



How we can help you with charitable trusts

Will Preparation / Executor Services / **Trusts** / Financial Services / Taxation Services / Genealogical Services
Investment Services / Enduring Power of Attorney / Personal Financial Solutions







At State Trustees we understand when it comes to trusting someone with your personal and financial affairs you need to know you're getting professional and expert advice with your interests at heart.

We've been helping Victorians with their financial needs for over 70 years so they can make the most of their opportunities. At State Trustees, we provide our expert financial and legal assistance to all Victorians regardless of income, age or personal circumstances.

We're well known as specialists in preparing Wills and we offer a diverse range of professional services including deceased estate administration, Trustee, Executor and Attorney services along with astute financial advice and management to help protect and grow your assets.



How does a Charitable Trust work?

If you are passionate about a cause, a Charitable Trust provides businesses and individuals the opportunity to donate on an ongoing basis.

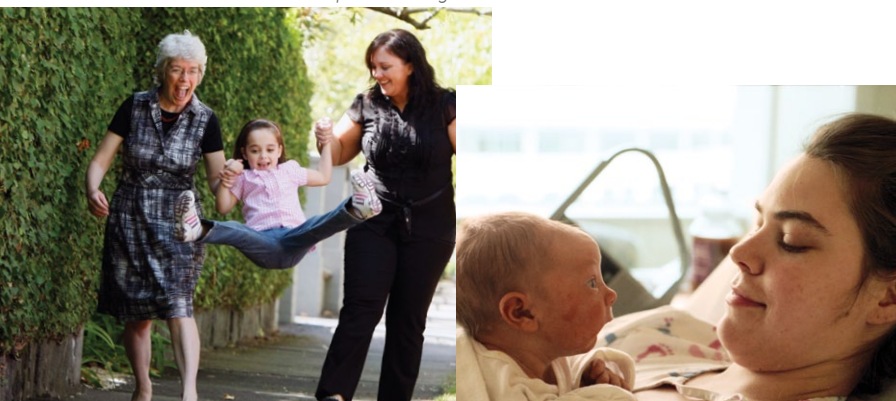
You can leave a lasting legacy in your Will or set up a Charitable Trust now, so you can enjoy seeing the good that comes from your donation. The earlier you start the more your cause benefits.

With a Charitable Trust, State Trustees helps make giving easier and enables a measure of control over where your money goes (note: the Trustee has final discretion). You may also be eligible for tax benefits. We can help you choose between setting up a sub-fund within the State Trustees Australia Foundation or a Private Charitable Trust.

Below: the Epilepsy Foundation of Victoria provides invaluable support to children with epilepsy, especially through its family camps. The camps, supported in 2009 by a grant from the Australia Foundation – Eileen Lovegrove Fund, gave families respite from their usual exhausting routine while providing the opportunity to share stories and develop strategies in a supportive environment.

L>R: State Trustees' Charitable Trusts Consultant, Fleur Bernasochi, Teigan Ferrari and her mum Ms Williams, enjoying a 'walk'.

Photo: Newspix/Paul Loughnan



State Trustees Australia Foundation

The State Trustees Australia Foundation is a Public Charitable Trust supporting organisations that make a difference in our community.

Founded by the Right Honourable Sir Zelman Cowen in 1994, the Foundation provides an easy and flexible way for Victorians to make ongoing philanthropic donations.

By creating a sub-fund within the Foundation, donations can be made to specific causes such as medical research, the environment, Indigenous Australians, the arts, and people with disability. You can also name a sub-fund after your family or organisation, or in memory of a person.

There are numerous benefits to making your perpetual donation through State Trustees Australia Foundation, including:

- Having a greater impact as the Trustee can pool income from a number of funds with the same aim
- Unlike Private Charitable Trusts, donations are tax deductible
- Your donation can last forever, with the interest it earns being granted to charity each year
- The Foundation is managed by experts in investment, trusts and grant making.

Private Charitable Trusts

At State Trustees we are experts in setting up and managing Private Charitable Trusts for Victorians wanting to contribute to a particular cause or organisation.

We create these Trusts through Trust Deeds or provisions in Wills. Usually funds are donated in perpetuity and invested, with annual income being distributed according to the purpose of your Trust.

Private Charitable Trusts are ideal for scholarships or when you wish to specify in the Trust Deed where the money goes. The Trust can be named after an individual, your family or an organisation, however your donations are not generally tax deductible.

My Story

“My sister died of breast cancer at 36 and I’d like to support those trying to find a cure.”

David’s younger sister, Jane, died of breast cancer at 36. The family wanted to support those organisations working towards a cure so other families don’t have to experience the same terrible loss.

As a memorial to his sister, David established a sub-fund under Jane’s name with the State Trustees Australia Foundation. By requesting the cause ‘breast cancer’ rather than a specific organisation, State Trustees can help ensure that the money goes to the most appropriate, eligible organisation each year. In addition, the money that is contributed through the sub-fund is pooled with other sub-funds so it has a much greater impact.*

“My brother spent most of his life working with young refugee people and their families.”

The John Byrne Memorial was established by John’s sister Annette as a memorial to his tireless work. The Memorial should continue to provide assistance to disadvantaged refugees and asylum seekers in perpetuity, particularly in the form of education scholarships.

The benefit of establishing a fund, rather than giving directly, can be seen in the value being created by this memorial. If you donated \$20,000 today, it would provide twenty \$1,000 education scholarships. However, putting \$20,000 in the State Trustees Australia Foundation sub-fund would provide 32 \$1,000 scholarships over the first 20 years, and continue to provide scholarships in perpetuity.**

“My dog, Molly, has been a great comfort for me since my husband died and I’d like to help organisations that care for pets like mine”

Seventy year old Eleanor lives with her dog, Molly, for company. She has always been fond of dogs and hates to see pets being mistreated. She would really like to help organisations that look after mistreated animals. With State Trustees’ help, Eleanor established a sub-fund under the State Trustees Australia Foundation, named after her dog Molly, with a request to distribute funds to groups involved in animal welfare.*

* The case studies, while fictional, are based on real customer experience. Names and identities of persons and facts have been changed in order to protect confidentiality. Any similarity between a person’s name and experiences to the scenario described in the case study is unintended and coincidental.

** This example assumes a 10% return rate (capital plus income) and 5% distribution per year. Under this scenario total corpus after 20 years would be \$46,157, and the total value of grants distributed would be \$31,970.

Creating a Charitable Trust with State Trustees

State Trustees has been managing Charitable Trusts for Victorians for over 50 years and we are experts in the not-for-profit sector and in philanthropic giving.

As a State owned company, you can rest assured your donations are invested safely and securely for the future. We also make donating easier for you by:

- Preparing your Will and including provision for a bequest to a Charitable Trust
- Preparing and executing a Trust Deed when needed
- Professionally managing funds to optimise returns for your chosen cause or charitable organisation
- Undertaking grant research and assessing grant applications
- Organising the annual distributions of the Trust.

Frequently Asked Questions

What is a Charitable Trust?

A Charitable Trust is a legal structure that protects and manages money donated for charity. It offers people and businesses an easy and effective way of making perpetual gifts.

I already give to charities – why would I want to set up a Charitable Trust?

A Charitable Trust allows you to endow your chosen cause or charity with a lasting gift, which can provide support well into the future.

The main reasons for setting up a Trust rather than giving directly to a cause are:

- You can create an ongoing memorial to a person or family
- As the capital grows, the value in grants can increase over the long term
- You can have more control over where the money goes
- There may be tax benefits, especially with donations made to the State Trustees Australia Foundation.

Left and centre pictures: The **Kevin Heinze Garden Centre** provides the largest and longest running horticulture-based therapy and recreation program in Australia for children and adults with a disability or who are disadvantaged.

Funded by the **Australia Foundation – Eileen Lovegrove Fund**, the project provided three garden beds which are accessible for wheelchair users and people who have a complex physical disability.

Pictured: tertiary students, Elissa and Diana, and post school student, Rebecca.



Do I need to have a lot of money to establish a sub-fund?

State Trustees Australia Foundation recommends a modest starting point of \$10,000, allowing you to name the sub-fund. However, we welcome donations of any size to the State Trustees Australia Foundation, where they can make an enormous impact when pooled together.

Are donations tax deductible?

Donations to a public Charitable Trust, such as the State Trustees Australia Foundation, are tax deductible. When you donate to a Private Charitable Trust it is not generally tax deductible.

How do I bequest money in my Will to establish a Charitable Trust?

If you don't have a Will our experienced Will writers can help you prepare one that includes provisions to establish a Charitable Trust. If you have a Will we can help you update it to reflect your wishes.

How do I decide who to distribute the income to?

When considering whether to set up a Charitable Trust, our team of Charitable Trust professionals can help you to identify the best approach to giving and whether to donate to a cause or a specific organisation.

What are the benefits of establishing a Trust now?

Experience the joy of giving to others and see the impact that your support can make to a cause that you really care about.

Questions?

For more information about establishing a Charitable Trust contact State Trustees

03 9667 6740

Residents outside the Melbourne metropolitan area can call

1300 138 672

or visit

www.statetrustees.com.au



This brochure has been prepared for general information only and not as specific advice to any particular person. Its contents are of a broad nature and are not intended to provide a comprehensive treatment of the topics addressed. You should seek professional advice in relation to any information contained in this brochure prior to acting upon its content.



Left: **Western Chances** was established in 2003 by Terry Bracks to assist talented and self-motivated young people in Melbourne's Western suburbs, to realise their potential by providing scholarships and similar programs. Since 2003 a total of 1,600 scholarships have been allocated, equating to approximately \$1.1m in funding. The organisation is making a real and lasting impact on the lives of many young people.

Mr George Phillips lived in the West and knew about the work of Western Chances. While preparing his Will with State Trustees in 2005 he decided to include a bequest to a sub-fund of the **State Trustees Australia Foundation**, with a request that income be used for the purposes of Western Chances.



03 9667 6466

Residents outside the Melbourne metropolitan area can call

1300 138 672

or visit

www.statetrustees.com.au



State Trustees Limited

ABN 68 064 593 148

AFSL N^o 238037

(CharTrusts_broch_web0610)

Melbourne

168 Exhibition St
Melbourne,
Victoria, 3000

Glen Waverley

Suite 22, Level 2
40 Montclair Ave
Glen Waverley,
Victoria, 3150

Dandenong

Shop 4, 157 Lonsdale St
(corner of Foster St)
Dandenong,
Victoria, 3175

Bendigo

74 Pall Mall
Bendigo
Victoria, 3550