

# Memorandum

To: Club & Branch Presidents

Date: 27/07/2020

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Subject: Annual Affiliation / Charitable Fundraising Number

#### Dear Presidents,

The SLSNSW Board recently met and considered two administrative issues related to club operations, The Annual Affiliation Process and access to the SLSNSW Charitable Fundraising Number.

#### **Annual Affiliation Process**

As you would be familiar with, Clubs and Branches are required each year at their respective AGM's to formally consider reaffiliation with their respective Branch and SLSNSW. This occurs prior to the commencement of the forthcoming patrolling season. Given the restrictions around holding meetings due to COVID, many clubs are/have delayed their AGM's and will not hold their AGM prior to the start of the 2020/21 Patrolling season.

The SLSNSW Board has ratified that the 2019/20 Affiliation period will now be extended to 31 December 2020. This means clubs have an extended time to ensure their AGM's have considered and ratified re-affiliation. Clubs & Branches are reminded that as soon as these meetings are held, that they are to submit their annual affiliation form (included in the annual compliance kit). SLSNSW will retain the same schedule of invoicing clubs for capitation fees and similarly the same schedule for the payment of annual grants to Clubs and Branches.

### **Charitable Fundraising Number (CFN)**

SLSNSW and each of the affiliated Clubs and Branches are registered charities. This allows each entity to access benefits available only to charities and is administered through the Australian Charities and Non-Profit Commission (ACNC). Each Club/Branch is required to be individually registered with the ACNC and submit annual returns.

Aligned but separate to this is the authority/license to fundraise in NSW which enables organisations to undertake fundraising activities. For many years, SLSNSW has held this authority/license on behalf of all SLS clubs/branches in NSW. This authority is provided by the department of Fair Trading in NSW.

We recently became aware that clubs seeking to access online fundraising platforms such as Everyday Hero were experiencing difficulties as their ABN did not align with the Charitable Fundraising Number (CFN) held by SLSNSW. As part of the process of resolving this issue with the NSW Department of Fair Trading, the SLSNSW Board has taken the opportunity to review the current position of SLSNSW holding the authority/license on behalf of all clubs/branches. It has determined that SLSNSW will continue to hold this on behalf of all clubs/branches, and SLSNSW will now re-confirm with the Department that each Club & Branch is an affiliate and sits under the SLSNSW CFN (CFN 11033).

In continuing with this overarching position, a degree of risk does exist for SLSNSW, Clubs and Branches. The holder of the authority/license to fundraise is responsible for ensuring that each entity listed on the authority/license undertakes fundraising activities in line with the Charitable Fundraising Act. This means that any breach of the regulations may impact the entire organisation, and ultimately may result in the revocation of the organisation's authority/license to fundraise which would adversely impact each club, branch and SLSNSW itself.

The NSW Department of Fair Trading - Charitable Fundraising Guidelines provide clear direction on the requirements of clubs with respect to Charitable Fundraising activities.

https://www.fairtrading.nsw.gov.au/ data/assets/pdf file/0006/371283/Charitable-Fundraising-Guidelines.pdf

## **Surf Life Saving New South Wales**

We would strongly urge you to review the guidelines to ensure your activities, reporting and record keeping remain compliant. This includes taking all reasonable steps to ensure that total expenses when conducting appeals for donations payable do not amount to more than 50% of gross proceeds (in other forms of fundraising, such as the sale of goods and services, the return must be fair and reasonable). You should also ensure that annual reports comply with the guidelines which require Clubs and Branches to:

- o state their charitable purpose within the annual report
- o document how income from fundraising goes back into the SLS club or branch to meet its charitable purpose this is also important if your SLSC is on Crown Land as you should be demonstrating efficient management and administration for charitable purposes if conducting fundraising activities as per the Crown Management Act 2006.

For more on Charitable Fundraising information, visit <a href="https://www.fairtrading.nsw.gov.au/charitable-fundraising">https://www.fairtrading.nsw.gov.au/charitable-fundraising</a>

SLSNSW's annual compliance process (as released via Circular on 10 July 2020) provides further information to support clubs and branches to comply with reporting requirements that align with the charitable fundraising requirements.

If you have any questions on the scope and nature of either fundraising activities in that they comply with the Charitable Fundraising Act, or on your Club or Branches annual affiliation please contact the Development Team at the SLSNSW office:

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Regards,

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