



Manager,
Philanthropy and Exemptions Unit,
Personal and Retirement Income Division,
The Treasury,
Langton Crescent,
Parkes, ACT, 2600

Email: ppfreview2008@treasury.gov.au

Dear Sir/Madam,

Our organisation, The Reach Foundation would like to submit comments to the Treasury discussion paper, "Improving the Integrity of Prescribed Private Funds (PPFs)".

We are presently a DGR and a beneficiary of the Greenlight Foundation. The Foundation is a PPF and we are greatly concerned for the long-term viability of this important source of funding for our work.

Your discussion paper is suggesting a compulsory distribution rate for all PPFs to be 15% of capital as at 30 June of the previous financial year. We would like to point out that while a distribution rate as high as this may give us a greater income in the very short term, it would not, however, allow the Foundation to grow and hence maintain its giving over time.

Our organisation is very much more concerned for the long-term. We aim to grow ourselves over time, and do not wish to see an important contributor to our work being forced to slowly reduce funding. A 15% contribution rate would slowly reduce the help we receive from the Greenlight Foundation, and eventually cease altogether. That is not consistent with our long-term goal.

We would like to suggest a minimum rate to be set at 5%. If the Foundation can manage more than that in a successful investment year then it will be free to increase that figure. We look upon our relationship with Greenlight as a partnership. It is in our own interest to encourage philanthropy, so that more Australians will gain satisfaction from contributing to social work such as ours.

We can then look forward to a long-term future, both for ourselves and the organisations that support us.

Yours Sincerely,

Trisha Broadbridge
Engagement Facilitator