

23 July 2009

Manager  
Philanthropy and Exemptions Unit  
Business Tax Division  
The Treasury  
Langton Crescent  
PARKES ACT 2600

Dear Sir,

I write to provide HSC & Company's response to Treasury's Draft Private Ancillary Fund (PAF) Guidelines 2009.

HSC & Company is a specialist strategy consulting firm with a diverse stakeholder and client portfolio from across the commercial, government and non profit sectors.

We have observed with interest and participated in the consultation process relating to the review of Prescribed Private Funds by Treasury. The response by the broader philanthropic sector to this review signals a clear and growing desire to work collaboratively with government to design platforms and vehicles that will enhance Australia's philanthropic culture. To that end we are encouraged and pleased that Treasury listened to the recommendations that were tabled.

After discussing this issue at length with our stakeholders, I can confirm that HSC & Company endorses the perspectives outlined in Philanthropy Australia's submission in response to the Draft PAF Guidelines 2009.

This endorsement is intended to further highlight that the PAF's must be a clear, useable, efficient and effective philanthropic structure for the current and next generation of Australian philanthropists.

That said, we remain attuned to other relevant reviews currently underway, particularly the Henry Taxation Review. Although yet to be confirmed we believe it is likely that some of the recommendations arising from this review will interface and potentially impact the PAF structure. Given the changing role of the Australian Taxation Office (ATO) in relation to PAF's we encourage both Treasury and the ATO to remain mindful of these potential impacts when seeking to adopt recommendations.

HSC & Company welcomes the opportunity to work closely with Treasury on this important and future-shaping issue. I would be delighted to expand on any aspect of our thinking so if we can be of any assistance please contact me.

Kind regards,



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Chief Executive Officer

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