



## Annual returns online panel discussion – 29 January 2021

Online panels were key part of the Registered Organisations Commission's (ROC) education strategy. The ROC was abolished on 6 March. The Fair Work Commission (the Commission) is now the regulator for registered organisations.

Although processes may change under the Commission, much of the online panel content is still useful.

Email any questions about anything this online panel to [regorgs@fwc.gov.au](mailto:regorgs@fwc.gov.au).

### Speaker Key

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<b>CB</b>	Catherine Bebbington
<b>CL</b>	Cynthia Lo-Booth
<b>DC</b>	Declan Clifford

**Note: Questions that were answered during the panel have been shaded in green within this transcript**

**KM** Hello and welcome to the ROC's online panel discussion about the annual return. Thank you for again joining us this morning. We have scheduled this panel discussion because annual returns are due really soon, by the 31st March. We have already started to receive a few lodgments, but we do expect that the majority will be lodged within the coming weeks.

Over the next hour we will answer as many questions as we can to assist you to prepare a compliant annual return and in the second half of the session, we will also take you through a hypothetical exercise.

Before I begin, I would firstly like to acknowledge the traditional owners of the lands that we're meeting on across all of Australia today and I pay my respects to their elders past, present and emerging.



**00:00:58**

**KM** My name is Kristina Menzies and I am a senior adviser in the education and reporting



team at the ROC and I will be today's facilitator. I would also like to introduce to you the members of today's panel who are here to help me answer your questions. First, we are joined by Catherine Bebbington. Catherine is the manager of the education and reporting team at the ROC.

**CB** Hi everybody.

**KM** We also have Cynthia Lo-Booth. Cynthia is a senior adviser and lawyer in our compliance and investigations team.

**CL** Hi everyone.

**KM** And we're also joined by Declan Clifford. Declan is the executive officer to the Registered Organisations Commissioner and in his role, Declan also assess annual returns that are lodged with us.

**DC** Morning everyone.



**00:02:01**

**KM** Before I launch into the questions with the panel, we'll just cover off a few housekeeping issues. To help with our audio quality, everyone is on a default mute setting and only the panel will be able to speak. We have requested your questions in advance of the discussion, but you might have some questions as our discussion today unfolds.

If you've joined us by computer, to the side of your screen you might see a control panel, a GoTo control panel, and within there is a question or a chat box. You can type in your questions there and I'll keep an eye on that and I'll pick up on those as we discuss today's panel. After today, we'll also publish the audio file of the discussion and also a written transcript on our website.



**00:03:03**

**KM** For those who have also joined us by computer, on that same control panel you'll also see that we've uploaded some resources. You'll see that we have two annual return templates. One of those is for organisations with branches and one for organisations without branches. We also have a fact sheet about lodging records with the ROC and we've included also our annual returns timeline.

As well as the hypothetical exercise, which we emailed to you earlier this week and will be going through later on in our discussion today. Today's discussion panel will be predominantly about the annual return. We will briefly touch on the obligation to update your records and notify the ROC of any changes. We call this the notification of change.



**00:04:00**



**KM** We'll just touch on that though because today's focus will be predominantly about the annual return that is due shortly.

And, finally, after today's session you will receive a link to a survey via email which we obviously encourage you to complete. Your feedback really does genuinely help us to plan and deliver education services that are useful to you.

That's all the housekeeping. Let's begin our discussion about the annual return. We'll start with a brief overview of the requirements under the Fair Work (Registered Organisations) Act, which we call the RO Act.

I'll start with you, Catherine. What does the legislation require organisations to do with their records and also their annual returns?



**00:04:57**

**CB** There are two main requirements, Kristina, that are relevant to the annual return; firstly, for organisations to keep certain records and, secondly, for them to lodge information from those records with the ROC. Let's start with the requirement to keep records, and we are only talking about records relevant to the annual return today. If you would like a full list of the records you should be keeping as an organisation, have a look at [fact sheet number ten, records to be kept by organisations](#).

Relevant to the annual return, the records to be kept start with your register of members, including their names and postal addresses. You must also have a record of the number of members that you had on 31st December last year and you have to have a copy of your register as it looked on that date. Your records also need to include the number of members who are only members because of a membership agreement with a state-registered union.



**00:05:58**

**CB** Moving away from members, organisations have to keep information about their officers. This includes a list of their offices, such as president, secretary, committee of management member... and you have to keep details about the people who are holding those offices, the office holders, and this includes their names, addresses and occupations. You must also have a record of the vacant offices.

The annual return also relies on the records you're keeping about your scheduled elections for the current calendar year. And, finally, you have to keep basic information about the organisation and its branches, such as its name and street address. You need to know the names and street addresses of all of the branches



and any branches that were created or ceased in the previous 12 months. That's the first requirement, to keep certain records, but you also have to lodge information from these records each year.



**00:06:58**

**CB** So, every year, every organisation is required to lodge information about these records with ROC by 31st March. That is what we call your annual return.

**KM** Thanks, Catherine, that's an important cross-section of information that's to be recorded and lodged with the ROC.

It's about transparency and accountability, isn't it? Which is important. Members have the right to know who is responsible for making decisions on behalf of their members, sorry, on behalf of their organisation, and also other information about the organisation, like contact details and also upcoming elections.

**CB** That's really true, it is about transparency and accountability. And I'll also add that the annual return includes two very important declarations; one, that the information being lodged is a correct statement of the information contained in the records of the organisation and the other one declaring your organisation has kept and maintained its register of members in accordance with the legislation.



**00:08:05**

**CB** So, it's quite a list and the best way to remember to include all of the information is to use one of our annual return templates, which I can't say enough. Use one of our templates which you can download from the website, or if you've joined us by computer, you can download it from the control panel today. In our experience of assessing annual returns, in fact, assessing most things that are lodged with us, compliance is much more likely when your organisation has used one of our templates.

The template prompts you to include all of the required information and this helps to prevent you from accidentally leaving something out. However, if you do forget to include some form of required information and your annual return is assessed as non-compliant, one of our assessing officers will contact your organisation to arrange for that information to be provided or for a new annual return to be lodged.



**00:08:58**

**CB** Your annual return might be elevated to an advanced assessment for the following year though, depending on the circumstances. So, it is much easier for us to work together with you right now to get it right the first time, which is why we're here today.

**KM** Yes, Catherine, today's session is of course about helping you achieve voluntary compliance. Organisations should now be preparing or getting ready to prepare their



annual return.

Our panel discussion today is a chance to learn more about the requirements so you can avoid the need to correct errors or even reodge, as Catherine has mentioned.

Catherine, you have mentioned the ROC templates and how organisations should use them. There are two different templates for annual returns on our website. Can you explain why there are two templates and how those templates can help with the annual return?



**00:10:02**

**CB** Absolutely. It's about keeping it simple. There is a template for organisations that have branches and there is a different template for organisations that do not have branches. Using the right template helps with compliance because it stops you leaving things out. The RO Act requires organisations with branches to lodge particular information, such as the names and addresses of the branches, the names of their offices, any elections that the branches have scheduled for the year.

If your organisation has branches and you're using the right template, the template for an organisation with branches, you'll be prompted by the template to include all of this information. You're not going to be prompted in the same way if you're accidentally using the template that's designed for organisations without branches where all that branch stuff has been stripped out.



**00:10:54**

**KM** Catherine has mentioned the information that is required to be submitted to the ROC in the annual return. You might be familiar with preparing the annual return and listening to our discussion today might be a helpful refresher for you. But we also understand that others might be new to this and you might need that extra support to feel confident about achieving compliance. I want to now talk about the ROC's assessment of annual returns, what does the ROC look at when we receive them and how knowing about this can help with your compliance.

Cynthia, can you explain how the ROC assesses annual returns after they have been lodged with the ROC?

**CL** Certainly, Kristina. Knowing about how the ROC assesses annual returns can definitely help when preparing the annual return. The ROC assesses annual returns as part of a risk-based model. If you're familiar with our assessment for your financial reports, it's similar to that approach.



**00:12:02**



**CL** There are two different types of assessment, primary and advanced assessments. The majority of the annual returns are checked against a primary assessment. This will look at a few key areas of compliance. At least once every five years, every organisation will have their annual return checked against an advanced assessment which looks at all of the RO Act and regulation requirements.

**KM** Cynthia, as most annual returns will go through a primary assessment, can you explain what the ROC looks at in a primary assessment of an annual return?

**CL** Sure. We have shared our checklist online so there is visibility around the processes for both our primary and advanced assessments. In a primary assessment, the ROC looks at a few key areas of compliance, for example, whether the annual return has been lodged on time.



**00:13:02**

**CL** That's by 31st March. If you've prepared an annual return early and you've arranged for it to be signed, there is no reason why you can't lodge it well before 31st March and we encourage that you lodge any of your compliance documents with us as soon as you can. This will prevent late lodgment caused by forgetting to send it. This does happen occasionally and it's completely avoidable.

**KM** Yes, we've already received some annual returns. Last year, even with the challenges of the pandemic, 96% of all annual returns were lodged by the due date, by 31st March. And in previous years it's actually been at 100%. So, organisations are generally, overall, are really good at lodging their annual returns on time.



**00:13:59**

**KM** But it's not just about lodging the document on time, right? It's also about making sure the information in the annual return is compliant with the legislation.

**CL** That's right. In our primary assessment, we also look at whether the annual return has been signed by the right person. This is usually your secretary or some other senior officer in the organisation who has the power to sign documents.

**KM** This is a common error that we see in annual returns, that it's signed by a person who is purely an employee, like the CEO or an office manager rather than an officer, or even the wrong officer signing it. When it comes to annual returns, the RO Act requires a very specific person to sign it. The annual return can only be signed by the secretary or other prescribed officer.



**00:14:57**

**KM** This means in most cases annual returns are signed by the secretary. However, it can be signed by a different officer if the other person is an officer under the RO Act and they are required by the rules of their organisation to keep these records, like the



register. In an employer association we tend to see that a president can often have these requirements under the rules. But at the end of the day, it's all about being familiar with your rules.

If you are going to have someone other than a secretary sign your annual return, it's a good idea to make sure that you check that they have the right responsibilities under the rules before they sign it.

- CL** That's right. In our primary assessment we also look at whether compliance issues that were raised with your organisation about your annual return last year have been repeated. This is really important, so make sure when you're putting together your annual return that you check last year's filing letter.



**00:16:04**

- CL** After the ROC files your annual return, we send your organisation a letter which will list any compliance issues that were identified during our assessment. I recommend that you review your 2020 annual return filing letter before you prepare this year's annual return. This will ensure that you don't make the same errors if you made errors last year.

- KM** If you can't find a copy of your 2020 filing letter in your own records, you can download a copy from your organisation's page on the ROC website.

- CL** Yes. And our filing letters are designed to educate registered organisations about their compliance obligations. They will then explain to RO Act requirements in plain English.



**00:16:55**

- CL** In a primary assessment, we also look at whether the annual return includes the two declarations, and they are that a register of members has been kept and maintained during the preceding year and that the information lodged with the ROC in the annual return itself is a correct statement of the information contained in the organisation's records.

- KM** Yes, this is another advantage of using a ROC template. The legislation requires the two declarations to be very exact in their wording and the template provides the declarations for you.

It's more common for organisations who don't use our templates to make errors with their declarations and therefore their compliance.

- CL** And in the primary assessment we also look at the list of offices of the organisation and its branches and the people who occupy the offices, their postal addresses and occupations.



**00:17:57**

**CL** We have made this the focus following the voluntary financial training compliance audit that we've conducted with a range of organisations over the past two years. In the consultation phase of this project, we identified that the lists provided in some annual returns were not accurate. By making this a special focus area of our primary assessment, we aim to improve the completeness of information and through that we can improve voluntary compliance.

**KM** Thanks, Cynthia. We'll stay on this topic, but I'll direct the next question to you, Declan.

Cynthia has just mentioned the list of offices that must be provided in the annual return, the office holders, their postal addresses and occupations. Errors are occasionally made with these lists.

Declan, what are the compliance issues you have identified when assessing the list of offices and office holders in annual returns?

**00:19:05**

**DC** Look, there's a number of common issues that are made here and you mentioned earlier the importance of lodging an accurate list. That's because it becomes public information for you and your members so they can see in a really transparent way the officers that are responsible for making decisions on behalf of the organisation.

The first issue to look out for is that the list of offices and office holders must be current the date the annual return is signed. If you've joined us by computer today, you'll actually see we've published a timeline of the dates that are relevant to the different requirements in the annual return. And the reason why we've created this is because there are various different dates for different pieces of information you provide in the annual return. For example, 31st December, that's relevant for the account of members. Elections, they're for the current calendar year, so, all schedules elections for 2021 need to be included in your annual return this year.

**00:20:02**

**DC** And as I said earlier for the list of offices and office holders, the relevant date is the date that the annual return is signed. That's one issue.

Another issue we see is that the lodgment actually is of a partial list. What I mean there is that only some offices are included and often times we see the senior offices, like secretary and president and committee of management included, but actually all offices and current office holders need to be listed in the annual return.

**KM** Yes, Declan, so even vacant offices, which is sometimes incorrectly left off.





**DC** Yes, absolutely, even vacant offices need to be included. You should list the name of the vacant office and then just write the word vacant in the box where the name of the office holder would ordinarily be listed there. To put together a complete and accurate list of offices, there are probably a couple of things we need to get our head around and understand.



**00:21:01**

**DC** And I think the first big one is the meaning of officer under the RO Act because the fact that someone has the word officer in their name, like a chief executive officer, doesn't necessarily make them an officer under the RO Act and that's actually quite a common misconception as well.

**KM** So, what does make somebody an officer under the RO Act? Can you explain that?

**DC** Yes, surely. Look, the best place to start is with the legislation. Section 9 of the RO Act provides a definition of an office of a registered organisation and some of the key people included in that section are secretary, president, assistant secretary, vice president. They're all deemed to be officers under the RO Act. If your organisation has these positions, they're going to appear on your annual return or they should appear on your annual return. The RO Act actually also says that people who perform particular functions in organisations are officers.



**00:22:00**

**DC** For example, if they have voting powers as part of a collective body, in other words, your committee of management, well, they're officers. Also other people who might have the power to manage the affairs of the organisation, determine policy, make and alter rules or enforce those rules, well, they're also going to be officers under the RO Act and therefore also need to be listed in the annual return, Kristina.

**KM** So, a common misconception is that only people in leadership positions, like the secretary and the president and also the committee of management are officers.

**DC** Yes, you're right, it is a common misconception. Unfortunately, it's actually incorrect. Because it's not uncommon to see in large organisations, large bodies in those organisations, like the national conference, they have the power and the organisation rules to determine policy matters. So, the list of officers can definitely be broader than the senior leaders and the committee of management.



**00:23:01**

**DC** That's why you'll often hear us say during this panel that it's really important to understand what your rules say about the powers of the people in your organisation. Because if your rules say that an officer can do those things that are mentioned in Section 9 of the RO Act, like determine policy, enforce and alter rules, well, they will



be an officer under that section of the RO Act and need to be listed in the annual return.

I will say that in most cases another indicator of whether a person is an officer is whether the person has been elected to their role, because all officers must be elected. But it's just really important to keep in mind at that point that it's not a definitive indicator, because some organisations' rules allow for non-officers to be elected. You're probably picking up that the key message is that it's important to be really familiar with your rules because some rules will expressly exclude certain positions from being officers under the RO Act.



**00:24:01**

**DC** For example, if your rules say something like the CEO is not an officer under the RO Act, then even if your CEO has been elected to their position, they shouldn't be included in that list of offices and office holders in the annual return. I know there's a bit of information there, but it's a really key concept to understand and it's relevant for other compliance areas too, like elections and officer financial training.

But because there is so much information, if you need some further support, we have produced a podcast on the topic, actually. [It's episode four of ROCpod, who is an officer?](#) And, of course, if you're unsure, please do get in touch, give us a call. You can contact us at any time for additional guidance there as well. Probably one last thing that is relevant to this topic as well, before I move on, is to make sure that the name of the office you list in the annual return is the same name as the office that's described in the rulebook.



**00:25:03**

**DC** We ask that you do the same for your elections when you prepare your prescribed information because it helps avoid any confusion in different naming down the track.

**KM** That point about names is a really good tip, Declan. We know that some organisations, particularly those which have grown organically over the years, refer to some officers by a name that is different than what is described in their rulebook.

For example, you call everyone national councillors, but the rules say that they are officially called branch representatives to national council. In your annual return, you should be calling them branch representatives to national council because this is consistent with your rulebook and consistency in this instance supports transparency.



**00:25:59**

**KM** Another compliance issue with the list of office holders is the postal address of the officers. I'll throw this to you, Catherine.



How can organisations ensure compliance while protecting the privacy of their officers?

- CB** This is really important, Kristina, because as Declan's just said, we're actually going to publish your annual return onto our website on your individual page allocated to your registered organisation.

The information in your annual return becomes public information quite soon after it's lodged with us. Organisations are required to keep records of the postal addresses of officers and then lodge that information in those records as part of the annual return. And what we at ROC recommend is that organisations keep a professional address for the officer in their records, such as a 'care of' the postal address of the organisation.



**00:26:58**

- CB** This means that when the address of the officer is lodged with the ROC and then published on our website, the privacy of the individual is still protected. We do make every effort to check annual returns before we publish them to see if there is some information in them that shouldn't be published that has actually been included, but we don't want to inadvertently publish private residential addresses of officers on our website. And it's worth knowing that this is a public document, even if it's not published onto our website.

- KM** Thanks, Catherine. The next question we have is about a list of scheduled elections for the calendar year in the annual return.

The question asks, we had a scheduled election which was due in 2020 for some of our offices. The election was listed in our 2020 annual return, but the election wasn't run in 2020 because of the AEC suspension of elections due to the pandemic.

The election instead will be run this year in 2021. Should we list this election again in our 2021 annual return? I'll throw this to you, Cynthia. Should the organisation again list the election in their annual return this year? What do you think?

- CL** Well, the RO Act requires organisations to list the scheduled elections for the calendar year in the annual return for that year. So, your 2021 annual return should include the lists of all the elections that your rules say that should occur in 2021. In this circumstance, you strictly don't need to list the delayed election that you expect to occur this year because your rules said that it would happen last year. I expect that those elections would have been listed in your 2020 annual return.



**00:29:00**

- CL** However, you should always keep in mind the intention of the annual return. It's about transparency. Therefore, you may wish to mention in your 2021 annual return



that is it expected that the scheduled elections which did not occur in 2020 calendar year will now go ahead in 2021.

But to avoid any confusion, if you are going to list these elections in your 2021 annual return, be sure to explain that they were actually scheduled for 2020, but were delayed due to the COVID-19 pandemic and the AEC suspension of the election.

**KM** That's a good one. Once the annual return is lodged with the ROC, published online, assessed and filed, organisations are also required to notify the ROC of changes to their organisation and branches, officers and office holders.



**00:30:02**

**KM** Declan, to complete today's discussion, the discussion part of the panel, can you briefly explain the requirement for organisations to lodge notifications of change with us?

**DC** Yes, sure. As we said, the annual return is a point-in-time document and it's accurate at the time it's signed. For many organisations the information in the annual return can very quickly become out of date.

Particularly for those large organisations with lots and lots of offices or if it's an election year as well. When certain information in the annual return changes, if an office holder changes or the address of the organisation changes or also if your rules change, so then an office or branch is abolished, the organisation needs to update their records and then lodge this notification of change with the ROC.



**00:30:59**

**DC** And this needs to be lodged with us within 35 days of the change as well. Now, we publish these notifications on our website, actually in the same document as your annual return, and that way anyone, including your members, can see that list of changes that have occurred since the annual return was originally prepared. You'll hear us say, just like the annual return, notifications of change do support transparency and accountability in the organisation, so they're really important.

And, as always, if you need additional education about the notifications of change, you can get in touch. We also did release [an e-learning module](#) on our website last year and the module's great because it explains the requirements in simple language and you can click through an interactive quiz and test your knowledge. Highly recommend you head over to the ROC website and check that out if you're looking for more info.



**00:31:54**



**KM** Declan, what happens if a notification of change is lodged late, so after the 35 day deadline has lapsed? Or an annual return, what happens if an annual return is lodged after the 31<sup>st</sup> March deadline?

**DC** We follow up late lodgments and notifications of change and annual returns, just like all other compliance matters. We work with organisations to encourage voluntary compliance.

And from time to time we might see patterns of non-compliance and when this happens, we engage with the organisations to remind them of the importance of compliance and the potential consequences of non-compliance, because these obligations are civil penalty provisions in the RO Act. And when there isn't cooperation, the matter is escalated and the ROC takes appropriate enforcement action. However, on the whole, we know that most organisations want to comply with their obligations and they take the effort to rectify non-compliance.



**00:32:59**

**KM** That's all of our pre-submitted questions and we've taken you through the requirements for organisations to keep records, lodge information in the annual return and then notify the ROC when those details change. Thanks to the panel for that. I do have a live question. I'll just read it out. I just need to expand the box so I can see it.

The question is, and it's a good one, do we need to disclose officers' email addresses and mobile contact numbers in the annual return report?

**CB** All right, I might jump on this one. No, the annual return does not require email addresses or mobile phones or home phones or anything like that. It is an obligation that dates back to about 1903 and it hasn't really changed very much.



**00:34:00**

**CL** There's no requirement to include that in your annual return and you don't need to give us notifications of change. But on a practical note, if you have a mass change of your email addresses and things like that, because we do contact you via email, you get your reminders, like the courtesy letter to lodge your annual return via email. If you do have significant changes to your emails, do just shoot us an email and let us know so we can stay in touch with you and consider subscribing your new emails to our subscribe alerts.

But, to answer the question, no, it is just addresses, occupations and names of your officers and it's just the street address and name of your organisation and branches.

**KM** Excellent, very thorough answer there, Catherine. That was the only question that's been asked so far, so we'll move along.



What I want to do now, is discuss the hypothetical scenario about KLM Union, which was emailed to you earlier this week.



**00:35:04**

**KM** We put together this example to explain how to complete an annual return, including the list of offices in Annexure A and it picks up on some of the non-compliance issues that the panel have raised today. If you didn't receive the question, you can download it from the GoToWebinar control panel now. And I also just recommend that everybody opens this document now so you can follow along with our explanations.

With the help of the panel, let's talk about KLM Union and how they should complete their annual return using the information that's been provided. I'll start with you, Catherine. Did you want to get started with answering the hypothetical question?



**00:35:54**

**CB** Sure. The question you've been sent, we're going to jump straight to page three, which is one of our annual return templates. This is the ROC's annual return template for organisations without branches because we've been told KLM Union, which allow me to assure you is completely fake, does not have any branches. The template includes a numbered list of statements and here you're going to insert the information relevant to your organisation. We're told that the secretary of KLM Union signed the annual return on 15th March 2021.

We also know that the secretary is Ursula Sullivan. In the first sentence of the template on page three, the person preparing the KLM annual return should remove the instructions and insert the facts that we've been told so that the sentence reads 'I, Ursula Sullivan, being the secretary of KLM Union, declare the following'. Now, we know that Ursula is the officer responsible for preparing the annual return, but we also know in reality, particularly in bigger organisations, is that it's probably being put together by an administration person.



**00:37:03**

**CB** Please make sure that this sentence refers to the officer who is going to sign the document and not the admin person who has assembled it.

**KM** Thanks, Catherine, that's a great start. The first numbered statement says 'I am authorised to make this statement'.

That's a good reminder that the person who signs your annual return must be your secretary or an officer that's authorised under your rules to keep these important records, including the registry or offices list. It can't just be any officer and it certainly can't be purely an employee. In this case, Ursula is the secretary, and she's therefore allowed to sign the annual return under the RO Act.

**00:37:55**

**KM** But if she was away, for instance, which does happen, we would need to check the rules to see if Sophia the president was required to keep these records before she could sign it.

The second statement in the template is a declaration about the organisation keeping and maintaining a register of their members. We spoke earlier about how the legislation requires this statement to be precise in its drafting.

Using the ROC template means that KLM Union doesn't have to come up with the words themselves, the declaration has been provided for them in the template. We'll presume that KLM Union have kept a register of their members, so the secretary can declare that this is the case. Cynthia, did you want to talk about the statements under the number three of the template?

**00:39:00**

**CL** Sure, Kristina. Number three is a second declaration about the correct statement of the information contained in the Union's records. The first piece of information is the street address of the Union. Here the person preparing KLM Union's annual return should delete the bracketed instructions which says street address and insert KLM's, the Union's address, which is 2/161 Collins Street, Melbourne, 3000.

A common error we see here is when people put in a postal address, for example, like post office box. This needs to be a street address. The second bullet point says that the Union has no branches and no branches have ceased or commenced in the previous 12 months.

**00:39:55**

**CL** As we are using the correct ROC template, the one for an organisation without branches, we don't have to make any changes to this statement. We know that this is a true statement of KLM Union. It does not have branches and, in fact, never has had branches. The third bullet point requires the disclosure of the number of members on 31st December of the previous year.

We know that on 31st December 2020, KLM Union had 896 members. This is the figure that needs to be type into the annual return. We are told about their membership numbers at other dates in 2020, like on 1st January and 30th June. But these are irrelevant for the member count on the annual return. The relevant date for the membership count on the annual return in 2021 is 31st December 2020.

**00:41:05**





**KM** Thanks, Cynthia. The next statement is that the list of offices and office holders have been attached to the document in Annexure A. You don't need to make any changes to this statement, but you will need to make sure that you have completed the table in Annexure A on the next page and we'll deal with this shortly.

Let's now jump to the next bulleted point about scheduled elections this year. You will need to know that the copy emailed to you earlier this week contained a typo error. If you have downloaded the document from the GoToWebinar control panel, that's the correct version. The question should say that the Union is scheduled to elect five convention delegates and not four. So, just keep that in mind. Cynthia, can you talk about how KLM should complete this part of the annual return?



**00:42:01**

**CL** Sure, Kristina. The template prompts KLM Union to include information about its scheduled elections for the calendar year, so, for this year, any elections that the rules anticipate will occur in 2021. Here KLM should remove the italicized instruction and type in convention delegate with five in the brackets to signify that they need to seek to fill the offices of five convention delegates by election in 2021.

We are told additional information about KLM's scheduled elections for 2020, but for the 2021 annual return, this information is not relevant. Those elections would have been disclosed by KLM in their previous year's annual return.



**00:42:56**

**CL** However, I answered a question earlier about elections delayed because of the pandemic. If KLM's elections that were scheduled for 2020 were not held last year and had been delayed until this year, it would be most transparent to disclose that these elections will occur in 2021 on this year's annual return. And the last bulleted point is a sentence about whether the Union has entered into an agreement under Section 151(1) of the RO Act with a state union.

And, if so, the number of state members of the union who were not eligible to be members of the organisation. We know that KLM Union has not entered into this agreement, so they can keep the first sentence of the template and delete the second sentence so that the annual return accurately describes the circumstances.



**00:44:00**

**KM** Before we move on, I've just got a live question and it's about the disclosure of the street addresses of the organisation and branch and it's a really interesting one. It is, our organisation is virtual, so neither the organisation or its branches have street addresses. Can we use a care of the say president or secretary of the association and its branches?



What do we think there? I guess my concern with using care of a person is that privacy issue that you mentioned earlier, Catherine. But does anybody else have any other input to answer this question? Yes, Cynthia.



**00:44:55**

**CL** It would be required to have a registered address because a lot of the requirements of having a street address is in case you need to give service documents, so, if something was to occur and you need to serve a document on someone. That is the reason why they would want a postal address rather than a post office box address. With a virtual office, I think regardless, it's a proper registered organisations entity and it should have a registered address. I believe that's a requirement of the RO Act.

**KM** Okay, is there anything else to add to that? No? That was an interesting one. I think we'll get back to the hypothetical question and we've now completed the first page of the annual returns template.



**00:46:01**

**KM** Other than of course Ursula Sullivan has to sign and date the document. Just something to think about with this is that make sure that you date it as the date that it's signed. And, of course, if you need to ever relodge your annual return in the future or any other document, make sure that it's freshly signed and dated with the actual date that it's been signed.

Let's now jump on to Annexure A, which is the table on the next page. Here we need to include information about the offices and office holders of KLM Union. I'll get the panel to help me fill in this table, using the facts that we've given about the people who are connected with the Union.



**00:46:55**

**KM** First we have Ursula Sullivan and we're told that she's the secretary and her occupation is paid official. Ursula was also elected to the committee of management. Declan, can you start us off with Ursula? How should KLM list the information about this officer in their annual return?

**DC** Yes, sure. Ursula, as you said, holds two offices, secretary and a member of the committee of management.

If you go to the table in Annexure A, which is on page three of the document, we'll start off with Ursula's secretary position. Under the column name of office you would type the word secretary. And then reading across the line, you would include more information about Ursula. The next column under name of office holder, you would type her full name, Ursula Sullivan.



00:47:54

**DC** Under the postal address of the office holder, as we have discussed at the panel and with that last question, we recommend that the Union keeps records about their officers' address as the address of the Union as it protects Ursula's privacy and it prevents a disclosure of her private residential address on the ROC website, which we don't want. If the Union have recorded her address as 'care of KLM Union', they should include this address as Ursula's. That would mean typing in the box 'care of KLM Union, 2/161 Collins Street, Melbourne'.

And then, finally, in the next box that you would have there, you would have as her occupation paid official. That fills in the information for her role as a secretary. But we're also told she's elected to KLM's committee of management. So, Ursula should appear twice in the list of offices in Annexure A, firstly as the secretary and then again as a member of the committee of management.



00:49:01

**KM** We've got another live question, which I think is another really relevant question, particularly as we move to digital only technology and remote work. The question is, do all signatures need to be actual signatures or would you accept an e-signature? Good question. What do you think, panel?

**CB** It is a good question. Obviously, the report we receive in most cases is a PDF or a printed version of the document, but I would strongly encourage you to lodge via email. We're probably not going to know how you attached the signature to the document. If somebody is authorizing someone else though to attach the signature, for instance your secretary authorizes an admin person to use their digital signature, do be keeping those records that authorized that attachment, just in case questions are asked down the track.



00:50:01

**CB** How did that signature get on that document when, for instance, we also have records that show the secretary was in a different state, for instance, or working remotely from home? So, keep records around that. But at the moment, because we are receiving lodgments via email, that system is not smart enough to have that sort of tick-a-box, I authorize this for signature kind of function.

**KM** Great.

Declan, you've just finished with disclosing Ursula and her information. We'll explain how Ursula should appear as a committee member when we discuss the committee of management shortly. We'll move to the next person who is Sophia Ricci, the



president. Catherine, do you want to explain how the Union should list Sophia on the annual return?



**00:51:01**

**CB** Sure thing, Kristina. On the second line of the table in Annexure A, you're obviously typing president, which is Sophia Ricci's role, under the first column for name of office. And then in the second under name you're typing in Sophia Ricci. Do use the proper name for the person. If you call them something short or a nickname or a substitute name, do use their proper legal name. We are told in the facts that Sophia regularly moves houses.

Presuming that KLM Union has taken on board our recommendation to use Sophia a care of the Union address, the fact that she's moving houses in her personal life all the time is not really relevant to the annual return. However, if KLM Union has recorded Sophia's private residential address in their records and supplied this in their annual return, they would need to constantly update their records and supply us with a notification of change that Declan was telling us about earlier.



**00:51:59**

**CB** Recording her address as 'care of' the Union is helpful for both reducing that obligation, as well as important for protecting her privacy. So, let's assume that they have recorded her address as the Union's address. Because it's literally going to be the same as the address on the line above, the Union can just type into the box 'as above' in the address column. And, finally, Sophia's occupation has been told to us as she is a paid official, so we will put that in the final column.

**KM** Great, so we'll move along to Ritchie Robins who was the vice president of KLM until he resigned on 20th January 2021. Cynthia, can you take us through this example? How should the Union list the information about this office in their annual return?

**CL** Sure, Kristina. This example illustrates the point that vacant offices need to be included in the annual return.



**00:53:00**

**CL** The list of offices and office holders in the annual return should be current at the date that it is signed. We know that the secretary of KLM signs the annual return on 15th March 2021. This is after Ritchie's resignation, which occurred on 20th January 2021. At the date the secretary signed the annual return, the office of the vice president was vacant.

KLM Union should type vice president under the column name of office. In the box next to it, under the name of office holder they should type vacant. And the remaining boxes for address and occupation, they can be left blank.



**KM** We have five minutes to quickly tick off the last couple. Next, we have Sam Reddy who is the chief information officer. And I see the word officer in her title. Declan, what should the Union do with this information?



**00:54:04**

**DC** Thanks, I'll keep it brief. Relating to our earlier discussion about only including the details of people who are in fact officers of the organisation, the facts suggest that Sam Reddy is actually an employee of KLM Union and not an officer. And even though she has the word 'officer' in her job title, it doesn't necessarily make Sam an officer under the RO Act.

So, KLM Union shouldn't include Sam in Annexure A of their annual return, and the same goes for any other person in KLM Union who are not officers under the RO Act, like employees. Non-office positions shouldn't appear in the annual return.

**KM** Great. Next, we have KLM committee of management. Catherine, did you want to talk about the committee of management and how they should be listed?



**00:54:54**

**CB** Sure, we'll also just rush through this. The KLM rules say there are four offices on the committee of management, so we should be seeing four separate lines in Annexure A that say committee of management under the name of office. In the next columns we're going to put their names, in this case Felicity Charles, Greg Jones and Ursula Sullivan. And we are absolutely including Ursula, even though she already appears on the list of offices as the secretary we have to list her against the office of committee of management as well because we're meant to be including four offices in Annexure A.

It's actually really common for a single person to hold multiple offices in an organisation. And, of course, as Declan said, we're including vacant offices as well. But what we frequently see is that someone who holds multiple offices is only listed against the highest office and then the rest of the offices are missing. In this case the mistake we might see is that Ursula is only listed as the secretary and there are only three committee of management members in the annual return even though the rules say that there are four officers on the committee of management.



**00:56:03**

**CB** So, you need to include all of them. Obviously, we're hoping that they've used the same 'care of' address, so in the address column we're putting 'as above'. And we're told they are retail workers. So, for two of them we're listing their occupation as retail worker, but for Ursula we are listing that she's a paid official. Now, the line for the fourth committee of management member should say 'vacant' under the name of the



officer because Oscar left his office on 31<sup>st</sup> December 2020, which was before this was signed.

If I was assessing this annual return though, I'd be checking if we've received a notification of change concerning Oscar leaving office. So, differences between this year's annual return and last year's annual return are a really good way to check if you're up to date on your notifications of change. If you're putting in different information, such as different addresses or different people, make sure you've sent us the notifications of change as part of drafting your annual return.



**00:57:05**

**KM** With the last few minutes we'll just quickly rush over the last group of people, which are known as the convention delegates. One of those is Shelly Lee and the hypothetical example should say that Shelly left her office on 20th March 2021.

I want to presume here that she left this year and not last year. Cynthia, can you take us through this one?

**CL** Sure, I'll try to be quick. With this part, you've got to really know your rules. Be aware of what they say about the powers and functions of the positions in your organisation. Rule 68 says that the convention delegates have the power to determine Union policy. This indicates that they're likely to be offices under the Act and, therefore, they need to be included in the annual return.



**00:58:01**

**CL** The rules also say five convention delegates, so the table in Annexure A should have five lines which says convention delegates and then disclose the full names of the people who are those officers. That's Nino Garcia, Viv Lu, Prue White and Eric Love. We also know that the convention delegates are informally known as annual conference delegates.

Declan mentioned earlier that you should use the name of the office as they appear in your rules. So, the name 'convention delegate' should be listed in the annual return and not annual conference delegates. Shelly Lee left her office on 20th March 2021. Because this was after the secretary had signed the annual return, Shelly's name would also appear as a convention delegate in the annual return.



**00:58:57**

**CL** However, her resignation means that KLM will need to update their records and advise the ROC in 35 days of the change by separately lodging a notification of change. And to complete Annexure A, the postal address of all convention delegates should be disclosed. We just write 'as above' to signify the same Collins Street



address. And all five delegates are retail workers, so they can be described against each of the five offices in the occupation column.

**KM** Okay, Cynthia, I think that covers off that answer. And that completes the hypothetical exercise. You should now have an annual return which includes all of the information about the Union, including the signed statement and the completed table in Annexure A.

Hopefully you've been able to follow us along with that discussion and it's helped you to understand how to complete your annual return.



**00:59:58**

**KM** We will publish a written version of a response to this exercise on our website in a few days. And if you have any follow-up questions or even questions about how to prepare your annual return when you're preparing it, don't hesitate to give us a call or send us an email. We're happy to help. I think we've hit the 12 o'clock hour, so I think we'll wrap up there.

I would like to thank our panel, Catherine, Cynthia and Declan for their help with today's discussion, and also our audience for lodging questions, and also the live questions which were really interesting. And thanks for joining us today. If you do, as I said, need further assistance, feel free to give us a call or send us an email. We also have a number of resources on our website, including the templates and the fact sheets which can certainly assist you to submit a compliant annual return.

Just a final reminder, we will send you out an email following today's session with the link to a survey. I do urge you to complete that because your input always assists us when we plan our education services. So, thanks for joining us everybody today. Have a great day and take care.