

NSW OFFICE OF LIQUOR GAMING & RACING

Presentation on Charitable Fundraising &
Lotteries & Art Unions Legislation for

ROTARY

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Compliance Officer

NSW Trade & Investment

NSW Office of Liquor, Gaming and Racing

Compliance – Industry Engagement – Licensing - Policy

Charitable Fundraising Act 1991

Lotteries and Art Unions Act 1901

Authority to Fundraise

- Must hold an authority to fundraise (CFN) issued by this Office to conduct lawful fundraising from the public in NSW unless an exempt organisation.
- Authority issued can be checked at: www.licence.nsw.gov.au – click on “Find a Licence Holder” then click on “Start Licence Search”.
- Authority covers all branches.
- Authority holders must follow the “Authority Conditions” and are expected to follow Best Practice Guidelines. Branches must follow policies and procedures set by H/O. Practice Guidelines.

Types of Appeals

face to face appeals – donations, sponsorships,
raffles and other community gaming activities
telephone and/or direct marketing
collection devices
appeals for donated goods
sale of goods and services
fundraising functions – fetes, dances, charity
screenings or performances etc



Return from fundraising

cash/donation appeals - minimum 50%

other appeals - **fair and reasonable** proportion of gross proceeds

lotteries and games of chance:

- Raffles and other lotteries - 40%
- Art Unions – 30%
- Housie – 12.5%

all expenses are to be lawful and proper

Face to Face Appeals

Where a face to face appeal is conducted:

- must wear an identification badge, and
- must keep a register of badges

Exception – if appeal is part of a fundraising event or function and clear who is conducting appeal.

VOLUNTEER

(Optional)

Badge No: 12345

The bearer John Smith
whose signature appears below, is authorised to solicit
and receive any money or any other benefit on behalf of

*Photo
Optional*

XYZ Helpers Inc

Inq. John Jones (02) 9999 8888

Authorised by

Bearer's signature

Issued:

Expires:

Id Badge – Paid Collectors

PAID COLLECTOR

Badge No: 12345

The bearer **John Smith**
whose signature appears below, is authorised to solicit
and receive any money or any other benefit on behalf of

XYZ Helpers Inc

The bearer is employed by:

ABC Fundraisers Pty Ltd

Inquires: H Jones 02 99996 4222

Authorised by

Bearer's signature

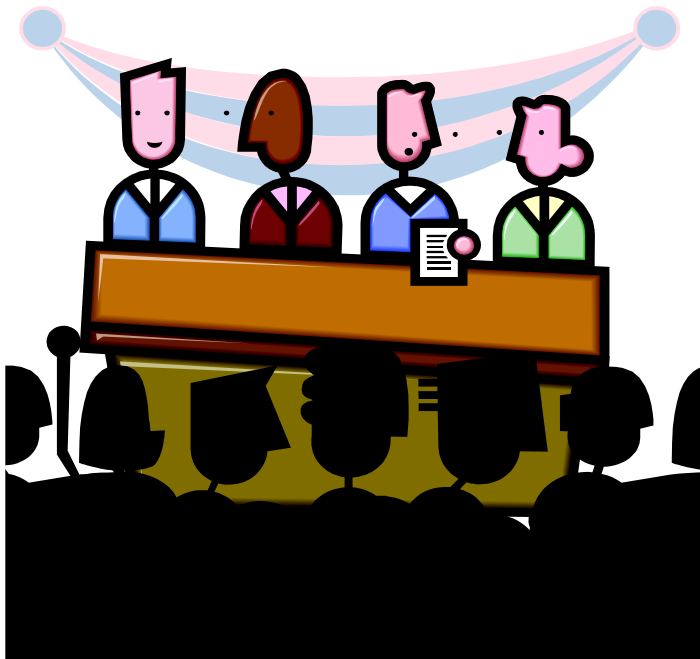
Issued:

Expires:

Managing the Organisation

The governing body is responsible for:

- Exercising control over the organisation's financial affairs
- Ensuring that the organisation is not open to abuse, and
- Ensuring that a rigorous system of internal controls are constantly maintained.



Receipting Fundraising Money

Receipts should be written & issued immediately for all money received, even when not requested by the donor.

Exceptions – collection devices, goods & services

Receipt Books

Receipt books must be entered into a register of receipt books.

Manual receipts should:

- Be sequentially numbered.
- Allow duplicate copies.
- Have benefiting organisation's name printed on them.
- Be retained with the book when cancelled.

Computer receipts should contain the same information and not be able to be edited or changed later.



Banking

All money received in the course of a fundraising appeal must be banked immediately, without deduction, into a bank, building society or credit union account.

(Section 20(6) of the *Charitable Fundraising Act 1991*).

NOTE: Bank within two working days.





The Cash Book

Match receipts to banking.

Cheque numbers and receipt numbers to be entered

Clearly distinguish between income and expenditure for each type of appeal.

This will aid the preparation of annual accounts and disclosure notes.

Transactions should be entered regularly and reconciled with the bank statement.

Entries should be in ink and not pencil in manual cash books.



Expenditure

- Expenses should never be paid from the gross proceeds of an appeal.
- Cash payments up to \$260 may be made, but only through petty cash based on Imprest system.
- All expenditure must be supported by documentary evidence, verified as being properly incurred and properly authorised by the committee. (Minutes)
- Invoices should be endorsed with cheque number and filed in cheque number order.

Petty Cash



Should be based on *imprest system*

Must keep a petty cash book with similar expense columns as in cash book.

Payments approved by 1 other responsible person.

Spot reconciliations carried out.

Register of Assets

Date of purchase or aquisition	Description of asset	Cost or Valuation	Disposal Date	Disposal Manner	Consideration Received

Register of Assets should account for all non-current assets obtained during, or as a result of the conduct of any fundraising appeal.

Examples: BBQ equipment, computers, banner/signs, tables, chairs, collection devices.

Keeping of records

Accounting records must kept for 7 years, all other records for 3 years

Records must be kept at the registered office or address advised to
Department

Certain records **must** be kept while others are optional

Remember

your organisation's name is its most valuable asset

it could become its biggest liability

the public has access to information

the governing body / management are trustees of charitable funds

Should conduct the affairs of the charity as a prudent person would conduct their own business

Raffles - Quick Facts

no permit required

total retail value of prizes offered **must** be less than \$25,000 otherwise considered an art union.

Special conditions on raffles over \$5,000

No restrictions on price of tickets, however must make a minimum profit of 40%

Prize Restrictions

Money prizes cannot exceed \$25,000.

Payments over \$2,000 by crossed cheque or deposit to nominated a/c.

Liquor prizes cannot exceed 20 litres also must comply with Responsible Service of Alcohol provisions.

Cosmetic surgery, tobacco, firearms or ammunition are not permitted.

Vouchers cannot be redeemed for prohibited prizes.



Advertising and promotion

Detail the place, time and date of the draw

How winners will be notified.

Clearly detail prizes, their value and any conditions on prizes
for example:

Electrical Goods / Motor Vehicles

What is the make and model?

Does the prize include accessories?

Is registration & on road costs included?

Travel Prizes

What Is included?

Can I take the trip any time I like?

Is the prize transferable?



Problems - Selling

- If selling tickets face-to-face – ID required if by Charity
- Liquor prizes – no person under 18 can buy or sell tickets
- Tickets can be offered at a discount provided all purchasers receive the same offer from the beginning of the raffle.
- Tickets cannot be sent to any person without their prior approval – includes your members.
- If postponing a draw you should advertise at the point of sale or in the local newspaper.

Problems – the Draw

Not including all tickets sold in the draw

- The holders of those tickets who missed out of draw must be given the option to receive a refund or donate their money.

Not giving everyone a fair and equal chance of winning.

- Drawing device should allow all tickets or marbles to be included and to mix freely.
- If more than one prize, 1st draw must be for 1st prize unless clearly stated otherwise. Special conditions on reverse draws.

Problems After the Draw

What happens if the winner isn't present? Can I conduct a redraw?

- No, redraws are not allowed.
- Cannot require the winner to be present at the draw.
- All winner/s must be advised within 2 days of the draw.

What if I can't locate the winner/s?

- Prize must be held for 3 months.
- If winner not found after reasonable enquiries, then write to Department for permission to dispose of the prize.

Accountability on Raffles

Keeping of records –

- 7 years for financial records
- 3 years for unsold tickets
- 3 months after draw for ticket butts.

Bank gross proceeds within two days

Expenses cannot exceed 60% of gross proceeds

If total prize value is above \$5,000:

- Tickets must include the price of ticket and the name of the organisation.
- Must keep a ticket register.
- Publish list of winners in local newspaper.
- Keep a record of the names and addresses of prize winners and prize details.

Where to get more information

NSW Office of Liquor, Gaming and Racing

Telephone: (02) 9842 8188

Fax: (02) 9842 8175

GPO Box 7060, Sydney 2001

Level 7, 2-10 Valentine Avenue Parramatta NSW 2150

Website: www.olgr.nsw.gov.au