

# How to assess the effectiveness of your charitable donation



Australians are among the most generous people globally when it comes to making charitable donations to worthy causes. If you are like most Australians, you have continued to give to the charities you support, right through the Covid pandemic.

With over 56,000 registered charities in Australia, it can be hard to decide which ones to support. Here is a guide and a checklist to help you assess the effectiveness of your charity donation.

# Where to start?



**A good place to begin is to check your charity's registration with the Australian Charities and Not for Profits Commission (ACNC).**

The ACNC is the national charity regulator in Australia. It has information and advice to help you make an informed decision about which charities to support.

If you wish to claim your donation as a tax deduction, the ACNC advises:

"For a donation to be tax-deductible, it must be made to an organisation endorsed as a Deductible Gift Recipient (DGR) and must be a genuine gift – you cannot receive any benefit from the donation. This means that purchases from a charity that involve raffle tickets, items, or food, cannot be claimed as tax-deductible gifts".

The person that makes the gift (the donor) is the person that can claim a deduction.

To find out more visit the ACNC website [here](#).

# Comparison sites

Charity comparison websites can also assist you with your assessment.

Two well-used Australian comparison sites are:

## **Change Path**

Change Path uses publicly available information to provide basic ratings around finance, transparency, and privacy.

## **The Impact Suite**

The Impact Suite uses a proprietary Social Impact Rating designed for Australian Charities. Their rating considers five key factors necessary to assess an organisation's sustainability and effectiveness – purpose, people, process, impact, and review.



# Measuring outcomes



Does the charity you are assessing provide research to demonstrate what they accomplish? Charities can evaluate their impact by using independent third-party organisations.

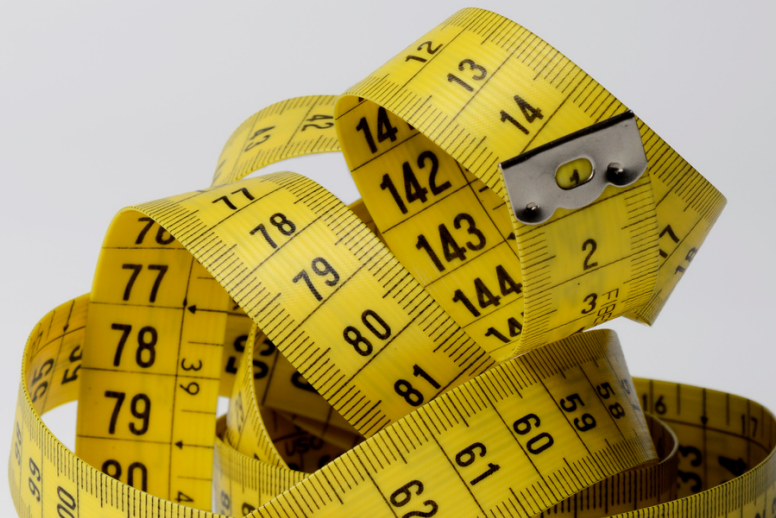
At StreetWork, we use both PwC and Huber Social to evaluate the outcomes of our KickStart Mentoring Program.

## **Social return on investment**

Social Return on Investment (SROI) is a measure that identifies how effectively a not-for-profit uses its capital and other resources to create value for the community.

The international accounting firm Price Waterhouse Coopers (PwC) calculates that StreetWork's Social Return on Investment (SROI) returns AU\$16 to the community for each \$1 donated. SROI estimates benefits to the community from factors such as improved mental health and reduced crime levels.

# Huber Social Research



**StreetWork's trained Youth Caseworkers nurture self-esteem and connect vulnerable young people with the community services that can help them achieve a set of outcomes:**

- Reduced offending and re-offending behaviours
- Reduced substance misuse
- Increased participation in education and employment
- Improved self-esteem, life skills, personal relationships, and
- Increased engagement with specialist services delivered by external community agencies

StreetWork commissions Huber Social to undertake annual research to measure the impact of its KickStart program across these outcomes. The research measures wellness, resilience, and life skills. Find the 2021 report [here](#).

# Assessment check list

There are hundreds of non-profit organisations in Australia that you can choose to support and selecting one that fits your needs doesn't need to be a difficult task. Use the websites above to do your research and use a simple check-list – like the one below – to compare the results.

<b>Factors to consider</b>	<b>StreetWork</b>
Who benefits from the charity?	StreetWork supports vulnerable young (11-18 year olds) to turn their lives around
Registered with ACNC?	YES
Tax Deductible Donations?	YES
Communities served	Northern Sydney region
Does independent research review the charity's service outcomes?	YES
Social Return on Investment	\$16 for every \$1 donated
Transparency and financial stability	Full 3 Star rating from ChangePath
Effectiveness of service outcomes	85% of StreetWork's young people achieve their goals and graduate from StreetWork's KickStart Mentoring Program



# Join StreetWork's community



There are a number of ways you can help StreetWork support vulnerable young people to turn their lives around. Why not join our community?

Volunteer: email [volunteer@streetwork.org.au](mailto:volunteer@streetwork.org.au)  
Follow us: subscribe to our newsletter [here](#)  
Donate: every \$50 donated covers the cost of a mentor session for a vulnerable young person. Donate [here](#)

