



UTS Norths Foundation - overview

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Building the Foundation

The UTS Norths Educational Scholarship Trust is a registered charity as from 1 April 2018. This is one piece that can attract more funds into the UTS Norths Foundation.

During 2018 achieved DGR endorsement for UTS Norths Foundation Limited's fund. If granted, that is the last piece.

Meanwhile, Foundation Sub-committee members are also working on fund raising, governance and some projects.

It takes a volunteer club a long time, but the Foundation is for the long term.

As we move onto building up funds, it is time to update the overview.

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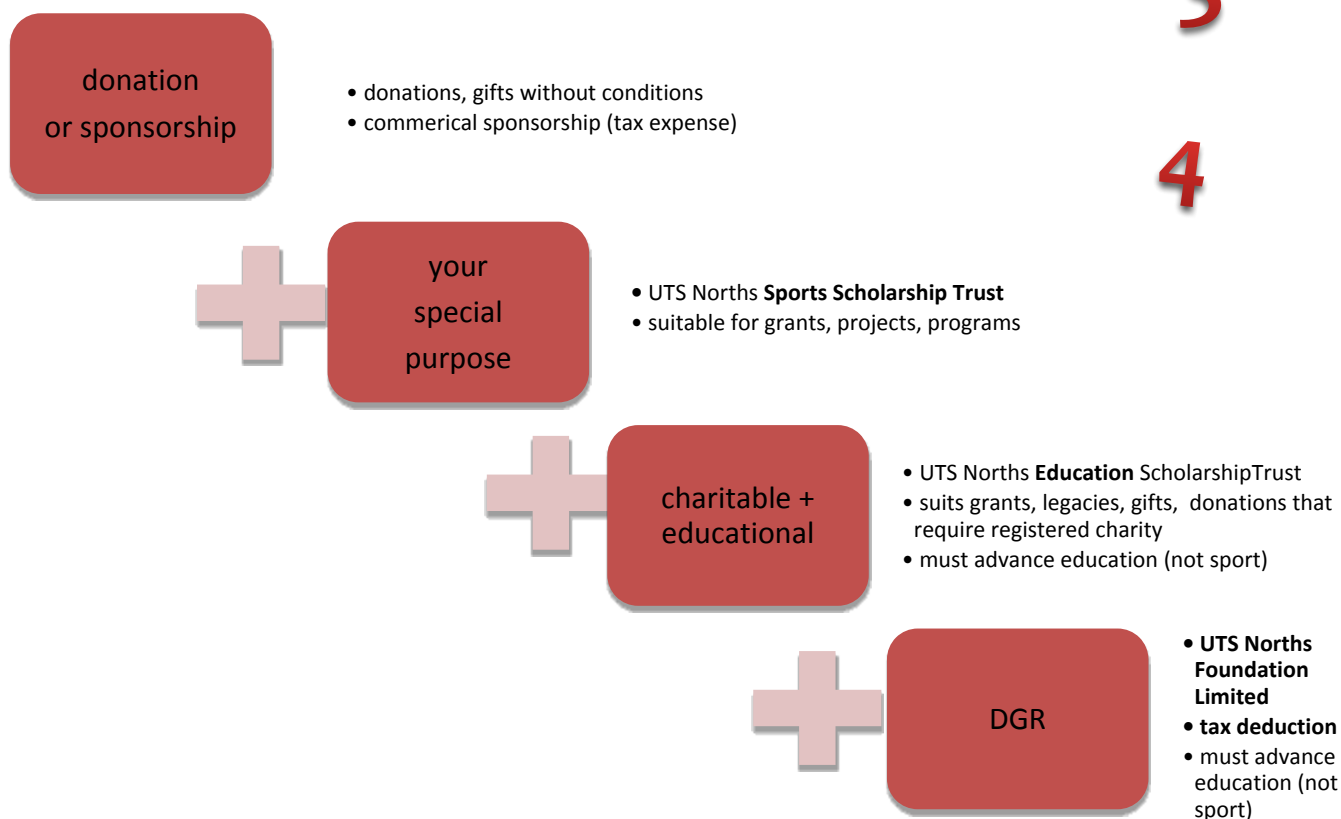
How you can fund the UTS Norths Foundation

2

There are **five main ways** to fund the UTS Norths Foundation.

Here are the four ways of **directly** funding the UTS Norths Foundation.

3



4

Want **sports** activity + DGR?

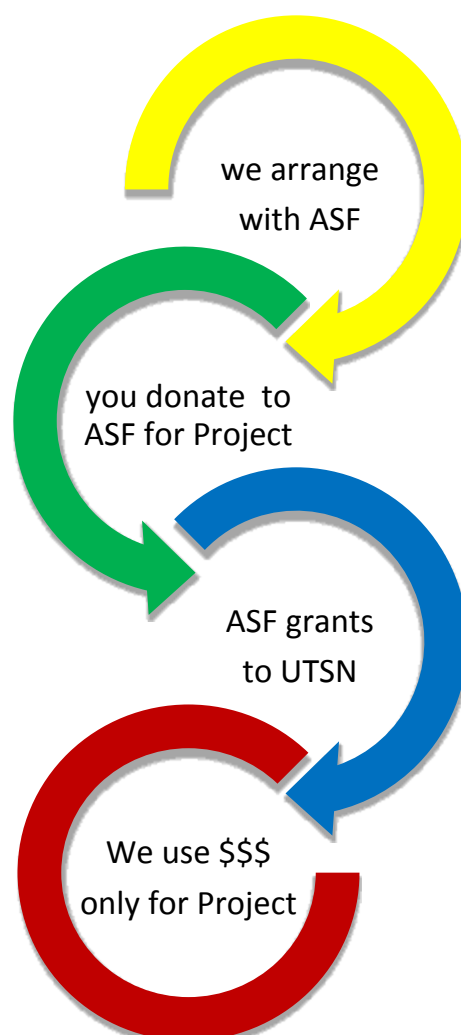
We also help with a **fifth way** to fund the UTS Norths Foundation – ASF grants for special UTS Norths projects (facilities or programmes) or even for an athlete.

There are **two easy ways to fund typical sporting activities**, as shown above. This is very simple and easy for commercial businesses (e.g., sponsorship, advertising), sports grants and straightforward donations (gifts, bequest and legacies).

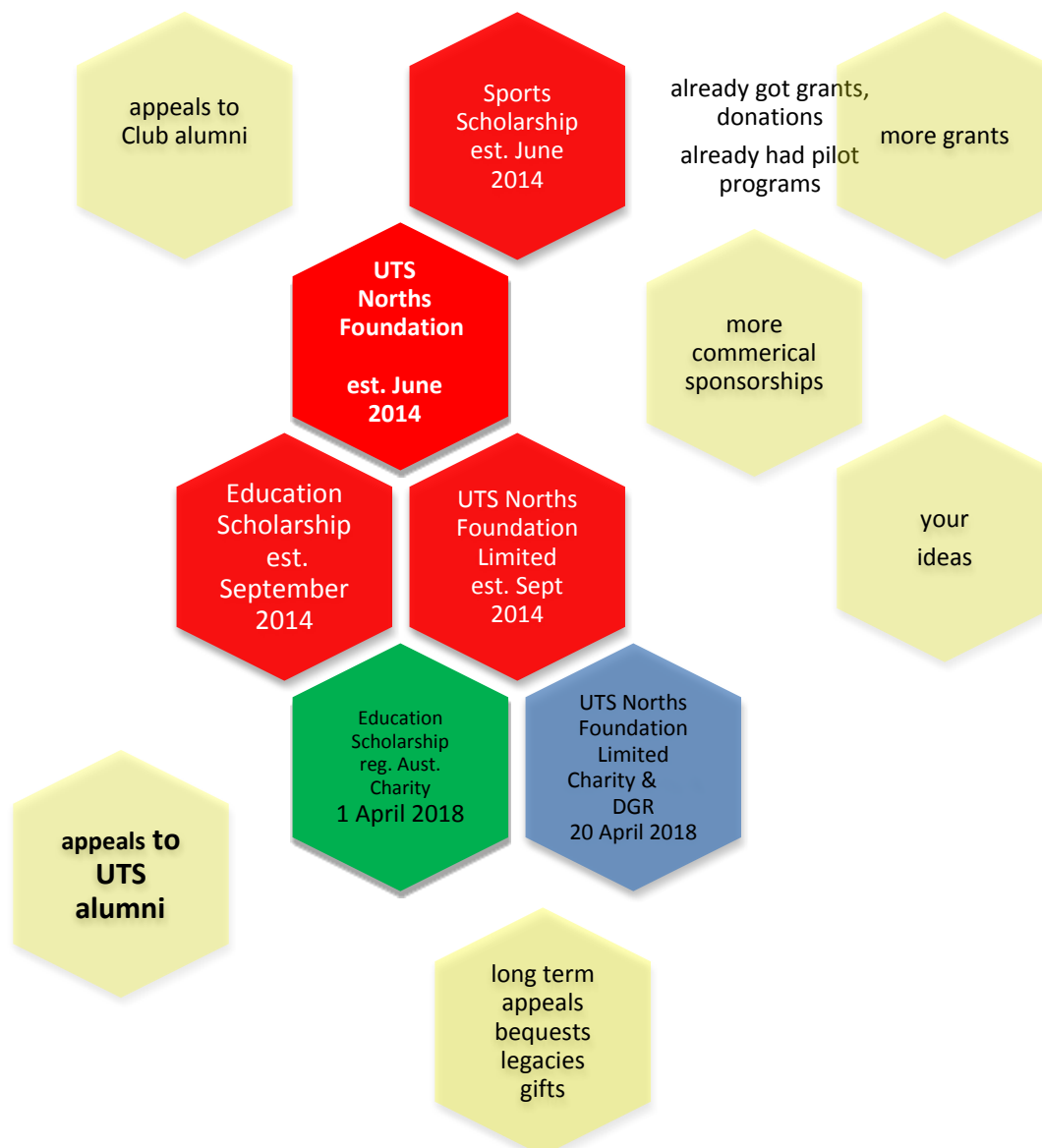
In Australia, though, **sporting** activities are **not permitted charitable** activities (and so are **not permitted for DGR tax deductions to the donor**). The UTS Norths Foundation may not fund them directly.

We can help with this fifth way. It is another service of the UTS Norths Foundation.

If a donor wants **DGR status** for their donation for a Club **sports** activity (e.g., some new **facilities** or for a **sports** scholarship or to fund an **athlete in their sport**) then the UTS Norths Foundation will manage that using a special service with the Australian Sports Foundation (ASF).



Where are we?

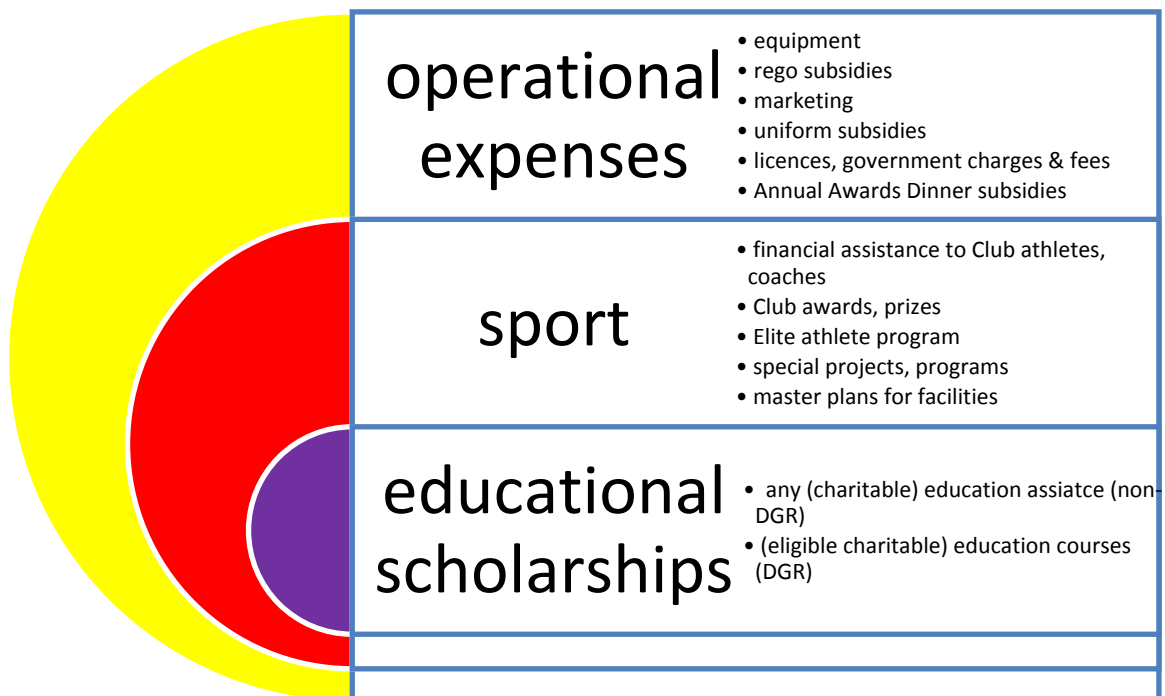
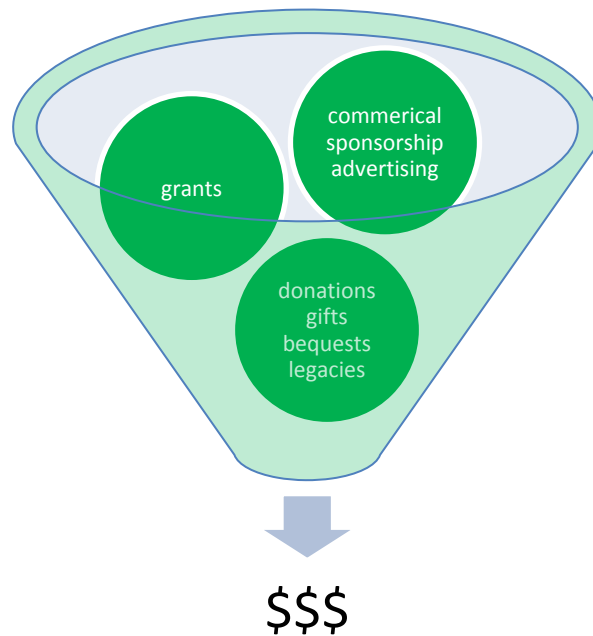


The UTS Norths Educational Scholarship Trust was registered on 1 April 2018 under national charities law. This should help with bequests, legacies, donations and grants which **require the recipient to be a registered charity**.

UTS Norths Foundation Limited is applying for charity registration and DGR status endorsement for its fund (*another fund!*). If granted, this should help with donations that **specifically require DGR status**.

The UTS Norths Foundation is planning for long term appeals for legacies, bequests, gifts and donations. Meanwhile, it continues to work on other funding and special projects.

Show me the **money** flow

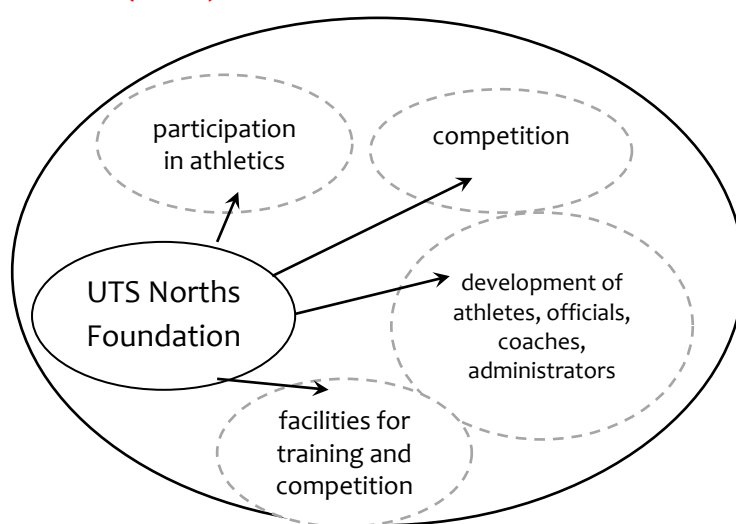


How does the UTS Norths Foundation **fit** with the Club

It is one of the activities of the Club. Everything to do with the UTS Norths Foundation is **by the Club** and **for the Club's objects**.

The UTS Norths Foundation is to help all other activities of the Club – all members of every age, ability and interest, including athletes, coaches, officials and administrators.

UTS Norths (Club) activities



What **is** the UTS Norths Foundation?

The UTS Norths Foundation is the Club's **programme** for arranging more financial and other assistance to athletes, coaches, officials and administrators.

It is the co-ordinated group of a **number of activities**, not just one or two things. A programme like this does not just pay money out in once-off batches.

It links with **longer-term professional development** of coaches and officials, education aspirations of members and athlete development.

It can oversee specific **scholarships or projects** that need regular payments, often tied to conditions.

It ties in with **longer term sponsorship** of the Club, particularly if targeted or tied to specific activities and outcomes.

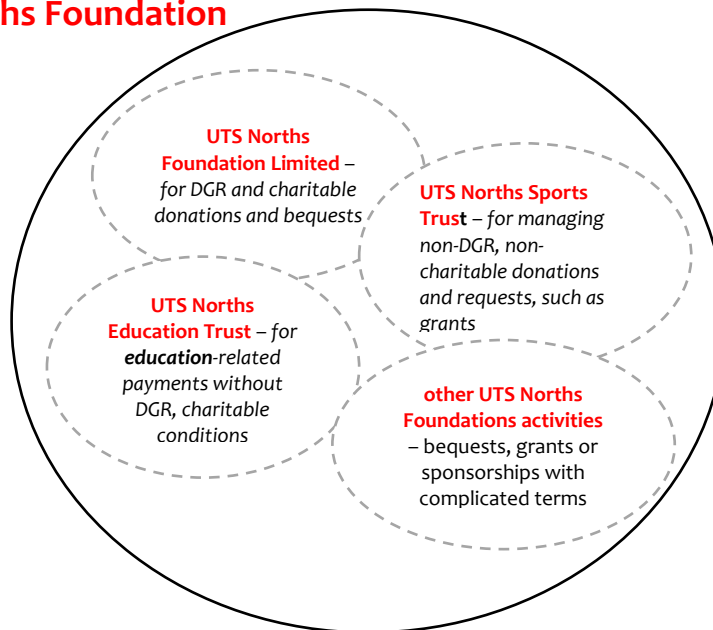
It demonstrates to those who wish to make gifts (when alive or in their wills) that the **Club can carry out their wishes**.

It **complements the Club's relationship with UTS Union** (for sport) and **UTS** (the University). It does not replace the affiliation – it adds to it.

Sprinter's view of the UTS Norths Foundation

Here is an overview:

UTS Norths Foundation



What is **different** from the Club?

The UTS Norths Foundation is different from what the Club does on a day today basis:

- It aims to be **long term**, not short term.
- It aims to build **financial stability for the Club's support given to many generations** of Club members, not just small annual payouts of nearly all the income we earn every year.
- It is for **building up more financial resources to help more people, over longer periods of time, in many more scenarios**, with appropriate governance.
- It is for **providing for larger, more complex projects that take longer to plan for and fund, especially from alumni and significant sponsors**.
- It is for **financially supporting education, for lifelong benefits**.
- It needs some different **legal structures** to get the extra sources of income.

What is the purpose

The **purpose** of the UTS Norths Foundation is to get **more funds for doing more** for the Club's objects over **a longer period**.

The **main roles** of UTS Norths Foundation are (1) to improve the Club's activities by helping existing and new athletes, coaches, volunteers and officials and (2) help improve the long term financial security for the Club's objectives.

The more we **control our own long term finances**, then the more we can survive and thrive in a changing, competitive world, and do more good things for more people.

The UTS Norths Foundation **especially supports the Club's high regard for lifetime education and training** and its highly **valued relationship with UTS**.

The **main long term goal** of the UTS Norths Foundation is to **build up long term capital** in order to fund (from the investment returns on the capital) over a long time a variety of activities for the Club's objects.

The **activities** of the UTS Norths Foundation cover short term and long term projects, programs, grants, scholarships, bursaries, legacies, gifts, sponsorships, donations and other fund raising of many kinds, investment management, strategic planning and compliance.

The **reason** for the UTS Norths Foundation is to **devote long term strategic planning, efforts, expertise to generate and manage long term capital and manage the many fund raising arrangements**, to complement the Club's daily and seasonal operations.

To maximise opportunities for fund raising, long term planning and financial security, the UTS Norths Foundation deals with **at least fifteen (15) major laws, tax and compliance regimes** by having several legal components. There are very tight limits on some Foundation activities.

What is **inside** the UTS Norths Foundation?

The **legal structures** *inside* the UTS Norths Foundation currently include **three things dedicated to the Foundation**.

Remember, though, that the **entire programme of activities** is more important– the legal structures will help the activities. The Club is always involved.

- There are **two Scholarship Trusts** and a company limited by guarantee.
These legal structures help improve governance for handling bigger amounts of money and more complex or longer term projects.
- The company limited by guarantee is called **UTS Norths Foundation Limited**.
The Club is the sole member of this company. Currently its five directors are Committee members.
- UTS Norths Foundation Limited will seek “**donor gift recipient**” **endorsement** from the ATO and charitable status registration.
 - If DGR status is granted, **donors may claim a tax deduction** for their gifts to the company.
 - This is a **major attraction** for some private donors, charities, certain funds and commercial sponsors. They would not donate without this DGR status.

- DGR and charitable status together is the **key to obtaining large or long-term commitments to build up capital** to benefit many generations in the future, instead of paying out virtually all income each year and never building up capital to do more things.
- DGR endorsement is for a **gift fund** run by the company. There are special rules for how it works. It may only be used to pay for **eligible education courses (not sport)**.
- Supporting education brings **lifelong benefits** for athletes.
- Education, sport and other financial assistance brings **more people into athletics**, fosters **healthy diversity** and **develops a lifelong community of athletes**.
- The two **Scholarship Trusts** are for two other important parts of the Foundation. They both have **high flexibility**. They can make it easier to manage some of grant money conditions already imposed on the Club.
 - The **UTS Norths Educational Scholarship Trust** is now a **registered charity**. It is for advancing **education**. It can be used for a wide variety of education – much broader than allowed for UTS Norths Foundation Limited. It could, for example, be used to help fund coaches and officials' education courses. This Scholarship Trust could attract **donations, bequests, gifts and legacies that must be paid into a charity** (but which do not need DGR endorsement). The Club may also use this Scholarship Trust for **charitable fundraising in NSW**.
 - The **UTS Norths Sports Scholarship Trust** is for **every other kind of financial assistance**. It is the Foundation's way to fund raise and pay money when there is no need to satisfy ATO or charity conditions. It is especially suitable for **sporting activities**. It is a way of having **good governance and reporting** for all current financial assistance received by the Club and paid out by the Club where there are conditions attached but not DGR or charity conditions. For example, the UTS Union grant moneys for EAP students would be held in this trust and managed by it. It does not need to be done this way. It has been successfully done by the Club without it. However, with more grant moneys coming in and hopefully more to come in, from many sources, it is easier if there is one way for the Club to manage all similar moneys, with their own special conditions and a high governance standard overall.

Bibs and bobs

The **fifteen (15) major** laws, tax and compliance regimes:

1. Club rules and law
2. incorporated association status
3. not for profit status
4. income tax exemption
5. trusts
6. charitable status (State)
7. Australian charity registration (national)
8. gifts (donations)
9. succession (wills, testamentary trusts)
10. prizes, lotteries, raffles (each State)
11. charitable fund raising (each State)
12. special purpose companies limited by guarantee
13. GST relief and exemptions
14. FBT exemptions and benefits
15. DGR endorsement status

and the Foundation deals with:

- | | | |
|---|---|---|
| ❖ accounting | ❖ External Scholarship assessment (for DGR) | ❖ program rules |
| ❖ ACNC annual information statements | ❖ Facility analysis and strategy | ❖ project agreements |
| ❖ advertising contracts | ❖ financial governance | ❖ public fund requirements |
| ❖ advertising laws | ❖ financial reports, statements and lodgement | ❖ RAF long term strategy |
| ❖ athlete agreements | ❖ Gift Fund rules | ❖ research collaboration |
| ❖ banking | ❖ governance | ❖ scholarship rules (eligibility, assessment) |
| ❖ bequest, legacy and gift appeals | ❖ grant applications and reporting | ❖ School alliance strategies |
| ❖ coach contract agreements (special projects) | ❖ GST returns | ❖ sponsorship contracts |
| ❖ coach development and support | ❖ insurance | ❖ strategic alliances |
| ❖ constitutions | ❖ international strategic plans and alliances | ❖ strategic plans |
| ❖ corporate annual financial statements | ❖ investment rules | ❖ submissions (national, State, Council, NSROC, ANSW, AA) |
| ❖ data and privacy | ❖ long term athlete development | ❖ trust deeds |
| ❖ DGR annual reports | ❖ marketing contracts | ❖ university liaison |
| ❖ DGR receipts | ❖ master plans | ❖ volunteers support and development |
| ❖ directors reports | ❖ officials development and support | |
| ❖ education course eligibility assessment (for DGR) | ❖ panels for awarding Scholarships | |
| ❖ events (hosting strategy) | ❖ partner appraisal and development | |



How is the UTS Norths Foundation **governed**?

The UTS Norths Foundation is **governed** this way:

1. The **Club owns and controls all aspects** of the UTS Norths Foundation.
2. The Club is governed by the Club's **Constitution**.
3. The Club acts through its **Committee**.
4. The Committee has a sub-Committee for the UTS Norths Foundation (**UTS Norths Foundation Sub-Committee**).

This can have anyone on it as decided by the Committee. It can include representative from key partners but, typically, they might not want to be an official member.

5. The Club is the **trustee** of the two **Scholarship Trusts**.

The entire Club Committee is responsible for ensuring the two Scholarship Trusts are properly managed, similar to how the Club's Committee is already responsible for the current Club matters.

The Club has delegated to the **UTS Norths Foundation Sub-Committee the day-to-day running of the Scholarship Trusts**.

6. The **company**, UTS Norths Foundation Limited, must be managed by its **directors**.

The directors must comply with a number of laws which do not apply to the Club's Committee. The company is also legally answerable to the Club, because the Club is the sole shareholder.

7. **Panels** are appointed from Club members and others who are involved in the many activities that occur across all of the legal structures.

For example, the awards panels has coaches, a UTS Union representative and anyone else who should be involved in the actual decisions to award financial assistance.

8. The UTS Norths Foundation Sub-Committee **reports to the Club's** Committee about all of the activities of the entire UTS Norths Foundation (company, two Scholarship Trusts, anything else).

Who's who

UTS Norths Foundation:	The Club owns and operates the UTS Norths Foundation.
UTS Norths Foundation Sub-Committee:	<p>The Club's Committee appoints the Sub-Committee.</p> <p>Currently:</p> <p>Andy West, Foundation Chair (also Club Treasurer)</p> <p>Andrew MacDonald, Foundation Secretary</p> <p>Sam Colless (also Club President)</p> <p>Ashley McMahon (also Club Secretary)</p> <p>Peter Higgins</p> <p>Frazer Dowling</p>
UTS Norths Sports Scholarship Trust:	The Club is the Trustee.
UTS Norths Educational Scholarship Trust:	<p>The Club is the Trustee.</p> <p>Registered Australian Charity (as from 1 April 2018).</p>
UTS Norths Foundation Limited:	<p>Registered special purpose company limited by guarantee.</p> <p>Sole member: the Club.</p> <p>Directors:</p> <p>Andy West, Chair</p> <p>Peter Higgins</p> <p>Frazer Dowling</p> <p>Andrew MacDonald (and Company Secretary)</p> <p>Public Gift Fund Management Committee:</p> <p>Peter Higgins (Responsible Person, Chair)</p> <p>Andrew MacDonald (Responsible Person)</p> <p>Andy West</p>

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Andy West
Committee Member (Club); UTS Norths Foundation Sub-Committee Member; UTS Norths Foundation Limited director and Chair