



Grant Thornton

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Via email and on-line submission: charities@treasury.gov.au

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GRANT THORNTON SUBMISSION –The Treasury – A Statutory Definition of Charity

Grant Thornton Australia is pleased to provide the Treasury with its comments on the draft legislation which gives effect to the statutory definition of charity and the accompanying draft explanatory material.

Grant Thornton's response reflects our position as auditors and business advisers to listed companies, privately held companies and businesses, not-for-profit organisations and wealth management groups, and this submission has benefited with input from our clients and discussions with other key constituents.

Grant Thornton supports the statutory definition of charity as drafted and commends Treasury on drafting a definition that focuses on the purposes of the organisation rather than its activities and provides the flexibility to allow for the continued development of the definition.

Further, whilst Grant Thornton supports the explanatory material as drafted we believe its effectiveness would be improved by providing greater guidance on, or examples of, purposes "that are incidental or ancillary to" a charitable purpose. Our experience indicates that it is the assessment of whether a purpose has become more than incidental or ancillary that causes the most uncertainty in determining to whether an entity is, or remains, charitable.

If you require any further information or comment, please contact us.

Yours sincerely

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