

# Glossary

**Australian Charities and Not-for-profits Commission (ACNC)** – The national regulator of charities, responsible for registration, reporting, and compliance.

**Bequest** – A gift left to a charity in a will.

**Beneficiary** – The people, communities, or causes that ultimately benefit from philanthropic activity.

**Capacity Building** – Funding to strengthen an organisation’s skills, systems, or leadership.

**Charitable Trust** – A trust established for charitable purposes, governed by trust law and charity regulation. Donations are typically not tax deductible.

**Charity** – An organisation established for charitable purposes that are for the public benefit and recognised under Australian law.

**Co-funding** – Multiple funders supporting the same initiative.

**Collective Giving** – A model where individuals pool resources (money, time, expertise) to make grants collaboratively, often through giving circles or community funds.

**Community Foundation** – A locally focused philanthropic organisation that manages charitable funds and supports community needs.

**Deductible Gift Recipient (DGR)** – An organisation or fund endorsed by the Australian Taxation Office (ATO) to receive tax-deductible donations.

**Fiduciary Duty** – Legal and ethical obligation to act in the best interest of the charitable entity.

**Grant** – A distribution of funds or assets to a charitable organisation, usually for a defined charitable purpose or general support.

**Impact Investing** – Investing capital with the intention of generating measurable social or environmental impact alongside financial returns.

**In-Kind Donation** – A non-cash contribution such as goods, services, or professional expertise (the value of which may be tax deductible).

**Not-for-Profit (NFP)** – An organisation that reinvests any surplus into its mission rather than distributing profits to members or shareholders.

**Philanthropy** – The intentional use of private resources (money, time, expertise, or resources) for public benefit.

**Portability** – The ability to move from one charitable structure to another, subject to ATO and trustee approval.

**Private Ancillary Fund (PAF)** – A private charitable trust (often family-controlled) that can receive tax-deductible donations and must distribute a minimum percentage annually to DGRs.

**Project Funding** – Funding tied to a specific initiative or timeframe.

**Public Ancillary Fund (PuAF)** – A charitable trust that pools donations from the public and distributes grants to DGRs. Some offer sub funds/giving funds which are a designated account within a PuAF that allows donors to recommend grants without establishing their own foundation.

**Public Benevolent Institution (PBI)** – A subtype of charity focused on relieving poverty, sickness, suffering, or distress; often eligible for additional tax concessions.

**Responsible Person** – An individual who meets regulatory criteria for governance roles in charities and ancillary funds.

**Seed Funding** – Early-stage funding to test or pilot an idea.

**Social Enterprise** – A business that trades to fulfil a social or environmental mission and reinvests profits to achieve that purpose.

**Structured Giving** – An intentional and strategic approach to philanthropy, designed to make a lasting and meaningful impact in alignment with the donor’s values or goals. Often involves the use of a structure (e.g., trusts, ancillary funds, bequests) to manage charitable giving efficiently and compliantly.

**Tax Deductible Donation** – A gift of money or property to a DGR that donors can claim as a deduction in their Australian tax return. Donations can be made directly to a charitable organisation or giving structure with DGR status.

**Theory of Change** – A structured explanation of how philanthropic actions are expected to lead to desired social or environmental outcomes.

**Trust-based Philanthropy** – An approach that prioritises building relationships, reducing power imbalances, and providing flexible, multi-year funding to empower charities.

**Unrestricted Funding** – Flexible funding for an organisation’s overall operations.