

Who can conduct an audit of fundraising accounts?

Legal information for community organisations

Each Australian state and territory has its own, different rules relating to fundraising and the meaning of ‘audit’ and ‘auditor’ is different under each of these fundraising regimes.

In general, auditors must be ‘independent’, which means that they cannot be involved with the organisation (eg. be an employee, or sit on the committee or board), cannot have a conflict of interest (eg. have been involved in the preparation of the accounts and records that will be audited) and cannot have a business or financial relationship with the organisation.

For more information about the different fundraising regimes across Australia, including the various financial and reporting obligations in each state and territory, see Not-for-profit Law’s Guide to Fundraising Laws in Australia and more detailed Fundraising Guides for each state and territory, on the Information Hub at www.nfplaw.org.au/fundraising.

NOTE

There are several situations where, in addition to their state or territory fundraising obligations, community organisations may be required to report to government. This may require lodgement of audited accounts. Depending on its structure, its turnover, and whether it is registered as a charity with the ACNC, your organisation may need to report to:

- the ACNC (for charity annual reporting)
- the ATO (in relation to tax)
- the Australian Securities and Investments Commission (**ASIC**) (for organisations that are structured as companies limited by guarantee), or
- the state or territory regulator for organisations that are incorporated associations.

The requirements around who can conduct an audit and the requirements of audited accounts for the purposes of these regimes may be different to the requirements under the state or territory fundraising regime (or regimes) that apply to your organisation’s fundraising activities.

For more information about various reporting obligations, go to the Not-for-profit Law Information Hub at www.nfplaw.org.au/reporting.

RELATED RESOURCES

For more information about the different fundraising regimes across Australia, including the various financial and reporting obligations in each state and territory, see Not-for-profit Law’s Guide to Fundraising Laws in Australia and more detailed Fundraising Guides for each state and territory, on the Information Hub at www.nfplaw.org.au/fundraising.

The following table provides an overview of the different definitions of ‘auditor’ under the relevant fundraising regimes in each Australian state and territory. This table is designed to help organisations meet their reporting obligations when they engage in regulated fundraising activities and are required to submit audited reports of the funds raised.

Note that in most jurisdictions, the relevant fundraising legislation states that an auditor of fundraising accounts includes a person who is registered as an auditor or qualified to audit accounts under the Corporations Act 2001 (Cth) (**Corporations Act**).

Auditors and prospective auditors who wish to audit companies and other entities under the Corporations Act must register to become a 'registered company auditor' with the Australian Securities and Investments Commission (**ASIC**). Guidance for auditor registration is set out in [ASIC's Regulatory Guide 180](#).

Under the Corporations Act, a person satisfies auditor requirements if they:

- hold a degree, diploma or certificate from a prescribed university or institution, and have passed exams in accountancy (three years' duration), or commercial law (two years) and have completed a course in auditing as prescribed by the regulations, or
- have other qualifications and experience that, in ASIC's opinion, are equivalent to the above requirements (section 1280, Corporations Act).

The auditor must also be capable of performing duties, be a fit and proper person, and not be disqualified for managing corporations (under Part 2D.6 of the Corporations Act)

Jurisdiction and legislation	Who can conduct an audit?
<p>Victoria</p> <p><i>Fundraising Act 1998 (Vic)</i></p> <p><i>Fundraising Regulations 2009 (Vic)</i></p>	<p>A person who is:</p> <ul style="list-style-type: none"> • a registered company auditor within the meaning of the Corporations Act, or • a person approved in writing by the Director of Consumer Affairs Victoria (CAV) (section 32(3), <i>Fundraising Act 1998 (Vic)</i>).
<p>New South Wales</p> <p><i>Charitable Fundraising Act 1991 (NSW)</i></p> <p><i>Charitable Fundraising Regulation 2015 (NSW)</i></p>	<p>A person who is:</p> <ul style="list-style-type: none"> • qualified to audit accounts for the purposes of the Corporations Act, or • having other qualifications or experience approved by the Minister (section 24(1), <i>Charitable Fundraising Act 1991 (NSW)</i>). <p>For more information, visit NSW Fair Trading's website, Auditing charities.</p>
<p>Queensland</p> <p><i>Collections Act 1966 (QLD)</i></p> <p><i>Collections Regulations 2008 (QLD)</i></p>	<p>A person who is:</p> <ul style="list-style-type: none"> • registered as an auditor under the Corporations Act • a member of CPA Australia who is entitled to use the letters 'CPA' or 'FCPA' • a member of The Institute of Chartered Accountants in Australia who is entitled to use the letters 'CA' or 'FCA' • a member of the Institute of Public Accountants who is entitled to use the letters 'MIPA' or 'FIPA', or • a person who the chief executive considers has appropriate qualifications (section 31(f), <i>Collections Act 1966 (QLD)</i>). <p>For more information, visit Queensland Office of Fair Trading's website, Reporting requirements for charities and fundraisers.</p>

Jurisdiction and legislation	Who can conduct an audit?
<p>Western Australia</p> <p><i>Charitable Collections Act 1946</i> (WA)</p> <p><i>Charitable Collections Regulations 1947</i> (WA)</p>	<p>For organisations that have a charitable collections licence:</p> <ul style="list-style-type: none"> • a person approved by the Minister (s15(2), <i>Charitable Collections Act 1946</i> (WA)). <p>For organisations who have collected money for a charitable purpose (who do not hold a licence):</p> <ul style="list-style-type: none"> • the Auditor General, or • any officer appointed by the Auditor General or an officer authorised by the Minister for the purpose (s20). <p>For tips on appointing an auditor, visit the Western Australian Department of Commerce’s Consumer Protection website, Auditing accounts.</p>
<p>South Australia</p> <p><i>Collections for Charitable Purposes Act 1939</i> (SA)</p>	<p>A person who is authorised to audit the accounts of a prescribed association:</p> <ul style="list-style-type: none"> • under Part 4 Division 2 of the <i>Associations Incorporation Act 1985</i> (SA), namely: <ul style="list-style-type: none"> ○ a registered company auditor (under the Corporations Act) ○ a firm of registered company auditors ○ a person who is a member of the Australian Society of Certified Practising Accountants or The Institute of Chartered Accountants in Australia ○ such other person who may be approved by the Commission as an auditor of the accounts of the association for the purposes of this Division, or ○ is approved by the Minister (s15(1), <i>Collections for Charitable Purposes Act 1939</i> (SA)). <p>For further information on auditor requirements, see the South Australian Government’s Consumer and Business Services website, Approval of auditor.</p>
<p>Australian Capital Territory</p> <p><i>Charitable Collections Act 2003</i> (ACT)</p> <p><i>Charitable Collections Regulation 2003</i> (ACT)</p>	<p>Report must be prepared by:</p> <ul style="list-style-type: none"> • a registered company auditor under the Corporations Act, or • an auditor approved in writing by the Director General for the purpose of the section (s49(4), <i>Charitable Collections Act 2003</i> (ACT)). <p>For further information on who can conduct an audit and what an auditor’s report must contain, see Access Canberra’s Charitable Collections Practice Manual.</p>
<p>Northern Territory</p>	<p>The Northern Territory does not have a fundraising regulatory regime.</p>
<p>Tasmania</p> <p><i>Collections for Charities Act 2001</i> (Tas)</p> <p><i>Collections for Charities Regulations 2011</i> (Tas)</p>	<p>There are no standard auditing requirements. However, the fundraising regulator in Tasmania (Consumer Affairs and Fair Trading), may compel an organisation to report in certain circumstances and may attach certain reporting conditions to an approval of a fundraiser (section 6(2), <i>Collections for Charities Act 2001</i> (Tas)).</p>

Resources

Related Not-for-profit Law Resources

- ✔ Fundraising www.nfplaw.org.au/fundraising
- ✔ Fundraising Policy www.justiceconnect.org.au/fundraisingreform
- ✔ Reporting www.nfplaw.org.au/reporting

State and territory fundraising regulators

- ✔ [NSW Fair Trading](#)
- ✔ [Consumer Affairs Victoria](#)
- ✔ [Consumer and Business Services South Australia](#)
- ✔ [Queensland Office of Fair Trading](#)
- ✔ [Tasmanian Office of Consumer Affairs and Fair Trading](#)
- ✔ [Western Australia Department of Commerce, Consumer Protection Division](#)
- ✔ [Access Canberra](#)

Legislation

- ✔ [Corporations Act 2001 \(Cth\)](#)
- ✔ [Charitable Fundraising Act 1991 \(NSW\)](#)
- ✔ [Charitable Fundraising Regulation 2015 \(NSW\)](#)
- ✔ [Fundraising Act 1998 \(Vic\)](#)
- ✔ [Fundraising Regulations 2009 \(Vic\)](#)
- ✔ [Collections for Charitable Purposes Act 1939 \(SA\)](#)
- ✔ [Collections Act 1966 \(QLD\)](#)
- ✔ [Collections Regulation 2008 \(QLD\)](#)
- ✔ [Collections for Charities Act 2001 \(Tas\)](#)
- ✔ [Collections for Charities Regulations 2011 \(Tas\)](#)
- ✔ [Charitable Collections Act 1946 \(WA\)](#)
- ✔ [Charitable Collections Regulations 1947 \(WA\)](#)
- ✔ [Street Collections \(Regulation\) Act 1940 \(WA\)](#)
- ✔ [Street Collections Regulations 1999 \(WA\)](#)
- ✔ [Charitable Collections Act 2003 \(ACT\)](#)
- ✔ [Charitable Collections Regulation 2003 \(ACT\)](#)

Other related resources

- ✔ Australian Taxation Office www.ato.gov.au
- ✔ Australian Securities and Investments Commission www.asic.gov.au

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