is important to note that our work will not just be limited to providing initial evidence. We will need to:
  - i. respond to additional requests for data and information (and collaborate with other agencies to ensure our response is consistent in terms of presentation and content),
  - ii. participate in an on-site visit by the FATF assessors (currently scheduled for 2026), and
  - iii. review the draft mutual evaluation report.
7. As a small agency with limited resources, we are currently considering how our 'core' work can be used to compliment the upcoming FATF evaluation. For example, each year the Australian Charities Report includes a 'focus' on a particular topic – for the 12<sup>th</sup> edition of the Australian Charities Report (scheduled for publication in 2026) we will focus on charities that operate overseas.
8. We also intend to conduct targeted out-reach to charities at risk of being exploited by terrorist groups – the level of outreach will be based on the resources available, unless additional funding to support a more wide-spread effort is made available.
9. The ACNC is not aware of a whole-of-government new policy proposal (**NPP**) to support the FATF follow-up evaluation effort. The amount of funding the ACNC anticipates would be required to support an in depth, and FATF-focused engagement effort would be too small to warrant a standalone NPP.
10. The Australian taxation Office (**ATO**) will be heavily involved in supporting Australia's FATF evaluation program – if a modest amount of resource allocated by the ATO to FATF efforts could be shared with the ACNC, we believe this could assist the overall evaluation outcome greatly. We have had initial discussions with the Commissioner of Taxation about our role in the FATF evaluation and will explore the resourcing issue with him.

## Making it easier for charitable companies to engage with government and business

11. For over 12,000 companies registered under the ACNC Act, there is significant overlap and inconsistencies between the registers operated by the ACNC and ASIC.
12. Inconsistent legislation:
  - i. makes it harder for charities to operate,
  - ii. increases cost for charities,
  - iii. requires the ACNC and ASIC to duplicate work, and
  - iv. results in inaccurate and incomplete data that confuses users of the ASIC Register.
13. When the ACNC was established with the aim of becoming a 'one-stop shop' for charity reporting, various provisions in the *Corporations Act 2001* (Cth) were switched off for charitable companies. For example, charitable companies do not need to notify ASIC of changes to director details, instead notifying the ACNC.
14. As a result, the Charity Register contains more up-to-date information about charitable companies than the ASIC Companies Register (**ASIC Register**).
15. The conflicting and inaccurate records between the two sources confuses users. Despite significant outreach by the ACNC and statements by ASIC, many funders and financial services providers continue to mistakenly rely on the ASIC Register rather than the Charity Register as a "source of truth" for charitable companies.
16. These issues hinder the ability of charities to operate – **for example, banks have often refused to open charity bank accounts due to their reliance on the ASIC Register.**
17. In the lead up to Australia's next FATF mutual evaluation, ensuring that publicly available information about charitable companies is accurate and up-to-date will form an important part of our response (Recommendation 24 focuses on transparency of beneficial ownership and control of legal persons).
18. In the *National Risk Assessment: Money Laundering in Australia* report published in 2024, AUSTRAC noted that uncovering "ownership and control of legal structures is challenging for law enforcement agencies."
19. **Amending legislation to ensure that the Charity Register can be relied upon as a single source of truth will help to resolve this issue.** It will provide clarity and confidence to users who need this data (including government, law enforcement, financial services data and funders), and assist Australia to demonstrate compliance with FATF Recommendation 24.
20. It will also address comments raised by the judiciary and the sector (including advisers):
  - i. In *Re Leeuwin Ocean Adventure Foundation Limited (In Administration); Ex Parte John Allan Bumbak and Richard Scott Tucker as joint and several administrators of Leeuwin Ocean Adventure Foundation Limited*<sup>1</sup> (**Re Leeuwin**) the Supreme Court of Western Australia highlighted the legal uncertainty caused when the Charity Register and ASIC's Company Register display conflicting information about charities. In that case, administrators had been appointed to run the charity. While the Charity Register was duly updated as required, the Company Register was not updated. Competing provisions of the ACNC Act and the Corporations Act caused uncertainty to third parties, such that the administrators were required to seek a court order to validate their appointment and authority to act on behalf of the charity. The significant expense of charitable funds and resourcing to resolve the unnecessary confusion in this case is a serious concern.

<sup>1</sup> [2023] WASC 480

- ii. The confusion around who is authorised to act on behalf of a charity highlighted in *Re Leeuwin* also highlights a latent risk of financial fraud for charities – when a Responsible Person of a charity who has been removed, or has left a charity may still be allowed to transact on behalf of that charity they are no longer associated with, because a bank or other service provider wrongly confirms their authority by reference to an out-of-date record on the Company Register rather than the up-to-date Charity Register.
  - iii. These issues of concern to the ACNC are also continually raised with the ACNC by the sector (including lawyers and accountants who advise charities) – most recently we heard these concerns at the Chartered Accountants Australia and New Zealand’s Accounting Conference, and the Biennial National Conference of the Association of School Business Administrators, both held on 22 May 2025.
21. Reforms will also improve productivity across the Commonwealth – by reducing the number of enquiries received by the ACNC and ASIC, and removing duplicative work performed by the two agencies.

### Other legislative changes that would promote the ACNC as a ‘one-stop shop’

- 22. The ACNC has previously briefed you and The Department of the Treasury (**Treasury**) of legislative changes that would enhance our ability to increase transparency, and promote trust and confidence in the charity sector.
- 23. The ACNC remains of the view that minor legislative change - that could provide the ACNC with the tools to realise the Government’s vision of being a ‘one-stop-shop’ for charities and donors - would have enormous value for the public and sector.
- 24. Examples of the improvements that could be made to the Charity Register based on feedback from charities, donors, government and the public include **allowing the Charity Register to display whether a charity is endorsed by the ATO as a Deductible Gift Recipient (DGR)**. This is an extremely important piece of information for philanthropists, donors and sometimes government, who want to know whether donations made to a charity are tax-deductible or not. Currently, this information must be sought from the Australian Business Register (**ABR**), which adds an extra barrier for users.
- 25. **Allowing the Charity Register to publish this information will encourage donors to use the Charity Register as a ‘one-stop shop’, help the Government to double philanthropy by 2030, and aligns with recommendation 9.1 of the Productivity Commission’s “Future foundations for giving” report.** Enabling the ABR to share this information directly with the ACNC will ensure that charity reporting is not increased.

## The ACNC

### Senior leaders and organisational structure

26. The ACNC is headed by the ACNC Commissioner, an independent statutory officeholder. The ACNC Commissioner is supported by two Assistant Commissioners.



**Sue Woodward AM**  
ACNC Commissioner

Sue was appointed as the ACNC Commissioner on 12 December 2022 for a five-year term.

Office number: s 22  
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Email: [sue.woodward@acnc.gov.au](mailto:sue.woodward@acnc.gov.au)



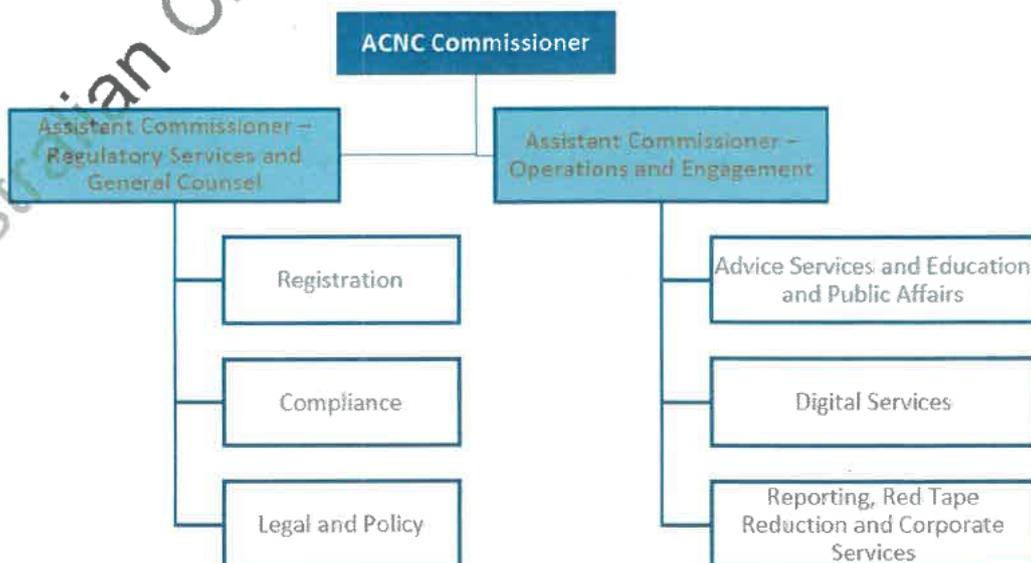
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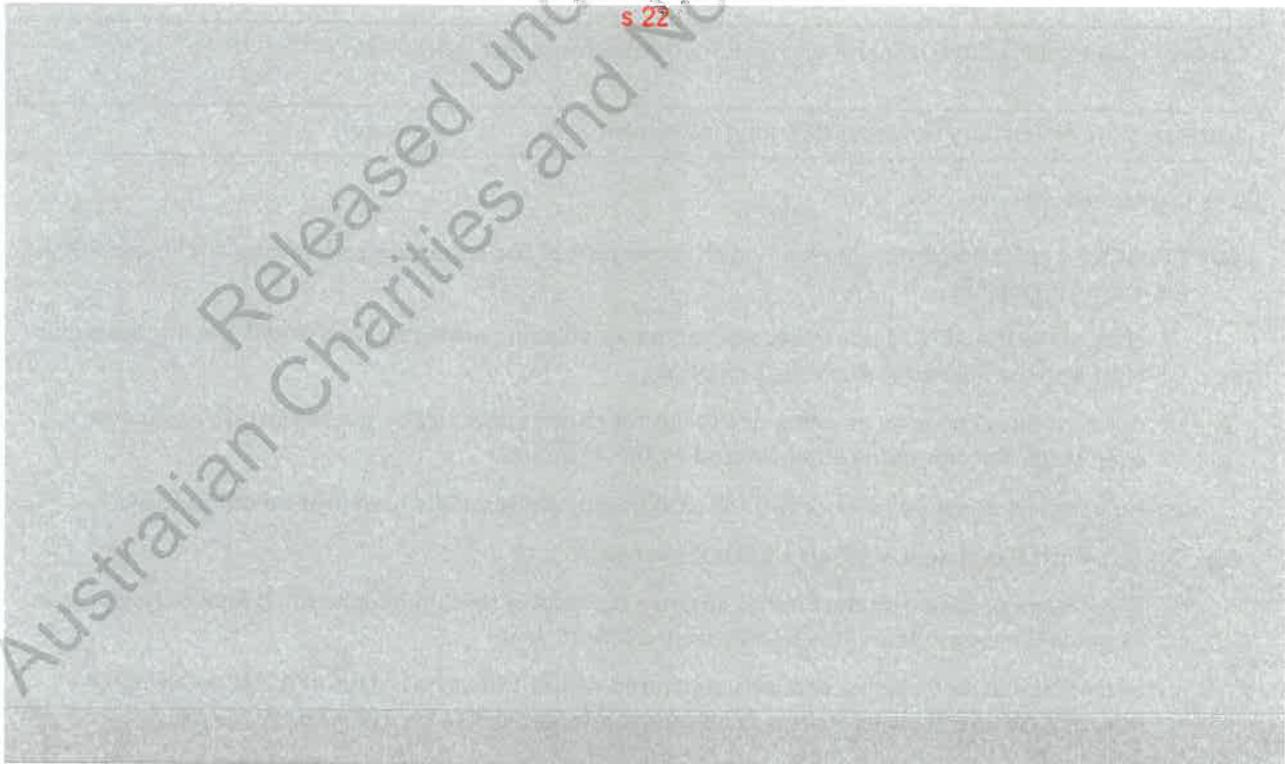


## Staff information

27. The ACNC is based in Melbourne with 133 full-time equivalent staff as of 31 March 2025 (including the ACNC Commissioner but excluding 7 staff on long-term leave).
28. **Approximately 78% of ACNC staff are focused on service delivery.** The remaining 22% provide enabling services (such as our Corporate Services, Digital Services and Legal and Policy areas).
29. **As at 31 March 2025, the ACNC had no external labour costs.**
30. For the purposes of the *Performance and Accountability Act 2013* (Cth) (**PGPA Act**), the ACNC and ACNC Advisory Board form part of the ATO-listed PGPA Act entity. For that reason, the Commissioner of Taxation is the Accountable Authority for the ACNC and ACNC Advisory Board.
31. ACNC staff (with the exception of the ACNC Commissioner who is a statutory appointment) are engaged under the *Public Service Act 1999* by the ATO and, in accordance with the ACNC Act, are made available to the ACNC Commissioner by the Commissioner of Taxation.
32. ACNC staff are required to comply with a range of Chief Executive Instructions issued by the Accountable Authority, which covers topics such as procurement, physical security and conflicts of interest.

## Financial information

### Annual appropriation



### Litigation



## Other corporate information

### Legislation

| Legislation                                                                                                 | Administered by                                                                                                                           |
|-------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------|
| <i>Australian Charities and Not-for-profits Commission Act 2012</i>                                         | Treasury                                                                                                                                  |
| <i>Australian Charities and Not-for-profits Commission Regulations 2022</i>                                 | Treasury                                                                                                                                  |
| <i>Australian Charities and Not-for-profits Commission (Consequential and Transitional) Act 2012</i>        | Treasury                                                                                                                                  |
| <i>Australian Charities and Not-for-profits Commission (Consequential and Transitional) Regulation 2016</i> | Treasury                                                                                                                                  |
| <i>Charities Act 2013</i>                                                                                   | Treasury (to the extent of its application to taxation and corporations law, otherwise administered by the Department of Social Services) |
| <i>Charities (Consequential Amendments and Transitional Provisions) Act 2013</i>                            | Treasury                                                                                                                                  |
| <i>Charities (State or Territory Government Entity) Instrument 2024</i>                                     | Treasury                                                                                                                                  |

### Reporting to government

40. The ACNC's 2025-26 corporate plan (which forms part of the corporate plan for the ATO listed PGPA Act entity) highlights:
- changes to the ACNC's operating environment, including emerging risks that could impact public trust and confidence in Australia's charities,
  - our continued focus on assisting not-for-profit entities affected by the self-assessing income tax exemption reforms being administered by the ATO, and
  - how we will continue to work with other different stakeholders to deliver on our purpose.
41. Our two portfolio budget measures will not change:
- percentage of time that the Charity Register is available (excluding scheduled maintenance): our target will increase from 95% to 99% from 2025-26, and
  - percentage of new eligible charities registered within 15 business days of ACNC receiving all information necessary to make a decision – our target is 90% for 2025-26.
42. The ACNC will continue to prepare a separate annual report as required by the ACNC Act.

### Artificial intelligence (AI)

43. The ACNC complies with the Government's Policy for the responsible use of AI in government and we have published [a transparency statement on the use of artificial intelligence](#).

- 44. Although this policy applies to the ATO listed PGPA Act entity, the ACNC Commissioner has been nominated as an accountable official in relation to the ACNC's use of AI.
- 45. The ACNC participated in the whole-of-government Microsoft Co-Pilot trial (led by the Digital Transformation Agency).
- 46. The ACNC does not currently use AI in any of our external services or in the production of any external advice.

## Red Tape Reduction update

### Update on National Fundraising Principles and deemed recognition model

- 47. The deemed recognition model will provide ACNC-registered charities with the automatic ability to fundraise in participating jurisdictions.

| Jurisdiction                 | National Fundraising Principles                                                                                                             |                                       | Deemed recognition model in place? |
|------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------|------------------------------------|
|                              | Implementation plan published?                                                                                                              | Have the principles been implemented? |                                    |
| Australian Capital Territory | ✓                                                                                                                                           | ✓                                     | ✓                                  |
| New South Wales              | ✓                                                                                                                                           | ✗                                     | ✗                                  |
| Northern Territory           | Not applicable – the Northern Territory's government have specialist fundraising regulatory requirements (only the Australian Consumer Law) |                                       |                                    |
| Queensland                   | ✓                                                                                                                                           | ✗                                     | ✓                                  |
| South Australia              | ✓                                                                                                                                           | ✓                                     | ✓                                  |
| Tasmania*                    | ✓                                                                                                                                           | ✗ pending                             | ✗ pending                          |
| Victoria                     | ✓                                                                                                                                           | ✓                                     | ✓                                  |
| Western Australia*           | ✓                                                                                                                                           | ✗ pending                             | ✗ pending                          |

\* Legislation is currently before Parliament in Tasmania and Western Australia that will enable the National Fundraising Principles and deemed recognition model to be implemented.

### Streamlined reporting arrangements over time



*Further information*

48. Additional information on our red tape reduction initiatives are published on our website: [ACNC red tape reduction updates](#).

**Key information and guidance published by the ACNC****Corporate information**

- Our section of the Accountable Authority's 2024-25 corporate plan: [Corporate Plan](#)
- Statement of Expectations: [ACNC – Statement of Expectations](#)
- Statement of Intent: [ACNC – Statement of Intent](#)
- 2023-24 Annual report: [Annual Report](#)

**How we apply the law**

- Regulatory Approach: [Regulatory Approach Statement](#)
- Stakeholder engagement: [ACNC Stakeholder Engagement](#)
- Policies: [Commissioner's Policy Statements, Corporate Policies and Operational Procedures](#)
- Commissioner's Interpretation Statements: [ACNC Commissioner's Interpretation Statements](#)
- Decision Impact Statements: [ACNC Decision Impact Statements](#)
- De-identified registration decisions: [ACNC De-identified registration decision summaries](#)

**Key ACNC guidance to support charities**

- Self-assessing income tax exemption reforms: [Guidance for affected organisations](#)
- Interactive charity self-assessment tool: [Charity registration self-assessment tool](#)
- Tailored guidance for small charities: [Small Charities Library](#)
- Online learning: [ACNC online learning hub](#)
- Guides: [ACNC guides](#)
- Templates: [ACNC templates](#)

**ACNC data**

- Charity data hub: [ACNC Charity data hub](#)
- Australian Charities Reports: [All reports since 2013](#)

## The ACNC Advisory Board

49. The ACNC Act establishes an Advisory Board to support and advise the ACNC Commissioner.

50. The board currently comprises of:

- i. eight general members who bring expertise relating to the charity and not-for-profit sector, and/or specialist legal, taxation and accounting experience and qualifications, and
- ii. seven ex-officio members, representing state or territory government regulators overseeing the charity and not-for-profit sector.

51. For the purposes of the PGPA Act, the Commissioner of Taxation is also the Accountable Authority for the board.

52. A list of current general members is provided below, along with their current end date:

| Position       | Name                                          | Current end date |
|----------------|-----------------------------------------------|------------------|
| Chair          | Sarah Davies AM                               | 2 August 2026    |
| Deputy chair   | Sara Harrup                                   | 1 August 2026    |
| General member | Emeritus Professor Myles McGregor-Lowndes OAM | 2 August 2025    |
| General member | Ian Hamm                                      | 2 August 2026    |
| General member | Rosa Loria                                    | 2 August 2026    |
| General member | Anna Bacik                                    | 2 August 2026    |
| General member | David Crosbie                                 | 2 August 2026    |
| General member | Nick Maisey                                   | 2 August 2027    |

53. A list of current ex-officio members is provided below:

| Jurisdiction       | Position                                                                                                                                 | Current occupant     |
|--------------------|------------------------------------------------------------------------------------------------------------------------------------------|----------------------|
| New South Wales    | Commissioner of Fair Trading and Deputy Secretary of Fair Trading and Regulatory Services Division in the Department of Customer Service | Natasha Mann         |
| Northern Territory | Executive Director, Industry Capability, Licensing and Migration, Department of Trade, Business and Asian Relations                      | Amanda Nobbs-Carcuro |
| Queensland         | Deputy Director-General, Harm Prevention and Regulation, Department of Justice                                                           | Victoria Thompson    |
| South Australia    | Commissioner for Consumer and Business Services                                                                                          | Brett Humphrey       |
| Tasmania           | Executive Director of Consumer, Building and Occupational Services, Department of Justice                                                | Robyn Pearce         |
| Victoria           | Director of Consumer Affairs and Executive Director of Regulatory Services in the Department of Government Services                      | Nicole Rich          |
| Western Australia  | Commissioner for Consumer Protection, Department of Energy, Mines, Industry, Regulation and Safety*                                      | Patricia Blake       |

\* The Department of Energy, Mines, Industry Regulation and Safety will be split into two departments. The Department of Local Government, Industry Regulation and Safety will include consumer protection.

Appendix A – initial brief provided by the ACNC

Released under FOI Act 1982  
Australian Charities and Not-for-profits Commission



**BRIEF – AUSTRALIAN CHARITIES AND NOT-FOR-PROFITS COMMISSION**

**Date:** 14 May 2025

**File No:** MIN2025/6

|                   |                                                                                                                                                |
|-------------------|------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>To:</b>        | Assistant Minister for Productivity, Competition, Charities and Treasury, the Hon Dr Andrew Leigh                                              |
| <b>Copies to:</b> | Commissioner of Taxation (in his capacity as Accountable Authority for the ACNC), Rob Heferen<br>Deputy Secretary - Revenue Group, Diane Brown |

Dear Dr Leigh

On behalf of the Australian Charities and Not-for-profits Commission (ACNC) I congratulate you on your appointment as the Assistant Minister for Productivity, Competition, Charities and Treasury, with responsibility for the ACNC.

This initial brief is divided into three sections covering:

1. **Immediate priorities:** an outline of issues that need your immediate attention,
2. **Opportunities:** an outline of some short and medium term opportunities to enhance the ACNC’s ability to fulfil its role in regulating and supporting Australia’s 64,000 registered charities, and
3. **Key information:** a current snapshot of key ACNC operating information, a preview of key findings from our upcoming 11<sup>th</sup> Charities Report and an outline of the ACNC’s priorities for the remainder of 2025.

A more detailed brief with background documents will be sent to your office in the coming days. I think it will be of assistance as an updated reference document and includes more detail on some of the items covered in this brief.

My team and I look forward to working with you to ensure the ACNC is supporting and sustaining a vibrant, transparent, well-governed and innovative charity sector.

I look forward to meeting with you in person at your convenience.

Yours sincerely,

**Sue Woodward AM**  
ACNC Commissioner

## Immediate priorities

### ACNC Advisory Board Membership – expiring member term, ACT ex-officio appointment

1. The ACNC Advisory Board is established by the *Australian Charities and Not-for-profits Commission Act 2012 (Cth) (ACNC Act)*.
2. Members of the Advisory Board are appointed by you as the ACNC's Minister. The Advisory Board currently comprises of:
  - i. eight general members who bring expertise relating to the charity and not-for-profit sector, and/or specialist legal, taxation and accounting experience and qualifications, and
  - ii. seven ex-officio members, representing state or territory government regulators overseeing the charity and not-for-profit sector.
3. **General Advisory Board member Emeritus Professor Myles McGregor-Lowndes OAM's two-year appointment is due to expire on 2 August 2025.** Professor McGregor-Lowndes contributes significant and unique expertise and insights to the Advisory Board, and my recommendation is that his term be extended.
4. We understand that the ACT Government has indicated a willingness to appoint an ex-officio member. The ACT's Commissioner for Fair Trading attended the Advisory Board meeting of 12 May 2025 as a guest. To ensure that all states and territories can be at the table, **progressing the appointment of the ACT ex-officio prior to the next meeting on 30 July would be desirable**, noting that is intended to be the annual face-to-face meeting of all ex-officio members.

### Reforms to the ACNC's secrecy provisions

5. The 2023-24 Budget included an allocation of funding to support reform to the ACNC's secrecy provisions.
6. To effect that reform, the *Treasury Laws Amendment (Miscellaneous Measures) Bill 2024 (Cth)* included proposed amendments to the ACNC Act to permit disclosure of information about the existence of an investigation into a charity, where such disclosure would prevent or minimise a risk of public harm.
7. The Bill was before the Senate when the election was called in March 2025. The Senate Economics Legislation Committee supported the measure. Senator Smith tabled a motion to consider this Bill on 11 February 2025, but the motion did not pass.
8. The ACNC strongly supports the proposed reform as it will help enable the ACNC to better fulfill its object of maintaining, protecting and enhancing public trust and confidence in the charity sector.
9. My recommendation is that the Bill be reintroduced as soon as possible in the next Parliament.

### Litigation risk associated with the ACNC's compliance function

10. Our compliance work seeks to ensure that registered charities operate lawfully and are appropriately governed to protect beneficiaries and charitable assets.
11. In 2024 the ACNC announced that (in addition to its enduring areas of compliance focus), we would make efforts to identify and review instances where it was possible that charities were:
  - i. misusing complex corporate structures to deliberately obfuscate or conceal non-compliance with the requirements of the ACNC Act and associated regulations, and/or evade tax, or
  - ii. failing to have and manage the more robust governance requirements required to match operating with a complex (group) corporate structure.

12.  s 47E(d)
13. 
14. To respond to these challenges, the ACNC has had to quickly reallocate resources to engage with the Attorney-General's Department and the Solicitor General (as required under the *Legal Services Directions 2017*).
15. The ACNC does not have a litigation budget. In the 2018-19 Budget, the ACNC was provided with a lump sum of \$1 million to support litigation expenses associated with charity regulation. As of 31 March 2025, approximately \$238,000 remains available from that initial lump sum.
16. The ACNC is defending a complex registration matter before the Administrative Review Tribunal, and we will more than likely need to use this litigation funding to cover necessary expenses for that matter.
17. We have other unavoidable 'business-as-usual' legal expenses that we cannot control or predict.
18. Significantly, if the ACNC is considering using compliance powers (other than revocation) against a charity, we are required to first seek advice from the Australian Government Solicitor on constitutional law matters relating to whether that charity is a 'federally regulated entity'. This is a 'point in time' assessment which may have to occur more than once if the ACNC's engagement with a particular charity extends over a period of time. To fund these costs, the ACNC must draw upon the annual appropriation that is intended to fund our core work.
19.  s 37
20. **The ACNC requests a one-off \$1.4 million 'top-up' in the upcoming Mid-Year Economic Financial Outlook to help ensure we can use our powers without immediate concern that we would be unable to fund associated litigation costs.**

## Opportunities

### Media to promote the Australian Charities Report (11th edition)

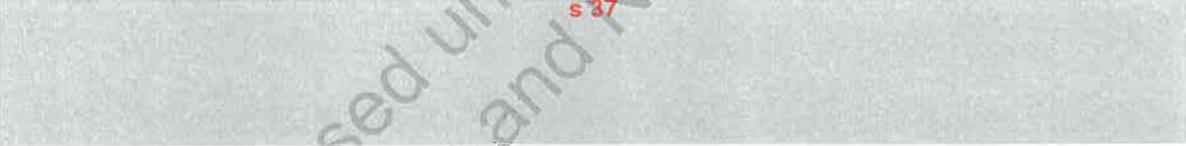
21. **The Minister may wish to promote the upcoming edition of the Australian Charities Report when it is released on 4 June (date to be confirmed).** There will also be a follow-up report released later in the year that focuses on charities that are entirely volunteer run (this supports the National Volunteering Strategy 2023-2033 and the associated Action Plan 2024-2027).
22. As we have done previously (with success) we will be seeking media cover for the report, including a prerecorded radio release backed by Commissioner interviews across platforms. This may provide you with an opportunity for media as well.
23. A preview of the key findings from the report has been provided at paragraphs 57 to 58.

## Improving Australia's compliance with the Financial Action Task Force Standards

24. The Financial Action Task Force (**FATF**) is an international body that sets global standards to prevent illegal financial activity (money-laundering, terrorism financing and proliferation financing). Australia's compliance with the FATF Standards is periodically assessed through a mutual evaluation process.
25. Australia's last mutual evaluation was conducted in 2015. At that time **Australia was found to be non-compliant with the relevant FATF Standards that relate to how well charities and not-for-profits are protected against being used for terrorism financing.**
26. A follow-up evaluation is underway and expected to be finalised in June 2027. The evaluation is a national, cross-agency exercise, led by the Attorney-General's Department.
27. **We have outlined some key opportunities below that will enhance Australia's ability to respond to the evaluation.** Our detailed brief will include more information on the ACNC's role in the evaluation.

### *Increasing the scope of the ACNC's stakeholder engagement activities*

28. Countries are able to use FATF Best Practice Guides (**BPG**) to inform their effective (and proportionate) implementation of the FATF Standards. For the protection of charities and not-for-profits, the FATF BPG recommends countries:
  - i. undertake outreach and education programs to improve awareness among the not-for-profit sector and donor community about terrorism financing risks, and
  - ii. engage regularly with the private sector (including banks) to ensure that they fully understand that not-for-profit sector and associated terrorism risks for their customers.

29.  s 37

### *Reform to the ACNC's legislation to allow more complete data capture and reporting*

30. The FATF Standards consider the completeness, transparency and public availability of information about corporate entities, including charities.
31. From the ACNC's perspective there are three key legislative reform opportunities that would improve Australia's standing with respect to this aspect of the FATF Standards:
  - i. allowing the ACNC to collect the personal details of charities' Responsible People with criminal records (this was also the subject of Recommendation 18 of the 2018 ACNC Legislative Review),
  - ii. allowing the ACNC to disqualify individuals from being Responsible Persons of a charity if they have a conviction for distribution of illicit drugs, sexual abuse of children, terrorism, terrorism financing or related offences (this was also the subject of Recommendation 23 of the 2018 Review), and
  - iii. amending the *Corporations Act 2001* (Cth) (**Corporations Act**) to ensure the ACNC's Charity Register is properly considered as the sole, up-to-date 'source of truth' for information about all charities.
32. Importantly, the recommendation for the change to the Corporations Act (paragraph 31 (iii) above) goes to implementing the intent of the ACNC's establishment by the then Labor Government; that the ACNC be a 'one stop shop' for government reporting requirements by charities.
33. This 'one stop' intent is why some requirements of the Corporations Act were 'switched off' for charities operating using a corporate structure. For example, charities that have a company structure do not need to notify ASIC of changes to director details – instead they notify the ACNC.
34. As a result, the ACNC Charity Register contains more up-to-date information about charitable companies than ASIC's company register. Because some organisations continue to rely on the ASIC register, many

charities (not all of whom are large/have paid staff) are currently reporting updates to both registers to meet the requirements of various key service providers (such as banks). This adds red tape.

35. **Legislative amendments to the Corporations Act would resolve this very long running concern and allow the Charity Register to achieve its original vision as the 'source of truth' for information about registered charities.**
36. This matter has been raised with you by many stakeholders, including the Law Council of Australia, and was the subject of (unfavourable) judicial commentary in the 2023 case of the Leeuwin Ocean Adventure Foundation, heard in the Supreme Court of Western Australia. This issue continues to be raised with the ACNC, most recently at our forum with non-government schools on 5 May and at our Adviser Forum on 6 May.
37. Importantly this change will:
- i. substantially reduce red tape and operating costs for over 12,000 charities (with a trend to more charities wanting to using a company structure),
  - ii. reduce the cost of duplicative work performed by the ACNC and ASIC on behalf of government, and
  - iii. allow charities to operate more effectively – we are aware of multiple instances where charities are unable to open or close bank accounts due to conflicting information between the two registers.

#### **Harnessing the recent appointment of ex-officio members to the ACNC Advisory Board to reduce red tape and improve regulatory outcomes**

38. In late 2024, you appointed seven ex-officio members to the ACNC Advisory Board. These members represent each state and territory, except for the ACT.
39. The ACNC understands that the Department of the Treasury is engaging with the ACT Government to nominate and arrange the appointment of an ex-officio representative. To support this approach, an ACT representative attended the 12 May 2025 meeting as a guest.
40. These appointments provide an opportunity for the ACNC to enhance existing relationships with state and territory level agencies that regulate and engage with charities and not-for-profits (in areas such as fundraising, legal structure and other consumer affairs matters). Our aim is to find ways to reduce red tape for charities and harmonise regulatory approaches across both levels of government.
41. We have organised an in-person meeting for all ex-officio Advisory Board members on 30 July 2025.
42. **This meeting will coincide with the annual 'ACNC Governing for Good Forum' hosted in Melbourne on 31 July 2025 (hybrid event). Your office has been sent an invitation to open the event.**
43. The forum (previously known as the ACNC's Regulators Day) will continue the approach of bringing together charities, government agencies, sector representatives, charity law and accounting professionals to reflect on the sector's regulatory development and explore the regulatory landscape and challenges the sector faces. The draft agenda will be included in the more detailed brief.
44. **You may wish to organise a meeting around the same time with the ministers responsible for charities in each state and territory government.** That meeting could be used to understand any barriers to current harmonisation efforts and build the groundwork for more ambitious co-operative reforms such as:
- i. full implementation of the National Fundraising Principles (agreed upon by Commonwealth, state and territory Treasurers in February 2023),
  - ii. how the limitations on the use the ACNC's powers for non-federally regulated entities could be reduced, and
  - iii. how a single legal definition of charity could provide a baseline definition for national consistency.

45. Another topic for a future meeting of this nature could be to seek agreement on a consistent approach to implementation of the 'Tier 3' not-for-profit reporting framework being developed by the Australian Accounting Standards Board (AASB) at present. The ACNC understands the AASB intends to publish this new framework in early 2026. This will represent significant change for the sector – our data shows that these reforms will impact:
- i. over 5,500 medium and large charities, and
  - ii. a large number of small charities who prepare financial statements in accordance with Australian Accounting Standards for other purposes, such as grant acquittals.
46. **Having a nationally consistent implementation approach for this new AASB reporting framework will assist the ACNC to allow charities to report via Standard Business Reporting (SBR), achieving a time efficiency for charities.**
47. To explain further, SBR can allow charities to pre-fill the financial information in the Annual Information Statement (which can then be shared with other government agencies) directly from their accounting or business software, reducing duplicative reporting and administrative processes otherwise required of charities. The ATO has just enabled SBR for taxable not-for-profits that need to submit an income tax return, which was raised at the ACNC Advisory Board.

### **Improvements to the Charity Register to assist with doubling philanthropy, enhancing transparency and reducing red tape**

48. The Charity Register provides a publicly accessible, transparent and trusted source of information about registered charities in Australia.
49. In 2023-24 there were over 19 million interactions with the Charity Register via the ACNC's website.
50. Users regularly give the ACNC feedback on what information about charities could be made available via the Charity Register to further add value.
51. With government support, a range of improvements could be made including some that could be implemented by leveraging data already collected and held by the ACNC or other government sources. Further information will be included in the more detailed brief.

## **Key information: ACNC and Sector**

### **ACNC corporate information**

52. The ACNC is based in Melbourne with 133 full-time equivalent staff (including the ACNC Commissioner but excluding 7 staff on long-term leave).
53. The ACNC's 2024-25 appropriation is \$20.2 million (including \$1.7 million of funding transferred from the ATO to assist the ACNC in managing the impacts from the self-assessing income tax exemption reforms).
54. The ACNC and the ACNC Advisory Board maintain substantial operational independence in fulfilling our respective roles, however both are considered part of the ATO listed entity for the purposes of the *Public Governance, Performance and Accountability Act 2013* (Cth). This means that the Accountable Authority for the ACNC and the ACNC's Advisory Board is the Commissioner of Taxation.

### **About the Sector**

55. The ACNC publishes an annual Australian Charities Report. The report draws upon data submitted to the ACNC by charities in their Annual Information Statements and provides a detailed analysis of the

national charity sector. It showcases the broad and significant contribution that the sector makes to building social capital and connectedness in Australian communities.

56. The latest (11<sup>th</sup>) edition of the Australian Charities Report is scheduled to be published on 4 June 2025.
57. It will show that while charities continue to be a key driver of the economy, the operating environment remains challenging, particularly for smaller charities. While the revenue for extra small charities (those with less than \$50,000 in annual revenue) grew by 2.8%, revenue for extra large charities (those with annual revenue of \$100 million or more) grew by over 14%.
58. In the 2023 reporting year:
- i. Australian charities reported over \$222 billion in revenue, including \$18.9 billion from public donations and bequests,
  - ii. around 1.54 million people were employed by Australian charities. That figure represented 10.7% (compared to 10.5% in the 10<sup>th</sup> edition of the report) of Australia's workforce based on the employment rate as of 30 June 2024, making the charity sector a larger employer than both Australia's construction industry (1.3 million workers) and the manufacturing industry (over 900,000 workers), and
  - iii. 52% of all charities operated without paid staff. Approximately 3.77 million volunteers also contributed to the work of Australia's charities (compared to 3.5 million in the 10<sup>th</sup> edition of the report).

#### Priorities for the ACNC to 31 December 2025

59. In addition to the FATF evaluation, other key ACNC priorities are provided below.

#### *Managing the ongoing impact of the self-assessing income tax exemption reforms*

60. Since the 1 July 2024 commencement date, the ATO has been implementing reforms that require around 100,000 not-for-profits with an active Australian Business Number who wish to remain exempt from income-tax liability to:
- i. submit an annual self-review to the ATO if they do not have a charitable purpose, or
  - ii. register with the ACNC if they have a charitable purpose.
61. This reform has led to a significant increase in the number of applications for charity registrations being received by the ACNC. It has increased the number of registered charities overseen by the ACNC from 59,600 (as at 30 June 2023) to 63,800 (as at 30 April 2025).
62. From 1 July 2024 to 30 April 2025:
- i. the ACNC saw the number of applications for registration increase by 7.5% compared to the same period in the previous year, and
  - ii. at least 52% of applications of these applications related to the reforms.
63. To manage the impacts of these reforms, the ACNC has:
- i. temporarily engaged over 20 new staff (jointly funded by the ATO and the ACNC),
  - ii. worked with about 80 peak bodies across the not-for-profit sector to streamline the submission of registration applications, and provided tailored guidance for their cohorts,
  - iii. developed and refined specific guidance and online tools to assist newly registered (or newly re-registered) charities to understand and meet their ACNC obligations, and
  - iv. worked closely with the ATO.

64. The ACNC will continue to:

- i. work with the ATO to identify and support not-for-profits that may want to apply for registration with the ACNC – there is a large number who have not yet complied with the reporting measure and, of those who have, the ATO have indicated that over 1,900 have ticked ‘unsure’ when asked about whether they have any charitable purposes,
- ii. aim to allocate applications to staff within a month of submission while also registering charities in a timely manner once full information is received,
- iii. work with peak bodies on bulk applications and ‘batch’ similar applications together so they can be assessed more quickly, and
- iv. support newly registered charities to understand and comply with their ACNC obligations so that they do not then quickly fall into non-compliance and risk revocation, noting that already the number of registered charities has increased by around 4,200 from 30 June 2023 to 30 April 2025.

*Planned public consultation and sector engagement*

65. Over the next six months the ACNC intends to engage in public consultation on two key frameworks:

- i. the ACNC’s Regulatory Approach Statement, and
- ii. the ACNC’s stakeholder engagement approach.

66. The Regulatory Approach Statement is designed to provide transparency and clarity to charities and stakeholders about the ACNC’s approach to regulation. It was last reviewed in 2020 with only minor changes made. The ACNC is at a different stage of regulatory maturity, and our aim is to ensure that the statement remains contemporary and clear in explaining how the ACNC sets compliance priorities, allocates resources between reactive and proactive compliance work, and uses its powers to effectively support and regulate charities.

67. We are also reviewing our stakeholder engagement approach to ensure we are balancing broad engagement across the sector and the public at large, with more targeted outreach to cohorts of charities and other stakeholders facing specific challenges or emerging issues.

68. As a first testing of this cohort approach, on 5 May the ACNC hosted a forum with non-government schools and the Commonwealth Department of Education to better understand the operating context and challenges these charities face in complying with the ACNC’s obligations as part of a broader framework of compliance obligations relevant to them.

69. More broadly, to ensure that the ACNC can contribute effectively to Australia’s FATF follow-up evaluation, our stakeholder engagement approach will be reviewed with the FATF Standards in mind.

*Potential Australian National Audit Office (ANAO) review into the use of the ACNC’s regulatory powers*

70. The ANAO’s draft 2025-26 workplan includes a potential audit into the ACNC’s use of its regulatory powers.

71. The timing of the proposed audit coincides with when the ACNC expects it will need to contribute substantially to the FATF evaluation (above). We have no additional resources for the FATF work.

72. With that in mind, the Commissioner of Taxation (as the ACNC’s Accountable Authority) has written to the ANAO to:

- i. note that the ACNC will find it challenging to respond effectively to both the proposed audit and FATF follow-up evaluation at the same time, and
- ii. request that any proposed audit be deferred until the FATF follow-up evaluation is finalised (expected June 2027).

73. **We expect that the ANAO’s final workplan will be published in June or July.**

**Terrell, Nick**

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**From:** s 47E(d)  
**Sent:** Thursday, 12 June 2025 11:19 AM  
**To:** Terrell, Nick  
**Cc:** s 47E(d)  
**Subject:** FW: Detailed Brief - Australian Charities and Not-for-profits Commission [SEC=OFFICIAL]  
**Attachments:** Detailed Government Brief - ACNC - June 2025.pdf

OFFICIAL

Hi Nick,

Please see detailed Government brief from the ACNC.

Thanks

s 47F

- **Departmental Liaison Officer, CBR**

Office of the Hon Dr Andrew Leigh MP

Assistant Minister for Productivity, Competition, Charities and Treasury

P s 47F M s 47F E s 47E(d) @Treasury.gov.au

*The Treasury acknowledges the traditional owners of country throughout Australia, and their continuing connection to land, water and community. We pay our respects to them and their cultures and to elders both past and present.*

OFFICIAL

**From:** Cate Bennett  
**Sent:** Thursday, 12 June 2025 10:49 AM  
**To:** Leigh, Andrew (MP)  
**Cc:** Sue Woodward ; s 47E(d) ; Natasha Sekulic  
**Subject:** Detailed Brief - Australian Charities and Not-for-profits Commission

You don't often get email from [cate.bennett@acnc.gov.au](mailto:cate.bennett@acnc.gov.au). [Learn why this is important](#)

OFFICIAL

Dear Assistant Minister Leigh,

It was great to see you in Melbourne last week!

Please find attached the ACNC's detailed brief, which supplements the initial brief also recently shared with you.

Kind regards, Cate

**Cate Bennett**

Assistant Commissioner – Operations and Engagement  
Australian Charities and Not-for-profits Commission

T +61 3 s 47F E [Cate.Bennett@acnc.gov.au](mailto:Cate.Bennett@acnc.gov.au)

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*The ACNC acknowledges the Traditional Custodians of country throughout Australia and their connections to land, sea and community. We pay our respects to them and their cultures and elders past and present.*

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**Terrell, Nick**

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**From:** s 47F @aph.gov.au  
**Sent:** Friday, 16 May 2025 3:06 PM  
**To:** Terrell, Nick  
**Subject:** FW: FOR INFO: Incoming government brief - Australian Charities and Not-for-profits Commission  
**Attachments:** Incoming Government Brief - ACNC - May 2025.pdf  
**Follow Up Flag:** Follow up  
**Flag Status:** Flagged

s 47C

s 47C, s 47F

Andrew.

**Andrew Leigh**  
**Assistant Minister for Productivity, Competition, Charities & Treasury**  
**Federal Member for Fenner**  
**Parliament of Australia**  
**Phone:** (02) 6247 4396  
**Electorate Office:** Corner of Efkarpidis St & Gungahlin Pl W, Gungahlin ACT 2912



 We acknowledge the Traditional Custodians of the ACT, the Ngunnawal people. We acknowledge and respect their continuing culture and the contribution they make to the life of this city and this region.

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**From:** s 47F  
**Sent:** Thursday, 15 May 2025 10:47 AM  
**To:** s 47F ; Terrell, Nick  
**Subject:** FOR INFO: Incoming government brief - Australian Charities and Not-for-profits Commission

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**From:** Cate Bennett <[cate.bennett@acnc.gov.au](mailto:cate.bennett@acnc.gov.au)>  
**Sent:** Thursday, 15 May 2025 10:38 AM  
**To:** Leigh, Andrew (MP) <[Andrew.Leigh.MP@aph.gov.au](mailto:Andrew.Leigh.MP@aph.gov.au)>

Cc: s 47E(d) Sue Woodward <[Sue.Woodward@acnc.gov.au](mailto:Sue.Woodward@acnc.gov.au)>  
Subject: Incoming government brief - Australian Charities and Not-for-profits Commission

OFFICIAL Sensitive

Dear Assistant Minister Leigh,

Please find attached the ACNC's incoming government brief, which I'm pleased to send on behalf of Commissioner Sue Woodward AM.

Sue is on leave today and tomorrow but did not want to delay sending this to you until next week.

The team at the ACNC congratulates you on your re-appointment and we're looking forward to continuing to work with you.

With best wishes, Cate

**Cate Bennett**

Assistant Commissioner – Operations and Engagement

Australian Charities and Not-for-profits Commission  
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