



## 1. Welcome by Rhonda Galbally AO, CEO of [ourcommunity.com.au](http://ourcommunity.com.au)

Welcome to the July edition of Our Community Matters.

Who can believe that it's already July? It has been an incredibly busy first half of 2005 for the entire community sector and for us here at Our Community but before we start the downhill run towards Christmas and the end of the year, it is a good time to review your organisation and where it is heading.

Talking to a number of grassroots groups recently, I was a bit concerned at how many had identified a few problem areas in their organisation but didn't think they had the time to sit down and try and fix them. The reality is that it's much better and much more effective to do it now than wait for the problem to fester and get worse.

The pain caused by any interruption to your daily work will be made up by the fact that you are easing your mind by taking the necessary action to stop a bigger problem developing.

It's at least worth setting aside some time for a discussion at your next Board or committee meeting and ask:

- Have we achieved our 2005 plans or at least on track to achieve what we set out to do? If not why not?
- Have our priorities changed? Or have we been diverted from the main goals we identified at the start of the year?
- Is our budget on track and is our fundraising up to scratch or do we need to lift it urgently?
- How is our Board functioning? Are there issues with the Board that we need to act on and change?
- How are our main partnerships and relationships with donors, businesses, funding bodies? What do we need to do to improve?
- Is our marketing up to scratch or have we dropped off your communication with stakeholders? (See the Marketing, Media & Post Centre we have established with Australia Post at [www.ourcommunity.com.au/marketingmediapostcentre](http://www.ourcommunity.com.au/marketingmediapostcentre).)
- Are there hard decisions that we need to make? Are they going to be even harder if we avoid them for another six months?

As difficult as it is to find time and to make the hard decisions, putting them off is not an option that will benefit your organisation.

### **Submissions still required for Human Rights Consultation Committee.**

Over the past few months I have been part of a working party in Victoria examining whether Victoria should have a Charter of Human Rights and, if so, what should be changed and what should it cover.

We have had a number of submissions and although the original deadline for submissions was on August 1, we have extended that and are happy to take submissions during the first few weeks of August. It is an important issue and one that many Victorian community groups – and community leaders - have quite strong views on.

The key questions the committee, headed by Professor George Williams and including sportsman Andrew Gaze, Professor Haddon Storey and myself are looking at are.

- Is change needed in Victoria to better protect human rights.
- If change is needed, how should the law be changed to achieve this?
- If Victoria had a Charter of Human Rights, what rights should it protect?
- What should be the role of our institutions of government in protecting human rights?
- What should happen if a person's rights are breached?
- What wider changes are needed if Victoria brought about a Charter of Human Rights?
- What role could the wider community play in protecting and promoting human rights?
- What other strategies are needed to better protect human rights?
- If Victoria introduced a Charter of Human Rights, what should happen?

For more information visit [www.justice.vic.gov.au](http://www.justice.vic.gov.au) or email [HumanRights@justice.vic.gov.au](mailto:HumanRights@justice.vic.gov.au) or me on [rhondag@ourcommunity.com.au](mailto:rhondag@ourcommunity.com.au).

Have a great month.

**RHONDA GALBALLY AO**  
Chief Executive Officer

[Back to Top](#)

## 2. Now a good time to re-examine grants strategy for the remainder of 2005.

When it comes to grantseeking, many groups start the year in a blaze of glory with enthusiasm and momentum high only to drop off by the middle of the year.

With a number of State and Federal Government departments and philanthropic foundations announcing new rounds of grants funding over the past few weeks, now is the time for groups to revisit their grantseeking activities and ensure that if there is money out there, then they are securing a share of it.

Grants funding can provide an enormous boost for groups – it can bring in a greater amount of dollars than your group can fundraise, it brings “new” money into the district so you aren’t taking the hat around to the usual suspects – and in many ways it is more time-efficient than running a special event.

Winning grants funding also creates excitement within the group and can be a great motivator for your group, your board, members and your supporters. It’s an endorsement of the work you’re doing.

So while there are a number of grants opportunities available, it’s a good time for community groups to be proactive and go in search of suitable funding.

Here are some tips to help your group establish a successful grantseeking system:

- Appoint one person to the job of finding the grants opportunities who is prepared to diligently search through the **Easy Grants newsletter**, the Internet, local newspapers and anywhere else where grants are listed.
- Appoint someone (not necessarily the same person) to coordinate the preparation and the writing of the application.
- Succinctly detail what it is your group does in the community and the problems you help solve. Don’t just list activities (such as assist unemployed) but detail the community outcomes and benefits of your work and why your group is best placed to do that job. Think laterally and the grants opportunities applicable to your group will immediately expand.
- Where possible talk to the funding agencies, explain what you do and ask how you could best position your project for funding.
- Realise that their main focus is not YOU and YOUR projects but how you and your projects can help THEM to achieve THEIR mission or THEIR policy goals.
- Read the Guidelines. When you are finished read them again.
- Follow the guidelines. Make sure you do everything they ask and deliver your application in the format they request.
- Ensure you provide all the supporting evidence that is required by the funding agency.
- Ensure that your application is in on time. There are so many good applications these days that even brilliant projects get culled if they are late.
- If you don’t succeed keep trying. To secure two or three winning applications each year, you probably need to apply for 8-10 grants.

For more information on applying for grants funding and finding suitable grants visit the Funding Centre at **[www.ourcommunity.com.au/funding](http://www.ourcommunity.com.au/funding)**.

**[Back to Top](#)**

## 3. Group offer for Commonwealth Games for Australian clubs and community groups.

Australian schools, councils, sporting groups and eligible non-profit community groups can now book tickets for the Melbourne 2006 Commonwealth Games – and receive a bonus of two extra tickets for every 20 tickets they book.

The Melbourne 2006 Commonwealth Games is a great opportunity to celebrate with school friends, sporting partners, community groups and your local social club in what will be the event of a lifetime.

Australians love to attend sporting events with friends, and in large numbers. So Melbourne 2006 is now offering ticket packages of 20 or more to Eligible Groups and organizations to attend a range of sports and sessions.

**Plus for every 20 tickets you book before October 7 receive 2 extra tickets from Woolworths (conditions apply).**

The Eligible Groups that are allowed to apply for tickets in the Group Ticket Offer are:

- schools;
- local councils;
- sporting associations;
- formal community groups; and
- formal, non-commercial, non-profit social groups.

If you are an Eligible Group, you are allowed to enter the Group Ticket Offer and request large ticket allotments under the following rules:

- a minimum 20 tickets per session in a single price level;
- no maximum number of tickets (subject to Games organiser's approval);
- tickets sold on a first come, first served basis;
- payment made in full at the time of purchase.

The Games reserves the right to seek evidence from any group applying for tickets in the Group Ticket Offer that claims to be within the definition of Eligible Group, and may require an undertaking that it will use the tickets only for non-commercial purposes.

The following **will not** be Eligible Groups and will be expressly excluded from the Group Ticket Offer unless otherwise authorised in writing by Melbourne 2006:

- ticket re-sellers; organisations which provide marketing, promotion and/or entertainment services; corporate clubs/societies; and any organisation which competes with a Games sponsor.

The Group Ticket Offer Organisers Booklet, which includes the Official Group Ticket Offer Order Form, a schedule of available tickets and ticket prices as well as transport and accommodation information is available now.

An Eligible Group can request a mail-out of the booklet free of charge by visiting [www.melbourne2006.com.au/?s=group](http://www.melbourne2006.com.au/?s=group) or by calling 1300 00 2006. Also for a full definition of an eligible group and for conditions please visit [www.melbourne2006.com.au/?s=group](http://www.melbourne2006.com.au/?s=group). The Official Group Ticket Offer Order Form and booklet can also be ordered in the alternative formats of braille, large print and audio, via a customer service representative by phone on **1300 00 2006**.

[Back to Top](#)

#### 4. Charity Status Details now Listed on ABR site.

Members of the public can now find out which tax concessions certain charities are endorsed to access by looking at the Australian Business Register (ABR).

The ability to look up a charity's endorsements to access tax concessions comes as part of new tax measures for charities that came into effect on July 1.

For members of the public, they can visit the ABR website – at <http://www.abr.business.gov.au/> - and search for charities by name or ABN number to view the publicly-available information about that organisation.

That information will also show if they have received ATO endorsement to claim certain tax concessions.

As part of the post-July 1 law changes, charities now have to receive Tax Office endorsement to access income tax, fringe benefits tax (FBT) and goods and service tax (GST) charity concessions.

Previously, charities only need Australian Tax Office endorsement to access income tax concessions.

Also under the new rules, groups that are currently endorsed as Income Tax Exempt Charities (ITEC), and have any other existing endorsements for deductible gift recipient (DGR) status, will continue to hold that endorsement.

However the ATO has called on those charities to review their existing endorsement/s and advise them if they are no longer entitled.

Charities with an existing ABN number that are seeking endorsement can fill out the Australian Tax Office's *Application for Endorsement as a Tax Concession Charity* form. A copy of the form is available by ringing the ATO on 1300 130 248.

New organisations applying for an ABN number can receive a copy of the form by indicating on their ABN registration form that they want to apply for endorsement as a tax concession charity.

- Guides and more information on how to fill in this form are available at this section of the ATO website: <http://www.ato.gov.au/nonprofit/content.asp?doc=/content/46645.htm&page=1&pc=001/004/044/001&mnu=5383&mfp=001/004&st=&cy=1>
- More information on the changes to the law since July 1 can be found at this page on the ATO website: <http://www.ato.gov.au/nonprofit/content.asp?doc=/content/46622.htm&page=1&H1>

[Back to Top](#)

## 5. Finding strength in numbers. Discovering the key to successful collaborations.

### Boards – Part One.

Not-for-profit groups face increasing pressure from funders and regulators to form partnerships, yet many struggle to work out just who they should partner with, how the collaboration could work, and how to get started.

Some of the keys to this puzzle, which can help unlock thousands of dollars in financial savings and many other benefits, are revealed in a wide-ranging interview in next month's edition of the *Board Builder* newsletter with Youth Services Collaboration project manager Graeme West.

The Youth Services Collaboration is an evolving collaborative project that involves up to a dozen small, not-for-profit youth services organisations in inner-city Melbourne.

As Graeme tells the *Board Builder*, key features of the collaboration include an "open books" policy that sees the sharing of information, resources and best practices, and plans to co-locate several of the collaborating organisations under the one roof early next year.

"Our projections show that in the first move, involving four or five organisations, we're likely to make savings of a couple of hundred thousand dollars across things like IT support and maintenance, accounting and bookkeeping services, human resources, volunteer management, group purchasing and reception," Graeme says.

The benefits do not stop at the bottom line; other "wins" have included the sharing of one bookkeeper between several organisations, the joint staging of a successful volunteer recruitment expo, and the sharing of policies and best practices in the areas of human resources, volunteer management and financial reporting.

"This is a partnership that does not operate on a ledger, it's about cooperation at that core level," Graeme says.

"To be honest, it's a spirit of cooperation I've never experienced before and most probably had never anticipated I would experience."

Graeme's top five tips for other groups considering mounting a similar style of partnership are:

1. Make sure the lead participants are compatible organisations
2. Have a dedicated project management resource to help guide the partnership
3. Ensure detailed and agreed objectives are in place and understood by all parties
4. Recognise and manage the risks
5. Celebrate all successes

Read the full interview with Graeme West in Edition 3 of the *Board Builder* newsletter. Find out more at [www.ourcommunity.com.au/BoardBuilder](http://www.ourcommunity.com.au/BoardBuilder).

### Boards – Part Two.

#### Using the knowledge of one to help many

Our Community's new Policy Bank, where community groups can download a range of model policies that they can adapt for their own use, continues to expand.

The Policy Bank works on a deposit and withdrawal basis; community groups can browse the list and choose the policies they need, and those with great policies of their own can give back to the bank by contributing their documents for sharing with others.

Our Community strips the contributed policies of identifying information, standardises them to suit a wider audience and posts them on the site for others to use.

Several new policies have been contributed and loaded on the site in recent weeks – but as with most things, the demand is outstripping supply.

Among the most requested documents are:

- Volunteers Policy
- Board Confidentiality Policy
- Board Attendance Policy
- Media Policy
- Reimbursement of Expenses Policy
- Conduct of Meetings Policy
- Ethical Fundraising Policy
- Financial Management Policy
- Electronic Banking Practices Policy
- Model Meeting Rules
- Model Position Descriptions (Board Chair, Deputy Chair, Secretary, Treasurer, General Board Members)

If your group has a version of these documents you think others might be able to use, please email them to [kathyr@ourcommunity.com.au](mailto:kathyr@ourcommunity.com.au). We'll acknowledge your contribution on the site.

And don't forget that as well as the policies contributed by community groups, there are also more than 20 human resources policies that have been contributed and recently updated by the global management consulting firm, Accenture.

Log on to [www.ourcommunity.com.au/PolicyBank](http://www.ourcommunity.com.au/PolicyBank).

[Back to Top](#)

## 6. Register now for Community Business Partnerships Week

Registrations are now open for this year's Community Business Partnerships Week – to be staged in eight capital cities around Australia during August.

Building on the success of last year's Community Business Partnerships Week, the Prime Minister's Community Business Partnership has scheduled events between August 22 and 26.

*The timetable for Community Business Partnerships Week 2005 will be:*

- **Melbourne** - Monday August 22
- **Brisbane and Hobart** - Tuesday August 23
- **Canberra and Adelaide** - Wednesday, August 24
- **Perth and Sydney** - Thursday August 25.
- **Darwin** - Friday, August 26.

Events in each city will provide hands-on information about community business partnerships, including how to establish and maintain partnerships and what the benefits are for business and community organisations that have partnerships.

Speakers and presenters for each Community Business Day are being confirmed and details will be announced shortly. In addition, 2005 State and Territory Awards of Prime Minister's Awards for Excellence in Community Business Partnerships will be presented at these events throughout the week.

Registrations are now open. Registration forms, as well as program outlines for Partnership Week events in each city are now available by following this link – [www.partnerships.gov.au/events/events\\_cbp\\_week.shtml](http://www.partnerships.gov.au/events/events_cbp_week.shtml) - to the Prime Ministers Community Business Partnerships website.

Those interested in attending should complete the registration form for the event they wish to attend and fax it to 02 6212 9522. Registrations close Friday 12 August, and while registrations are free, spaces for each Partnerships Week event are limited.

For more information on Partnerships Week 2005, visit the [Prime Minister's Community Business Partnership website](#). To contact the Prime Minister's Community Business Partnership, email: [cbp.inbox@fac.gov.au](mailto:cbp.inbox@fac.gov.au) or phone 1800 359 918.

[Back to Top](#)

# SEE THE GAMES AS A GROUP

**20+2**

Order 20 tickets  
Woolworths adds 2\*

*'The Fresh Food People'*  
**WOOLWORTHS**

Offer closes 7 October 2005

\*conditions apply

## GROUP TICKET OFFER

Melbourne 2006 is now offering ticket packages of 20 or more to Eligible Groups\* to attend a range of sports and sessions.

The Group Ticket Offer booklet is available now! It includes the Official Group Ticket Offer Order Form, a schedule of available tickets and their price as well as transport and accommodation information.

Eligible Groups can request the booklet be sent to them, free-of-charge, by visiting [www.melbourne2006.com.au](http://www.melbourne2006.com.au), or by phoning 1300 00 2006.

\*For a full definition of an Eligible Group visit [www.melbourne2006.com.au](http://www.melbourne2006.com.au)



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2006**  
XVIII COMMONWEALTH GAMES  
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## 7. All the Communities in Control resources now on the site.

### Communities in Control (1) - order the video.

Just a reminder that groups, councils and government departments can still order the two-video pack containing the major presentations from the two days of the Communities in Control conference.

Those that have already ordered the video should start receiving them in the next 10 days or so. If you would like to order a copy of the conference video, please download the order form at [www.ourcommunity.com.au/files/cic/cicvideoorderweb2005.pdf](http://www.ourcommunity.com.au/files/cic/cicvideoorderweb2005.pdf) or call Samantha Fritz on (03) 9320 6800 or email [samanthaf@ourcommunity.com.au](mailto:samanthaf@ourcommunity.com.au).

The video contains almost 10 hours of inspiration, explanation and determination as well as plenty of practical examples of how some great community leaders have instituted change. The video also contains the presentations from the finalists of the Australian Community Idol contest as well as the award ceremony.

### Communities in Control (2) – All speeches now online.

For those people who couldn't get to last month's conference or for those that did and whose note-taking wasn't quick enough to capture everything, we now have all the major presentations transcribed and available online.

To download any of the speeches visit [www.ourcommunity.com.au/conference](http://www.ourcommunity.com.au/conference) or download the files below.

<b>Senator The Hon. Kay Patterson,</b> Federal Minister for Family and Community Services and the Minister Assisting the Prime Minister for Women's Issues <b>Speech: <i>Welcome and Introduction to the Future.</i></b>	<b><a href="#">Click here</a></b> (68.4 kb)
<b>Evan Thornley,</b> Founder & Chairman of global search engine company Looksmart and campaigner for Australia to "Develop its own Future" <b>Speech: <i>Imagine Seizing the Future - Where Communities are in Control.</i></b>	<b><a href="#">Click here</a></b> (111 kb)
<b>Geraldine Doogue AO,</b> Broadcaster, journalist. <b>Speech: <i>Imagine Communities with Vibrant Hearts and Souls.</i></b>	<b><a href="#">Click Here</a></b> (96.8 kb)
<b>Rick Farley,</b> Former CEO, National Farmers' Federation. <b>Speech: <i>Imagine a Community First Party</i></b>	<b><a href="#">Click here</a></b> (65.7 kb)
<b>Professor Robert Manne,</b> Associate Professor, Politics, La Trobe University, Melbourne. <b>Speech: <i>Imagine a Community First Party</i></b>	<b><a href="#">Click here</a></b> (62 kb)
<b>Community Idol Finalist Presentation: Centre for Education and Research in Environmental Strategies (CERES).</b> CERES, from Brunswick, Victoria is a community environment project which aims to encourage community participation in environmental sustainability and social equity in urban areas.	<b><a href="#">Click here</a></b> (56 kb)
<b>Community Idol Finalist Presentation: Horn of Africa Communities Network (HACN).</b> (HACN) is based in Footscray, Victoria and offers a wide range of programs and services to ensure a better quality of life for Horn of Africa humanitarian and refugee settlers.	<b><a href="#">Click here</a></b> (50 kb)
<b>Community Idol Finalist Presentation: Sisters Inside.</b> Sisters Inside is an independent community organisation advocating for the human rights of women in the criminal justice system in Queensland.	<b><a href="#">Click here</a></b> (63 kb)
<b>The Hon. John Thwaites,</b> Deputy Premier of Victoria and Minister for Victorian Communities. <b>Speech:</b>	<b><a href="#">Click here</a></b> (102 kb)

<p><b>Fiona Smith,</b> Chair of the Equal Opportunity Commission and leading disability rights advocate. <b>Speech: <i>Imagine the Leaders we Need and Deserve.</i></b></p>	<p><a href="#"><u>Click here</u></a> (96.6 kb)</p>
<p><b>Professor Neville Norman,</b> Professor Economics, University of Melbourne. <b>Speech: <i>Communities (Families and Other Folk) into the Future</i></b></p>	<p><a href="#"><u>Click here</u></a> (84.9 kb)</p>
<p><b>Dennis Trewin,</b> CEO, Australian Bureau of Statistics. <b>Speech: <i>Measuring Community Strength</i></b></p>	<p><a href="#"><u>Click here</u></a> (72 kb)</p>
<p><b>Associate Professor Ken Reed and Dr Betsy Blunson</b> Deakin University. <b>Speech: <i>Scenarios for the Future: The real Meaning of Research and the Trends</i></b></p>	<p><a href="#"><u>Click here</u></a> (53 kb)</p>
<p><b>Dick Estens,</b> Cotton grower and community innovator recognised for his work in Aboriginal employment around the New South Wales town of Moree. <b>Speech: <i>Imagine the Future by Learning from the Past - Aboriginal Employment Strategy: Working Together</i></b></p>	<p><a href="#"><u>Click here</u></a> (70.4 kb)</p>
<p><b>Chris Sarra,</b> Principal, Cherbourg State School, Queensland and leader in developing new approaches to school for Aboriginal children. <b>Speech: <i>Imagine the Future by Learning from the Past</i></b></p>	<p><a href="#"><u>Click here</u></a> (76.8 kb)</p>
<p><b>Michael Hogan,</b> Assistant Deputy Director-General, Queensland Department of Communities. <b>Speech: <i>Supporting the Revitalisation of Queensland's Community Groups</i></b></p>	<p><a href="#"><u>Click here</u></a> (64 kb)</p>
<p><b>Judy Rogers,</b> International Pratt Fellow, and CEO of the City of Vancouver, Canada. <b>Speech: <i>Imagine the Future - the Vancouver Story (a World Perspective of Local Government)</i></b></p>	<p><a href="#"><u>Click here</u></a> (72.2 kb)</p>

[Back to Top](#)

## 8. New newsletter launched to encourage businesses to boost their CSR programs.

A new newsletter aimed at promoting best practice in corporate social responsibility among Australia's major businesses has been launched.

***Business Community Intelligence*** is a quarterly newsletter that not only provides an update on what businesses and community organisations are doing in terms of corporate social responsibility (CSR) but also aims to provide more best case examples, discussion and debate on the topic.

CSR is now an important aspect for all businesses and government departments and even local councils – and ***Business Community Intelligence*** fills the demand for the latest research, ideas, insights and experiences.

The newsletter has been developed by **Our Community** - along with alliance partner **Deloitte** and the editor in chief, **Dr Annie Duncan**.

***Business Community Intelligence*** provides answers to questions such as:

- How do we make sure our products and services reflect our corporate responsibility commitments?
- How can we make our community investment more strategic?
- How do I keep up with the latest CSR information without spending all my time at conferences?
- How can we get a brand benefit from social programs without being - and looking - superficial?

The newsletter also looks at:

- The latest research on CSR - including fields like corporate volunteering and community-business partnerships.
- What works and what doesn't - through case studies, interviews with CEOs and others in the field and best practice examples.
- Government policy and strategy on CSR
- Successfully developing a CSR policy - what's involved, and how to embed CSR through your organisation.
- Identifying causes and organisations to support.
- Developing CSR management skills.

**Business Community Intelligence** aims to encourage new forms of meaningful business and non-for-profit partnerships whilst helping Australian businesses make their corporate responsibility initiatives even more targeted and more successful. While a great tool for business we are also finding many of the major community organisations are also ordering it for its market intelligence.

To subscribe to the **Business Community Intelligence** newsletter, click on <http://www.ourcommunity.com.au/files/businesscommunityintelligence.pdf> or call Samantha Fritz on (03) 9320 6807.

[Back to Top](#)

## 9. New Checking System for People Working with Children.

The Victorian Government has introduced to State Parliament a new checking system for those who work or volunteer with children in an effort to ensure children are kept safe from unsupervised contact with "unsuitable" people.

According to Victorian Premier Steve Bracks, the proposed new *Working with Children Check* laws – introduced to State Parliament in July – set "minimum standards to take into account criminal records and charges, as well as professional disciplinary records, to assess if a person is eligible to work or volunteer with children".

The system, if approved, will be phased in from April next year. Accompanying it will be a community education campaign to inform employers, individuals and other organisations – including not-for-profit and community groups which have volunteers – about their rights and responsibilities under the proposed new laws.

The checks will be free for those who do volunteer work with children, and \$70 for those who do paid work with children.

Among those who will be checked initially as part of the proposed new laws are:

- Child protection workers.
- Juvenile justice workers.
- Foster carers.
- Family day care and outside school hours childcare workers, and.
- School crossing attendants.

The second round of checks would be performed on:

- Non-teaching staff in schools.
- Workers in refuges and residential facilities, and
- Workers in religious organisations.

### Who is exempt?

- Police and teachers who already have rigorous checking systems in place.
- Parents whose child participates in the activity for which they volunteer – however, if their child is not a regular participant, a check will be necessary.
- Children under 18 will be exempt.

### Are there penalties for a person who works or volunteers without a check?

- An individual can be imprisoned for two years or receive a fine of \$24,000.

Generally speaking, people who work or volunteer in childcare, schools, coaching or private tuition, religious organisations, sporting groups, paediatric wards of hospitals, overnight camps and foster families and who have direct, regular and unsupervised contact with children will be subject to the checks.

People helping out at school under the supervision of a teacher and those helping out at sporting events under the supervision of coaches and staff will not require checks.

Police and teachers who already have rigorous checking systems in place, parents whose child participates in the activity for which they volunteer and children under 18 will be exempt from the checking process.

Everyone who is checked and passes the new standards will be issued with a card enabling them to work or volunteer with children for five years. Those checks will be regularly updated after the card is issued.

Victorian Attorney-General Rob Hulls said the government was mindful of not placing any extra burden on community organisations or not-for-profits which work with children when it came to the checks.

"We do not want to make this legislation a burden on sporting clubs, community groups, religious organisations or anyone who gives their time to volunteer or work with children," he said.

To that end, a new unit is being established in the Department of Justice to carry out the checks and undertake an education campaign.

More information on the proposed *Working with Children Check* legislation – including links to the legislation itself, and a series of answers to commonly asked questions - is available at the Victorian Government's Department of Justice site: <http://www.justice.vic.gov.au/CA2569020010922A/page/Listing-Home+Page+News-Working+With+Children+Check#Contacts>

[Back to Top](#)

## 10. Report finds increase in non-profit groups spending on welfare services.

Spending on welfare services in Australia in 2002-03 was \$17.1 billion, equivalent to 2.3% of Gross Domestic Product. This averaged \$867 per person, according to *Welfare Expenditure Australia 2002-03*, a report by the Australian Institute of Health and Welfare.

Real growth in expenditure between 2001-02 and 2002-03 was 8.2%, appreciably higher than the average real growth between 1998-99 and 2002-03 of 5.7% per year.

The spending analysed in the latest AIHW report is on services provided mostly to older people, people with disabilities, and families and children. It does not include an estimated \$35 billion in employer superannuation contributions, or the estimated \$52 billion in social security payments-such as age pensions, disability support pensions and Newstart allowances.

\$11.9 billion or about 70% of the funding for welfare services was provided by the government sector, with the remaining \$5.2 billion being contributed by non-government funding sources. The Institute believes that the report provides non-profit groups with a good argument for lobbying for increased government funding.

For the Australian Government, which spent \$5.4 billion in 2002-03, the greatest areas of spending were on family and child welfare services (35%) and services for older people (34%).

"This report also highlights the vital role that non-government community services organisations continue to play in providing welfare services in Australia." head of the AIHW's Health and Welfare Expenditure Unit, Tony Hynes, said

Mr Hynes says it is no surprise that non-government organisations contribute so much.

"In 2002-03 over \$9 billion was spent by these organisations in providing services. Of this total, \$4.3 billion was funded by government, \$2.7 billion through fees charged to clients, and just over \$2 billion from those organisations' own resources", Mr Hynes said.

*Welfare Expenditure Australia 2002-03* shows that welfare services for families and children was the area of most rapid growth in state and territory and Australian Government funding. Between 1998-99 and 2002-03, growth rates averaged 10.3% per year for the state and territory governments, and 9.8% per year for the Australian Government.

[Back to Top](#)

## 11. Understanding community group finances – Brought to you by Westpac

*As a manager of a not-for-profit organisation, you wear different hats and juggle several 'management' balls at once. But the one hat you can never shed is that of financial manager and planner.*

Even when you have an accounting system that produces timely and accurate financial statements, as a manager you have the responsibility of understanding and interpreting exactly what you have.

The process of analysing your statements is not a glamorous task, and the best way to start is to roll up your sleeves and dig in. Three steps are required:

1. understand how your statements are formulated;
2. use your data to produce a series of financial ratios; and
3. interpret using the ratios to analyse the causes and effects of financial events in your organisation.

### **Making a statement**

All financial analysis begins and ends with financial statements. The two basic statements are the balance sheet and the income statement (also known as a Profit & Loss statement).

The balance sheet functions as a historical record of activity since day one in your business. Functionally it's like taking a snapshot of the business at a point in time—usually the end of an accounting period. It reveals three things: assets, liabilities and net worth. This fundamental relationship is summarised in the following formula:

$$\text{Assets} = \text{Liabilities} + \text{Net Worth}$$

There are several issues worth noting in relation to your balance sheet. First, the assets should be broken down into three basic sections, based on the time it would take to convert them to cash: current assets, fixed assets and intangibles. Since assets are things the business owns, they have to be bought. Liabilities reflect funds in the form of loans, and net worth reflects funds in the form of capital investment and retained earnings.

### **Three classes of assets**

Let's discuss briefly the three classes of assets.

Current assets are those that normally will be converted to cash within one year—such as cash, accounts receivable, and inventory. In retail businesses these three types of asset interact to create the working capital cycle - you take your cash to buy goods for inventory that you sell in return for accounts receivable which are then turned back into cash. Even if you're working on a not-for-profit model, you'll still have to account for these three areas – money in hand, what people owe you, and the things you own. In current assets, you also typically find a category called 'prepaid expenses'. These are things like rent and insurance that you pay for in a lump sum and 'use up' over the course of a year.

Fixed assets include tangibles such as land, buildings, and plant and equipment. With the exception of land, fixed assets are depreciated—or written off—over the 'useful life' of the items.

Intangibles are the third asset category, and are items such as goodwill, brand value, and franchise rights. These don't feature largely in the accounts of most not-for-profits because they're difficult or impossible to sell to anybody else.

Most of your assets are placed on your books at cost or fair market value—whichever is less.

### **Liabilities and net worth**

Liabilities are also classified into short-term and long-term, depending again on whether they are paid within one year. Current liabilities (short-term), such as accounts payable, overdrafts and accruals, are paid within one year (accruals are simply a way of saying, "I know I owe it, but I haven't written the cheque yet"). Long-term liabilities, such as mortgages or equipment loans, are those that will be repaid over a period exceeding one year.

The last section of the balance sheet is labelled 'net worth'. It's what the organisation has built up over the years and what it's got available for its goals.

### **Balance and income**

To sum up the balance sheet: it's a record from day one and measures what the organisation owns and owes at a point in time. The key financial issues relating to the balance sheet are liquidity or solvency, financial risk, and asset management.

And why does a balance sheet balance? Remember that equation: **Assets = Liabilities + Net Worth**. A system of double-entry bookkeeping means that each entry on the assets side is checked by a balancing entry on the other side, and vice versa. If you borrow ten dollars, your Assets go up by ten dollars and your Liabilities go up by ten dollars. If you're given ten dollars, your Assets go up by ten dollars and your Net Worth goes up by ten dollars. If you spend ten dollars on a pot plant for the office, your Net Worth goes down and your Assets go up.

The income statement is simply the result of operations over a given period, usually one year. The primary benchmark is whether you're in surplus or deficit. At the end of each year, your bookkeeper closes all of the income and expense accounts to produce 'net profits after tax' (your income statement). This amount goes directly into retained earnings (your balance sheet) and then you start all over again on income/ expense. Thus, the income statement represents only one year at a time while a balance sheet represents the full financial history of your organisation.

You should prepare income statements for all your individual sections or projects, so you can see whether you're making or losing money in each area, and then combine them into an income statement for the whole organisation.

Now let's wrap it all up. This information can be used to see where you've been and where you're going. The goal? Planning and control. The tool? Analysis of the relationships and trends in the form of ratios.

*Westpac offers all not-for-profit organisations a 20% discount so to better understand your financial statements, register for Westpac's acclaimed Beyond Survival workshops today by calling 1800 012 501. For information on Beyond Survival workshop dates and locations, please visit [www.westpac.com.au/business](http://www.westpac.com.au/business) and click on 'Beyond Survival' on the right hand side of the page.*

## 12. Community Briefs

### Australian Giving Centre expands again – are you up for donations of money? Blankets? Land?

Does your community group collect financial donations, computers, furniture, clothing, blankets, land or mobile phones?

Well if you do then check to see whether your group is listed on the Australian Giving Centre to receive any of those from donors.

We have recently added several more buttons to the Australian Giving Centre, which is proudly supported by Westpac Bank, and we are gearing up to make a number of other additions ahead of a major push this year.

While the Australian Giving Centre has already received more than \$4.5 million in online donations for community groups and now has over 570 separate appeals listed on the site we are committed to continuing to expand the centre and drive traffic into it.

So the new features on the Australian Giving Centre at [www.ourcommunity.com.au/donations](http://www.ourcommunity.com.au/donations) site include

- **GIVING BLANKETS** which lists those groups that seek blankets and bedding, particularly during winters.
  - Visit [www.ourcommunity.com.au/givingblankets](http://www.ourcommunity.com.au/givingblankets)
- **GIVING LAND** which lists those groups in Australia who accept land as a donation for their various needs, such as conservation and housing.
  - Visit [www.ourcommunity.com.au/givingland](http://www.ourcommunity.com.au/givingland).
- **GIVING TIME ON A BOARD/COMMITTEE** which links through to the Board/Committee" links through to the Board Matching Service to further encourage people to join a non-profit board.
  - Visit [www.ourcommunity.com.au/board-match](http://www.ourcommunity.com.au/board-match)
- **THE CALENDAR OF EVENTS** has also been improved with new buttons and banners
  - Visit [www.ourcommunity.com.au/calendar](http://www.ourcommunity.com.au/calendar)

### NSW Communities to show their wares at NSW Country Week.

Many NSW councils and community organisations, progress association and town chambers of commerce will be in full swing next week at the NSW Country Week Expo in Sydney.

To be held at the Rosehill Gardens Event Centre on Friday, Saturday and Sunday 5, 6 and 7 August, the Expo will showcase more than 100 exhibitors, including 50 country and regional communities from across the state.

The Expo is a good opportunity for regional communities to demonstrate the advantages of a rural lifestyle and one of the main features is of course the close sense of community and community activity.

Entry is free but people do need to register which they can do by visiting <http://www.datafusion-corp.com.au/tradevent/countryweek05/>

## SA Community urged to consider benefits of incorporation

South Australian Community and sporting groups are being urged to consider the benefits of incorporating their associations using a straight-forward information kit drafted by the State Government and the South Australian Council of Social Service.

Attorney-General Michael Atkinson says there are many benefits to incorporating an association, including better chances of attracting grants and funding. The information kit explains clearly how associations can become incorporated. It also helps to set up a new association, giving it the best possible chance of achieving its goals.

Two key benefits of becoming incorporated are:

- an incorporated association has its own "corporate" identity or personality;
- its existence will continue after the original members have moved on.

"There is much evidence that incorporated associations fare better in many ways than those that do not incorporate," says the Attorney-General.

Associations that do not incorporate often have difficulty applying for grants and funding. Most government and philanthropic organisations make it a basic requirement that applicants for funding are incorporated.

There are currently 17,872 incorporated associations registered with the SA Office of Consumer and Business Affairs (OCBA). The incorporation fee is \$134.

For more information on how to incorporate an association please contact OCBA on 1300 138 918.

- **Don't forget the new updated resources on the Funding Centre**

We have had a great response to the new Help Sheets that are now online on the various ways to fundraise for community groups. More than 60 new free help sheets are now online offering community groups access to short, direct – and most importantly, free – tips and information on how to raise money using a variety of methods.

The help sheets on [www.ourcommunity.com.au/funding](http://www.ourcommunity.com.au/funding) cover:

[Grants](#)

[Donations](#)

[Appeals](#)

[Special Events](#)

[Membership Schemes](#)

[Community Business Partnerships](#)

[Sponsorship](#)

[Workplace Giving](#)

[Wills and Bequests](#)

[Fetes and Festivals](#)

[Back to Top](#)

## 13. Fast Forward

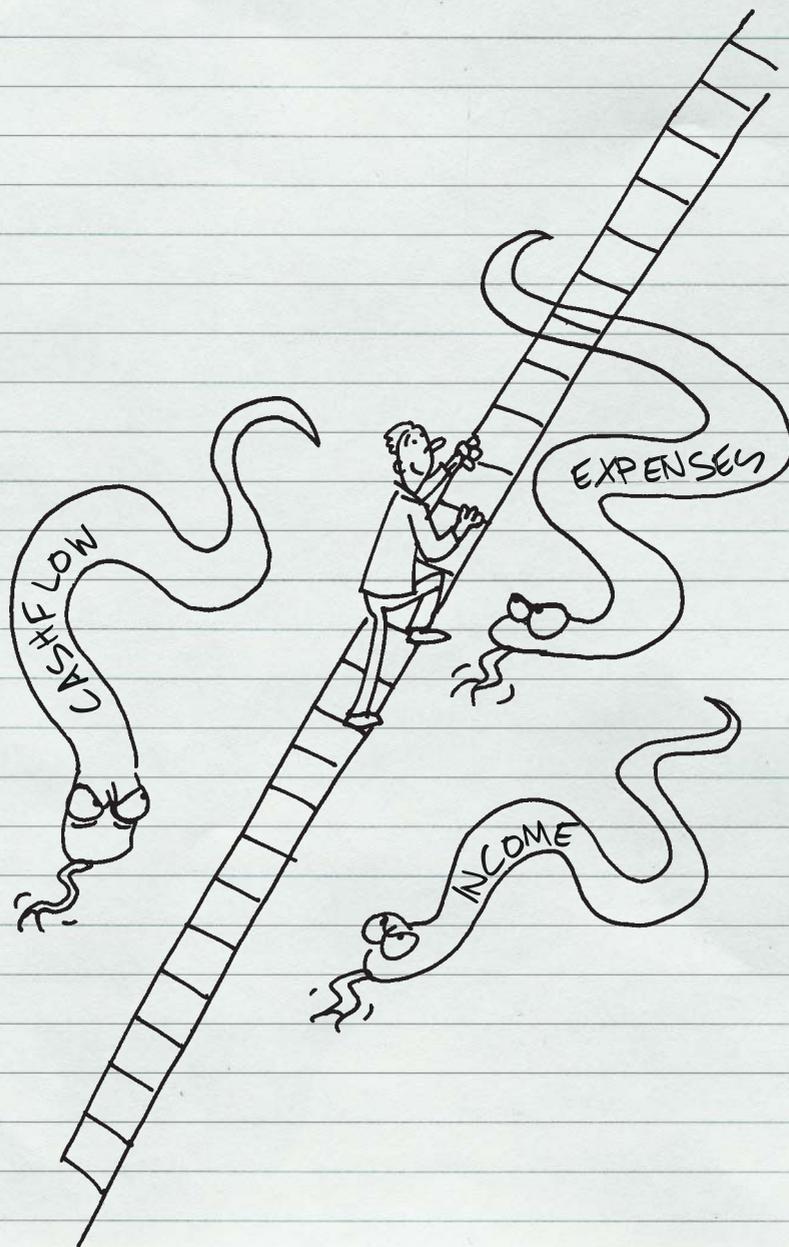
If you found this newsletter helpful, please feel free to send it onto your friends and fellow community groups in your area. We would also like your input into this newsletter.

If you have any thoughts or any issues you would like addressed we would appreciate hearing from you. You can send your comments to [brianw@ourcommunity.com.au](mailto:brianw@ourcommunity.com.au) or call (03) 9320 6813.

We now have button logos for those groups who want to set up links to [www.ourcommunity.com.au](http://www.ourcommunity.com.au) from their own websites. You can find them in the media centre. Just visit [http://www.ourcommunity.com.au/article/view\\_image\\_list.do](http://www.ourcommunity.com.au/article/view_image_list.do) and right click your mouse on the image you want and then click on SAVE to your own computer. If you have any problems just contact [brianw@ourcommunity.com.au](mailto:brianw@ourcommunity.com.au) or call (03) 9320 6813.

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[Back to Top](#)



## Is your organisation one step ahead of the game?

Cashflow, it can make or break even the best organisations. Understanding how much cash is required to survive the peaks and troughs in the not-for-profit sector is essential. This allows you to spend more time on your community work, rather than sourcing money to keep your business going.

Westpac's highly acclaimed Beyond Survival® workshops will give you tips to manage this, and help make your organisation more successful.

Westpac offers not-for-profit organisations a 20% discount on Beyond Survival workshops. Call 1800 012 501 to register your place today.

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