FRIENDS OF SURFSIDE BEACH INCORPORATED

Donations Policy and Deductible Gift Recipient (DGR) Gift Fund Rules

1. Purpose

The purpose of this policy is to help committee members understand how donations are to be handled, ensuring tax and law compliance and achievement of Friends of Surfside Beach Incorporated (FOSB)'s objectives; and to ensure donations are managed in accordance with the DGR Gift Fund Rules.

2. Objective

The FOSB committee aims to ensure that all committee members are aware of their obligations relating to the collection, recording and handling of donations.

3. Policy

In accordance with section 42 of the FOSB Constitution, the association's funds may be derived from donations and "funds and assets must be used to pursue the association's objects…". Donations are likely to be a key revenue source for FOSB and must be handled in a lawful manner that is also defensible, transparent and ethical. The Treasurer is responsible for ensuring that all gifts and deductible contributions of money or property are credited to the gift fund and managed in accordance with the Gift Fund Rules.

FOSB must not act or be perceived to act as a conduit. Any allocation of funds or property to other persons or organisations will be made in accordance with the established purpose of the association and not be influenced by the preference of the donor. The organisation will not pass a donation of money or property to other organisations, bodies or persons as a condition of a donation.

When making decisions, voting or setting strategy, committee members and Association members must have particular regard to FOSB's purpose "*To protect and enhance the coastal environment at Surfside Beach, NSW…*" and object (g) of the Constitution "*To operate as a not-for-profit and exclusively for charitable purposes under Australian law*".

Any conflict of interest between a donor and committee member must be disclosed and recorded, in accordance with the FOSB conflict of interest policy.

This policy is to be published on FOSB's website.

4. DGR Gift Fund Rules

4.1. Establishment and Purpose of the Fund

4.1.1 The Association will maintain a separate bank account and ledger system to be known as the **Friends of Surfside Beach Association Gift Fund** (hereafter referred to as "the Gift Fund"). The bank account should be separate from FOSB's operational bank account but with the same financial institution (as at June 2026, Commonwealth Bank) and should be accessible by the Treasurer and one other committee member.
4.1.2 The Gift Fund is established solely to support the principal environmental and conservation objects of the Friends of Surfside Beach Association Inc.

4.2. Management and Maintenance of the Fund

4.2.1 The Association must ensure that the Gift Fund is maintained and used only for its principal environmental purpose.
4.2.2 The following assets must be credited strictly to the Gift Fund:

- all gifts of money or property made to the Association for its principal purpose.
- all tax-deductible contributions made in relation to eligible fundraising events held for the principal purpose of the Association.
- any interest or money received by the Association because of such gifts and contributions.

4.2.3 The Gift Fund must not receive any other money or property that does not fit the criteria of tax-deductible gifts or contributions.
4.2.4 Receipts for all items credited to the Gift Fund must be issued clearly in the official name of the fund.

4.3. Winding Up and Revocation

4.3.1 If the Gift Fund is wound up, or if the Association's endorsement as a Deductible Gift Recipient (DGR) is revoked under tax law (whichever occurs first), any surplus assets of the Gift Fund remaining after the payment of liabilities attributable to it must be transferred to another fund, authority, or institution in Australia:

- which has similar environmental objects and purposes to Friends of Surfside Beach Association Inc;
- which is charitable at law (registered with the Australian Charities and Not-for-profits Commission); and
- to which income tax-deductible gifts and contributions can be legally made under Division 30 of the *Income Tax Assessment Act 1997*.

4.3.2 For completeness, these winding up provisions specifically relate to the Gift Fund and are in addition to the Association winding up clause 49 within the FOSB Constitution.

This policy was adopted 30 April 2026 and amended 20 June 2026 to include the DGR gift fund rules. The ATO provides further guidance for the operation of the gift fund. See Endorsement for the operation of a fund, authority or institution | Australian Taxation Office

Any questions should be directed to the public officer (at the time of writing, Jason Ford, jason.ford2536@gmail.com or 0400 474 959.