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## Philanthropic approach evolves as Equity Trustees distributes more than \$70 million

Equity Trustees distributed more than \$70m in the 2015 financial year on behalf of the charitable trusts and foundations for which it is trustee following the wishes and directions of their founders.

Annual distributions were boosted through the merger and subsequent integration of the ANZ Trustees business (now ETWSL) during the year.

Ms Tabitha Lovett, Equity Trustees General Manager of Philanthropy, said synergy from the integration was very timely, broadening the base of Equity Trustees' philanthropy business and further adding depth of knowledge.

"This has allowed us to provide additional client support at a time of expanding need as granting distributions from trusts has evolved significantly in recent years," Ms Lovett said.

"Clients and their advisers are increasingly informed and thoughtful about what they expect to achieve when they set up philanthropic trusts, which in turn is encouraging more flexibility in the way distributions are made.

"At the same time, while interest in philanthropy is expanding, grant recipients' needs are also changing."

Ms Lovett said that as a result of these two trends, Equity Trustees and other philanthropic trust managers are taking a multiyear view on their work, rather than making annual, 'one off', distributions.

"Understandably, we are also seeing more grant and donation requests from the charity and not-for-profit sector looking for alternative funding where government cutbacks have resulted in reduced funding.

"The area of health and medical research reflects both of these trends. In the last financial year 44% of the total distribution (\$31 million) made by charitable trusts managed by Equity Trusts went to hospitals and medical research, and much of this was by way of an annual grant as part of an ongoing program.

"Researchers need to have confidence that funds will be available, not just for one year but for the anticipated life of a research project.

"Where the terms of the foundation allow, and after due diligence and risk assessment, we endeavour to provide this longer term support."

Ms Lovett said another approach that has evolved in recent years is for charitable foundations to provide seed grants or no-interest loans to enable an organisation to set up a community social enterprise program that will become self-funding.

"This approach also involves another innovation; working with other philanthropic and government organisations to provide sufficient capital and manage risk for such programs.

"One successful example is the Women's Property Initiative to provide low cost housing for women and children. Equity Trustees and a number of the trusts it manages with co-trustees collaborated with the Victorian Women's Housing Association to establish the initiative.

# Equity Trustees Media Release



"The program now receives a mix of funding and other support from a number of organisations, including grants from other foundations and government bodies to provide affordable housing for women in need."

Ms Lovett said the category that received the largest distribution from the charitable trusts managed by Equity Trustees at over \$31 million, was health and medical research.

Community welfare projects were the second largest at \$16.6 million and education grants at \$10.5 million followed, with the area of aging increasing to over \$1.2 million

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*Trusted since 1888, Equity Trustees Limited helps with the financial and emotional challenges of preserving, growing and transitioning wealth between generations. It provides a range of financial services to corporate and private clients including Wealth and Asset Management, Estate Planning and Administration, Philanthropy, Superannuation, Aged Care Advice and Placement.*

*Equity Trustees is a publicly listed company on the Australian Securities Exchange (ASX: EQT) with offices in Melbourne, Kew, Sydney, Brisbane and Perth.*

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