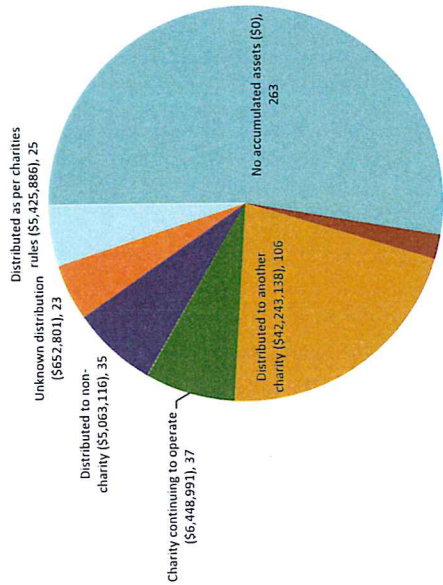


## Voluntary deregistration

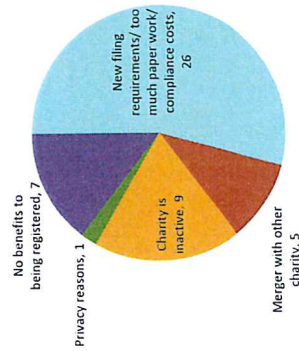
Voluntary deregistrations for the 12 months between 14 June 2016 and 4 July 2017  
There were 499 voluntary deregistrations in this period of charities with combined assets and income of over \$59 million.

### Deregistered charities asset and income distributions



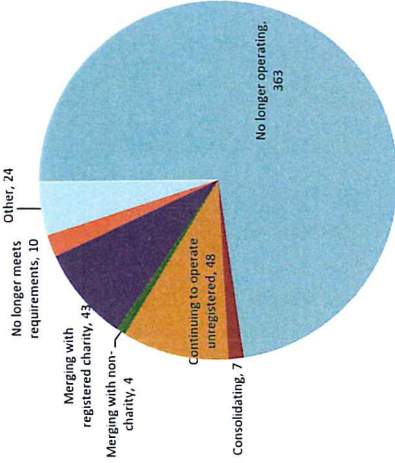
53% of charities that voluntarily deregistered did so with no accumulated assets  
7% of charities that deregistered are continuing to operate and have assets of over \$6 million which may now be liable for taxation. The largest charities to deregister and continue to operate include University of Otago Foundation Studies Limited with assets of \$3.7 million and Youth Venture Trust (Nelson) which had assets of \$1.2 million at the time of deregistration. It is important to note that for registration it is a requirement that the charities rules document provides that upon winding up that any assets must go to charitable purposes.

### Additional reasons for deregistration



48 Charities provided additional information on their reason for deregistration, of those 54% sighted increased compliance costs and/or that the new reporting standards were too onerous. It is noted however that half of the charities that sighted this reason had minimal (if any) assets and income.

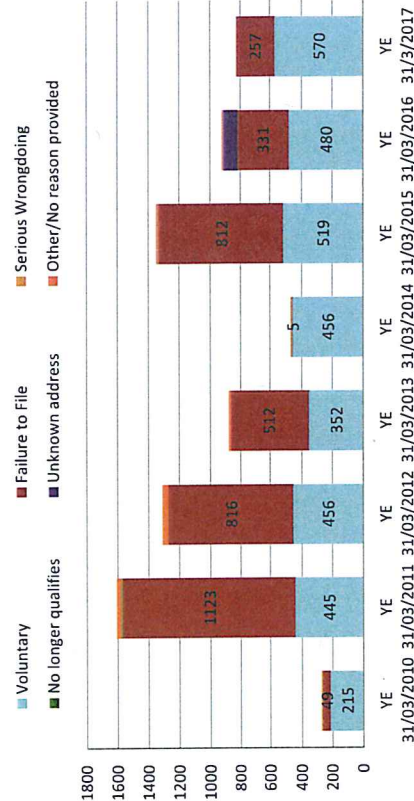
### Registered Charities voluntary deregistration reasons



72% of deregistering charities did so as they were no longer operating  
The charities merging with a non-charity (that had assets) included the AA Research Foundation which has merged with the AA Driver Education Foundation Trust, the Balmoral Bowling Club which has merged with the Balmoral Women's Bowling Club Incorporated and Rural South Wairarapa Sports Incorporated which has merged with Kahutara School.

Of the 48 charities that continue to operate unregistered most have sighted declining membership and/or small size and administration costs as a reason for requesting deregistration.

### Charities Services Deregistration Reasons



Year on year there has been no noticeable change in the numbers of voluntary deregistrations.

It was predicted there may be an increase in the numbers of charities requesting deregistration since the introduction of New Reporting Standards on 1 April 2015 however this has not eventuated and the number of charities requesting deregistration has remained reasonably consistent.