



The Air Training Corps Association Of New Zealand Incorporated.

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Incorporated Society Number – 217389
Charities Registration Number – CC27894

Newsletter v2

Welcome

This is Version 2 of the first newsletter for 2016. I hope everything is going well for you all as we approach winter.

The principal purpose of this edition is to remind Branches that our AGM is to take place at Ohakea in May and to continue the theme of getting ready to report to Charities Services using the new reporting requirements that took effect from 1 April 2015.

This version of the newsletter includes a change in the previously notified programme on Friday the 20th the day before the AGM.

Association AGM

This will be held at Ohakea on the 21st of May 2016. Delegates should plan to arrive at Ohakea around mid-day on Friday the 20th. On Friday afternoon it is expected that the RNZAF will host a visit to the extensive new Flying Training facilities.

It is anticipated that in the early evening we will be able to make use of the bar in the Officers Mess as was the case last year.

The Charities Reporting workshop which was to be held on Friday afternoon will now take place on Saturday. This workshop will work through the practical aspects of compliance with the new legislation.

Charities Reporting

A reminder that in late 2013 the Government made changes to Charities related legislation that will have a profound effect on the way ATCANZ manages financial information and reports to Charities Services on its financial activities. These changes are set out in the Financial Reporting Act 2013, the Financial Reporting (Amendment to Other Enactments) Act 2013 and in amendments to the Charities Act 2005.

The changes:

- Require charities to follow External Reporting Board (XRB) Standards,
- require financial statements to be filed with Charities Services, and
- allow small charities to use cash accounting (in this context ATCANZ is not a small charity).

In summary:

- The law determines WHO must report,
- the WHO = registered charities (ATCANZ is a Charity with Management, Districts and Branches),
- the XRB determines WHAT to report,
- the WHAT = XRB Standards, and
- Charities Services monitor and enforce the WHO doing the WHAT.

In these new reporting standards there are four levels. The reporting level that applies is determined by the total annual expenditure of the entity. For us that means Management Committee, District Committees and Branches (48 of them (soon to be 49)). In 2014 our ATCANZ total expenditure (all combined) was in excess of \$800,000 which means that we must report as a Level 3 entity, adopt an accrual accounting methodology (for Charities reporting purposes) and have an annual Audit or Review for the **whole organisation**.

Charities Services (a part of Internal Affairs) and the External Reporting Board have produced comprehensive educational and reference material relating to these changes. This material can be found on their respective websites www.charities.govt.nz and www.xrb.govt.nz.

It is essential that all Branch Support Committees are aware of the changes in reporting requirements which affect ATCANZ from 1 January this year.

It is clear that our report to Charities Services in 2017, covering transactions made in 2016, must be on a **whole of organisation** basis and we must now start collecting and collating data to enable us to comply with the new legislation. The first step will be a requirement for all Districts and Branches to provide the Management Committee with a copy of the bank statement for every account held showing the bank balance at 31 December 2015. Please ensure your Branch delegate takes these to Ohakea for use in the workshop. This will form the opening cash position for the combined account. If desired these documents can be posted to ATCANZ at PO Box 6198, Marion Square, Wellington 6141 or emailed as a "pdf" to atcanzgensec@gmail.com in advance of the AGM.

It will also be necessary to provide the Management Committee with coded transaction data during the course of the year. A utility to facilitate this has been developed for the Microsoft Windows operating system and this will be available early in the New Year. This utility uses downloaded banking transactions, is easy to use, and should minimise the workload for Branch Treasurers.

To enable the coding referred to in the previous paragraph to be applied it will be necessary to develop a common "Chart of Accounts". This need not be the same "Chart of Accounts" that is used by individual Branches so Branches will have the freedom to continue to use their existing accounting practices and procedures for their own internal purposes. The development of this "Chart of Accounts" will need to be a co-operative process and most of this work will be accomplished in the workshop at Ohakea. Please ensure your Branch Delegate is briefed on this subject matter in advance of the meeting.

Please keep in mind, that unless we find our overall spend to be less than \$500,000, our combined accounts are subject to review, so it is important that we keep accurate records. These will need to be available to the reviewer in early 2017. It may be necessary to take copies of all source

documents (invoices, receipts and bank lodgement details) to ensure this requirement can be complied with.

Our Charities reporting obligations for the 2015 year will be similar to last year's. However, I would ask that all Branches provide me with the necessary details no later than the end of March. I will shortly send each Branch a copy of the Branch Excel spreadsheet for this purpose.

Management Committee Accounts

The Management Committee accounts for the 2015 year are with our Reviewer and should be available for distribution in advance of the AGM.

Aviation Camp Refunds

These will be Direct Credited to nominated accounts before the end of March. Still waiting for 10 Squadrons/Cadets to provide bank account details.

Communications

My preference for providing you with information is via email so it is important that I have up-to-date email contacts for all Branch Support Committees. I am aware that there are frequent changes and I do endeavour to keep track of them all. I can be contacted at atcanzgensec@gmail.com. If you think I might not have the correct contact email for your Branch please let me know.

If you received a copy of this newsletter by email then I believe I do have a valid email address for the Chair of your Branch. However, if you are not (or are no longer) the Chair or a person who has agreed to accept email to pass on to the Chair please email me and let me know the correct details for your Branch.

If you received a copy of this newsletter by post then I may not have a valid email address for your Branch Chair. Please let me know at atcanzgensec@gmail.com if there is an email address that will reach your Branch Chair. If there is no acceptable email address please drop me a line (PO Box 6198, Marion Square, Wellington 6141) to let me know that in future I will need to communicate with your Branch via the Postal Service.

Peter Nalder
General Secretary
March 2016