



QUARTERLY NEWSLETTER

Issue 01 – August 2017

Commissioner's Comment

Welcome to the first newsletter from the Registered Organisations Commission (ROC).



I am pleased and honoured to have been appointed the inaugural Registered Organisations Commissioner by the Minister for Employment, Senator The Hon. Michaelia Cash.

This newsletter will be a quarterly publication and will give you the opportunity to obtain information, learn more about the obligations of registered organisations, and our education and other regulatory activities.

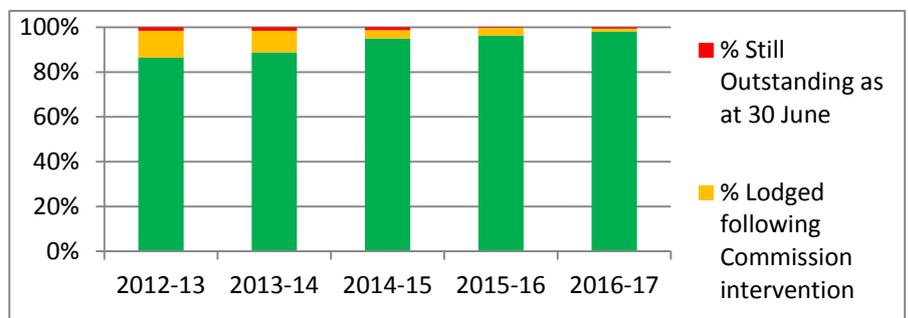
I look forward to working with you.

Mark Bielecki
Commissioner
Registered Organisations
Commission

Improving your financial reporting

There are currently 110 federally registered organisations comprised of approximately 370 financial reporting units. These organisations report to us more than 2 million Australians as members. They receive combined revenue of \$1.57 billion dollars and control assets of \$2.64 billion dollars. The most important way reporting units demonstrate accountability to their members and the general public is by the provision of timely, accurate financial reports. A reporting unit is required to lodge its audited financial report with the ROC (previously with the Fair Work Commission), unless it has been granted an exemption.

I am pleased to report that the compliance rate for the lodgement of financial returns has steadily improved over the past five years. The table below shows the lodgement of returns (which include financial reports and applications for exemptions) with the FWC and, since 1 May 2017, with ROC. In 2016-17, 98% of reporting units lodged on time, compared to 86% in 2012-13. After intervention, 99% of reporting units lodged a report or an application for exemption, compared to 98% in 2012-13.



Ensuring compliance

While a 99% lodgement rate demonstrates improvement, there is no excuse for not lodging a financial return. The ROC aims to help reporting units comply voluntarily. For instance, we provide model financial statements, fact sheets and checklists, and engage with reporting units about compliance. However, if a reporting unit fails to lodge its return, we will consider appropriate and proportionate enforcement activities.

Looking for a document?

Please click [here](#) for the ROC's webinar on finding documents on our website.



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What the changes mean for you

The recent changes to the *Fair Work (Registered Organisations) Act 2009* have changed the obligations for registered organisations.

The changes can be summed up in six points:

1. Financial reports, election documents, annual returns and loans, grants and donations statements must now all be lodged with the ROC. There are no other changes to these requirements. The ROC has updated the templates and checklists previously used by the Fair Work Commission.
2. Higher penalties now apply for failing to lodge these documents or failing to lodge them on time.
3. The ROC has been entrusted with stronger powers to investigate suspected contraventions.
4. A new requirement is that organisations and their branches must lodge an officer and related party disclosure statement (see right).
5. A wider whistleblower scheme with stronger protections for protected disclosures.
6. Auditors must now be registered by the Commissioner.

Need more information?

Fact sheets, templates, webinars and guidance notes are available on our website at www.roc.gov.au.

Have your say

We are currently conducting a survey on how we can help you.

[Click here to take the survey.](#)

FWC and ROC: What's the difference?

FWC	ROC
<ul style="list-style-type: none"> • Registration and deregistration of organisations • Amalgamation of organisations • Rules, including eligibility rules of organisations • Approval of entry training • WHS permit applications • Entry permit applications 	<ul style="list-style-type: none"> • Arrangement of elections • Financial reports • Loans, grants and donations statements • Inquiries and investigations • Civil penalty proceedings • Governance training • Registration of auditors • Officers and Related Party statements

Recent Litigation

Two former secretaries of the WA branch of the Transport Workers Union (TWU) were fined \$27,300 and \$11,000 for using union funds to buy customised vehicles for their personal use. The FWC successfully prosecuted the pair for failing to exercise care and diligence, not acting in good faith or in the best interests of the TWU.

Officer and Related Party Statements

A new requirement is for organisations and branches to lodge with us a copy of their Officers and Related Party (ORP) Statement.

What must be disclosed?

ORP Statements must disclose the remuneration of office holders and payments made to related parties and declared persons or bodies. This statement must be provided to members of the organisation or branch and a copy of the statement lodged with the ROC.

When must the first ORP statements be lodged with ROC?

The disclosures must relate to the financial year of the branch or organisation beginning on or after **1 July 2017**. This means that the *earliest* lodgement date is **1 July 2018**. Some organisations or branches may have shortened financial periods for transitional reasons. In such cases, lodgement may be before 1 July 2018.

Will ORP statements be published on the ROC website?

We will publish all ORP statements lodged on or after 1 July 2018 on our website.

Did you know?

Loans, Grants and Donations statements are due within 90 days of the end of your financial year – not with the financial report.