

## ▶▶ What Are Grants?

A grant is money awarded to an individual, a business, a Not-For-Profit, or a registered charity.



Each grant has **eligibility criteria** – rules about who can apply for the specific grant.

»» *Organisations awarding money are often called **funding bodies** or **funders**.*

There are different kinds of funders and they offer grants for different reasons.

### **Funders can be:**

- Government departments
- Corporate businesses
- Foundations
- Charities

## Grants are:

▶▶ Funding for you, your organisation (business, not-for-profit or social enterprise), or your community to achieve positive outcomes.

▶▶ The funding for delivering a specific product to help you improve or grow your business, or deliver a project or service.

For example:

- Community activities
- artworks and exhibitions
- events
- scholarships
- new or upgrading infrastructure

▶▶ Time sensitive. Funders commit to funding for outcomes to be delivered by a set date, with the majority having 12-month timelines. Some funding is multi-year, dependent on a successful outcome being achieved and an updated application.



▶▶ Offered by the funder to achieve one, multiple, or all of the outcomes of the grant program.

▶▶ Designed to meet the funder's objectives and address their identified challenges & opportunities.

## ▶▶ Are Grants Free Money?

No. Grants are not free money. Funders provide grants to individuals or organisations for projects that align to the funder's key strategies.



Imagine a local council has a key strategy of celebrating cultural diversity in the community. To help achieve this the council offers grants of up to \$5000 to local organisations to run projects that align to this strategy.

If you are successful in winning a grant there will be requirements you need to meet. Each grant will have different requirements, but at minimum they will include:

- Acknowledging the funder in any promotions
- Spending the money on what you said you would in the application
- Completing an **acquittal**



An **acquittal** is a report showing how you spent the money from the funder and you achieved the project goals



If you said you'd run **5** cooking classes for **10** people. And each class was a **different cuisine**. In your acquittal, you'll need to show how well you met that goal.




# Why Do Funders Give Grants?

Funders provide grants to individuals or organisations for projects that align to the funder's key strategies.

Funders provide funding for **tangible** and **intangible** outcomes.

**Tangible** example: they might fund a new product you're developing in your business, or a building upgrade.

**Intangible** example: they may fund a healthy eating program or youth leadership development workshop.



In my experience, funders want to improve our businesses and communities.

They set goals to help these improvements.

The funder you're reviewing may have one or more goals in mind when they develop funding programs. And one funding program's objectives might differ from others they offer.

## ▶▶ Do I Have To Pay Tax On Grants?

Grants are usually considered taxable income and will need to be included in your tax assessment.

But there are some exceptions for one-off support payment for events like COVID-19 or natural disaster.

It's best to check your organisation's tax registration and the grant guidelines to find out if your grant is considered taxable or not.

## ▶▶ What Types Of Grants Are There?

There are **4** types of grants, and **4** types of funder, each combination can make a difference to how you approach the funding opportunity.

### ▶▶ The 4 Funders

The 4 types of funders are

- government
- corporate
- philanthropic
- individuals

Each of these types has a different motivation for giving out grants; and they chose a type of grant to match their purpose.