

Animal Welfare League Foundation

ABN 86 830 986 479

Caring for companion animals across Australia



**Information brochure and Investment strategy
2018-19**



Giving to the Animal Welfare League Foundation

Are you passionate about the health and welfare of companion animals? Are you interested in changing the life of a vulnerable pet for the better?

It is possible to make a lasting impact and we want to tell you how.

Every year, thousands of Australian pets are left without a loving home or in poor health through no fault of their own.

They are unwanted and in desperate need of rescue, shelter, foster care or rehoming. Many of them also need urgent access to vital veterinary care services, such as de-sexing, vaccination and microchipping.

Every single one of these precious animals needs the love and attention of a caring person.

Six animal welfare organisations are determined to meet this need, uniting to make Australia a better place for pets.

Together, they are the only truly national group whose sole focus is these companion animals.

But they cannot achieve their mission without your support.

By donating to the Animal Welfare League Foundation, your money goes directly to the vital work of these animal welfare organisations.

In this way, you can have a big impact on the lives of thousands of pets across the nation.

All of these animals deserve a better life **and you can help make it happen.**





Proud members of Animal Welfare League Australia **awla**

Who we are

The Animal Welfare League Foundation (ABN 86830986479) is a registered charity and endorsed by the Australian Taxation Office as a Deductible Gift Recipient; Item 2 – Public Ancillary Fund, Income Tax Exempt Fund.

The Corporate Trustee of the Foundation is AWLA Group Ltd (ACN 613487086), a wholly owned subsidiary of Animal Welfare League Australia Ltd (ABN 81 070 463 633).

Animal Welfare League Australia Ltd is an Australian-based non-profit companion animal welfare organisation and registered charity. Its mission is to create, uphold and encourage the highest standards of health, care and welfare for pets in the community.

It achieves this by:

- Promoting the human-animal bond and responsible pet ownership through national campaigns, partnerships and initiatives.
- Supporting our members to operate at the highest possible standards.
- Collaborating between our members

to identify and communicate best welfare practice.

Our purpose

The Foundation was established in 2016 to manage and distribute funds in perpetuity to its beneficiaries.

Who benefits

The beneficiaries are the following DGR Item 1 Tax Concession Charities:

- Animal Welfare League of Qld;
- Animal Welfare League NSW;
- Animal Welfare League South Australia;
- Lort Smith in Victoria;
- Dogs' Homes of Tasmania; and
- Saving Animals from Euthanasia Inc (SAFE) in Western Australia.

The six beneficiaries provide welfare, health services and care for companion animals around Australia. The services meet the rescue, shelter, adoption, foster care and veterinary care needs of more than 55,000 vulnerable animals every year.

For more information on the beneficiaries, go to: www.awla.org.au/about-awla/who-we-are

How we receive money

The Foundation receives donations from members of the general public who are concerned about the welfare of these companion animals.

The money is then distributed to the beneficiaries in accordance with legislated guidelines for a public ancillary fund.

Contributions accepted by the Foundation are tax-deductible, but other DGR-endorsed entities cannot donate to the Foundation.

As a public ancillary fund, the Foundation must distribute at least 4% of its funds annually. However, it is the practice of the Trustee to distribute all non-capital funds annually except for those applied to the following types of fees and expenses.

Fees and expenses

The trustee may apply income or capital of a public ancillary fund:

- to reimburse the trustee for reasonable expenses incurred on behalf of the fund; and
- to pay fair and reasonable remuneration for the trustee's services in administering the fund.

The Foundation does not provide any material benefit (except as set out for the above definition of Fees and Expenses),

directly or indirectly, to:

- the trustee; or
- a member, director, employee, agent or officer of the trustee; or
- a donor to the fund; or
- a founder of the fund; or
- an associate of any of those entities (other than a deductible gift recipient).

Compliance

The rules of the Foundation are set out in the Deed of Trust, which can be downloaded from the Foundation's registration page on the Australian Charities and Not-For-Profits Commission (ACNC) website.

The Foundation is controlled by a board with a majority of Responsible Persons. It can and must solicit funds from the public.

The Foundation's financial statements and compliance with legislated guidelines must be audited and reported to the ACNC annually. Penalties apply for non-compliance with the guidelines.



INVESTMENT STRATEGY

1. Background

AWLA Foundation (the Trust) is a Public Ancillary Fund settled on behalf of Animal Welfare League Australia Ltd, a not-for-profit public company limited by guarantee.

The Trust is intended to operate as a public fund and members of the public are invited to contribute to the fund.

The Trustee of the Trust is AWLA Group Ltd (the Trustee), a not-for-profit public company limited by guarantee.

The Trustee must maintain a fund for the Trust (the Trust Fund) with a separate bank account. The Trustee holds the Trust Fund on the Trust's behalf.

The Trustee holds Australian Taxation Office endorsements for charitable tax concessions and as a deductible gift recipient.

The Trustee has an honorary Board (the Board), the members (Directors) of which bring expertise in a range of fields including business and financial management. Directors volunteer their time to oversee the functions of the Trust.

2. Definitions

Bequest

The gift of any asset or right given by a donor in the donor's will including a legacy, residuary bequest, pecuniary interest, contingent bequest or specific bequest.

Capital

Includes receipts or accumulations of movements in asset prices, redemptions of asset values and realised capital gains (or losses).

Cash funds

Funds received by the Trust as cash or by cheque, credit card or internet banking.

Donation

A voluntary contribution by a donor of cash, real property, goods or services.

Guidelines

The Public Ancillary Fund Guidelines 2011, as amended or superseded.

Income

Includes receipts or accumulations of dividends, interest, trust distributions, rents and similar cash flows.

Real property

Land and the buildings on it along with its natural resources including an interest by whatever tenure.

Trust Fund

The total endowment or legacy fund operated by the Trustee in order to generate annual income for distribution to its beneficiaries; it is added to by bequests, other donations and income.

Retained earnings

The accumulation of net surpluses, or losses, of income over expenditure.

Tagged funds

Cash funds which are bequeathed or donated with a specified non-binding constraint on their use and accepted by the Trustee on that basis.

3. Purpose of the Trust Fund

The Trust Fund has been established, and donations and bequests are requested from members of the public, with the intention of providing funds to its beneficiaries to assist them in the direct care of lost, stray and abandoned companion animals.

With the exception of tagged funds, it is the Trustee's policy to distribute fund income to its beneficiaries within one month of receipt, net of administration costs.

Where income is received from bequests or tagged funds, The Trustee will consider investing or distributing the money as specified by the donor and will aim to observe all requests where requests comply with The Guidelines and The Foundation's objectives.

4. Investment objectives

- To, as far as practicable while complying with the minimum annual distribution requirements of the Public Ancillary Fund Guidelines 2011 (the Guidelines), preserve the capital of the Trust Fund available for investment and protect the capital against inflation over the long term.
- To protect the capital and income of the Trust Fund from the risk of investments that result in loss.

5. Investment Strategy

The Guidelines require AWLA Group Ltd, as Trustee of the AWLA Foundation Trust, to prepare and maintain a current Investment Strategy setting out the investment objectives of the fund



and detailing the investment methods that the Trustee will adopt to achieve those objectives.

The Investment Strategy must reflect the purpose and circumstances of the fund, with particular regard to (but not limited to):

- the risk involved in making, holding and realising, and the likely return from, the fund's investments, having regard to the fund's purpose.
- its expected cash flow requirements (including distribution requirements).
- the composition of the fund's investments as a whole, including the extent to which the investments are diverse or involve the fund being exposed to risks from inadequate diversification.
- the liquidity of the fund's investments, having regard to its expected cash flow requirements (including distribution requirements).
- the ability of the fund to discharge its existing and prospective liabilities.
- the investment requirements imposed by State laws.

All decisions relating to the Trust's investment of the Trust Fund are the legal responsibility of the Trustee, through the Board.

5.1 Introduction

When implementing the Investment Strategy, the following factors should be considered:

- (i) Duration – tagged funds are to be invested for the full term that they are not required for expenditure on their purpose, as determined by The Trustee, if it is a one- off purpose rather than ongoing purpose.
- (ii) Liquidity – due recognition should be given to investments that have sufficient liquidity to allow access to funds before maturity.
- (iii) Non-cash assets – the options and risks involved with holding, realising or gifting to the Trust any non-cash donations or bequests will be assessed on a case-by-case basis.
- (IV) Arm's length terms – any investments must be made on an arm's length basis and due consideration should be given to all investments to determine if any real or perceived material conflicts of interest are present.

5.2 Investment Portfolio

The Board sets and regularly reviews the asset mix for funds under investment with a conservative and prudent framework.

Investments, wherever possible, will be direct holdings in the name of the Trustee.

The asset mix may include cash, fixed interest, Australian and international equities and securities, listed property, real property and any other non-cash assets which the Board resolves to hold.

5.3 Initial funds and approved cash investments

Until the Trust Fund balance reaches \$300,000 cash, all funds are to be invested in cash investments with Australian-based banks that have a current Standard and Poor's credit rating of A or higher.

Once the Trust Fund balance reaches \$100,000 cash, the maximum exposure to any one bank is to be 33% of the total cash investments.

Once the Trust Fund balance exceeds \$300,000 cash, the Trustee will develop guidelines for the investment in a range of both growth and defensive assets.

**Thank you
for supporting our mission**



CONTACT DETAILS

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