



# ACNC External Conduct Standards Guidance

## A/1.8.1.1

The Australian Charities and Not-for-profits Commission (ACNC) has introduced a new set of standards, the External Conduct Standards (Standards), that govern how a registered charity must manage its activities and resources outside Australia.

Congregations and Presbyteries of the Queensland Synod are registered with the ACNC and therefore have an obligation to ensure that any international work we support as a church is able to identify and manage risks, handle money safely and protect staff and beneficiaries.

Charities have an obligation to take reasonable measures to comply with the Standards if resources are sent overseas for charitable purposes without going through an accredited third party Australian registered charity. This is to make sure congregations are fully aware of the risks involved in supporting international work and the best-practice approaches to look for. As a church we want to make sure that our donations and efforts are achieving the best outcomes and that everyone involved is made as safe as possible.

The Queensland Synod is committed to working with our international partner churches to achieve the best outcomes possible and follow the most appropriate international development principles and procedures – including the standards set by the ACNC.

### Summary

The Standards require charities to **take reasonable steps** to ensure appropriate standards of behaviour, governance and oversight when undertaking activities or **providing funding overseas**, including sending goods or volunteers.

If you are registered with the ACNC and you donate any goods, funds or services for the benefit of *international* recipients you must comply with the Standards.

This *does not* mean you have to report to ACNC directly, but you must be able to demonstrate compliance if requested.

This *does* include any one-off donations, including to a guest speaker at your church with an international benefit.

If you give resources to overseas partners through an accredited third party, they will be responsible for meeting the Standards.

However, if you give resources or support any people or projects operating internationally directly, you will need to meet the Standards. This is the case unless the overseas activities are merely incidental to your operations in Australia. Further detail is provided on this below.

**Reasonable steps** for operations and donations at a congregation scale would *at a minimum* mean:

1. carefully reviewing all recipients of your donations
2. documenting how you have met the Standards (see Appendix 1 & 2)
3. notifying the Commission of all international donations or support your congregation provides annually

#### Risk factors to consider:

- Are you donating to a reputable organisation with clear procedures and financial reporting?
- If you are supporting an individual 'missionary' or 'aid worker' are they operating within a reputable organisation?
- Any charity involving children needs to be treated with great caution.

***The safest option is to donate to charities that are registered in Australia.***



## Merely incidental

If your overseas activities are merely incidental to your operations in Australia, the Standards do not apply to you.

To meet the definition of “merely incidental”, the overseas activities must directly relate to the pursuit of your purposes in Australia – that is, the overseas activities must primarily benefit your purposes in Australia rather than solely providing international benefit.

Overseas operations of a charity are merely incidental if they are:

- directly related to the pursuit of purposes in Australia (e.g. beneficiaries, or the people you are seeking to assist, are here in Australia) and
- merely incidental to its operations in Australia – minor in conjunction with, or ancillary to, its activities in Australia.

The amount of money involved is not in and of itself a deciding factor – the beneficiaries of the resources must be related to the charity’s purpose in Australia.

Examples of activities which would be subject to the Standards include:

- A collection made for a visiting overseas speaker
- A collection made for sending the items/funds to an overseas church
- Mission trips whose purpose is to benefit the recipient community and the people you are working with overseas

Examples of activities which would not be subject to the Standards include:

- Exposure/education trips whose purpose is to solely benefit young Australians going on those trips and raise them up with an understanding of faith and mission

## Demonstrating compliance

If the Standards apply to you, the guidance in Appendix 1 and Appendix 2 will assist you in documenting and demonstrating compliance with the Standard.

## Related documents

Nil

## Definitions

Term	Meaning
ACNC	Australian Charities and Not-for-profits Commission

## Revisions

Document number	A/1.8.1.1				
Version	Approval date	Approved by	Effective date	Policy owner	Policy contact
1.0	11.05.2020	Executive Director Shared Services	11.05.2020	Corporate Governance Manager	Governance Secretary
Next scheduled review	30.06.2024				







<p>Certain overseas countries are subject to Sanctions. Has the organisation reviewed the Department of Foreign Affairs and Trade (DFAT) website and considered whether its proposed activity requires a sanctions permit? If applicable, has the organisation obtained a formal assessment from <a href="#">DFAT</a>?</p>	
<p>Describe how your organisation ensures compliance with the Australian laws below (where applicable):</p> <ul style="list-style-type: none"><li>(a) money laundering</li><li>(b) the financing of terrorism;</li><li>(c) sexual offences against children;</li><li>(d) slavery and slavery-like conditions;</li><li>(e) trafficking in individuals and debt bondage;</li><li>(f) people smuggling;</li><li>(g) international sanctions;</li><li>(h) taxation;</li><li>(i) bribery.</li></ul>	

### **Standard 2: Annual review of overseas activities and record-keeping**

<p>Describe how your organisation will obtain and keep records that will allow it, if requested, to prepare a summary of its operations and expenditure outside Australia on a country by country basis.</p>	
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### **Standard 3: Anti-fraud and anti-corruption**

<p>Describe how your organisation minimises the risk of corruption, fraud, bribery or other financial impropriety by its responsible persons, employees, volunteers and third parties outside Australia.</p>	
<p>Describe your organisation's policies and procedures to identify and document any perceived or actual material conflicts of interest.</p>	
<p>Describe how your organisation manages conflicts of interest.</p>	

### **Standard 4: Protection of vulnerable individuals**

<p>Describe how your organisation ensures the safety of vulnerable individuals being provided with services or benefits by your organisation, or a third party in collaboration with your organisation.</p>	
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<p>Describe how your organisation ensures the safety of staff and volunteers located outside of Australia engaged to deliver services or benefits on behalf of your organisation or a third party collaborating with your organisation.</p>	
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## Appendix 2

### How do you check the credentials of an international aid charity?

#### 1. Are they a member of ACFID?

The Australian Council for International Development are the peak body of international aid & development agencies, and to be a member of ACFID, an organization must have systems of governance, financial controls and safeguarding that are of a high standard. To be a signatory of 'ACFID's Code of Conduct' means the charity is having its internal mechanism regularly reviewed and improved. It is the highest standard that can be met by an Australian overseas aid charity, and a reliable indication of trustworthiness. You can look up any charity on their list of members by clicking here:

<https://acfid.asn.au/about/meet-our-members>

#### 2. Look them up on the ACNC Website

This is the register of all charities in Australia, including international aid charities. Being registered with the ACNC is the minimum standard you should be expecting for any charity. If they are not a registered charity, we would advise against using them. There are basic requirements and regular reporting requirements for registered charities.

And then do some research on their website

- Do they publish annual reports which include audited financial statements?
- Are they clear about who is on their staff and who is on their board?
- Are they clear about exactly what they do, where they do it, and how they evaluate the impact of their work?
- Do they publish information about how people can raise complaints with them and how it will be dealt with?
- Do they publish information about what measures they take to keep vulnerable people from harm in the work they do?
- Are they spending a reasonable amount of funds on accountability and administration – at least around 10% (a bit more for a small charity, a bit less for a large one), otherwise it's unlikely they are doing enough to run a good organisation.

#### 3. Good giving – a bit like marriage

When picking an overseas charity to support, it's a good idea to find one that is doing work that you're passionate about, spend time to get to know them and understand their work and check their credentials, and then commit to supporting them over the long term. Charities have to spend money on fundraising – by picking one or two to support – you can (a) get off the mailing list of other charities, save them money they'll spend mailing you and (b) help the ones you support by telling them your plans to give – this allows them to plan with certainty, and save money trying to raise the money from elsewhere.

#### 4. UnitingWorld is developing a resource for congregations on good practice and good theology in overseas mission – we're hoping it will be available early in the new year. So watch this space.