Photos: Pōtahi Marae, Student Volunteer Army, Rā o Te Raukura Volunteers

Charities Services Governance Review

CHARITIES SERVICES
Ngā Ratonga Kaupapa Atawhai

Te Tari Taiwhenua
Internal Affairs

Kia ora and welcome!

Overview

- **Rules**

- **Different types of charity structures**

- **Different registers**

- **New governance requirement**

- **Why review your governance**

- **Where to find help**

Photo: Age Concern Nelson Tasman

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Before we begin the webinar...

CHARITIES SERVICES
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Can you hear us?

Make sure your computer's sound is un-muted.

Sound cutting out? Check your internet connection.

Recording and resources

This webinar is being recorded - you will receive a link to the recording and resources.

Q&A

Type your questions in the Q&A chat box.

Identifying governance risk

Common risks faced by charities

- Financial instability
- Regulatory compliance
- Reputational management
- Cybersecurity threats
- Poor governance
- Volunteer management
- Operational risks
- Fraud or misuse of funds
- Increased demand for services
- Adapting to new technology

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What are rules?

- Societies – Constitution

- Trusts – Trust deed

- Companies – Constitution

- Act of Parliament

Have you ever read your rules?

This HOME was founded for the relief of the AGED NEEDY, and erected in the year 1888, from funds subscribed by JOSEPH BURNE, W.H.LEVIN, C.J.PHARAZYN, JOHN PLIMMER, and other citizens of WELLINGTON: the TRUSTEES being

H.S.WARDELL, CHAIRMAN,

S.DANKS, T.McKENZIE, J.E.NATHAN, H.VAN STAVEREN, AND W.R.WILLIAMS.

C.P. POWLES, SECRETARY.

Know your organisational type

Different entity types on the Charities Register
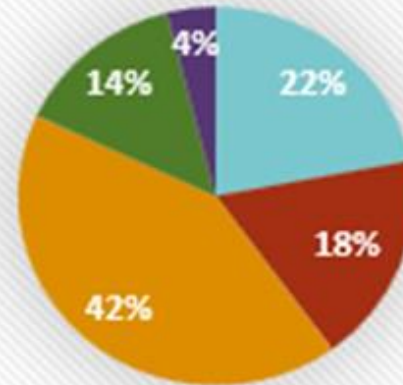
- Incorporated Society — 22%
- Unincorporated Society — 18%
- Incorporated Charitable Trust — 42%
- Unincorporated Charitable Trust — 14%
- Charitable Company — 4%

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What are the different registers?

The Companies Office

Incorporated Societies – Incorporated Societies Register

Charitable Trusts – Charitable Trusts Register

Companies – Companies Register

Māori Land Court

Marae - Te Kooti Whenua Māori – Pātaka Whenua

Charities Services

All types of registered charities - The Charities Register

New governance requirement

Section 42G - Duty to review governance procedures

(1) A charitable entity **must review** its governance procedures

(where those are set out in its rules or elsewhere)

 at least every three years.

New governance requirement (cont.)

When conducting a review you must consider whether your governance procedures:

(a) Are fit for purpose and

(b) Assist the charity to achieve its charitable purpose and

(c) Assist the charity to comply with the requirements of this Act

Annual Return Form

Charity Rules

▶ Has your charity reviewed its governance procedures within the last 3 years?*

☐ No (*Continue to **rules change question** below*)
☐ Yes (*If yes, please provide the date these were reviewed*)

Date reviewed:

▶ Have your existing rules changed?*

☐ No (*Continue to Your People*)
☐ Yes (*If yes, please complete the questions below*)

Please select which part/s of your rules have changed*

☐ Whole new rules   ☐ Winding up
☐ Purpose   ☐ Protection against private profit
☐ Other

Please describe what clauses of your rules have changed and why*
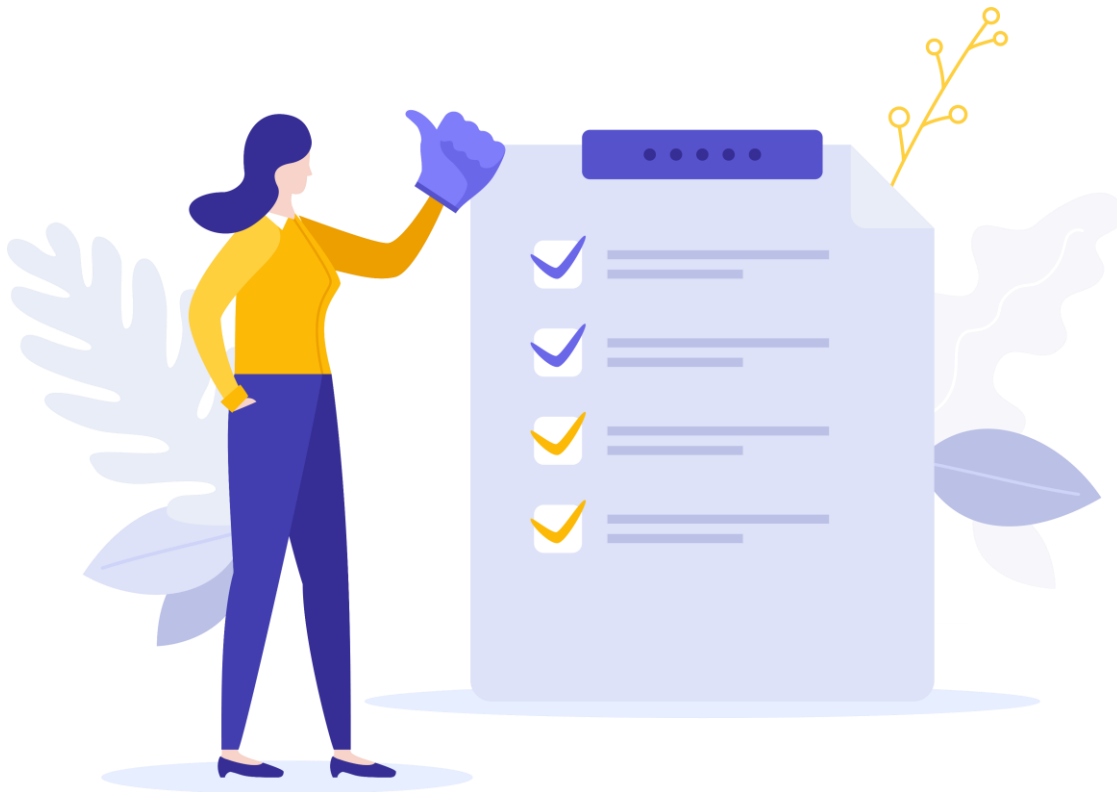
All charities are different

Key things to think about when reviewing

One size will not fit all

Fit for purpose?

Achieve charitable purpose?

Comply with the Charities Act

Fit for purpose

- Conflict of Interest
- Dispute Resolution
- Number of officers
- Digital meetings
- Digital voting
- Digital signatures

Achieve your charitable purpose

1. **OBJECTS AND PURPOSES**

The charitable objects and purposes of the Trust
(The Trust Purposes) are as follows:

(a) *[Insert the charitable purposes of the Trust.]*

Comply with the Charities Act

Obligations

- Public benefit
- Report annually
- Update your details

Which laws apply?

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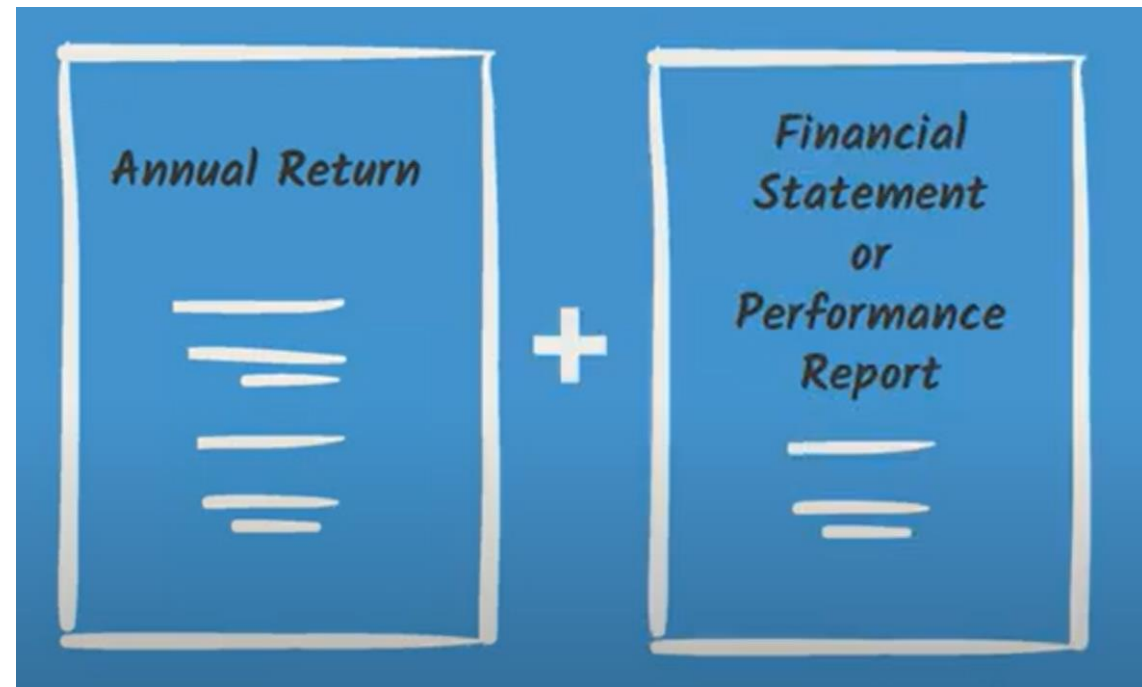
All registered charities
Charities Act 2005

Incorporated Societies
Incorporated Societies Act 1908
Incorporated Societies Act 2022

Charitable Trusts
Charitable Trusts Act 1957
Trusts Act 2019

Companies
Companies Act 1993

Marae
Te Ture Whenua Māori Act 1993

Resources and support

Good governance code

Community Governance
Supporting community
governance in Aotearoa

Principle 1
Rangatiratanga and
Impactful, Purposeful
Leadership

Principle 2
Whanaungatanga /
Whakawhanaungatanga
and Connected
Leadership

Principle 3
Tuakiritanga and
Diverse and Inclusive
Leadership

Principle 4
Manaakitanga
and Integrity and
Accountability

Principle 5
Kaitiakitanga and
Transparent and Open
Leadership

Principle 6
Pono and Effective
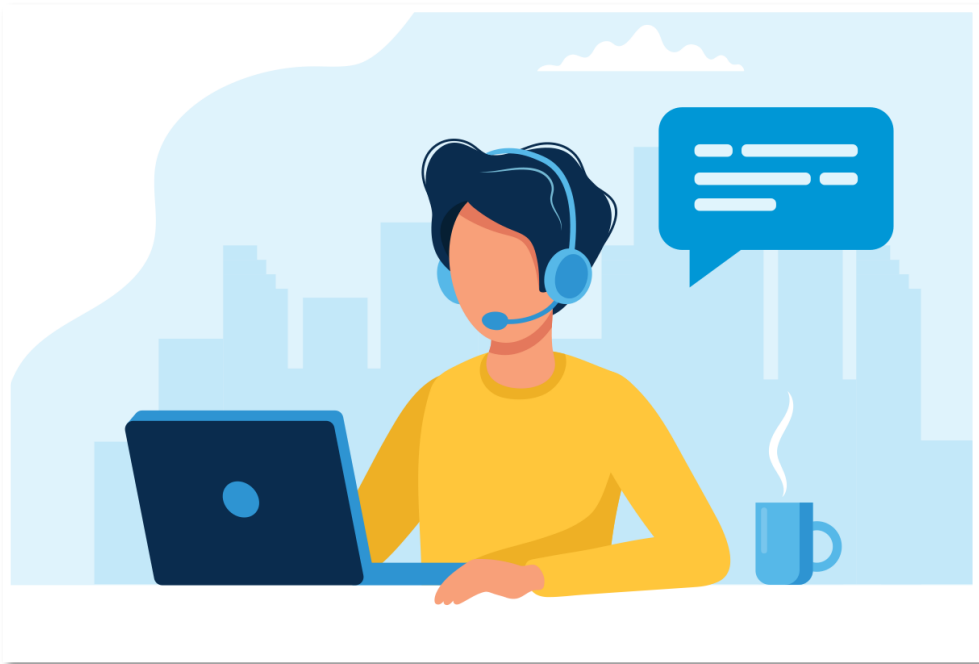Governance Processes

NZ Navigator

NZ NAVIGATOR

An online self-assessment to help identify your organisation's strengths and weaknesses.

- Free online self-assessment tool

- Measures 9 different areas

- Staff, board, volunteers can all complete it

- Links to resources to strengthen your organisation

We're here to help

- Email us at info@charities.govt.nz
- Call us on 0508 CHARITIES

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Recap
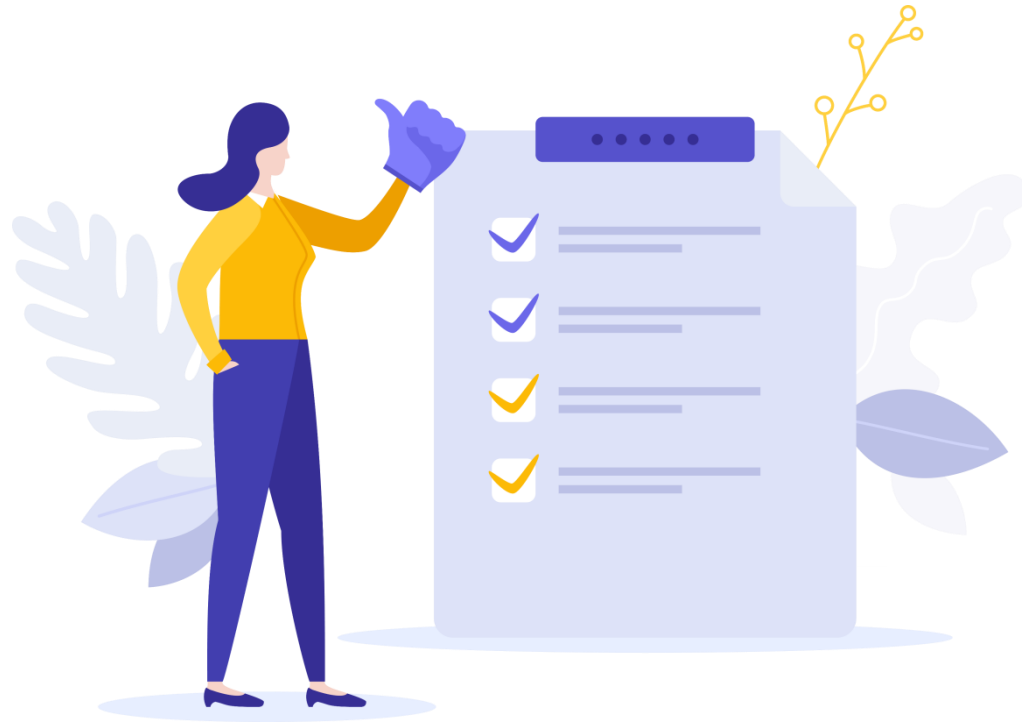
- Understand your rules and your role

- Know your obligations

- Prepare for the future and manage your risks

Questions?

Thank you