

# CHARITIES SERVICES

Ngā Ratonga Kaupapa Atawhai



2020/2021

# ANNUAL REVIEW



Te Tari Taiwhenua  
Internal Affairs



Te Kāwanatanga o Aotearoa  
New Zealand Government



Photo: Nourish Trust

## Thank You!

Charities Services would like to thank all charities that contributed photos to this Annual Review.

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# Word from the General Manager



Natasha Weight

Kia ora koutou, kia orāna, sat sri akaal, namaste, tālofa lava, mālō e lelei, dajiā hǎo, as-salāmu ‘alaykum.

Greetings and welcome to the 2020/2021 Annual Review of Ngā Ratonga Kaupapa Atawhai, Charities Services.

He waka kōtuia kāhore e tukutukua ngā mimira  
A canoe that is interlaced will not become separated at the bow

He tangata (the people) are at the core of the charitable sector and it's this sentiment that drives everything that we do at Charities Services. The whakataukī (proverb) above speaks of the importance of keeping connected to remain strong and stable, so that we can keep moving forward together.

In times of hardship or disaster, it is the services of charities that are the most called upon, and we have certainly seen that as a result of COVID-19 last year and in its recent re-emergence in our communities. The Charities Services team and I wish to express our gratitude to charities for helping to keep our whānau, hapū, iwi and communities moving forward, even in times when we are apart.

At Charities Services, we aim to be a responsive regulator. An example is the improvements we've made to significantly speed up how long it takes for new charities to get registered. Three years ago at our annual meeting, I responded to a comment about how long it was taking and I said that we would work to

improve timeframes as a priority. I'm pleased to say we have made great progress towards our goal - having timeframes we can be proud of in our efforts to support the sector. In the last year, we have decreased the wait time for new applications by half, from 58 to 32 days, and we are committed to reducing this even further over the coming year.

We know how important it is that we listen to the sector's kōrero (conversations). We reflect on what we hear when we do our mahi (work). Your feedback, your ideas and your experiences help to inform our priorities. Our team is privileged to support you and your mahi in making Aotearoa a better place for everyone.

I am really pleased to see that the public are increasingly supportive of the charitable sector. This year we ran our two-yearly survey to measure the public's trust and confidence in the sector, which has increased steadily in recent years. The latest survey found that public trust and confidence increased from 5.9 to 6.5 out of 10 compared to the previous survey.

Those surveyed were asked what gave them trust and confidence in a particular charity, and more than half said, “the charity makes a difference” and that “they are a registered charity.” We also saw an increased rating in the importance of a regulator from 8.1 to 8.3 out of 10.

As a regulator that strives to contribute to a well-governed, transparent and thriving charitable sector with strong public support, the survey results tell us that we are all continuing in the right direction.

In the past year, we delivered a range of engagement events and educational resources to support charities. These included webinars, a video to support new officers, a charity handbook, and online clinics to help charities with their queries across the country. We also published blogs and sent out our bi-monthly newsletter to over 60,000 subscribers. We recognise that many charities prefer to meet with us face-to-face, so we also headed out into the community as much as possible.

In June, we said hāere ra (goodbye) to Roger Holmes Miller, who had chaired Te Rātā Atawhai (the Charities Registration Board) since 2012. Over the years, Roger imparted his extensive breadth of legal knowledge and expertise to support Aotearoa’s charitable sector. We thank him for his unwavering dedication to the mahi and wish him the very best in his next chapter.

We would like to also acknowledge the standing members of Te Rātā Atawhai. Gwen Keel has been appointed to Chair the Board for the remainder of her current term of membership. Dr Bev Gatenby has been reappointed as a Board member for a further three-year term and Loretta Lovell has been appointed as a Board member for a three-year term. Our congratulations to Gwen and Bev and a very warm welcome to Loretta on her appointment to the Board. Charities Services looks forward to continuing our mahi with the newly constituted Board.

In the coming year, our key focus will be progressing our Piki Kōtuku project to ensure our website and information technology systems are secure and simpler to use. Piki Kōtuku means ‘treasure’ in te reo Māori and this project is aimed at safeguarding the treasure that is the Charities Register.

Another area of focus will be furthering our engagement reach with charities that support Pacific and ethnic communities. Aotearoa’s charitable sector is rich in its cultural diversity and to remain at the forefront of our mahi, we will work pragmatically to ensure we are able to meet the diverse needs of those in the sector across Aotearoa.

I would like to finish by acknowledging your incredible mahi. Thank you for all that you do to enrich the wellbeing, vibrancy and resilience for people in Aotearoa.

Nāku iti noa,

Nā Natasha Weight



**Natasha Weight**  
General Manager, Kaiwhakahaere Matua  
Charities Services

# About us



Photo: Charities Services Team

Ngā Ratonga Kaupapa Atawhai, Charities Services, is part of Te Tari Taiwhenua, Department of Internal Affairs and administers the Charities Act 2005 (the Act).

We strive to be a modern, responsive, risk-based regulator focused on promoting public trust and confidence in the charitable sector, and encouraging the effective use of charitable resources. We do this by registering and monitoring charities and processing annual returns. We also encourage good governance and management practices by providing educational support, advice and materials.

We maintain the Charities Register which contains information of almost 28,000 registered charities. The Charities Register is the public record of registered charities that operate under the Act.

*To serve and connect people, communities and government to build a safe, prosperous, respected nation.*

# Meet the team

Charities Services is made up of about 37 staff members who work across two main business groups: the Regulatory Group and the Engagement and Business Improvement Group. We also have a specialist team of senior advisors and analysts who support the whole of Charities Services. We are supported by other teams across the Department, including Hāpai Hapori Community Operations, Legal, Information Technology, Finance, Human Resources, Pou Ārahi, Communications and the Contact Centre.

## Regulatory Group

The Regulatory Group has a number of functions, including supporting charities to register, and monitoring and inquiring into charities or their officers where there is evidence of serious wrongdoing or breaches of the Act.

### REGISTRATION TEAM

This team of analysts assists charities with their applications, and assesses the purposes, activities and governing documents of entities applying for registration to determine whether they meet, or continue to meet, the requirements of the Act.

### INVESTIGATIONS TEAM

This team manages complaints and carries out investigations into charities and their officers that may have been involved in serious wrongdoing and other significant breaches of the Act.

## Engagement and Business Improvement Group

This group supports Charities Services' programme of stakeholder engagement, the development of resources, capability initiatives and system enhancements.

### CAPABILITY TEAM

This is our education team that ensures our information for the charitable sector is comprehensive, fit-for-purpose and accessible. The team delivers sector engagement events, communications and creates practical resources to assist charities to meet their obligations. This includes running webinars and providing printed and online guidance materials.

### CHARITIES SUPPORT TEAM

This team provides administrative support and answers thousands of queries from charities. The team is also responsible for processing annual returns and removing charities from the Register when they fail to meet their reporting obligations.

**37** Charities Services staff supported  
almost **28,000** registered charities in Aotearoa



# Meet Te Rātā Atawhai

We support the work of Te Rātā Atawhai, the independent Charities Registration Board (the Board). The Board meets regularly and is responsible for making decisions about the charitable status of organisations. In practice, most decisions are made by Charities Services acting under formal delegation and guidance from the Board. However, the Board always deals with more complex or novel cases and those where organisations disagree with Charities Services' decisions.

## APPEALS OF REGISTRATION DECISIONS

When making decisions to register or deregister charities, the Board applies the law based on the Charities Act 2005 (the Act) and many years of court judgments. If an entity disagrees with a Board decision, it can appeal that decision to the High Court. For appeals, the Board does not get involved with the Court proceedings. In these cases, the Attorney-General takes on the traditional role of 'protector of charities'.

Over the past year, the courts have made significant decisions about what qualifies as a charity. These decisions involved Greenpeace New Zealand and Family First New Zealand and are available to read on Charities Services' website. These decisions are very important because they shape the meaning of 'charitable purpose.'

## FAREWELL TO THE CHAIR OF THE BOARD, ROGER HOLMES MILLER



In June, Roger Holmes Miller stepped down as Board Chair, marking a significant moment for Te Rātā Atawhai and Charities Services.

Roger had been the Chair since the establishment of the Charities Registration Board

in 2012. Through his nine years, Roger led a number of different board members and championed an approach to charities law consistent with existing case law that focused on the unique context of Aotearoa.

He also played a key role in the Charities Act modernisation process, outlining the Board's challenges with the current law and suggestions for practical improvements to the existing regulatory framework.

## GWENDOLINE KEEL, THE INCOMING CHAIR OF THE BOARD



Gwen is an experienced commercial lawyer and not-for-profit governance and management specialist. She was appointed to the Board in December 2019 for a three-year period and appointed to chair the Board in September 2021.

After a long career in private practice, she is presently General Counsel within the post-settlement governance entity for the Waikato iwi, commonly known as Waikato-Tainui. The Waikato iwi comprises more than 76,000 registered members connected to 33 hapuu and represented by 68 marae.

Throughout her career Gwen has acquired significant experience in the charitable and not-for-profit sector, acting for many "household name" charities and national sporting codes. She has also been consistently involved in the charitable sector as a director, committee member and volunteer.

Gwen has a particular interest in the economic development of kaupapa Maaori charities, information governance and charitable law reform. Gwen is a member of the Institute of Directors.



## DR BEV GATENBY



Bev currently works as a consultant, a facilitator and a coach, largely in the community and government sectors. She has worked with many charities, often assisting with their governance, strategy and service development. She also coaches managers and

chairs in the philanthropic and community sectors and local government. Bev was the Chief Executive of Trust Waikato between 2006 and 2016, and has held a range of local, regional and national governance roles.

Bev was originally appointed to the Board in July 2018 and was re-appointed for a further three-year term in September 2021.

## LORETTA LOVELL



Loretta is a lawyer, independent environmental commissioner and professional director.

For over 20 years she has specialised in commercial, energy and resource management law. She has advised and also sat

on the boards of several Iwi Māori and community organisations, helping them meet their social and economic aspirations. She holds governance positions on Crown entities and is a member of a number of advisory panels to public sector agencies.

Loretta was appointed to the Board in September 2021 for a three-year period.

# Update on the project to modernise the Charities Act 2005

Work is underway to modernise the Charities Act 2005 (the Act), to help ensure the Act is fit-for-purpose and meets the needs of New Zealand's diverse charitable sector. The work commenced in 2018, with the public consultation phase being completed in 2019. Following a pause in the work due to the COVID-19 response, the Policy Group in the Department resumed work on this project under the direction of Hon Priyanca Radhakrishnan, Minister for the Community and Voluntary Sector.

The initial focus of the modernisation project is on legislative changes to address some of the practical issues faced by the charitable sector. The areas being reviewed are:

- annual reporting requirements for small charities
- the responsibilities of officers of charities
- charities' business and accumulation activities
- matters relating to the role and functions of the Charities Registration Board and Charities Services
- mechanisms to review or appeal decisions of the Charities Registration Board and Charities Services

The Department carefully considered the feedback received during the public consultation phase and has undertaken targeted engagement with representatives from the sector to test policy options. This work may result in changes to the Charities Act. Any changes will be included in draft legislation that would be considered by a Parliamentary select committee. In most cases the public has the opportunity to make submissions to the select committee on the scope of the proposed changes.

Further information about the modernisation work is available at [www.dia.govt.nz/charitiesact](http://www.dia.govt.nz/charitiesact).

# Our vision

Our work contributes to a well-governed, transparent and thriving charitable sector that has strong public support.

## Charities Services' primary purposes are to:



Promote public trust and confidence in the charitable sector



Encourage and promote the effective use of charitable resources

# Our focus areas

## Our goals:

- New Zealanders have trust and confidence in the charitable sector
- Charities Services is a modern, responsive, risk-based regulator
- Good governance in the charitable sector is encouraged and supported

## To achieve these goals, we will focus on:

- Upholding the integrity of our decision making by applying a risk-based lens to our work
- Providing guidance and information resources to assist charities when they need it
- Enhancing our information technology systems to ensure they are stable and secure by progressing our Piki Kōtuku project
- Ensuring our internal operational policies and processes are fit for purpose.



In fulfilling our functions, we aim to take a modern, responsive, risk-based approach.

*It's about giving people the opportunity to fulfil their potential in a sustainable way – and using nature as a way to engage.*

Conservation Volunteers New Zealand



# Our year in numbers

## Protecting the sector

**222** concerns addressed

**34** open enquiries

**16** completed inquiries

### OUTCOMES INCLUDE:

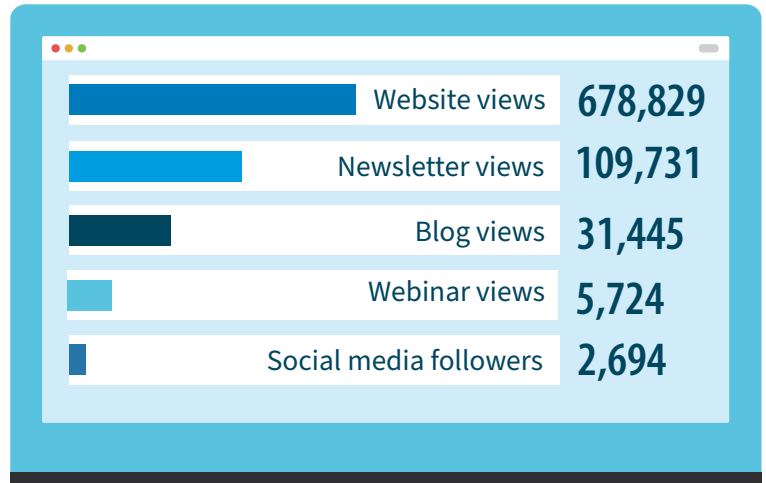
**7** referrals to another agencies

**2** officer disqualifications

**1** voluntary deregistrations

**1** deregistered for serious wrongdoing

## Online presence



## Our spend

**FY 20/21** → **\$6,440,685**



**FY 19/20** → **\$6,682,604**

### Operating costs

**FY 20/21**  
**\$180,950**

FY 19/20  
\$191,369

### Overhead costs

**FY 20/21**  
**\$2,396,416**

FY 19/20  
\$2,642,603

### Legal costs

**FY 20/21**  
**\$235,677**

FY 19/20  
\$168,376

### Systems costs

**FY 20/21**  
**\$352,090**

FY 19/20  
\$517,306

### Charities Registration Board costs

**FY 20/21**  
**\$39,442**

FY 19/20  
\$47,906

### Staff costs

**FY 20/21**  
**\$3,220,077**

FY 19/20  
\$3,084,045

### Events costs

**FY 20/21**  
**\$16,032**

FY 19/20  
\$30,999

## Our funding

**\$889,163**

▶ Annual return filing fees

**\$5,871,783**

▶ Crown funding



# Our performance

## Registration

In 2020–21, we processed 1,727 applications from organisations applying to become registered charities and we approved 1,496.

When we receive an application, we assess its eligibility against the requirements of the Act. If an application is missing essential information, or we have questions, we will always work with the organisation to help get their application approved where possible.

Since implementing our risk-based triage process in July 2020, we have seen a major improvement in the timeliness of our decision making. The risk-based triage process allows for applications that are identified as low risk to be approved more quickly, so more time can be spent on complex applications.

During the 2020–21 financial year, registration decisions, on average, were made within 32 business days of receiving all necessary information. In the 2019–2020, registration decisions were made on average within 58 days. This shows that the risk-based triage process is working to drive down waiting times, so charities can get on with their mahi.

# 1,727



## REGISTRATION DECISIONS

<b>1,568</b>	applications received
<b>1,496</b>	applications approved
<b>231</b>	applications withdrawn
<b>0</b>	applications declined

## De-registration

In 2020–21, we deregistered 782 charities. Of those, 385 were voluntary deregistrations by charities. 396 were deregistered due to failing to file their annual returns. One charity was deregistered for serious wrongdoing.

Charitable status is voluntary in Aotearoa. A charity may ask to be deregistered at any time and for any reason. For example, a charity may request deregistration if it is winding-up and will cease to exist. Before a charity is deregistered for failure to file their annual returns, we will always attempt to contact the charity to assist them to file.

# 782



## CHARITIES DEREGISTERED

<b>396</b>	failed to file annual returns
<b>385</b>	voluntarily deregistered
<b>1</b>	deregistered for serious wrongdoing

One of the main reasons charities are deregistered is because we can't get in contact. Remember to update your details every time there is any change to your key people.

# Protecting the sector

Our team investigates breaches of the Act and serious wrongdoing connected with charities. We focus on the most severe risks to public trust and confidence in the charitable sector.

Over the past year, we addressed 222 concerns raised about charities. Most of the concerns raised with us are about minor issues like internal governance disputes, or they sit with another regulator (such as employment matters).

We carried out 17 inquiries to see if there was evidence of serious wrongdoing. In 11 of these, we found there wasn't evidence that warranted further investigation. In many cases where we don't take any further compliance action, we still provide education to the charity about best practice governance.

Four of the inquiries resulted in full investigations, most of which are still open. An investigation is more in-depth and involves collecting evidence to determine whether there has been activity that threatens public trust and confidence. These require a lot of work, so can take longer to complete.

Most of the time investigations result in charities needing to resolve governance issues so they can remain registered. Our team might send an educational letter, or a more serious warning notice.

In serious or rare cases of non-compliance, we may present information to the Board and recommend deregistration and disqualification of officers. Two of the investigations completed this year resulted in warning notices issued to charities that explained what they needed to do.

Being a charity is voluntary. Charities can deregister at any time and one chose to deregister during inquiries this year. In these cases, we conclude our investigations and refer any information to other regulators. Charities can also be subject to tax consequences from deregistration.

In one case we uncovered evidence of serious offences that were referred to the Police. Charities Services cannot make determinations on serious criminal matters, although convictions from other regulators are relevant. In this review we explain where a conviction was used in an investigation that resulted in a deregistration and disqualification.



Photo: Governors Bay Jetty Restoration Trust

# Charity support

We aim to make it easy for charities to comply with their obligations under the Charities Act. Our Charities Support team responds to thousands of phone calls and emails every year. We also work with our colleagues at Hāpai Hapori, Community Operations to run weekly one-on-one support clinics to help charities with their questions on financial reporting, funding, registration and other queries.

We value diversity, inclusion and participation at Charities Services. If a charity wants to speak to us in other languages, we can arrange for an interpreter. We are also working to improve the web accessibility of our information.



# Education and communications

We devote a lot of effort to providing guidance and education to help charities understand their obligations. One of the ways we do this is through communications and resources. We recognise that people engage with information in different ways, so we offer a range of different options such as online tools, printed resources, Zoom clinics and community workshops.

This year, we produced a video to support new officers. The video covers the various resources available to help new officers govern their charity well. We also published a new page on our website outlining the different legal duties that apply to charities. This resource aims to help officers understand their legal obligations and how different laws may apply to their charity. To help charities with their record keeping, we created a charity handbook designed to help officers keep track of the information they need to run their charity.

We continued to publish blogs and articles explaining subjects of interest to the sector. We shared social media posts, sector showcase stories that promote the good mahi of charities across Aotearoa and our newsletter for people involved with the charitable sector. We also delivered webinars, including the first in the series of collaborative webinars with Chartered Accountants Australia and New Zealand where we presented on changes to the Trusts Act 2019.

Making sure that we are responsive to Māori is essential to our work. We acknowledge and embrace the unique and vital mahi that is undertaken by charities with a kaupapa Māori (Māori principles) focus across their whānau (families), hapū (sub-tribe), iwi (tribe) and hapori (community) in Aotearoa.

We intend to publish a new page to help charities report on receiving and gifting koha (unconditional gift) in their performance reports. We understand that the way koha is given and what could be considered as koha can vary greatly. This resource provides step-by-step guidance to help charities report koha more easily.





Photo: SPCA

## The Charities Register and research

One of Charities Services' functions is to promote research relating to charities. Research into the sector helps the public understand the work that charities do, which contributes to increased public trust and confidence in charities.

One of the ways we stimulate research is by maintaining and promoting use of the Charities Register. The Charities Register is a publicly accessible database that contains a wealth of information about the almost 28,000 registered charities in Aotearoa, as well as a large number of charities that have been deregistered. The information on the Register helps the public and funders make informed decisions about which charities they want to support. It is also used by government and researchers when making or influencing policy and strategic decisions.

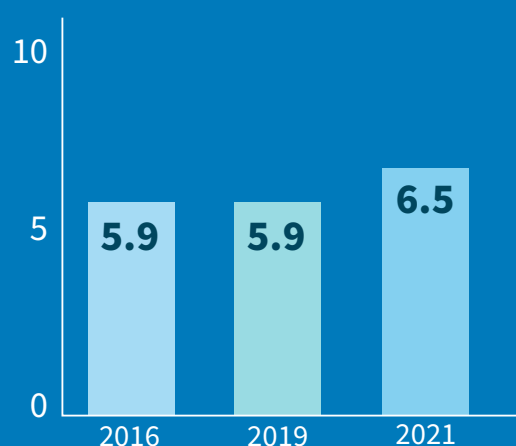
The Charities Services Research Strategy shows how we plan to encourage research relating to charities over the next couple of years. The strategy includes improving the access and quality of the data and information on the Charities Register. In addition, it looks to enable more collaboration and support for research into the charitable sector.

Over the past year, there were 20,988 searches made on the Register. This is a 19% increase from the previous year, which reflects people's growing awareness of the Register as a resource.

In March, we published a new research page on our website that presents data and recent research reports and surveys on the sector. This page also includes the results from the public trust and confidence survey that Charities Services runs to measure the levels of public trust and confidence in the charitable sector.

The results from this year's survey found that public trust and confidence has increased from 5.9 to 6.5 out of 10 compared to the previous survey. The results also show that several factors contribute to the level of trust and confidence in the charitable sector including: transparency around the use of charitable funds, knowing that charities are registered and regulated, and knowing that charities are making a positive difference.

**Increase in public trust and confidence**





# Misuse of funding: a case study

One of Charities Services' key roles is to encourage the effective use of charitable resources. This includes following up with charities when this might not be happening. Because of that, we start several inquiries every year looking into the potential misuse of charitable funds.

Last year, we completed an investigation into a large registered charity. This investigation followed one of the charity's officers being prosecuted for the theft of charitable funds. We opened the investigation to determine how this occurred and whether safeguards had been established to prevent the loss of the charity's resources in the future.

Our team gathered a lot of evidence as part of the investigation. This included information about the charity's decision making. We also looked at whether the charity had the right policies, processes and procedures in place to support good financial management.

After reviewing all the information available to us, we concluded that funds had been misappropriated by two officers and that this was made possible because the charity had limited financial controls in place.

We also found that a significant amount of charitable funds had been invested in questionable investments, losing the charity millions of dollars. The evidence we collected showed that there had been a pattern of systemic failures and a lack of prudence around the charity's decision to invest these funds.

Charities Services considered that this conduct constituted gross mismanagement, an unlawful or corrupt use of funds and a serious risk to trust and confidence in the charitable sector.

The matter was taken to the Board, who concluded that serious wrongdoing had occurred.

The charity was de-registered, and two officers were disqualified for four years.

## KEY LESSONS FOR CHARITIES

- Have clear financial controls in place. These are the procedures, policies and the means by which a charity monitors and delegates the use of its financial resources. Good policies and procedures help keep you safe from fraud and unsafe investments.
- Make sure the officers in your charity understand their roles and all their responsibilities, including when it comes to finances. It is essential that the people involved with your charity's finances have the right skills and experience to carry out their roles effectively.
- Every officer of a charity has a duty to act in the best interests of the organisation they serve. The board or committee have a collective responsibility to protect the charity's assets.
- Gross mismanagement and unlawful use of charitable funds can result in the deregistration of a charity and the disqualification of its officers.



# An update on the reporting standards

Understanding the challenges that charities face with their annual reporting is part of being a responsive regulator.

To help us identify the areas where charities need more guidance when reporting, we undertake a yearly assessment of randomly selected financial accounts from charities' annual returns.

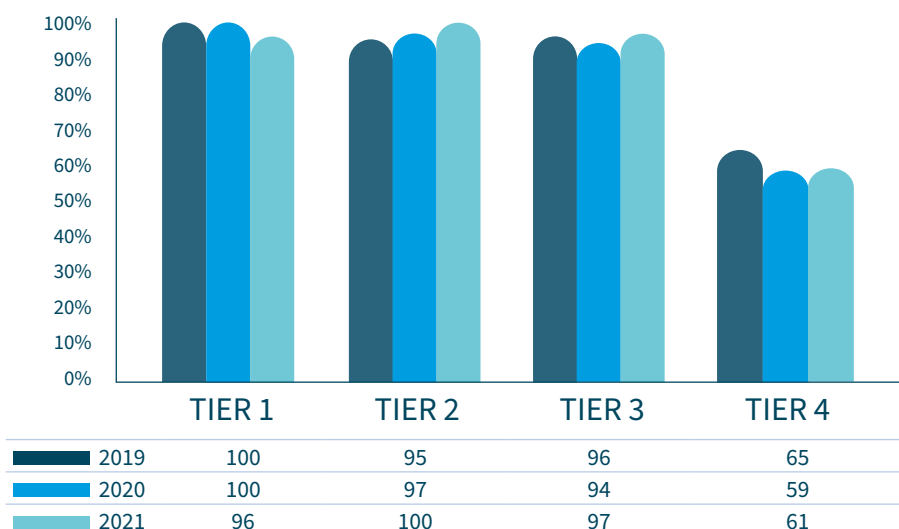
This assessment involves reviewing charities' compliance rates with the reporting standards and identifying what supporting guidance charities need to help them meet the requirements. When we come across errors in these reviews, we inform the charities to help them to report correctly.

In our latest sample assessment, we saw a drop in the percentage of Tier 1 charities using the standard, from 100% in the previous year to 96%. We discovered that a Tier 1 charity had filed the wrong set of accounts with us. After we got in touch, they were able to file the right information on the Register.

Tier 1 charities make up a very small number of groups, but have significant financial holdings. As a result, a small problem with reporting can have a large impact.

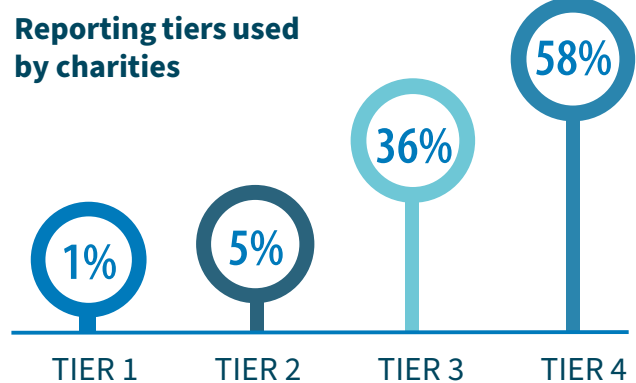
Charities at all levels need to submit the right information to us, so they're fully transparent for the public who support their mahi. This scenario illustrates how important it is that we assess the accounts charities file. It helps maintain the integrity of the information on the Charities Register.

## Charities compliance history



We are happy to see that the majority of Tier 2 charities are using the standards. We have also seen an increase in the use of the standards in smaller charities, with a 3% increase for Tier 3 charities and a 2% increase for Tier 4 charities since last year.

As with previous years, we are seeing that a significant number of Tier 4 charities are still not applying the reporting standards. This is usually due to issues with submitting special purpose statements, simple inflow and outflow reports, or bank statements. We continue to take an educative approach to support these charities understand their obligations under the Charities Act.



The total percentage of charities filing on-time has risen 20 per cent over four years.

**Remember** – it's important that charities file on time to give as accurate and timely a picture of the charitable sector as possible. It also ensures that the register is transparent and up to date with charities activities and finances.

*Te Aka*  
**TAIWHENUA**  
MĀORI STRATEGIC  
FRAMEWORK

Principles

**Whanaungatanga**

A relationship through shared experiences and working together which provides people with a sense of belonging

**Manaakitanga**

Hospitality, kindness, generosity

**Kotahitanga**

Unity, togetherness, solidarity

**He Tāngata**

People are the most important

# Te Aka Taiwhenua

Te Aka Taiwhenua is our strategic plan to ensure our services are fit for purpose and are appropriately responsive to whānau, hapū, iwi and Māori charities. Its focus areas include building cultural capability, improving services for Māori, strengthening relationships with our stakeholders and investing in our Māori leaders.

All staff at Charities Services are supported to grow their knowledge of tikanga (Māori customs) through te reo Māori educational opportunities, such as singing waiata (songs), reciting pepeha (introductions) and our branch karakia (chant) and experiencing a noho (stay on a marae). It is our aspiration that staff are confident and knowledgeable of tikanga, their obligations under te Tiriti o Waitangi (the Treaty of Waitangi) and using te reo in everyday conversations.

Last year, we published Te Puna Atawhaitanga (Source of Kindness), a section on our website that provides guidance for new and existing charities with a kaupapa Māori focus. This year, we will add to this section as well as promote the mahi of Māori charities through more sector showcase stories.

When supporting Māori, we work closely with Pou Ārahi, a unit within the Department that leads the implementation of Te Aka Taiwhenua and Te Atamira Taiwhenua, the Department's kaumātua advisory group.

# The sector's year in numbers

In Aotearoa there are:

**27,791**  
registered charities



**104,547**  
individual  
charity officers



**212**  
groups



More than **145,000** people work full time in the charitable sector. This is equal to approximately **5%** of the New Zealand workforce.



More than **217,000 volunteers** contribute approximately **1.7 million hours every week.**

**1,727**

**REGISTRATION  
DECISIONS**



**1,568** applications received

**1,496** applications approved

**231** applications withdrawn

**0** applications declined

**782**

**CHARITIES  
DEREGISTERED**



**396** failed to file  
annual returns

**385** voluntarily deregistered

**1** deregistered for serious  
wrongdoing



## Total assets \$67.85 billion

\$28.09 b  
**TIER 1**

\$22.08 b  
**TIER 2**

\$15.13 b  
**TIER 3**

\$2.55 b  
**TIER 4**



## Total expenditure \$19.87 billion

\$10.82 b  
**TIER 1**

\$5.92 b  
**TIER 2**

\$2.78 b  
**TIER 3**

\$350 m  
**TIER 4**



## Total income \$21.19 billion

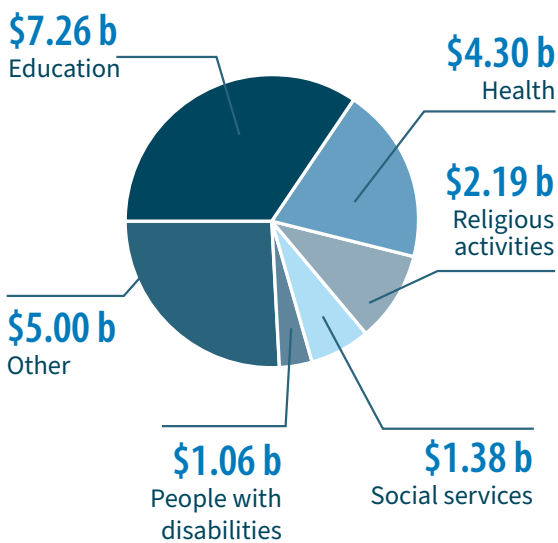
\$10.90 b  
**TIER 1**

\$6.53 b  
**TIER 2**

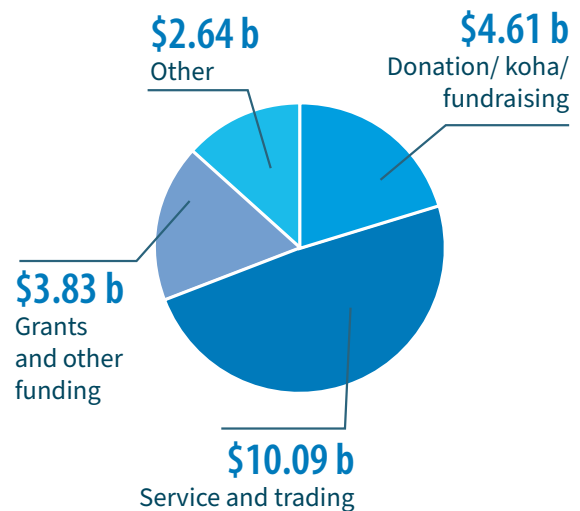
\$3.25 b  
**TIER 3**

\$510 m  
**TIER 4**

### Income by sector

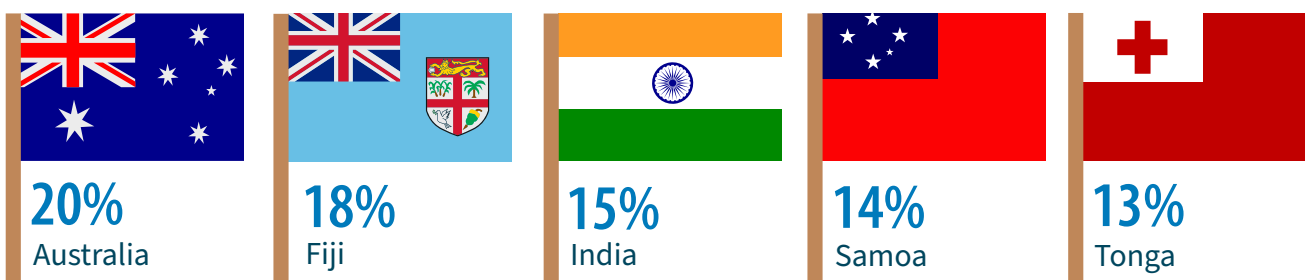


### Income by source



### Top five areas:

Of the 2,692 registered charities that reported overseas activities, the top five areas of operation are:



# The sector's performance

The charitable sector's mahi touches almost every part of our society. This includes health, education, social services, culture and heritage, faith-based services and a myriad of other areas that impact our lives.

In the last financial year, there were 27,791 registered charities and 212 groups in Aotearoa. Under the Act, registered charities that are affiliated and have similar charitable purposes, can apply to register as a group.

Every year, we collect information on volunteering as part of the annual return process for registered charities. This information helps to tell the story of volunteering and its impact in Aotearoa.

Our numbers tell us that every week, 217,000 people volunteer roughly 1.7 million hours of their energy, time and talents to causes that benefit our communities. 145,000 people also work full time in the charitable sector and this contributes to around 5% of Aotearoa's workforce.

Registered charities also reported holding \$67.85 billion in assets. 6% of registered charities (Tier 1 and 2) held over 70% of these assets and reported over 80% of all income and expenditure.



Data on this page is at 19 July 2021, based on self-reported information from charities' annual returns.

## How we get these numbers

Our information on the charities sector is collected from the public Charities Register, which is based on the most recent Annual Return filed by all charities. We collect this information on a specific date using the advanced search feature of our website. We then exclude any information from annual returns that are more than two years old, and then exclude any information that is included from charities twice (if they report as a "group" and an individual charity).

We also check our data for accuracy and compare any large charities with the previous year's numbers to make sure that there haven't been any significant changes that can't be explained.

This means the information you see won't necessarily match other public views of our data, but this represents an accurate picture of the charities sector on 19 July 2021.



## Sector voices

Understanding the environment charities operate in and how our work impacts on charities is key to fulfilling our role. To ensure we are hearing the voices of the sector, we engage with a range of stakeholders including the Charities Sector Group.

We meet two to three times a year with the Charities Sector Group, which is made up of diverse representatives from the charitable sector. This is a forum to discuss issues facing the sector and for us to consult on our priorities and approaches. The Charities Sector Group also provides feedback on our mahi.

This year, we published a Charities Sector Group page on our website that links readers to the group's charter, its meeting minutes and membership information.

To ensure Charities Services is best placed to respond to sector needs, we encourage charities to pass feedback about issues and ideas onto group representatives.

*It's all about celebrating donors and the community workers who are at the coal face of charities' mahi*

Give a kid a Blanket

*Healing hearts and personal growth is what the programme is about*

Island Child Charitable Trust

# Word from the Co-Chair of the Charities Sector Group

Kia ora koutou!

The Charities Sector Group was established back in 2016 so members of the charitable sector could interact directly with Charities Services. We meet to discuss sector issues and perspectives, with the aim of strengthening the collective understanding of the charitable sector and Charities Services' work. I was lucky enough to be elected as Co-Chair of the Charities Sector Group in November 2020 earlier this year.

The group currently has 25 representatives from throughout the community. This year, we refreshed the membership to improve the diversity and sector spread, ensure more community voices are heard, and make sure Te Tiriti o Waitangi underpins all of our mahi.

Our meetings operate under the Chatham House Rule, where participants can speak frankly and freely without attribution to individuals. Each meeting allows for an initial sector only time to connect and centralise on the issues we want to raise with Charities Services on behalf of the sector. Our priority is to represent diverse perspectives of the sector, particularly when we are providing feedback on Charities Services' policies or service designs.

Both parties have agreed to a charter that outlines our shared values and how the group will operate. This charter, along with the minutes of our meetings, and the contact details of Co-chairs are publicly available on the Charities Sector Group page on Charities Services' website.

We're here to represent your views to Charities Services. So if you have anything you want us to raise, I really encourage you to reach out and to share your voice.



**Rochelle Stewart-Allen**  
General Manager at Hui E!  
Community Aotearoa

Hui E! is a peak body for the tangata whenua, community and voluntary sector. Rochelle's background includes volunteer, management and leadership experience in the community, NGO, government, academic and corporate environments. She is committed to honouring the core values and principles of Aotearoa New Zealand's cultural diversity, Te Tiriti o Waitangi and everything that encompasses the New Zealand spirit.





*Remember that it's okay to ask questions about your charity's finances. Don't be scared to be open and transparent!*

Owae Marae/Manukorihi Pā

# The year ahead

Te Rēhita Kaupapa Atawhai (The Charities Register) has over ten years of information about registered charities in Aotearoa and provides deep insights into the value of the charitable sector.

Over the last year, we have taken steps to safeguard the security of the Charities Register by upgrading its underlying infrastructure. This project, Piki Kōtuku, will continue this year with a focus on improving the experience for those who search the Charities Register to uncover information across the charitable sector.

We will also continue to support charities to get the resources and guidance they need in the ways that work best for them. Our website is a key source of information for charities and we will make improvements on the website to make it easier for charities to find the information they need.

Ensuring that our resources and communication channels meet the diverse needs of the charitable sector will also be a focus. For this, we will look at expanding the support we offer to charities supporting Pacific and ethnic communities. We will also continue to develop simple resources to support financial literacy and reporting in the smallest charities.

Another priority will be our Mātaītanga o ā mua (the future of investigations) project. This will look at how we manage the complaints that we receive about charities and how we inquire into charities that may potentially have serious compliance issues. One of the goals of the project is to make it easier for people to understand how Charities Services can help when they have concerns about a charity and the best places to get advice from.

Implementing the  
Mātaītanga o ā  
mua project  
(the future of investigations)

Progressing the  
Piki Kōtuku project  
(safeguarding the  
Charities Register)

Supporting charities  
with resources and  
guidance in formats that  
work best for them

Ensuring Charities  
Services meet the  
diverse needs of  
the sector, including  
expanding our support  
to charities supporting  
Pacific and Ethnic  
communities

*The strength of our society is our pastoral care to migrants and refugees who come and use the services available in the centres*

Manawatu Multicultural Council



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# CHARITIES SERVICES

Ngā Ratonga Kaupapa Atawhai