

The SVA Future Trust

WITHOUT A PERMANENT capital base to draw from, Social Ventures Australia (SVA) must continually raise new funds from individuals, corporations and private foundations to support our work. Ironically, the more successful we are, the more funds we need. The cycle never ends.

While this type of 'hand to mouth' existence is not unique to SVA, it does pose risks to the stable, thoughtful and strategic way we work. Funding sources can be unpredictable depending on many external factors, including the health of financial markets and the economic prosperity of the time. A vehicle such as the SVA Future Trust helps minimise those risks.

The SVA Future Trust is designed as a long term structure, with funds invested in perpetuity. It is intended that the income generated will provide a stable financial platform for SVA's future. Other organisations may refer to similar structures as 'endowments', 'foundations' or 'capital funds'.

The SVA Future Trust is also a useful structure for accepting large ad-hoc donations, such as bequests, which can be invested and grown for enduring use rather than spent immediately.

Through the SVA Future Trust, we are planting a seed for tomorrow. Future generations of disadvantaged Australians will greatly benefit from your foresight in supporting the SVA Future Trust.

How does the SVA Future Trust work?

If you donate to SVA and have an interest in helping provide a stable platform for our future, you can request that your funding be applied to the SVA Future Trust.

The SVA Future Trust is a unit trust in which SVA is the sole unitholder. The trust is a segregated, professionally invested pool of assets. The trustee is SVA Nominees Pty Limited, which is a wholly owned subsidiary of SVA.

Earnings from investments held will be periodically distributed to SVA, which in turn will help fund our ability to invest in social change.

Who has oversight of the SVA Future Trust?

The day-to-day management of the SVA Future Trust is handled by experienced people who have a wide range of experience in both corporate and philanthropic matters.

The board of directors of the trustee of the SVA Future Trust, is responsible for ensuring the Trust is at all times competently and responsibly managed in accordance with its trust deed.

The directors are as follows:

- Chris Cuffe (Chairman)
- Arsenio Alegre
- Gary Gerstle
- Ian Martin
- Stephen Roberts
- Les Smart
- Michael Traill
- David Vaux
- Mark Worrall

How is the SVA Future Trust invested?

The investment objectives of the SVA Future Trust are:

- to generate a material, robust, regular and growing income stream for SVA; and
- to have a very high probability of achieving positive growth in the value of the Trust's net assets over rolling 5 year periods (after allowance for grants to SVA), with the extent of growth being at least equal to inflation.

Investments are chosen within a disciplined framework of selection guidelines and risk controls.

SVA can legally access the corpus of the SVA Future Trust at any time. However it is anticipated this would only occur in the event that SVA's ongoing financial viability was in doubt.

Are there any limits on size?

The minimum donation that you can request be applied to the SVA Future Trust is \$10,000. There is no maximum limit.

Gifting shares

More and more, philanthropists are looking at the option of donating securities (including shares, trust units and other trading securities) directly to charities. This can include shares listed on the Australian Securities Exchange (or any other public exchange, either in Australia or overseas) as well as shares in unlisted or private companies. By donating shares, it may allow you to receive a tax deduction for the value of the shares donated.

If you have shares listed on the Australian Securities Exchange (or any other securities exchange in Australia) that you wish to donate to SVA, these can be placed in the SVA Future Trust through an off market transfer which we can arrange. Should we then decide to sell these shares, we will do so through Commonwealth Securities who execute share transactions for us at no cost.

If you have shares in an unlisted or private company that you wish to donate to SVA, these can also be placed in the SVA Future Trust, subject to us first assessing any stamp duty implications. Before this can occur, the shares must be valued by the Australian Taxation Office for you to receive a tax deduction. We can also assist you with this process.

Bequests from your estate

You can request that a donation be made to SVA and applied to the SVA Future Trust upon your death by provision in your Will. This is known as a 'bequest'. We can provide you with a standard clause for inclusion in your Will.

More information

For more information on the SVA Future Trust please contact:

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www.socialventures.com.au