



PO Box 699  
Castlemaine VIC 3450

Ph 03 5472 4914,  
Mobile: 0418 553 719  
Email: [info@lmclp.org.au](mailto:info@lmclp.org.au)  
Website: [www.lmclp.org.au](http://www.lmclp.org.au)

August 27, 2008

Committee Secretary  
Senate Economics Committee  
Department of the Senate  
PO Box 6100  
Parliament House  
CANBERRA ACT 2600

Dear Committee Secretary,

**RE: Inquiry into the Disclosure Regimes for Charities and Not for Profit Organisations**

The Loddon Murray Community Leadership Program Inc. (LMCLP) is a not for profit community organisation based in the North Central Region of Victoria. Our organisation is based on a similar model to nine other community leadership programs currently operating within Victoria and many more Australia wide.

LMCLP is an active member of Community Leadership Australia. A long term goal of CLA and its members has been to obtain Designated Gift Recipient (DGR) status. Recently one of CLA's members, the Australian Rural Leadership Program, obtained DGR status acknowledging the value of such programs.

Established in 1998, LMCLP has now accumulated over 220 graduates that are actively involved in a wide role of community leadership roles across the region. These roles include support to the likes of sporting clubs, kindergartens, cemetery trusts and environmental organisations. A number of LMCLP's graduates have either nominated for or been successful in their nomination for local government, and a few have also nominated for both state and federal government.

Each year LMCLP accepts up to 25 participants into the program as well as provide an ongoing skills development and networking program for its graduates and the wider community. All activities are aimed at strengthening the capabilities of leaders within communities across rural Victoria. Our 'Skillsbank' program matches graduates with charities and community groups requiring assistance with specific projects. This service is offered at no cost to the charities.

LMCLP is an incorporated body governed by a volunteer Board of Management. The organisation has adapted the Victorian Model of Association rules for its membership.

Funding for the organisation has always been sought from a variety of sources, including:

- o Local, State and Federal Government funding
- o Philanthropic grants
- o In kind support
- o Participant fees (10% of total cost)
- o Scholarships
- o Cash donations

.../2.

## *Celebrating 10 Years: 1998 - 2008*

### 2008 Gold Sponsors



PLANNING & COMMUNITY  
DEVELOPMENT  
REGIONAL DEVELOPMENT VICTORIA  
SUSTAINABILITY & ENVIRONMENT

While LMCLP Inc has successfully operated over the past eleven years totally on sponsorship and grants, the Board has found that many funding opportunities have been complicated or inaccessible because it does not have DGR status.

With DGR status there is no doubt that LMCLP would have many more avenues available to help support the delivery of this leadership program across rural Victoria. These are areas that are experiencing the most significant changes in the area in the past 150 years, because of climate change, water availability, drought and rural decline in general.

In some instances the LMCLP Board has been able to partner with organisations that do have DGR status in order to take advantage of funding available, however, this significantly adds to the administration requirements of both organisations. We are then accountable to another organisation, who we have to rely on to provide the correct reports and feedback to the funding body. It would be far more acceptable and easier for the volunteer Board of Management and Executive Officer if there was only one layer of administration to deal with.

With the changes that rural communities across Australia are facing, leadership is an important quality that every community needs to demonstrate in some form. Every municipality Community Plan clearly recognises the need to nurture and encourage community leadership.

Changes to the way in which not for profits are recognised and treated in Australia are required in order for the huge range of community organisations that are deemed to be not for profit to exist into the future. Many of these smaller organisations such as LMCLP clearly have altruistic and charitable purposes in mind, but achieving the status of being a charity is difficult when compared with large national charitable organisations.

The LMCLP Board of management agrees with each of the recommendations in the report of the inquiry into the definitions of charities and related organisations June 2001. We are dismayed that these recommendations have not been acted upon. The leadership program and other activities that LMCLP Inc provides to the communities of the North Central Region of Victoria are charitable purposes which advance social and community welfare and include the promotion of community development to enhance social and economic participation.

LMCLP Inc agrees that transparency is important, and provides audited financial reports at every Annual General Meeting detailing expenditure of all funds, and the income received. In addition, we are now developing a system which also measures the volunteer contribution at each program day and event we organise, as well as in kind support provided by our many supporters. We are extremely happy to show due recognition to our funders and supporters.

If the State and Federal Laws relating to not for profit organisations were harmonised, LMCLP Inc would be able to spend more time on important tasks such as delivering our leadership program, and linking graduates with community organisations and projects, rather than making sure we are complying with the various legislative details currently in place.

We trust that these comments are of assistance to your inquiry and will be pleased to speak further to these comments if required.

Yours sincerely



Ian Gumley  
Chairman, LMCLP Board of Management