

The logo for Philanthropy Australia features a red diamond shape with a blue square centered on it. The text "philanthropy" and "australia" is written in white lowercase letters on the blue square.

philanthropy
australia

ANNUAL REPORT 2021

www.philanthropy.org.au

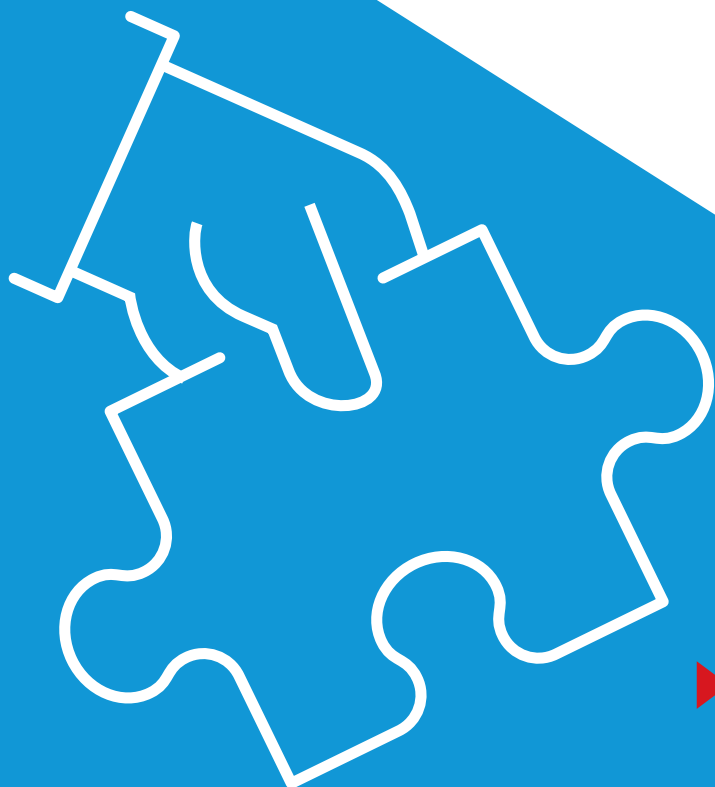


A message from the Co-Chairs and CEO

Looking back on the year – the on-going challenge of the COVID-19 pandemic, and all that went with it – there is much for Philanthropy Australia to be proud of, especially the manner in which we collaborated with the sector to achieve our goals.

We know only too well how the pandemic changed not only where we worked but often, how we worked. Valuable face-to-face interaction with members and with staff didn't happen. Travel restrictions compounded the absence of opportunities for sharing ideas, insights, and inspiration. But there is great value in reflecting on the achievements of the past year because it underlines just how committed and resilient Philanthropy Australia has been in continuing to strive for more and better philanthropy.

That has been manifested in a range of achievements across the year, including the launch of the Blueprint to Grow Structured Giving and the Strategic Plan for 2022-25. These documents harmonise Philanthropy Australia's priority to double structured giving in Australia by 2030, setting out a bold agenda for the organisation's growth, a significant shift in PA's membership goals through a broader engagement focus and a larger investment from key supporters to help us achieve our long-term aims. We honed our purpose to inspiring more and better philanthropy and set our vision for a generous and inclusive Australia.



▶ **Access the Philanthropy Australia 2022-2025 Strategic Plan here**
<https://www.philanthropy.org.au/about-us/strategic-plan-2022-2025/>



Amanda Miller OAM, Co-Chair



Ann Johnson, Co-Chair



Jack Heath, CEO

Our year yielded numerous highlights. We ran a stimulating and popular webinar series on promoting better philanthropy. Our conference, which featured international figures from US and Asian philanthropy, provided a benchmark for debate within the sector about fundamental issues of diversity and power. The Australian Philanthropy Awards were presented as an online event that not only celebrated some of the best examples of innovative and bold philanthropy, but also generated widespread endorsement of the event across the sector. At the end of the year, we launched our Reconciliation Action Plan following a number of initiatives in recent years to support funding of First Nations' organisations and project.

The pivot to online events, including conference-related workshops and our webinars, showed there was a healthy appetite for content that supported the sector with new ideas, strategies, and big thinking. Philanthropy Australia has led the way in helping to shape some of these approaches, especially the Paying What It Takes initiative. In addition, we have seen high rates of engagement across the various Philanthropy Australia Peer Networks along with other online events involving partner organisations.

Philanthropy Australia has been active in the political sphere, launching our Federal election statement that reflected the increased engagement with Government and Opposition. We also built strong links with the Federal Treasury and Ministerial Advisers as we secured engagements for our Philanthropy Champions with the Assistant Treasurer the Hon Michael Sukkar MP, as well as the Shadow Minister for Treasury and Charities the Hon Andrew Leigh MP.

In a challenging political environment, we helped marshal a coalition of over 100 philanthropic entities and individual philanthropists who successfully lobbied to ensure the proposed ACNC Governance Standards 3 regulation that would have threatened charities' free speech and introduce unnecessary red tape did not become legislation.

The value of this increased engagement with Canberra was evident in the 2022 Federal Budget which contained a historic reform that will enable 28 community foundations to receive a specific listing as Deductible Gift Recipients. The reform will transform local giving and was an endorsement of the work Community Foundations Australia and Philanthropy Australia had done to advocate for the landmark change.

The rear-vision is full of so many innovations, commitments, and achievements that we can be proud of, despite the pandemic's corrosive impact. There is no doubt we still have a good way to go. There are many improvements to make but we are already growing – we are building a strong team designed to support our strategic plan, aligned with a network of supporters who are uniquely placed to help increase giving, and the quality of giving, over the coming decade. We are committed to developing a stronger value proposition for our members tailored to people's needs and interests to drive our membership growth. Internally, we are investing in our systems, processes and people to support this growth.

All this could not happen without strong support from many of Australia's leading foundations and very generous individual donors who share our vision for a more giving nation.

We thank everyone who is on this journey with us – our Board, our staff, our funding partners and our members.

Ann Johnson
Co-Chair

Amanda Miller OAM
Co-Chair

Jack Heath
CEO

Our Vision

A Generous
and Inclusive
Australia

Our Purpose

To inspire more
and better
philanthropy

Our Values & Behaviours



RESPECT

- We respect the inherent dignity of each and every human and each individual's skills, experience, and contribution.
- We acknowledge the special connection of First Nations' Custodians to the lands and waters on which we work, and we pay our respects to First Nations Custodians and Elders past, present and emerging.
- We value when people give of their time, treasure, talent, and ties to good causes.



TRUST

- We create welcoming environments that are safe, inspiring, and fun.
- We are caring and direct in our conversations, accountable for our decisions, and do what we say we'll do.
- We are committed to deepening trust between donors, service providers and beneficiaries.



HUMILITY

- We don't have all the answers and we look to learn from others.
- We grow from our mistakes and our vulnerabilities.
- We carve out time to be still and listen deeply.



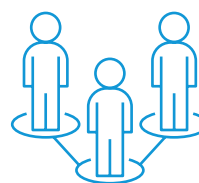
IMPACT

- We encourage philanthropy that makes a real and lasting difference by supporting organisations in their programs, capacity, and advocacy.
- We practice, and foster, collaboration as we build connections for greater impact.
- We encourage funders to be strategic, catalytic, and responsive to need in their giving.



CELEBRATION

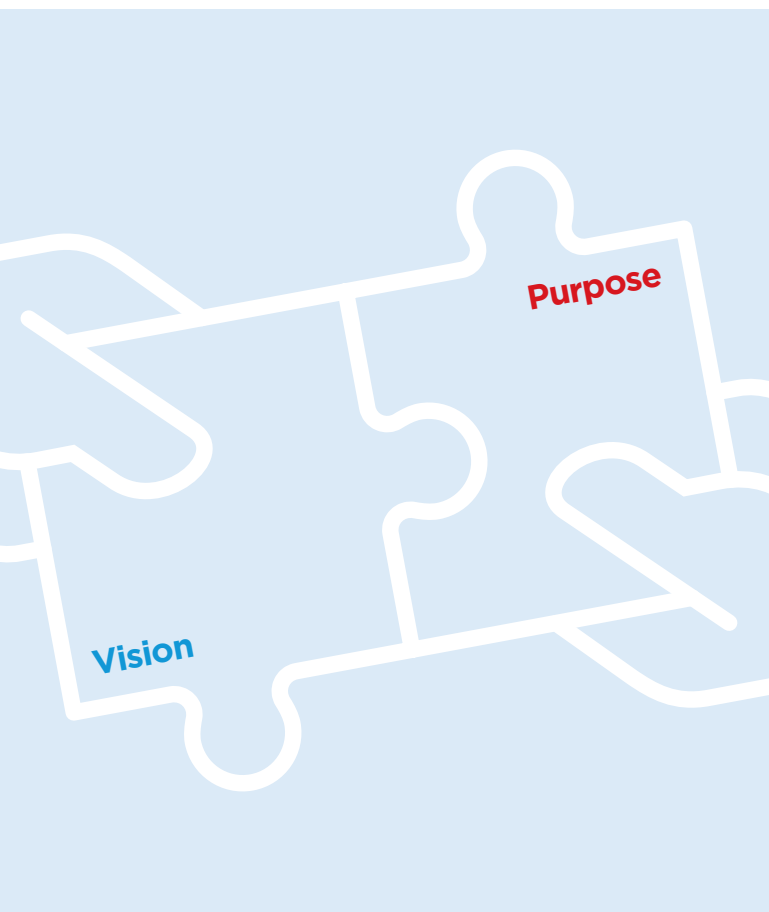
- We promote the joy of philanthropy and profile inspiring philanthropy.
- We celebrate and build a culture of learning.
- We create space for all voices to be heard and celebrated.



SHARING

- We practice, and encourage, the timely sharing of information, knowledge, experience, and expertise.
- We work as one PA team with a shared commitment to our vision, purpose and values.
- We share our appreciation with those who support and enable our work.

2021 Key Achievements



STRATEGIC PLAN 2022-2025

In December, we launched our new Strategic Plan. It charts a bold course for growth over the next four years seeking to: effect an organisational focus on engagement; build a more attractive offering for members and prospective members tailored to interest areas; and rebuild our digital offerings with a view to securing 2,000 members and financial sustainability by the end of 2025.

After extensive consultation, we identified five strategic pillars to provide the framework for our work in the next four years:

1. To **engage** with a larger and more diverse audience.
2. To **inspire** and cultivate a new wave of philanthropy through inspirational stories and campaigns.
3. To **foster** more and better giving through accessible guidance, tools and information.
4. To **advocate** for policy, regulatory and other reform to unlock the enormous potential for giving in Australia.
5. To **invest** in our organisation so that we exceed our members' expectations and sustain the organisation for the long term.

BLUEPRINT TO GROW STRUCTURED GIVING

We led the development of a Blueprint that outlines how the philanthropic, not-for-profit, business and government sectors can work together to double structured giving to \$5 billion by 2030. At its core, is the unrivalled opportunity to harness the \$1.1 trillion in intergenerational wealth that will be passed from baby boomers to their children by 2030. This represents a significant opportunity to supercharge giving in Australia and strengthen philanthropy's critical role in our society.

The first stage of the Blueprint, launched in April, identified three strategic priorities:

1. To **protect the foundations of philanthropy that work well today.**
2. **Enhance the building blocks of giving in Australia.**
3. **Target specific opportunities with high potential to grow giving.**

Stage Two of the Blueprint will be launched in 2022 supported by The Ian Potter Foundation and Perpetual.



NATIONAL CONFERENCE

The 2021 Philanthropy Australia conference was a virtual event that featured a range of international and local guests who sparked discussion and debate about major issues in philanthropy. Among the guests were **Phil Buchanan**, President of the US-based Center for Effective Philanthropy; **Naina Subberwal Batra**, Chairperson and Chief Executive Officer of the Asian Venture Philanthropy Network (SIN); **Professor Marcia Langton AM**, anthropologist, geographer and Foundation Chair of Australian Indigenous Studies at the University of Melbourne; **Edgar Villanueva**, Senior Vice President of Programs and Advocacy at the US-based Schott Foundation, and Founder and Chief Strategist, Decolonizing Wealth; **Valerie Chang**, Managing Director, Programs, MacArthur Foundation (US); **The Honourable Ratna Omidvar**, Independent Senator for Ontario, The Senate of Canada; and **Carol Schwartz AO**, Philanthropy Australia's 2020 Leading Philanthropist.

- Conference was an ideal time to mark the 20th anniversary of the establishment of the legislative framework for Public Ancillary Funds. Former prime minister **The Hon John Howard AC**, whose government championed the change, and the architect of the reform, **David Gonski AC**, shared a virtual panel to discuss how the important reform had helped transform Australian philanthropy.
- **David Gonski AC** also became the first of five new Philanthropy Australia Life Members when the honour was conferred on him during conference. Later in the year, **Rob McLean AM** and **Paula McLean**, and **Tim Fairfax AC** and **Gina Fairfax** were also made Life Members.

AWARDS

The Australian Philanthropy Awards were delivered as a video event, for the second year because of the COVID-19 pandemic.

- It generated widespread positive commentary not only for the **diverse range of inspiring philanthropy** that was recognised through the eight awards but also about the event itself.
- One of Australia's best-known philanthropists, **Tim Fairfax AC**, was named **Leading Philanthropist**, a recognition of his family foundation's long-standing support for a range of causes and organisations, across rural and regional Australia.

PHILANTHROPY AUSTRALIA AWARD RECIPIENTS:

Leading Philanthropist – Australian philanthropy's highest honour awarded to an individual
Tim Fairfax AC

Better Philanthropy Award
Fay Fuller Foundation and Our Town

Bolder Philanthropy Award
Gandel Foundation and Smiling Mind

Best Grant Program Award

Rapid Advocacy Fund, jointly initiated by Australian Progress, Australian Communities Foundation and Australian Council of Social Service

CAUSE-RELATED AWARDS:

Community Philanthropy Award
Inner North Community Foundation

Environmental Philanthropy Award
Limb Family Foundation and Guardian Australia

Indigenous Philanthropy Award
CAGES Foundation & Maari Ma Health Aboriginal Corporation

International Philanthropy Award
Arup Australasia & Engineers Without Borders Australia

The Eve Mahlab AO Gender-wise Philanthropy Award
Trawalla Foundation, Women's Leadership Institute Australia and the University of Melbourne (Pathways to Politics Program for Women)

2021 Key Achievements

GOVERNMENT ENGAGEMENT

FEDERAL ELECTION RECOMMENDATIONS

Philanthropy Australia has stepped-up its government engagement built around important sector-wide campaigns and the build-up to a Federal election in 2022. Although PA has always been at the forefront of contributing submissions, feedback and commentary to government about sector-relevant issues, this increased engagement became part of a wider initiative based on concerns about proposed Federal legislation that could potentially curtail free speech within the not-for-profit sector, most particularly for charities that were seen to be advocates for a cause.

- As part of a broad coalition, which included more than 100 philanthropic organisations and individuals, PA worked with sector partners including AEGN to lobby successfully to ensure the legislation was disallowed.
- We have brokered access for our Philanthropy Champions to Government (and Opposition), while developing strong links to Federal Treasury as part of on-going discussions around our Blueprint. The 2022 Federal Election statement made seven recommendations for reforms that could help deliver significant benefits to the nation's charities.



1. Community Foundations (CFs)

Empower and support charity in regional and local communities by cutting the red tape that prevents CFs from investing in many charitable activities and receiving grants from Private Ancillary Funds (PAFs).



2. Encouraging Bequests from Superannuation

Cut the red tape that prevents Australians from making a bequest to charity through their superannuation and remove the tax penalty imposed on Australians who want to do so, to free up billions for Australians most in need.



3. Creating an Incentive to Leave a 'Living' Bequest to Charity

A Living Legacy Trust would help ensure more of the \$2.6 trillion intergenerational transfer by 2040 is used to support Australians in greatest need.



4. A National, Co-Funded Campaign to Build a Culture of Giving in Australia

A campaign to inspire Australians and give them simple ways to give could help unleash the 'fair-go' ethos that is an essential part of the Australian identity.



5. Fix Fundraising

Create a single national fundraising regulation regime – to replace the red tape imposed by seven different State and Territory sets of rules – to reduce administration costs, releasing more funds to help people in need.



6. DGR Reform

Reform red tape so more of Australia's 58,000 charities can access DGR status (which allows the public to donate and get a tax deduction), rather than just around 30,000 charities.



7. Supporting Philanthropy by the Public

Cut the red tape that prevents PAFs from distributing to Public Ancillary Funds (PuAFs), which would boost funds for foundations supported by the general public.

SECTOR LEADERSHIP

As the nation's peak body, we understand the privilege and responsibility that come with representing a diverse range of members, organisations and causes. Leadership, in an increasingly partisan discourse, has its challenges but PA has remained steadfast in its priorities to shape debate around key sectors issues that promote more and better philanthropy.

- As part of that, PA has partnered with the Paul Ramsay Foundation, the Origin Foundation, and the Centre for Social Impact with Social Ventures Australia to review the for-purpose organisation funding landscape in Australia.
- We started the preliminary work in to this Paying What It Takes approach in 2021 and have followed it up with a major research report and community of practice on the topic in 2022.

Paying What It Takes is designed to educate funders on the real indirect costs involved in running programs to benefit those in need so that organisations are sustainable and programs have the maximum impact over the long term.

- The Paying What It Takes initiative followed a similarly innovative partnership between PA and the Paul Ramsay Foundation that concluded in 2021 with the final iteration of the Peer-to-Peer program. This unique approach to participatory grant making brought together 10 Australian NFPs to use problem-solving methodology to reduce disadvantage.

OPERATIONAL AND FINANCIAL PERFORMANCE

With a view to building a platform for growth and greater long-term impact, we revamped our organisational systems and processes. We made new investments in our people so that PA can become an employer of choice.

Despite the challenges of COVID-19, we were able to deliver a break-even operating result through astute financial management of our resources. We also maintained our membership numbers at more than 700 in a very challenging year.

Financial Summary

	Restricted	Unrestricted	Total
Income	2,039,068	3,009,264	5,048,332
Expenditure	(2,443,510)	(2,885,376)	(5,328,886)
Total Surplus (Deficit)	(404,442)	123,888	(280,554)

Philanthropy Australia Ltd. is a public company limited by guarantee and listed by name as a Deductible Gift Recipient (DGR) ABN 79 578 875 531.

Partnership Acknowledgements 2021

We would like to acknowledge the generous and valuable support from the following individuals and organisations in 2021 and thank them for their partnership.

OFFICES

Adelaide

The Wyatt Trust

Brisbane

Heart Hand Pocket Foundation

Melbourne

ANZ

STRATEGIC CAPACITY BUILDING PARTNER

Paul Ramsay Foundation

PHILANTHROPY CHAMPIONS

ANZ

Barr Family Foundation

Caledonia Foundation

Collier Charitable Fund

Cooper Investors

Fay Fuller Foundation

Gandel Foundation

Helen Macpherson Smith Trust

Herbert Smith Freehills

Macquarie Group Foundation

MaiTri Foundation

McLean Family Foundation

McLeod Family Foundation

Paul Ramsay Foundation

Perpetual

The Ian Potter Foundation

The Ross Trust

The Skrzynski Family

Sky Foundation

The Wyatt Trust

Snow Foundation

Tim Fairfax AC

Trawalla Foundation

Vincent Fairfax Family

Foundation

W&A Johnson Family

Foundation

Wheelton Foundation

William Buckland Foundation

AUSTRALIAN PHILANTHROPY AWARDS 2021

Better Philanthropy Award Partner

Macquarie Group

Community Philanthropy Award Partners

Australian Communities Foundation, Australian Community Philanthropy, Foundation for Rural & Regional Renewal and Lord Mayor's Charitable Foundation

Environmental Philanthropy Award Partner

Australian Environmental Grantmakers Network

The Eve Mahlab AO Gender-wise Philanthropy Award Partner

Australians Investing in Women

Indigenous Philanthropy Award Partner

Ninti One Limited

International Philanthropy Award Partner

Australian Council for International Development and Australian International Development Network

BETTER GIVING HUB

Gandel Foundation

Helen Macpherson Smith Trust

BLUEPRINT FOR PHILANTHROPY

Stage 2 Project

Anonymous Donor

Cooper Investors

MaiTri Foundation

Perpetual

The Ian Potter Foundation

2021 ANNUAL GENERAL MEETING

Secretary:

Nicolas Crowhurst, Collaboratus Group

Operational Partner

IT Strategic

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National

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Patrons

Sir Gustav Nossal AC CBE
Lady Southey AC

2021 Life Members

David Gonski AC
Tim Fairfax AC
Gina Fairfax
Rob McLean AM
Paula McLean

Board Members

(as at December 2021)

Amanda Miller OAM, Co-Chair
Ann Johnson, Co-Chair
Kirsty Allen
Anthony Cavanagh
Jon Cheung
Lisa George
Tabitha Lovett
John McLeod
Joseph Skrzynski AO
Jenny Stephens
Caroline Stewart
Stacey Thomas
Craig Winkler

* All staff biographies can be found at www.philanthropy.org.au/about-us/staff/

We acknowledge and pay our respects to the past, present and emerging traditional Custodians and Elders of the country on which we work. We also accept the invitation in the Uluru Statement from the Heart to walk together with Aboriginal and Torres Strait Islander peoples in a movement of the Australian people for a better future.

Not a member?

**If you believe in a more giving Australia,
join with us to build a movement
for philanthropy that is big-hearted,
clear-headed and joyful.**

philanthropy.org.au