



NEW ZEALAND FEDERATION OF
FAMILY BUDGETING SERVICES (INC.)
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WHĀNAU O AOTEAROA

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7 November 2005

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SUBMISSION: Charities Commission Draft Registration and Related Forms

Background

The New Zealand Federation of Family Budgeting Services Inc. is dedicated to the development of budgeting skills through free, supportive, confidential and culturally aware services.

The NZFFBS Inc. is a national Non Government Organisation made up of a network of Family Budgeting Services, which share a common code of ethics, philosophy, and commitment to delivering budgeting advice to families/whanau and individuals in New Zealand.

Snapshot

The Federation comprises 157 Members in various categories nation-wide; Member Services provide budget advice from Kaitaia to Invercargill, New Plymouth to Gisborne, including the West Coast and Great Barrier Island. In the year to June 2005, the Federation included 724 Certificated Budget Advisers, 181 Service Coordinators and staff, 402 other volunteers, 37 Federation Tutors, and 116 Community Educators. During this year, Federation Services fielded 283,483 client enquiries, worked with 32,217 client families, and delivered over 750 education programmes in the community.

It is from this depth of knowledge and experience in the community that the Federation makes the following submission.

Introduction

1. Thank you for providing the community with the opportunity of providing feedback on the Draft Forms. The Federation, on the whole, is pleased with the concise layout and brevity of the forms and would like to offer some opinions to create even further efficiencies and to clear up some still murky aspects.
2. The Federation offers feedback relating to its own use of the forms and that of its Membership. As our Member Services will each be required to complete their own set of forms they may well submit submissions in their own right.

Draft Form 1

3. The Draft Form 1 for registration is straightforward and brief. The Federation would like some clarification, however, on **question 20**. This question does not have an obvious answer for Budget Services, of which some 2-300 are thought to exist around New Zealand, and would be expected to register. Our service fits equally across education, community development, social services, and economic development. It does not, however, fit comfortably in

any one of these areas, which makes answering **question 21** all but impossible.

4. If, as is thought, our main activity for the above is 'social services' then this leads to an issue with **question 22**. 'Provides advice, information, or advocacy' appears to be included for the benefit of the 87 CAB organisations as well as similar consumer advice services. We would request then that '**Provides financial advice and education**' be included for our Member's purpose and the up to 300 budgeting services thought to exist in New Zealand as this makes up a significant 'sector' applying for registration.
5. Under **question 26** 'investments' may be ambiguous; does this include interest in bank holding accounts for instance. This option should have an explanation attached also.
6. What will be the explanation for '**authorised person**'? In many organisations Officers would not normally complete the registration process; this would be tasked to a Manager, Coordinator, or Administrator. How will a person become 'authorised' by an organisation? Is there another form for 'authorisation' of persons?
7. What will the process be for signing the document in the online version? Will just the name of the Officer/Authorised person be sufficient or will hardcopies be required?

Draft Form 3

8. Again, the concern here is that the Officers of an organisation are not necessarily present for day-to-day administration, which is where the completion of these forms should lie. The Federation would insist that all Officer Declaration Forms be able to be completed by an **authorised person**. This would then negate the need to have the **signature of Officer** included. In organisations where the Officers live in different parts of New Zealand it is unmanageable and unrealistic to require those Officers to complete their own forms online or otherwise. Points 6 and 7 can be repeated here.
9. Is there one form per Officer? Surely one form could be used to include all of the Officers in one go to increase efficiency at both ends?

Draft Form 4

10. **Question 14** is a little ambiguous in its present form. Is the requirement to resubmit Rules/Minutes only a requirement if the organisation's purpose is going to change? Will increasing/decreasing emphasis on a particular focus be considered a change in purpose? What about other changes to the Rules, are major constitutional changes, which do not affect the organisation's purpose, not relevant here? Tightening this question up will stop any confusion here. Also, points 3 and 4 are made here again.
11. It becomes apparent that this form could easily be **bundled into the previous two forms**. A separate form is not required to make these changes. In the paper-based version there could simply be a 'changes to organisational details' page and a 'changes to organisation's Officers' page. In the online version these details could simply be updated on the two links 'details' and 'Officers'. Any reduction in compliance costs would be greatly appreciated by the sector. The Federation then recommends **dropping** this form altogether and **splitting** it into **Form 1** and **Form 3**. Again, points 6 and 7 are raised.

Draft Form 5

12. **Questions 3, 4, 5, 6, 7, 8, 9, 10, and 11** are completely irrelevant. These changes can be made on the 'changes form' or better still on the forms themselves as outlined in point 11. This is **not** the place to be including this information and is **confusing** and **irrelevant**. Reduction in compliance costs

is the most important issue for our Members and therefore the Federation requests that all of these questions are **removed** from **Form 5**.

13. **Questions 12, 13, and 14** ask very relevant information but should **not** be included on the '**Annual Return Form**'. If there is a requirement that all of the above information be updated regularly then changes should be made on the **relevant** forms, or simply updated online. Questions 12, 13, and 14 are 'organisational details' and should be incorporated into **Form 1**. The above two points would decrease the annual registration time down to around 10-15 minutes, which would be much more satisfactory.
14. **Question 16(7)** is a little ambiguous in its present form. Does investment income include interest from bank savings and holding accounts? Interests and dividends are sometimes bundled together on various forms, which leads to the ambiguity. The Federation suggests an **explanation** point or **renaming** this.
15. 'Grants paid' under **Question 16(10)** is also ambiguous. The Federation suggests **explaining** what this is asking.
16. **Question 16(14)** 'trading operations' does have an explanation. The Federation would ask that this explanation be **very** specific. Some trading operations (such as networking, meetings, events, and other expenditures) can be somewhat ambiguous. This explanation should be very specific on this.
17. Why is 'computers and office equipment' labelled as such in **Question 16(Part Two)(7)**? Is there a reason for having to specify 'computers', yet not mobile phones, data show projectors, software, PDA's or other such technologies? This could simply be labelled 'office equipment' and could be given an **explanation** if thought needed. Again, points 6 and 7 are considered.

Other

18. How are the paper-based forms going to be sent to organisations? It would be appreciated if these forms were sent for **free** to organisations without access to the internet.
19. The Federation congratulates the Commission on the reduction in size and number of forms and the thoughts so far to decrease the compliance on organisations. Further reductions should be considered and would be very much appreciated by the sector.
20. We also have a number of questions about providing the same information to multiple agencies. First, will organisations still have to submit rule changes to the Companies Office? Will organisations still need to provide annual accounts to the Companies Office? Will organisations still need to register with IRD and, if so, why can't some of this information automatically be recorded into the Charities Commission register? None of the information we have seen so far answers the above questions and we think, in terms of the content of the draft forms, these are very relevant.
21. The Federation congratulates the Commission on offering the ability to submit applications online. Surely though, once the initial development costs are covered, the online submission of annual registrations would be much cheaper than paper-based. Is there any thought of offering a discount to organisations to submit online applications?

Yours sincerely

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