



Australian Government



Australian  
Charities and  
Not-for-profits  
Commission

## **A Message to Members of RSL New South Wales from the Australian Charities and Not-for-Profits Commission**

To the Board and members of RSL NSW,

The ACNC has received the first Annual Report from RSL NSW with reporting against its obligations arising from the Enforceable Undertaking the ACNC issued as a consequence of the Bergin Inquiry and its concurrent investigation. I understand a copy of this report is on the RSL NSW website, and I welcome this transparency. The enforceable undertaking is due to conclude in May 2021 subject to all clauses being fulfilled.

While the report specifically examines the compliance of RSL NSW state branch, there are many sub-branches, which the ACNC has not reviewed. Each sub-branch is a charity in its own right and therefore must meet the ACNC's governance standards to remain registered as a charity. I am aware that all members of the RSL in NSW are members of the RSL NSW state branch but allocated to a sub-branch.

To support the furtherance of good governance and compliance across all sub-branches, the ACNC has resources published under the banner 'Forward Together: RSLs and the ACNC'. I encourage members to look at these materials, which can be accessed at [www.acnc.gov.au/rsl](http://www.acnc.gov.au/rsl). The resources include specific webpages and podcasts tailored for RSLs.

Some priority areas for members to consider are:

- Managing conflicts of interest, including between licensed clubs and sub-branches as registered charities
- Ensuring that charitable funds are directed to the sub-branch's charitable purpose
- Lodging each sub-branch's Annual Information Statement with the ACNC within six months of the end of its financial year. Due to the impacts of COVID-19, reporting for 2018-19 was extended to 31 August 2020.

In particular, RSL NSW has asked the ACNC to provide information about the spending of charitable funds for members' benefit, such as the payment of their annual subscription (membership) fee or to fund activities. This situation is not straight forward, but in principle the sub-branches and state office need to ensure they are spending funds in line with their charitable purpose. Some important considerations include:

- Being a member of a charity does not entitle someone to obtain a direct financial or non-financial benefit from the charity. In fact, members and/or those managing charities obtaining a private benefit from a charity can be a key governance concern. We provide guidance on [members of charities obtaining private benefits](#) on our website.
- It is possible that a member of a charity may also be a beneficiary of the charity. In this instance it may be appropriate for a charity to provide support.
- Charities have competing priorities for their funds and need to make effective decisions at the program and individual levels to maximise the support they provide to their beneficiaries from available funds. The ACNC expects charities to make these decisions in line with their charitable purpose, that the decisions are transparent and that the





charity documents how the decisions are made. If not, then a charity may not [meet the requirements of governance standard five](#).

RSL NSW members can continue to support the good governance of charities by asking questions of those responsible for running the charities to ensure they meet their obligations to maintain charity registration.

Gary Johns  
Commissioner