



Good record keeping

All corporations must keep proper accounts and records. It helps with the day-to-day running of the business and makes it so much easier whenever you need to lodge your reports and financial statements with the Registrar of Indigenous Corporations.

Records tell us what, where and when something was done and why a decision was made. They also tell us who was involved in making the decision. They can be described as 'evidence' for business activities.

Things to remember

You should keep your records:

- as simple as possible
- accurate and up to date.



FURTHER INFORMATION:

www.oric.gov.au

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Corporation records

A corporation usually keeps different types of records. A few important ones are:

- a register of current and former members and applications for membership
- a copy of all documents lodged with the Registrar of Indigenous Corporations
- the rule book of the corporation
- the minute book of all general meetings (including annual general meetings) and directors' meetings
- the assets register, or listing of all the assets owned by the corporation
- financial records.

These records belong to the corporation and should be kept up to date. It is also important to put documents that belong together in a folder or file to help you find them again. Your corporation may have its own ways in which different records are kept.

Financial records

Keeping good financial records will mean that:

- your corporation, or your accountant, will be able to prepare accurate financial statements
- your corporation can work out the strong and weak areas of your business
- directors can meet their legal responsibility because they know what the corporation's financial situation is.

Good financial records will tell you:

- how much income you're getting and how much income you can expect in the future
- how much you owe
- how much you've already spent
- if you have a profit or a loss
- if you can afford to pay creditors.

Remember that there are experts, like accountants, that can help you maintain and manage your financial records.

Tips for meeting records

Make sure someone makes a record of your corporation meetings. These records are usually the minutes of the meeting. It's important that minutes clearly explain what decisions were made at a meeting, when it was, who was there and how the decision was made. The minutes should be signed by the chairperson to confirm they are correct.

Sometimes decisions about corporation business are made outside of meetings. It's very important that the reasons for the decision, who made it and when are all recorded.

For how long and where are financial records kept?

The *Corporations (Aboriginal and Torres Strait Islander Act 2006 (CATSI Act)* says that financial records must be kept for seven years after the transactions are finished.

Large corporations must keep their financial records at their registered office. Small and medium corporations must keep their financial records at their document access address.

Other records for special circumstances

Corporations that carry on particular types of activities may need extra records. This will be the case if your corporation is involved in any of the following:

- running a CDEP program
- running a business enterprise
- owning houses that are rented out
- providing other programs or service delivery functions.



IMPORTANT: Talk to your accountant or auditor about the records your corporation needs to keep and if there are any problems or records you don't understand.

Is your corporation in the top 500?

In December last year the Registrar of Indigenous Corporations released a report on the top 500 Indigenous corporations. The report covered the important contribution Aboriginal and Torres Strait Islander corporations make to their people and communities.

Have a look at the report on our website, www.oric.gov.au and see if you can find your corporation.

A similar report will be released yearly.



New project for corporations needing directors

ORIC and Indigenous Community Volunteers (ICV) have come up with a new project to match volunteer independent directors to corporations.

ORIC has a flyer with more information.



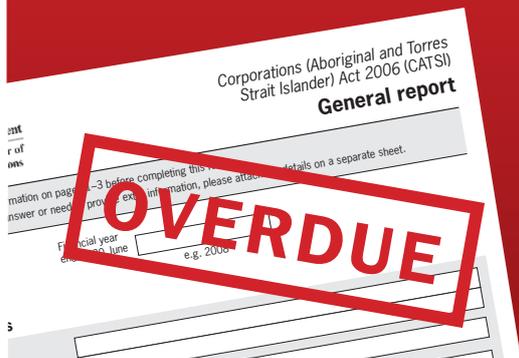
Overdue reports, what to do?

In October last year the Registrar of Indigenous Corporations deregistered 448 corporations for not lodging their annual reports for five years or longer. That means that those corporations no longer exist.

Your 2008–09 reports had to be lodged by the end of last year. If you haven't yet sent in your corporation's reports, you could be facing prosecution or deregistration.

To avoid being on the next list of deregistered corporations, make sure that you get those reports in now.

Remember that you can lodge your reports online at <https://online.oric.gov.au>. If you have any questions, please call us on our freecall number 1800 622 431 (not free from mobiles).



Failing to lodge reports may lead to prosecution or deregistration of your corporation.



Need an experienced director?

The Office of the Registrar of Indigenous Corporations (ORIC) and Indigenous Community Volunteers (ICV) have undertaken a new project to place volunteer independent directors with corporations that need external skills and expertise. Corporations have to be registered under the *Corporations (Aboriginal and Torres Strait Islander) Act 2006* (CATSI Act) to take part in the project. These independent directors can help to improve your corporation's corporate governance and develop strategic plans to make your business more profitable.

Independent directors, where do they come from?

Independent directors come from some of Australia's most well-known and successful companies. They will volunteer their time to work with your corporation for a given term—no longer than two years. They do not need to be made members of your corporation.

Before they start working with your corporation, the volunteer directors will complete cross-cultural and community development training with ICV. They will also attend a briefing session run by ORIC on the CATSI Act and, if required, on working in remote communities. They will be ICV volunteers and adhere to the ICV motto of doing things in partnership with Indigenous people.

ORIC and ICV have a process in place to make sure that the right director is matched to the needs of your corporation.

Costs

There are minimal costs to your corporation taking part in the program. ICV will pay for the travel costs of the volunteer director to a community or city and provide a small living allowance to cover daily expenses.

As a general rule, we ask corporations to provide safe, suitable accommodation for the volunteer directors, but we are aware that housing is a critical issue for many Aboriginal and Torres Strait Islander people. If accommodation is a problem, ICV will find another solution. We also ask corporations to nominate a cultural mentor to provide cultural guidance and advice.

Applications

If your corporation would like to take part in this program, please send an application to Gloria Jackson or Lea McEachern at PO Box 2029, Woden ACT 2606 or info@oric.gov.au. The closing date is 31 March 2010.

Please write one short paragraph telling us why your corporation would like to take part in the program and how a volunteer director would help your corporation.

Further information

ICV **website:** www.icv.com.au
ICV is an independent, non-government registered charity.

ORIC **freecall:** 1800 622 431 (not free from mobiles)
email: info@oric.gov.au
website: www.oric.gov.au

