



DAF Perspectives for Advisors

Expertise and tools to help advisors deepen the philanthropic conversation

How to Help Your Clients Maximise Their Charitable Impact

By Natalie Pinon, Director of Development

The ways in which your clients give are rooted in their values, life experiences and world views. Helping your clients realise an effective philanthropy strategy builds trust and can elevate your role into something even more valuable. Here are some of the ways you can help your clients maximise their charitable impact.

Understand your clients' values: To support your clients' giving goals, you must first understand their values and charitable focus areas. By appreciating what is driving them to give, you will be better equipped to guide your clients through their giving journey.

But how do you go about building trust, confidence and a sense of connection with clients? One way is simply to ask clients what they hope to achieve with their wealth. As a gentle entry into the conversation, perhaps ask your clients what they have given to in the past and what common values drive their life decisions. Answers to these questions will help you simultaneously frame the philanthropic conversation and keep your clients' goal top of mind.

Discuss philanthropic structures early on: While there are a range of charitable giving vehicles to consider, many clients will end up choosing between a donor-advised fund (DAF) or a charitable trust, also known as a charitable foundation. For most individuals who wish to make grants to charities, a DAF provides an elegant and flexible solution without the additional work required to set up and run their own charity. Make sure you understand the [benefits of a DAF](#) so that you can help your clients assess which structure works best.

Add appreciated shares and complex assets to the conversation: When discussing options, it is worth exploring what types of assets your clients may choose to give in addition to cash considerations. Appreciated shares are becoming an increasingly popular option given the associated elimination in capital gains taxes.

With DAFs, donors can look beyond their share portfolios to view their total wealth as potential gifts to charity. Complex assets such as privately held stock, limited partnership interests and even illiquid assets such as property and works of art can be gifted to a DAF.

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Include impact investing: To make your clients' philanthropic capital go further, ask your clients to consider investing their charitable pounds or dollars in impact investment options. With impact investing, donors can align their charitable goals with their investments by seeking both a financial and social impact return. A DAF with NPT UK makes this easy by offering a selection of pre-approved impact investment funds. For higher value DAFs, your clients have the option of recommending that DAF assets be managed by a third-party impact investment manager.

As an advisor employing these different strategies, you may see a significantly increased role in helping your clients maximise their charitable giving. For further information on DAFs for private clients with NPT UK, please [contact us](#).

Natalie Pinon is Director of Development at NPT UK. She has over 15 years of experience working with philanthropists and impact investors to manage their giving.

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