



Quarterly newsletter

ISSUE 15 | FEBRUARY 2021



2019–2020 Financial training audit results

Registered organisations are showing increased awareness of the obligation for all officers with financial responsibilities to attend approved training within six months of taking office.

In December 2020 we released our [final report](#) of the voluntary audit we conducted to determine compliance with financial training. Through engagement with unions and employer associations, the project has contributed to raising awareness of the financial training obligations under the RO Act.

The results, which are explained in greater detail in the report, reveal that:

- 58.2% of registered organisations who participated in the audit were compliant with the training requirement; and
- Of the organisations that were found to be non-compliant, the overwhelming majority (93.9%) have a plan to address their non-compliance.

If you're worried about this requirement, **please book a time to speak to one of our experts** and they can walk you through what you should be doing and what steps are required to bring you up to best practice compliance!



Where non-compliance was identified, we worked with registered organisations to support appropriate remedial actions. This included the registered organisation arranging for officers to complete training or, where appropriate, the lodgement of exemption applications under s 293M of the RO Act.

In 2021 the ROC will continue to monitor compliance and identify opportunities to educate and support a culture of voluntary compliance in registered organisations. However, because our intensive education and awareness campaign has now been ongoing throughout the two-year period of 2019-20, the ROC will take appropriate compliance steps in cases where organisations have officers who have not complied with the financial training requirements.

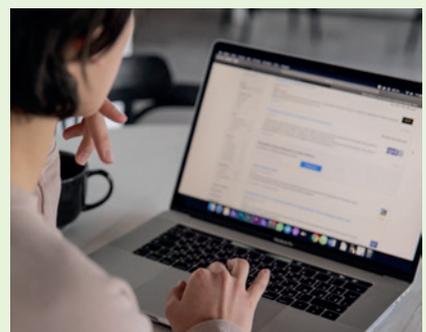
You can access our library of education resources about officer financial training, many of which were developed during the project, on our [website](#).

Online workshops: 25th–30th March

The ROC is pleased to announce that registrations are now open for a series of online workshops which will be held between Thursday 25 March and Tuesday 30 March 2021. Registrations are limited to 12 people per workshop to provide opportunity for all attendees to engage in a discussion with us.

- **The financial reporting process** – Thursday 25 March, 11am AEDT
- **Who is a related party?** – Friday 26 March, 11am AEDT
- **Notifications of change** – Monday 29 March, 11am AEDT
- **The ROC's observations of the rules of registered organisations** – Tuesday 30 March, 11am AEDT

For more information and to register visit our [website](#).





An update from the Courts

Since our last newsletter, the Federal Court delivered two judgments relating to the ROC and registered organisations.

[Australian Workers' Union \(AWU\)](#)

On 20 November 2020 the Full Court of the Federal Court overturned the earlier decision of a single judge in a matter involving the AWU. The Full Court held that the trial judge was wrong to find that the ROC's investigation was invalid because it only related to breaches of the AWU rules that were more than four years old.

Why is this important? It confirms that the ROC is able to investigate alleged breaches of organisation rules going back more than four years, particularly where they relate to the financial affairs of an organisation or branch.

The Full Court, however, agreed that the trial judge correctly rejected the AWU's claim that the ROC acted at the direction of the Minister. This confirmed the investigation was not for an improper political purpose.

The effect of the Full Court's decision is that the ROC's investigation remains ongoing.

[Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia \(CEPU\)](#)

On 22 December 2020 the Full Court of the Federal Court of Australia delivered a judgment that varied the amount of civil penalties that the CEPU must pay for multiple breaches of the RO Act. The organisation had failed to keep accurate lists of offices and office holders and had not lodged notifications of change on time.

Why is this important? It confirms the requirement to keep records of offices and who holds them is an important obligation that must be taken seriously. This includes lodging notifications of change on time whenever those records are updated.

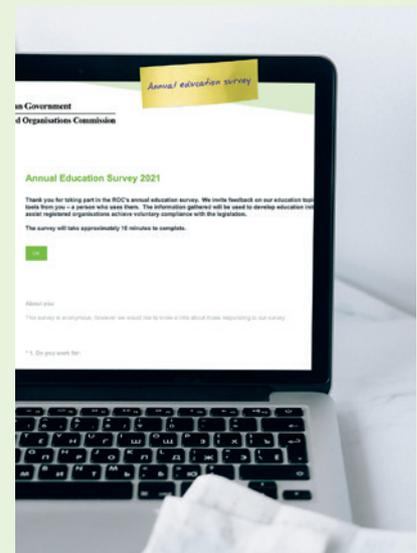
On appeal the Full Court set aside the total penalty ordered against the CEPU in February 2020 of \$445,000 and replaced it with an order that the CEPU pay penalties totalling \$200,000 instead.

The Full Court found the primary judge made an error when he imposed a single penalty for all of the CEPU's 86 contraventions but stated that the CEPU's breaches were serious in nature.

Annual education survey

Help us to help you and other registered organisations, by completing our [annual education survey!](#)

The survey will take approximately 10 minutes to complete, and the responses are anonymous.



We are committed to providing practical education resources to assist registered organisations comply with statutory obligations, and your feedback is essential. If you have ideas about how we can improve our education services, this is an opportunity to have your say!

The results of the survey will influence and inform the ROC's education work over the next 12 months, including the design of the Education Strategy for 2021-22, which will be available on our website in June 2021.



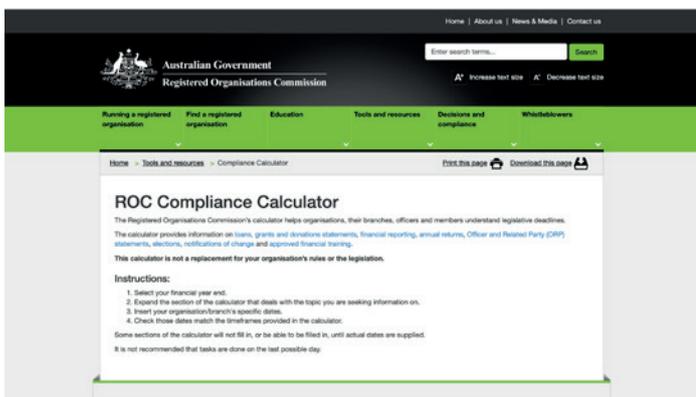
ROC courtesy letters

The ROC emails registered organisations important information via courtesy letters and reminders to help them when obligations may be due.

We've recently noticed a spike in documents being lodged following courtesy letters being sent by the ROC. While we are pleased that organisations are using these reminders as a prompt to comply with their obligations it is also important that organisations have good internal systems and processes in place to ensure they lodge documents on time, setting out their own relevant timeframes.

This is particularly important when some of the documents were signed several weeks prior to being lodged. We strongly encourage organisations to lodge compliance documents once they are signed, even if this is significantly before the due date. It reduces the risk of non-compliance from a document being overlooked by accident.

A good way to determine when you need to lodge information with the ROC is to consult our [compliance calculator](#) because it will give you due dates specific to your organisation or branch.



The ROC compliance calculator

Additionally, in some instances, courtesy emails may be going to someone who is no longer with the organisation. If you believe your courtesy letters are not going to the correct person, or the nominated person is leaving your organisation, please let us know by email to regorgs@roc.gov.au.

Elections update: can we get an exemption?

Elections are underway once more, after the Australian Electoral Commission (AEC) suspended them for several months due to safety concerns with COVID-19.

Organisations interested in conducting their own elections (instead of using the AEC) have approached the ROC. The RO Act makes it clear that the default position for all organisations and branches is that they must use the AEC as the returning officer for elections unless they have an exemption.



The ROC has been able to help interested organisations navigate the process for obtaining an exemption. Earlier this month, February 2021, the ROC granted a branch of an organisation an exemption under s 186 which means they can now conduct their own elections without the AEC.

Our [latest podcast](#) explores and explains how to obtain an exemption in more detail, including a practical guide on what steps your organisation must take to qualify.



Podcasts

We have released four podcasts since our last newsletter, including another instalment of our Good Governance in Practice series.

In our podcast about [conflicts of interest](#) we draw on examples of case law and whistleblower disclosures to illustrate the potential consequences of conflicts of interest and suggest practical strategies for responding to them.

In our [conversation with Commissioner Mark Bielecki](#) we reflect on the achievements and challenges of 2020 and discuss the priorities for 2021.

Our January episode was about how the [ROC works with other government agencies](#) to deliver service and achieve outcomes for members of registered organisations.

Our latest episode is about [election exemptions – what are they and how do they work?](#)

Episodes of ROCpod are released on the last Friday of every month and are available on the ROC website and via the popular podcast platforms.



Spotlight on our tools: annual returns resources

Your organisation's annual return must be lodged with the ROC by 31 March 2021. Annual returns are the documents lodged under s. 233 of the RO Act that contain information from certain specified records of the organisation and two important declarations.

To assist registered organisations to lodge their annual returns, the ROC has published two templates on its website:

- [Annual returns template – organisations with branches](#)
- [Annual returns template – organisations with no branches.](#)

For handy compliance tips and how to fill in the templates, you should listen to our recent [online discussion](#) about the annual return. You can also see our fact sheet [here](#).

Discussion Panels

Our online discussion panels continue to be a highlight of our education programme.

If you missed out on listening live to our discussion about [officer financial training](#) (November 2020) or [annual returns](#) (January 2021) both recordings are available online.

Our panel discussions have continued to receive positive feedback from attendees, and include essential compliance information, solutions to frequently asked questions and practical examples.



Did you know?

Our [annual returns](#) and [notification of change](#) templates have been downloaded **3258** times over the past few years and they're not even the most popular downloads on the [ROC website?](#)

