



# HOW TO SET UP A NAMED FUND

Frequently asked questions

## **OPENING A NAMED FUND**

### **Q: I'm interested in starting a NAMED FUND, what are my next steps?**

A: To establish a NAMED FUND with Hands Across Canberra, you will need to complete the NAMED FUND Establishment Form, which can be found on our website at [handsacrosscanberra.org.au](https://handsacrosscanberra.org.au). We encourage you to contact Peter Gordon on **0417 064 767** or [ceo@handsacrosscanberra.org.au](mailto:ceo@handsacrosscanberra.org.au) to discuss your charitable intentions and ensure we can assist you throughout the establishment process.

### **Q: Who can establish a NAMED FUND?**

A: Individuals, families, businesses, trusts, estates and local councils can establish a NAMED FUND.

### **Q: How long will it take to establish a NAMED FUND?**

A: It generally takes about three to five business days to set up your NAMED FUND from the time you have submitted your establishment form, along with your initial donation.

### **Q: Can I choose to remain anonymous?**

A: Yes. Generally, grants made to eligible charities from the Trustee for Hands Across Canberra Trust will be attributed to your NAMED FUND and acknowledged as the name of your NAMED FUND. If the donor wishes to remain anonymous, this can be arranged.

### **Q: How does Hands Across Canberra work with my professional advisor?**

A: Hands Across Canberra partners with many professional advisors, including investment advisors, accountants, financial planners and legal advisors. We provide information and resources to help advisors plan their clients' philanthropic giving strategies. Through Hands Across Canberra, we can provide a wide range of advice about philanthropy and the charitable sector.

### **Q: Can I wind up my Private Ancillary Fund (PAF) and transfer the full net assets to Hands Across Canberra?**

A: If you no longer wish to manage your own PAF or there is no succession plan in place, you can apply to the Commissioner of Taxation to transfer the full net assets of your PAF to a NAMED FUND, provided certain conditions are met. This will mean Hands Across Canberra with the investment advisers will take over the compliance, administration and investment activity, while still allowing you to provide recommendations on grantmaking. We recommend you seek professional advice and contact us to talk through your objectives. For larger PAFs, Hands Across Canberra will consider taking on the trustee role. Hands Across Canberra may also act as the trustee of a new PAF. Please contact us to talk over your philanthropic goals if you are considering establishing a PAF.

### **Q: What fees are charged to the NAMED FUND?**

A: A modest administration fee of 0.5% is charged calculated on the capital value of the NAMED FUND as at the 30 June of the previous year. The Trustees may change the fees from time to time as circumstances change however these fee changes will be kept to a minimum.

### **Q: How are the Trust Funds invested?**

A: The Trustee for Hands Across Canberra has an investment strategy and has appointed JB Were as our expert investment managers to invest the funds of the Trust.

## **MAKING CONTRIBUTIONS**

### **Q: What is the minimum donation I need to establish a NAMED FUND?**

A: The minimum donation to establish a NAMED FUND is \$10,000. If you wish to start a program to grow the NAMED FUND over a period of time, then please contact us to discuss your intentions.

### **Q: Can I contribute other financial assets such as shares or real estate to my NAMED FUND?**

A: Yes, you can donate assets such as shares or real estate to your NAMED FUND. Please discuss with us if you wish to donate these types of assets in relation to actions required.

### **Q: Can I invite others to give to my NAMED FUND?**

A: Yes, your family and friends can make tax-deductible contributions to your NAMED FUND. They will be provided with the option to remain anonymous should they choose, which means Hands Across Canberra will not disclose their name and donation amount to you as the NAMED FUND holder. The person making the donation will receive the tax-deductible donation receipt.

### **Q: I'm interested in doing some fundraising for my NAMED FUND. Are there any guidelines?**

A: Yes, please contact us. It is important to seek approval from Hands Across Canberra for any fundraising initiatives you intend to undertake on behalf of our Public Ancillary Fund.

### **Q: Can I withdraw funds after I have contributed to my NAMED FUND?**

A: The nature of the tax deductible status of the Trustee for Hands Across Canberra Trust means that your donations, once made, become the property of the Trust and cannot be refunded.

**Q: Are my donations tax-deductible?**

A: Yes, donations are tax-deductible. You can also elect to spread the deduction over a period of up to five years. Please seek professional taxation advice to assist you on this matter.

**Q: Will I receive a tax-deductible receipt for the donations I make to my NAMED FUND?**

A: Yes, we will issue tax-deductible receipts for the value of your initial donation and your additional donations.

## **GRANTMAKING**

**Q: What is the minimum amount distributed, and when does this occur?**

A: Each financial year, Hands Across Canberra will determine a total amount to be distributed from the Trust Fund (the Fund Distribution). The Public Ancillary Fund Guidelines 2011 (amended in 2016) require the Trustee to distribute at least 4% of the net value of the Trust Fund each financial year.

**Q: What types of charitable organisations can Hands Across Canberra make grants to?**

A: Grants can only be made to eligible charities that are endorsed by the Australian Taxation Office as Tax Concession Charities and have DGR Item 1 status.

**Q: How can our NAMED FUNDS benefit areas outside Canberra and the ACT?**

A: Under our primary focus, all grants are directed towards eligible charities established and operating in Canberra, or within the ACT or nearby region.

**Q: Does the Trustee for Hands Across Canberra Trust report publicly?**

A: The Trustee for Hands Across Canberra Trust is an Australian registered charity with the Australian Charities and Not-for-profits Commission (ACNC). Each year, the Trustee reports on its activities and granting from the Trust Fund (a public ancillary fund) to the ACNC. NAMED FUNDS as a part of the Trust Fund, will be incorporated within the Trust Fund report however they are not separate trusts.

**Q: Are the Trustees required to follow my charity recommendations?**

A: To comply with charity law and tax regulations, the Trustee for Hands Across Canberra Trust has the ultimate discretion to determine which eligible charities will benefit from each NAMED FUND. Donors' recommendations are always considered but the Trustee is not required to follow a donor's recommendation. As the Trustee, Hands Across Canberra will ensure the legal eligibility of all charities to receive grants. Please refer to the Guiding Principles of the Trustees in respect to NAMED FUNDS.

**Q: What portion of my annual Granting Allocation must I commit from the NAMED FUND?**

A: A minimum of 4% of the net value of the NAMED FUND as at the end of the preceding financial year must be designated towards the strategic grantmaking program of your chosen impact area/s.

**Q: Can Hands Across Canberra help me find effective charities to support?**

A: Yes, we have over 250 charities registered with us and our experienced Grant Manager can work with you to identify charitable organisations that are working to address community needs aligned with the strategic priorities of the impact areas. You can also join with Hands Across Canberra by co-funding a project that is being supported through the grants program.

**Q: What advisory services do you have available to supplement my/our charitable interest areas?**

A: We undertake extensive engagement with the not-for-profit sector, business and government to determine the areas of highest need which we can provide to you to assist you in selecting an eligible charity or area of need.

## **DONOR REPORTING**

**Q: When will I receive a statement on the balance of my NAMED FUND?**

A: Hands Across Canberra will provide you with an annual statement after the end of the financial year, detailing the investment value, administration fees and grants attributed to your NAMED FUND within the Trustee for Hands Across Canberra Trust Fund. If you have any questions, you can contact us at any time.

## **SUCCESSION PLANNING**

**Q: Can my NAMED FUND continue after my death?**

A: Yes, Trustee for Hands Across Canberra Trust will continue to manage the NAMED FUND as your philanthropic legacy. From time to time, a donor may wish to nominate a successor to make grant recommendations in the case of your death or in the event you experience mental incapacity or other legal disability. We will require your successor nominee to sign an acknowledgement.

**Q: Can I leave a gift in my Will to my NAMED FUND?**

A: Yes, you can nominate your NAMED FUND to receive a bequest. We are excited about continuing to grow a network of passionate donors who share our vision of inspiring philanthropy and sustained social impact. Your legal advisor will help you in incorporating this option in your Will.

**Hands  
Across  
Canberra**  
Your Community Foundation



We welcome the opportunity to discuss how Hands Across Canberra can help you fulfil your philanthropic vision.

**Contact Peter Gordon**

Chief Executive Officer on  
**0417 064 767** to discuss this matter further.

**HANDS ACROSS CANBERRA**

0417 064 767

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