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Bushfire donation money getting to communities fast through special disaster trusts

With the beginning of proceedings of the [Royal Commission into the National Natural Disaster Arrangements](#) (Bushfires Royal Commission), Australia's leading trustee company has said there is a way for money raised through charitable fundraising to reach affected communities quickly and reliably.

Two purpose-built perpetual charitable trusts created in record time in February after the summer bushfires are doing just that: supporting people and communities around the country to recover from disaster and emergency events.

"Part of the community response necessarily encompasses how donations are collected and managed to reach those most in need," said Mick O'Brien, Managing Director of Equity Trustees.

"With the outpouring of generosity from so many Australian individuals, families and businesses comes great responsibility to direct funds to where they are needed – and also utilise a mechanism which safeguards the funds while enabling flexibility as situations change as they do in disasters."

Equity Trustees, together with the Business Council of Australia (BCA), established the [Australian Volunteer Support Trust](#) and the [Community Rebuilding Trust](#) in response to the recent catastrophic bushfires but designed them to support any future disaster and emergency event recovery efforts.

The two trusts have raised nearly \$10 million, with funds being directed in part to bushfire affected communities via the [BizRebuild](#) program managed by BCA and to support the families and children of emergency volunteers who died in service during the fires.

"We have been able to begin moving funds into the recovery effort quickly because of the way these trusts are structured – and we stand ready to support the families of volunteers who tragically died while working to safeguard their communities," Mr O'Brien said.

"The benefit of an independent professional trustee leading the structuring of charitable trusts like these means they are designed with the benefit of 130+ years of experience in trust law dealing with charitable trusts. In the case of these two trusts, we have been able to engage expert advisory panels which are chaired by General Sir Peter Cosgrove AK CVO MC and the Equity Trustees Chairman and former Victorian Premier the Hon Jeff Kennett AC.

"These attributes, alongside our ability to ensure the funds are invested and professionally managed to grow the corpus – and that all granting of distributions are managed through proven processes, is what people who donate should expect in return for their goodwill.

"We manage more than 600 charitable trusts – many are nearly as old as we are. Importantly Equity Trustees gained the Federal Government's support to have the trusts listed in the Tax Act so they can attract funds from the widest possible range of sources – including other charitable structures such as public and private ancillary funds. This maximises our ability to channel maximum funds to communities and families impacted by disasters.

Mr O'Brien said the value of a professional trustee also included the ability to exercise a level of discretion in adapting the purpose of the trusts to current conditions within the limits of the governing deed, and the ability to pay individuals and organisations that are not-for-profits or for purpose organisations.

"The Australian community has rightly been concerned recently about charitable funds making their way to the intended beneficiaries and how courts may intervene. The reality is that courts can only



override a trust when the intended purpose of the trust cannot be carried out – this is known as cy-près - or when the trust is being mismanaged or not being used for the intended purpose,” he said.

“The benefit of a professional trustee is that this step – altering the intended purpose of a trust - cannot be taken lightly, but it can be done.

He added: “We know that the recent bushfires will not be our last. It is up to all of us to look at what we can offer and how we can play our part to build our community’s ability to respond and recover. A trustee company is built to last and already legislated to serve the best interests of its clients – which is why we can be part of the solution.”

MEDIA INQUIRIES

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Equity Trustees was established in 1888 for the purpose of providing independent and impartial Trustee and Executor services to help families throughout Australia protect their wealth. As Australia’s leading specialist trustee company, we offer a diverse range of services to individuals, families and corporate clients including asset management, estate planning, philanthropic services and Responsible Entity (RE) services for external Fund Managers.

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