

28 February 2025

Re: Proposed changes to the not-for-profit financial reporting framework submission by Ausdance Vic

To whom it may concern

Ausdance Vic, as the Creative Victoria funded service organisation for dance, welcomes the opportunity to make a submission on behalf of ourselves and hundreds of small to medium not-for-profit (NFP) organisations that we represent.

In Australia, 573,726 adults and 387,617 children participate regularly in dance activities.¹ According to Fitness Australia, dance is the third most popular form of recreational activity. It is a part of everyday Australians' lives, and the diversity and impact of its sectors and industry practice needs recognition in all economic and funding policies.

Ausdance Vic provides training opportunities, workforce and professional development, resource building, policy representation and innovative dance education projects for our members and the broader sector to produce world class artists and add to the economic and social fabric of Victoria and Australia.

Ausdance Vic welcomes the opportunity to provide this submission on the proposed simplification of Australia's NFP financial reporting framework, particularly the removal of Special Purpose Financial Statements (SPFS) and the introduction of Tier 3 General Purpose Financial Statements (GPFS).

Recommendations

ENSURE THAT THE NEW FINANCIAL REPORTING FRAMEWORK DOES NOT DISADVANTAGE SMALL NOT-FOR-PROFITS (NFP) WITH EXTRA FINANCIAL AND ADMINISTRATIVE BURDENS.

Key points

- Small to medium dance NFPs face constant financial challenges in providing much needed services to enable the dance sector and the community to thrive.

¹ https://www.clearinghouseforsport.gov.au/research/ausplay/results#data_tables_br_july_2023_june_2024

- Victoria produces many of our internationally renowned dancers and artists however has one of the lowest amounts of funding for the arts in Australia.
- Moving from SPFS to GPFS will require a diversion of budget from services and support to external hiring of an auditor and a diversion of staff capacity to cover the administrative tasks.

Recommendations

- Remove the requirement to have an external auditor to produce the new Tier 3 GPFS to reduce the financial burden of this change.
- Simplify the new Tier 3 GPFS and provide administrative support to small to medium NFPs to enable them to transition to GPFS without an increase in administration.
- Extend the transition period so that small-medium NFPs have time to plan for the change.

For more information on the above please reach out to myself or the Ausdance Victoria team on the contacts above.

Sincerely,

Deborah Prentice

Managing Director

Ausdance VIC