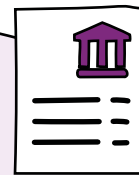


FACTSHEET 6.

Annual Reporting Obligations

Each association is **required to lodge annual financial statements.**

ANNUAL REPORTING OBLIGATIONS



These statements advise who the committee was for the previous year, the financial position of the association and confirms that the objectives of the association haven't changed.

Even if your income is zero, your financial statement is required to be completed and accepted by the members at an annual general meeting or a special general meeting.

Each association is identified with a Tier Level.

This level determines the type of auditor you are required to use.

Tier 1 = income of less than \$25,000 and Assets of less than \$50,000

Tier 2 = income of \$25,001 to \$250,000 and/or Assets of \$50,001 to \$500,000

Tier 3 = income of more than \$250,000 and/or Assets of more than \$500,000.

TIER LEVEL

TIER 1
INCOME < \$25K
ASSETS < \$50K

Association

Auditor

Your auditor can be someone objective and impartial. This person must NOT be:

- a member of your association
- a partner (spouse, de facto or business partner), employer or employee of a member of your association
- a partner (spouse, de facto or business partner) of an employer or employee of a member of your association.

Association

Auditor

Your auditor must be a member of an accountant's body.

TIER 2
INCOME
\$25,001 - \$250K
ASSETS
\$50,001 - \$500K

TIER 3
INCOME > \$250K
ASSETS > \$500K

Association

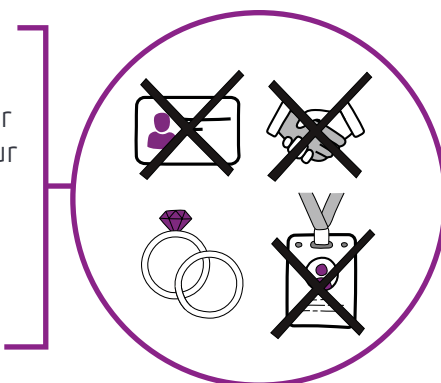
Auditor

Your auditor must be a person who is certified for public practice by an accountant's body or a person approved by the Director under the Associations Act 2003.

Process

For Tiers 2 and 3, your auditor often completes the financial document on your behalf and provides an auditor's report which confirms the method for conducting the audit and provides an opinion.

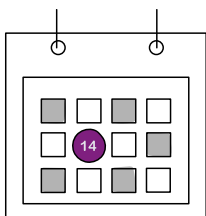
The financial statement is then provided to the committee for review, confirmation of accuracy and signing of the committee statements. The auditor receives this signed copy and then completes the document by signing and dating the auditor's report.



Process

A committee of a Tier 1 association will draft the financial statement and provide it to the auditor.





Acceptance by members (all tiers)

Once the financial statement is completed, signed and dated by the auditor, it must be made available to members for at least 14 days prior to the meeting. This gives your membership the opportunity to ask questions prior to the Annual General Meeting.



At the meeting the members will vote on the acceptance of the financial statement and if accepted the document is required to be lodged. If the document is not accepted by the members, please contact the NT Government Associations Compliance Team for advice on next steps Associations.Compliance@nt.gov.au

How do you submit your documents?

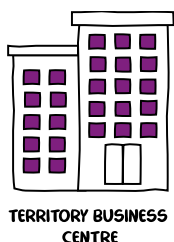
Lodgement is via the Territory Business Centre.



Online Portal

– you can lodge electronically using the online portal <https://nt.gov.au/industry/licences/licensing-nt-online>

- simply create a registered user ID and contact the NT Government Associations Compliance Team via Associations.Compliance@nt.gov.au to be 'linked' to your association.
- Select "My Renewals" and then "Annual Return" to complete the online form and to upload your documents.
- The portal will calculate the fee required and provide you with methods for payment.



In-person – you can also lodge directly at a Territory Business Centre office. Addresses can be found online at <https://business.nt.gov.au/territory-business-centres>

Email – you can lodge via email by emailing territorybusinesscentre@nt.gov.au



Your lodgement should include the financial statement, the AGM or SGM minutes and the annual return form if you are not lodging online.

Both methods require a lodgement fee.

- | | |
|--------------------------|----------------------------|
| <input type="checkbox"/> | FINANCIAL STATEMENT |
| <input type="checkbox"/> | MINUTES |
| <input type="checkbox"/> | ANNUAL RETURN FORM |
| <input type="checkbox"/> | FEE |

The fees amounts are located on the NT Government website:

<https://nt.gov.au/industry/licences/incorporated-associations/fees>

Late lodgements will attract higher fees.

This is also a good opportunity to ensure your public officer is up to date!

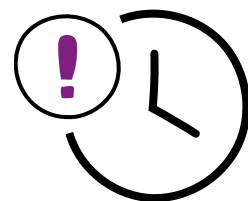


Extensions

If you are unable to present your financial statements to members within the required time frames, due to **exceptional** circumstances outside the control of the association, you can request an extension by emailing the NT Government Associations Compliance Team at

Associations.Compliance@nt.gov.au

In your email you will need to provide a reason for the delay and the time frame you expect to be able to hold the meeting.

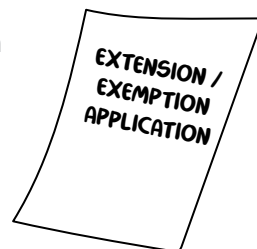


Exemptions

An exemption can be sought if your association is registered with the Australian Charities and Not-for-profits Commission (ACNC).

Contact the NT Government Associations Compliance team for further information

Associations.Compliance@nt.gov.au



Quick Summary

Financial statement facts:

- your financial statement is a draft and remains incomplete until it is signed and dated by your auditor
- your completed (signed and dated) financial statement must be made available to your members at least 14 days prior to the meeting in which it is being presented
- the financial statement must be lodged to the NT Government within 28 days of the Annual General Meeting
- overdue fees apply if lodging outside the timeframes
- to be eligible for funding and grants you need to ensure lodgement within the timeframes
- there is a checklist available on our website <https://nt.gov.au/industry/licences/incorporated-associations>

Common mistakes to avoid:

- the auditor's report is not signed and dated or is not included
- 2 committee members have not signed the committee statements
- the Notes to Financials are missing
- simple calculation errors in the income or expenditure columns
- grant money not included as income and recorded in the Notes to Financials
- unexpended grant money not included as a liability, which has to be paid back if it isn't spent and acquitted.

