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| Chapter 16 – Annual reporting |
| This chapter looks at annual reporting requirements for committees. |

# 16.1 Introduction

Committees of management:

* have annual reporting requirements
* must comply with any financial management framework issued by the department that applies to them.

For most committees, this involves reporting to the department each year, as specified below.

# 16.2 Annual reporting to the department

Section 15(8) of the *Crown Land (Reserves) Act 1978* requires committees to:

* keep accurate financial records, which should be fit for auditing
* explain the committee’s financial position to the department, if required
* provide the department with an annual statement of its expenditure, receipts and balance in hand.

The annual information that a committee must provide to the department will depend on:

* the type of reserve, for example, whether it is of local, regional or statewide significance
* the level of finances the committee deals with.

The department will give your committee clear advice about the information and level of detail that the committee is required to provide. For annual returns, a template will be usually provided (see below).

As part of its oversight and support role on behalf of the Minister, the department can also ask your committee for information about its operations and finances at any time throughout the year. Your committee must provide this information. This obligation exists under section 13A of the *Public Administration Act 2004* and by convention.

## Annual returns

If your committee manages a reserve of local or regional significance, each year the department will mail or email:

* a simple **annual return** template
* instructions on how to complete and return the template.

The template will ask for:

* financial information, such as your committee’s income, expenditure, and assets
* non-financial information, such as any issues or achievements that you would like us to know about.

The department can analyse this information to improve its oversight and support of:

* your committee
* committees generally.

### Landfolio self-serve kiosk

The department’s electronic self-serve kiosk, Landfolio, will open for committees of management during 2020. For details, see 6.2 ‘Landfolio self-serve kiosk’. When Landfolio opens, committees can complete and submit their annual returns online, if they choose to do so. Annual returns that have been submitted will also be available to the committee for reference.

### Committee to approve annual return for submission to DELWP

Your committee should formally approve the annual report before submitting it to DELWP. Table the report at a committee meeting and record it in the minutes.

Unless your committee agrees, a member of the public who wants to see your committee’s annual return needs to lodge an application under the *Freedom of Information Act 1982*. If this occurs, contact DELWP as soon as possible for assistance. There is a 30-day legal timeframe for processing the application.

## Annual reports

A small number of committees must provide more detailed information about their operations and finances in the form of an **annual report**. These committees manage:

* a reserve of statewide significance
* funds of over $1,000,000 dollars as a cash balance and/or annual revenue.

Each year, the department issues clear instructions to the relevant committees about what must be included in the annual report. This additional information is required because these committees have:

* a high level of financial and operational responsibility
* additional obligations under Part 5 of the Public Administration Act, for example, see the requirements in section 81(1)(i)-(j) about financial records, fraud controls, and auditing.

These committees provide their **annual report** to the department. The exception is Phillip Island Nature Park Board of Management, which reports to Parliament. See later in this chapter.

The self-service kiosk, Landfolio, will also enable committees to submit annual reports to the department online.

# 16.3 Reporting obligations for other committees

A small number of committees do not provide an annual statement or return to the department unless directed under section 15(8B) of the Crown Land (Reserves) Act or section 13A the Public Administration Act. However, these committees have reporting obligations under other regulatory regimes, primarily those described below.

## Reporting to Consumer Affairs

Approximately 140 committees are incorporated associations under the *Associations Incorporation Reform Act 2012*. **This is different from being incorporated under the Crown Land (Reserves) Act**.

As part of their financial record keeping and reporting obligations under the Associations Incorporation Reform Act, incorporated associations lodge an annual statement under Part 7 with the Registrar of Incorporated Associations.

Incorporated associations remain accountable to the Minister for their management of the reserve. It is open to the department to:

* arrange to issue the committee with an annual return or annual report template
* collaborate with Consumer Affairs Victoria about how best to ensure the reserve is being managed in the public interest.

### Further information

[Consumer Affairs Victoria](https://www.consumer.vic.gov.au/): see [incorporated associations](https://www.consumer.vic.gov.au/clubs-and-fundraising/incorporated-associations), including [annual statement](https://www.consumer.vic.gov.au/clubs-and-fundraising/incorporated-associations/running-an-incorporated-association/annual-statement).

## Companies limited by guarantee

A very small number of committees of management are companies limited by guarantee. These committees are subject to the reporting and other obligations in the *Corporations Act 2001.* This is a Commonwealth Act. Compliance is regulated by the Australian Securities and Investments Commission (ASIC) [website](https://asic.gov.au/) or copy and paste into your browser https://asic.gov.au/

Example

The National Trust of Australia (Victoria) is an Australian Public Company, Limited by Guarantee. The Trust is also registered as a charity with the Australian Charities and Not-for-Profits Commission ([www.acnc.gov.au](http://www.acnc.gov.au)).

### Further information

For further information see the ASIC [website](https://asic.gov.au/) or paste into your browser <https://asic.gov.au>. The following pages are of particular relevance:

* [Financial reporting](https://asic.gov.au/regulatory-resources/regulatory-index/financial-reporting/) page or paste into your browser https://asic.gov.au/regulatory-resources/regulatory-index/financial-reporting/
* [Financial reporting and audit](https://asic.gov.au/regulatory-resources/financial-reporting-and-audit/) page or paste into your browser https://asic.gov.au/regulatory-resources/financial-reporting-and-audit/
* [Directors and financial reporting](https://asic.gov.au/regulatory-resources/financial-reporting-and-audit/directors-and-financial-reporting/) page or paste into your browser https://asic.gov.au/regulatory-resources/financial-reporting-and-audit/directors-and-financial-reporting/

See also the fact sheet on [What is a company limited by guarantee](https://betterboards.net/non-profit-fact-sheets/company-limited-by-guarantee/) on the Betterboards.net website.

## Annual reporting to Parliament

The *Financial Management Act 1994* requires ‘public bodies’ to:

* provide an annual report that is tabled or reported in Parliament by the Minister
* comply with a range of other financial management and reporting obligations during the year.

The Standing Directions to the Act exempt committees of management from these requirements, except for:

* Phillip Island Nature Park Board of Management
* agencies that are committees of management but also have annual reporting obligations under the Financial Management Act ‘in their own right’, for example, Parks Victoria and water corporations.

### Further information

[On Board website](https://www2.delwp.vic.gov.au/boards-and-governance/on-board): see [Annual reporting](https://www2.delwp.vic.gov.au/boards-and-governance/annual-reporting) and [Financial management](https://www2.delwp.vic.gov.au/boards-and-governance/financial-management)

[Department of Treasury and Finance](https://www.dtf.vic.gov.au/home): see [Financial Management Act Standing Directions](https://www.dtf.vic.gov.au/financial-management-government/standing-directions-2018-under-financial-management-act-1994) and [Financial reporting](https://www.dtf.vic.gov.au/financial-management-government/financial-reporting-policy).

# 16.4 Further information

Your local DELWP regional office can provide further information about annual reporting to the department.

# 16.5 Electronic copy

An electronic copy of this document is available from the DELWP website ([www.delwp.vic.gov.au/committees](http://www.delwp.vic.gov.au/committees))