

Reporting and registration

Corporation reporting compliance

The Registrar increased reporting compliance from 52.0 per cent in 2006–07 to 97.1 per cent in 2015–16 by providing targeted assistance to corporations and through ORIC's prosecution programs.

Improved compliance has significantly increased the accuracy and reliability of the free public Register of Aboriginal and Torres Strait Islander Corporations.

It's a requirement under the CATSI Act that corporations lodge their annual reports with the Registrar's office within six months after the end of their financial year. For most corporations this means that their reports for the 2014–15 financial year had to be lodged by 31 December 2015.

Reporting requirements vary according to the registered size of a corporation—large, medium or small—and its income.

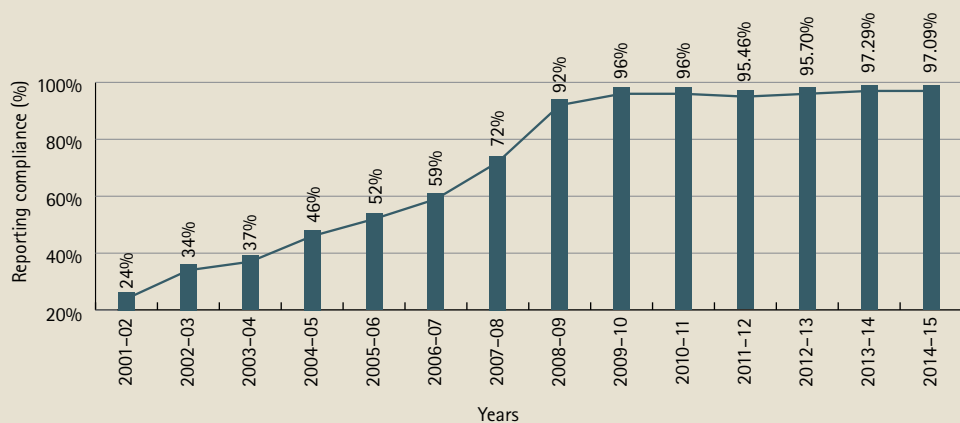
In 2015–16 the highest number of corporations in ORIC's history lodged their reports. From a total of 2509¹ corporations required to submit reports, 2436 complied with their obligations under the CATSI Act.

In percentage terms, the reporting compliance rate for 2015–16 was 97.1 per cent (compared to 97.3 per cent last year). A total of 101 more corporations than last year complied.²

For the past six years reporting compliance has exceeded 95 per cent.

Of the reports lodged, 66.5 per cent were submitted through the Registrar's online lodgment system. This represents a 7.2 per cent increase from last year in the number of reports submitted online.

FIGURE 2: Reporting compliance from 2001–02 to 2014–15



1 The number of corporations required to provide 2014–15 reports was 2509. This number is different to the total number of registered corporations (2781 at 30 June 2016) as it's based on corporations registered at 31 December 2014 and excludes corporations under liquidation or being deregistered.

2 In 2014–15 2400 corporations were required to lodge reports (for the 2013–14 reporting period) and a total of 2335 corporations complied.

As at 30 June 2016 there were 156 registered native title bodies corporate (RNTBCs) registered under the CATSI Act, as required by the *Native Title Act 1993*. Of these 144 were required to report for the 2014–15 financial year, only one failed to do so, producing an overall compliance rate of 99.3 per cent.

TABLE 2: Reporting compliance for RNTBCs from 2012–13 to 2014–15

| REPORTING PERIOD | 2012–13 | 2013–14 | 2014–15 |
|---------------------------|---------|---------|---------|
| Number required to report | 108 | 131 | 144 |
| Number compliant | 106 | 131 | 143 |
| Percentage compliant | 98.1% | 100.0% | 99.3% |

Maintaining high compliance rates is important because high compliance gives members, communities, creditors and government agencies confidence that information maintained by the Registrar on the public Register of Aboriginal and Torres Strait Islander Corporations is accurate and up to date.

To retain high reporting compliance rates, the Registrar’s office conducts an annual communication and support program to encourage easy contact with corporations and to assist them as needed. Similar to last year, activities in 2015–16 included:

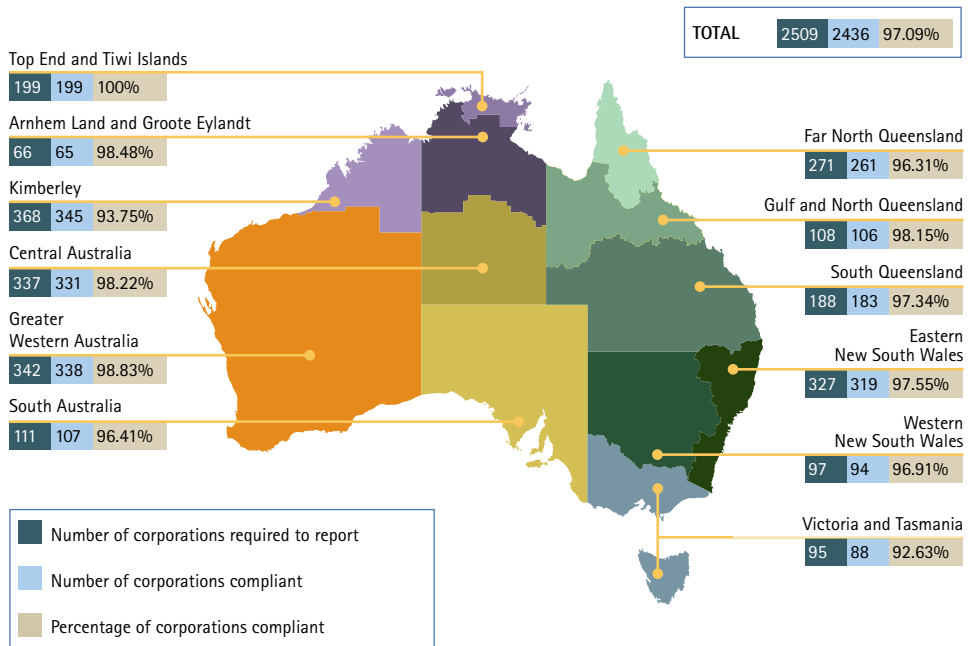
- A **COMMUNICATION STRATEGY** to remind corporations of their reporting obligations and to offer guidance when contacted directly via email, letter or telephone, and by placing:
 - advertisements in a national Aboriginal and Torres Strait Islander newspaper (*Koori Mail*)
 - notices and messages on the Registrar’s website
 - reminders in ORIC publications

- **FOLLOWING-UP OF KEY GROUPS AND SPECIFIC SECTORS**, such as RNTBCs and corporations helped by bigger corporations operating in remote regions.
- **FACE-TO-FACE VISITS** by ORIC’s regional officers, particularly to corporations in remote locations and outside metropolitan areas. Regional officers helped to complete reports as well as helped build capacity for the future.
- **TELEPHONE REMINDERS TO NEWLY REGISTERED CORPORATIONS** reporting for the first time and to corporations that were late to lodge in the previous year.
- **TELEPHONE OUTREACH TO CORPORATIONS IN BREACH**—ORIC staff identified corporations that for whatever reason did not submit their annual reports by the due date and, where appropriate, gave them assistance to complete them.
- **FORMAL WARNING NOTICES** were sent to corporations which were in breach and that failed to respond to reminders.

TABLE 3: Reporting compliance by region as at 30 June 2016

| PM&C REGIONAL NETWORK | ORIC OFFICES | NUMBER OF CORPORATIONS REQUIRED TO REPORT | NUMBER OF CORPORATIONS COMPLIANT | PERCENTAGE OF CORPORATIONS COMPLIANT |
|--------------------------------|----------------------------|---|----------------------------------|--------------------------------------|
| Eastern New South Wales | Coffs Harbour | 327 | 319 | 97.6% |
| Western New South Wales | Coffs Harbour | 97 | 94 | 96.9% |
| Far North Queensland | Cairns | 271 | 261 | 96.3% |
| Gulf and North Queensland | Cairns | 108 | 106 | 98.2% |
| South Queensland | Brisbane | 188 | 183 | 97.3% |
| Central Australia | Alice Springs | 337 | 331 | 98.2% |
| South Australia | Alice Springs | 111 | 107 | 96.4% |
| Top End and Tiwi Islands | Darwin | 199 | 199 | 100.0% |
| Arnhem Land and Groote Eylandt | Darwin | 66 | 65 | 98.5% |
| Kimberley | Broome | 368 | 345 | 93.8% |
| Greater Western Australia | Perth | 342 | 338 | 98.8% |
| Victoria and Tasmania | Canberra (national office) | 95 | 88 | 92.6% |
| Total | | 2509 | 2436 | 97.1% |

FIGURE 3: Reporting compliance by region as at 30 June 2016



Consequences of not reporting

Corporations that don't lodge their annual reports by the reporting deadline know that they risk prosecution. The Registrar has ensured that corporations are aware of this fact.

As stated earlier, 31 December is the deadline for most corporations. During 2015–16, the Registrar finalised prosecutions against 16 corporations for failing to lodge their reports by the required time (see 'Investigations and prosecutions' on page 33).

The maximum penalty for corporations for each 2014–15 report not lodged was \$22,500.

The Registrar has the power to deregister certain corporations that remain in longstanding breach.

Guides and booklets

The Registrar produces **guides, booklets and brochures** to help corporations interpret the CATSI Act, comply with their reporting requirements and to understand their corporate governance obligations. Some examples:

- *Get in on the Act* is a small booklet that provides a quick overview of the CATSI Act
- *Corporation reporting guide* is designed to help auditors and accountants prepare reports for corporations. It includes advice on the application of unexpended grants in financial statements and also provides advice on who may audit a corporation's financial statements (in line with changes to the CATSI Act Regulations).
- *Healthy corporation checklist* is an online checklist (also available as a hardcopy booklet) that allows corporations to check their compliance standards with their rule book and the law. It also contains useful templates and forms.

Registration services

In 2015–16:

- 177 new corporations registered under the CATSI Act, which is an increase on the 170 corporations that registered last year. It is also the highest number of corporations to register in a single year since 2010–11. The count includes 25 transfers of incorporation to the CATSI Act from other incorporation legislation.
- 84 corporations were deregistered
- 190 requests for rule book changes were approved, representing a 4.4 per cent increase from the 182 rule book changes approved last year.
- 1031 'notification of a change to corporation officers' details' and 'notification of a change to corporation address and/or contact details' forms were processed and changes made to the public Register of Aboriginal and Torres Strait Islander Corporations. This represents a 21 per cent increase from the 852 forms processed last year.
- 468 annual general meeting (AGM) extensions and exemptions were granted by the Registrar.
- 1791 written inquiries from corporations were finalised. These included inquiries about registration assistance, requests for information, support and referrals.

ORIC provides a range of registration services to Aboriginal and Torres Strait Islander groups and corporations.

In 2015–16 ORIC received 9473 documents (including written inquiries) from corporations and the public— up from 8669 documents in the previous year (representing a 9.3 per cent increase).

The processing of documents or responses to inquiries was completed in an average time of 2.75 business days (compared to 2.57 business days last year). This is a very reasonable turnaround time, especially with the increase in the number of documents received this year (as measured against last year).

FIGURE 4: Number of documents and inquiries 2015–16

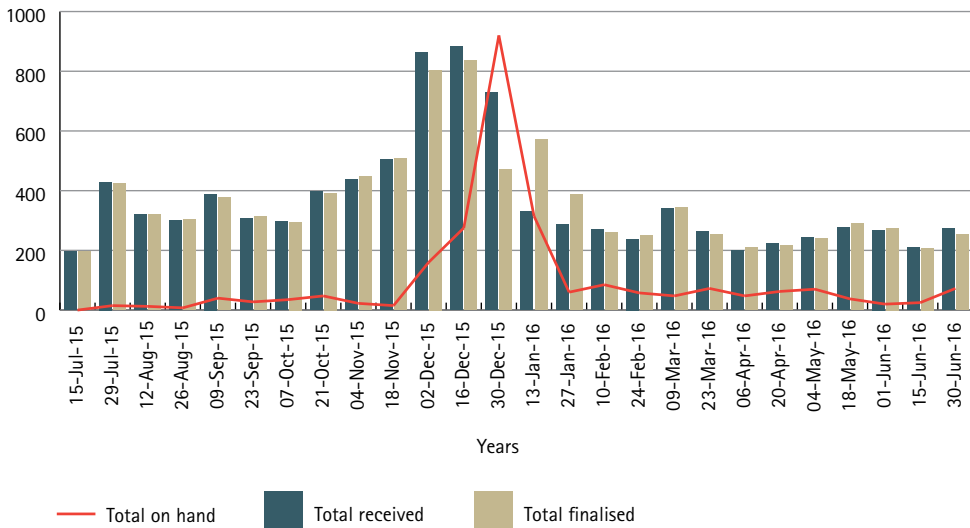


TABLE 4: Registration services from 2011–12 to 2015–16

| | 2011–12 | 2012–13 | 2013–14 | 2014–15 | 2015–16 |
|---|---------|---------|---------|---------|---------|
| Incorporations (new registrations) | 164 | 162 | 166 | 187 | 184 |
| Applications actioned** | 183 | 163 | 175 | 182 | 186 |
| ● approved | 173 | 155 | 163 | 170 | 177* |
| ● refused | 7 | 5 | 10 | 9 | 8 |
| ● lapsed/withdrawn | 3 | 3 | 2 | 3 | 1 |
| RULE BOOK CHANGE REQUESTS | | | | | |
| Requests received | 159 | 163 | 213 | 200 | 207 |
| Requests actioned** | 163 | 163 | 226 | 198 | 209 |
| ● approved | 158 | 153 | 216 | 182 | 190 |
| ● refused | 5 | 10 | 10 | 16 | 19 |
| ● lapsed/withdrawn | 0 | 0 | 0 | 0 | 0 |
| NAME CHANGE REQUESTS | | | | | |
| Requests received | 17 | 17 | 22 | 10 | 12 |
| Requests actioned** | 18 | 19 | 23 | 12 | 13 |
| ● approved | 18 | 17 | 23 | 12 | 12 |
| ● refused | 0 | 2 | 0 | 0 | 1 |
| ● lapsed/withdrawn | 0 | 0 | 0 | 0 | 0 |
| CHANGE OF CORPORATION CONTACT AND OFFICER DETAILS | | | | | |
| Change requests received | 811 | 821 | 852 | 860 | 1036 |
| Change requests applied to the public register** | 797 | 812 | 852 | 852 | 1031 |
| ANNUAL GENERAL MEETING EXTENSIONS AND OTHER EXEMPTIONS | | | | | |
| Matters finalised** | 448 | 431 | 379 | 471 | 468 |
| WRITTEN INQUIRIES RECEIVED | | | | | |
| Inquiries finalised** | 3014 | 2337 | 2319 | 1950 | 1797 |

Notes:

*Of the 177 applications approved 25 were organisations transferring their registration from other jurisdictions (of the 170 approved in 2014–15, 11 organisations were transfers).

**Some services finalised during the financial year were initiated in the previous year.

Lodgment of forms and reports online

In 2015–16:

- 47 per cent of all forms lodged with the Registrar were submitted electronically. This represents a 5 per cent increase from last year.
- 66.5 per cent of all general reports were also lodged electronically, an increase of 7.2 per cent from last year.

Each year an increasing number of corporations choose to lodge their forms and reports online (rather than by hard copy through the post or by fax).

ORIC's online lodgment system at <https://online.oric.gov.au> is simple to use. Furthermore, corporations are now finding that updating their corporation's information is much easier. This is because the system is able to pre-populate forms by extracting the latest information from the public register. Corporations can simply update or add information, or delete information that is out of date, as required.

ERICCA

ORIC manages, maintains and updates ERICCA (Electronic Register of Indigenous Corporations under the CATSI Act), which is a database that helps the Registrar to administer the CATSI Act.

ERICCA includes two public registers which are accessible from the ORIC website—the Register of Aboriginal and Torres Strait Islander Corporations and the Register of Disqualified Officers. Information held in ERICCA is also used to prepopulate a range of forms within ORIC online lodgment system.

FIGURE 5: Forms lodged online compared to hard copy from 2009–10 to 2015–16

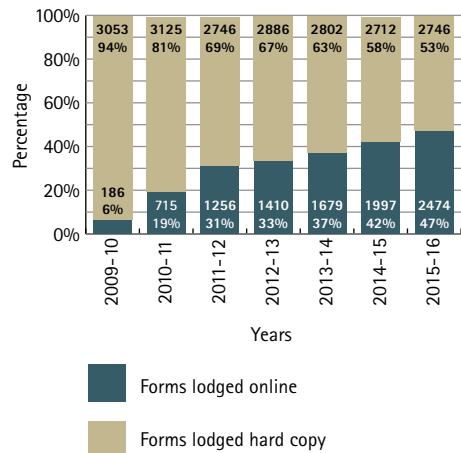
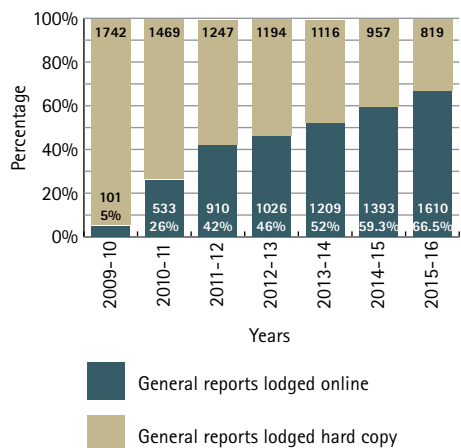


FIGURE 6: General reports lodged online compared to hard copy from 2009–10 to 2015–16



Registered corporations

As at 30 June 2016 there were 2781 corporations registered under the CATSI Act.

FIGURE 7: Registered and new corporations from 1990–91 to 2015–16

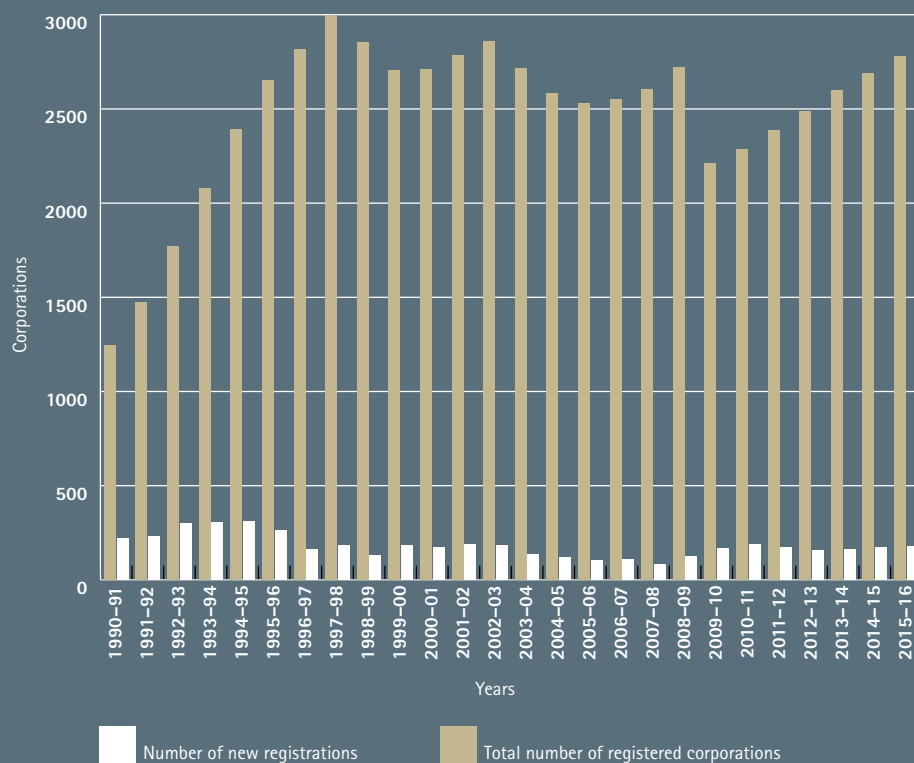


TABLE 5: Registered corporations by region as at 30 June 2016

| PM&C REGIONAL NETWORK | ORIC REGIONAL OFFICES | TOTAL |
|--------------------------------|------------------------------------|-------------|
| Eastern New South Wales | Coffs Harbour, Brisbane and Cairns | 388 |
| Western New South Wales | Coffs Harbour, Brisbane and Cairns | 111 |
| Far North Queensland | Coffs Harbour, Brisbane and Cairns | 310 |
| Gulf and North Queensland | Coffs Harbour, Brisbane and Cairns | 119 |
| South Queensland | Coffs Harbour, Brisbane and Cairns | 223 |
| Central Australia | Alice Springs | 351 |
| South Australia | Alice Springs | 126 |
| Top End and Tiwi Islands | Darwin and Broome | 215 |
| Arnhem Land and Groote Eylandt | Darwin and Broome | 74 |
| Kimberley | Darwin and Broome | 379 |
| Greater Western Australia | Perth | 378 |
| Victoria and Tasmania | Canberra (national office) | 107 |
| Total | | 2781 |

TABLE 6: Registered and new corporations from 1990–91 to 2015–16

| YEAR | NUMBER OF TOTAL REGISTERED CORPORATIONS | NUMBER OF NEW REGISTRATIONS |
|---------|---|-----------------------------|
| 1990–91 | 1244 | 220 |
| 1991–92 | 1474 | 230 |
| 1992–93 | 1772 | 298 |
| 1993–94 | 2076 | 304 |
| 1994–95 | 2389 | 313 |
| 1995–96 | 2654 | 265 |
| 1996–97 | 2816 | 162 |
| 1997–98 | 2999 | 183 |
| 1998–99 | 2853 | 128 |
| 1999–00 | 2703 | 183 |
| 2000–01 | 2709 | 171 |
| 2001–02 | 2783 | 187 |
| 2002–03 | 2861 | 183 |
| 2003–04 | 2713 | 134 |
| 2004–05 | 2585 | 120 |
| 2005–06 | 2529 | 102 |
| 2006–07 | 2552 | 111 |
| 2007–08 | 2605 | 84 |
| 2008–09 | 2723 | 125 |
| 2009–10 | 2210 | 163 |
| 2010–11 | 2286 | 187 |
| 2011–12 | 2391 | 173 |
| 2012–13 | 2488 | 155 |
| 2013–14 | 2596 | 163 |
| 2014–15 | 2688 | 170 |
| 2015–16 | 2781 | 177 |

Strengthening organisational governance

The Australian Government decided that, as from 1 July 2014, organisations receiving grants of \$500,000 or more in a single financial year for funding administered by the Indigenous Affairs Group within PM&C, must incorporate under Commonwealth legislation.

This change was made to improve public confidence in the security and delivery of programs by organisations funded by the Australian Government. Incorporation under Commonwealth legislation, rather than state or territory legislation, provides a more robust regulatory framework and access to specialist assistance to address governance issues.

To help in the implementation of this policy, the Registrar has devoted extra resources to assist organisations to transfer to the CATSI Act.

As at 30 June 2016 ORIC had dealt with 147 requests for assistance to transfer to the CATSI Act. In addition, the guidelines for the Registrar's pro bono legal service, LawHelp, were expanded so that organisations seeking legal advice before transferring to the CATSI Act, were eligible to seek that advice through LawHelp.

Over 2014–15, 11 organisations transferred their registration to the CATSI Act from other legislation. During 2015–16 a further 25 organisations transferred.

REGISTERED