

Victorian Scottish Heritage Cultural Foundation Limited

Annual Report 2013-14



Directors

Old Scotch Collegians Association Director representatives

H R Tadgell, Chairman

B A Brown

P M Findlay

P F England (alternate director)

Melbourne Scots Director representatives

J B Blanch

D A Kemp

D P Mercer

J M B Ross (alternate director)

R L Adam (alternate director)

Officeholders

Foundation Ambassador

G M Bradbeer

Company Secretary

S R Montgomery

Registered Office

1 Morrison Street, Hawthorn, Victoria 3122

Bankers

National Australia Bank

Investment Advisers

JBWere

Annual Meeting 2013-14

Notice to all members of the Victorian Scottish Heritage Cultural Foundation Ltd

Annual General Meeting- 2014

The Victorian Scottish Heritage Cultural Foundation was founded in 2010 and incorporated on 6 October 2010.

Notice is hereby given that the 3rd Annual Meeting of the Corporation will be held at Scotch College in the Randall Building, Meeting Room 1 on Thursday 30 October 2014 at 7.15pm.

Business

1. Waiver of notice of meeting
2. Reception and adoption of the Annual Report and Financial Statements.
3. Agreement that no auditor be appointed
4. Other business legally brought before the meeting.

By Order of the Council
S R Montgomery
Secretary
9 October 2014

Chairman's Report

I am pleased to report that 2013-14 has been a year in which the Victorian Scottish Heritage Cultural Foundation has taken a number of significant steps forward in positioning the organisation to ensure that the Scottish cultural heritage of Victoria and Australia continues to enjoy active support and encouragement.

In March the Foundation received advice it was successful in its application to become a recognised cultural organisation with its Public Fund approved by the Australian Government Ministry of Arts as an organisation on the Register of Cultural Organisations. This has resulted in the Foundation receiving deductible gift recipient endorsement from the Australian Taxation Office, making it eligible to receive tax deductible donations. It is hoped this will provide impetus for growth in donations and building the financial capabilities for the Foundation to assist in fulfilling its objectives.

With the Foundation becoming a registered cultural organisation further consideration was given during the year to reviewing project application policies and procedures, and communicating them to the wider community. This has seen an increase in the number of applications and proposals for projects received from the public. Attention has also been directed to reviewing and developing the Foundations Investment Policy. The Directors are currently targeting supporting projects of approximately \$30,000 p.a, but it is hoped this will increase with growth in donations and corpus over time.

To assist in promoting the objectives and activities of the Foundation Graham Bradbeer has agreed to assume a role as Ambassador for the Foundation. After 30 years of outstanding service as Chaplain at Scotch College and the wider community Graham is richly engrained in Scottish culture and heritage and will work with Directors and executive.

During the year the Foundation supported a number of projects celebrating and promoting Scottish cultural heritage.

The Foundation was a major sponsor of the 'For Auld Lang Syne' exhibition displayed at the Art Gallery of Ballarat from 11 April to 27 July 2014. The exhibition explored and celebrated the cultural and political impact of the Scots on the development of the Australian Nation by bringing together works of art, historical portraits, memorabilia and original documents drawn from collections in Australia and overseas. The project was not purely an art exhibition; it also had an extensive schedule of public programs, which provided different opportunities for public engagement including art workshops, lectures and talks, poetry events, a Ceilidh and celebrations with traditional Scottish cuisine. Indoor and outdoor Scottish musical events were also a feature and the show opened as a component of the National Pipe Band competitions. All the public programs were well subscribed to and the exhibition was successful in attracting over 18,000 visitors, including nearly 2,000 students. Being well placed within the school year the exhibition presented a comprehensive education program at both primary and secondary levels, which proved popular.

As part of the exhibition the 'For Auld Lang Syne' catalogue was produced under the supervision of the Ballarat Gallery Director Gordon Morrison as a permanent record of the project. The catalogue included a forward by HRH the Prince of Wales, and essays by eight leading scholars on aspects of the Scottish presence in Australia. In its own right, the publication is an important document, reinforcing the contribution and influence Scots have had on the settlement and development of Australia.

Another feature of the exhibition was the design of a special tartan by the gallery specifically for the occasion, which has been registered with the Scottish Register of Tartans as the Ballarat Tartan.

The Foundation also supported the third Robert Burns Scottish Festival at Camperdown from 27-29 June. The Foundation sponsored Jane Brown, President of the Robert Burns World Federation to travel to Australia to present a series of Burns suppers' tutorials and

presentations. The Robert Burns Festival was born out of the Corangamite and Camperdown community's restoration of the Robert Burns statue in the Camperdown Botanic Gardens, one of the oldest outdoor statues of burns in the world, which was gifted to the town in 1833 and damaged by vandals. The Festival is dedicated to celebrating Camperdown and the surrounding communities strong links to Scottish culture and history by offering a diverse event focusing on local history, music, literature, dance, poetry, golfing, hill runs, workshops and food. In spite of awful weather the festival was supported by good numbers and continues to grow, with the Deerstalker Ball and Ghillies Gathering providing ample opportunity for Scottish country dancing.

The Foundation's annual awards program for achievements in bagpiping saw it present piping prizes to students at Scotch College, Haileybury College, Ballarat Grammar and Presbyterian Ladies College. Testament to the standard of piping in Australian secondary schools is the recent performance of the Scotch College Pipe and Drums who competed at the World Pipe Championships in Glasgow, and finished equal third (fourth on count back). In doing so the bands drummers achieved fifth place and pipers were judged best Under 18 pipe corps in the world.

During the year Peter Joyce and Peter England resigned as Directors. In doing so Peter England also stepped down as Chairman, but has remained on as a OSCA representative alternate director and is joined by John Ross who has been appointed an alternative director representative for the Melbourne Scots. I thank both Peter England and Peter Joyce for their valuable contributions to the Foundation as founding directors, and stewardship in assisting in the formative development of the organisation. I would also like to extend my appreciation to the current Board of Directors who give their time freely and willingly, and thank them for their continued support and diligence in overseeing the activities of the Foundation.

Hamish R Tadgell
Chairman

Directors' Report

The Directors have pleasure in presenting their report together with the accounts of the Victorian Scottish Heritage Cultural Foundation for the year ended 30 June 2014.

Organisational Structure

The Victorian Scottish Heritage Cultural Foundation Limited is a company limited by guarantee, and is listed on the Register of Cultural Organisations under the Income Tax Assessment Act 1997, and its public fund, The Victorian Scottish Heritage Cultural Foundation Ltd Public Fund, is eligible to receive donations as a deductible gift recipient.

Objectives and principle activities

The core principles of the VSHCF that underscore objectives of the Foundation are to:

- Promote the values of the Scottish enlightenment, including high value placed on education for all, the role of reason in building modern society, and belief in egalitarian values. The focus of the foundation on education reflects the deep roots of schooling in Scottish culture, and the key role of schooling in transmitting cultural heritage from one generation to the next.
- Recognise Scottish traditions and celebrate Scottish heritage through encouraging and promoting public participation in, and performance of, Scottish cultural activities.
- Promote and recognise excellence and achievement in the performance of Scottish cultural activities.

The objectives of the VSHCF are to:

- Manage the VSHCF Public Fund to support the promotion and recognition of, and participation in, Scottish culture and heritage in Victoria and throughout Australia.
- Foster appreciation and awareness through experience of Scottish cultural activities, and develop opportunities for promotion of Scottish music, Scottish cultural events, research into Scottish culture, the development of instructional materials for teaching and displays, the production of cultural items, and culturally relevant visits.
- Award prizes and scholarships in recognition of excellence and to encourage advancement of skills and cultural understanding and promotion of Scottish heritage, particularly within secondary schools.
- Fund the promotion of events that celebrate and promote Scottish cultural traditions and heritage.

Grant making policy

The Foundation has established a funding policy to achieve its objectives for the public benefit.

- Funding for the majority of projects is made in response to applications and/or an expression-of-interest in relation to projects advertised by the Foundation on its website, although occasionally grants may be made in response to a need or opportunity pro-actively identified by the Foundation. The organisation applying to the Foundation must be the organisation that will run the project or program for which a grant is being sought.
- Programs selected for funding will have clearly defined objectives and measurable end results. The output of projects must be available to the public, and preference will be given to projects that involve members of the public.
- The Foundation does not fund existing projects, although may consider applications for strategic expansions of existing programs or new/innovative additions to an existing project. The Foundation does not fund retrospectively and will not fund projects that have already started.
- Applicants must be domiciled and undertake their primary activities in Australia, although the Foundation will consider supporting tours by Australian applicants overseas, exchange programs and invitations of overseas visitors to Australia where it furthers the promotion of Scottish culture and heritage, and activities of the applicant.
- Applicants are NOT required to be incorporated or have Deductible Gift Recipient (DGR) or have Tax Concession Charity (TCC) status, but organisations or Groups applying are required to be not-for profit.

Projects that will not be considered include:

- General fund raising appeals.
- Retrospective funding – projects which are already underway or which will commence prior to the date indicated in our online application information are not eligible for consideration.
- Recurrent expenditure for which there is no future provision.
- Capital or endowment funds established to provide a corpus for institutions.
- Auspicing (an ineligible organisation applying to the Foundation via an eligible organisation) is not permitted – the organisation applying must be the one that will run the program or project.
- Applications for projects that have previously been declined by the Foundation cannot be resubmitted.
- Applications will not be accepted from organisations that have not successfully acquitted previous grants from the Foundation.
- Sport, recreation or social activities for their own sake.

Application process

- **Projects applications:** The Foundation will advertise for Projects on the VSHCF website. To be eligible applications must reach the VSHCF by the closing date stipulated in the advertisement for the matter applied for.

The Board has the discretion to consider project applications in exceptional circumstances in response to a need or opportunity pro-actively identified by the Foundation.

- **Funding bands:** Organisations and individuals can apply for up to \$10,000 for one-off projects. Funds are modest, and highly expensive projects will not be considered. Multi-year grant commitments will be considered in exceptional circumstance and considered on their merit.

- **Applications:** Applicants should apply by completing the current application form, which can be found on the VSHCF website at www.vshcf.com.au, and be accompanied by a letter supporting the case for funding and accompanied with background information that helps gain a better understanding of your organisation eg annual report, newsletters, bulletins etc. All applications should be forwarded to Victorian Scottish Heritage Cultural Foundation Limited, c/o OSCA, 1 Morrison Street, HAWTHORN, VIC 3122.
- **Eligible applicants** need to supply the following eligibility information if applying as an organisation:
 - Verify is a not-for-profit organisation
 - Evidence of current insurance status – public liability and/ or professional indemnity
- **Evaluation process:** Generally, the process of evaluation, assessment and approval takes approximately two months from the application closing date. All project applications will be reviewed and decided on by the VSHCF board. After the board has assessed all applications you will be notified in writing whether or not your application has been successful.
- **Feedback:** The Foundation is run by a small number of staff. Unfortunately it is not possible for us to provide formal feedback for unsuccessful applications.
- **Grant conditions:** All projects are subject to our Standard Project Conditions which outline obligations for successful applicants, such as reporting and evaluation, after a Project has been funded

Donations and Investments

The Foundation's work is entirely reliant on income and investment returns from its endowments. In the financial year ending 30 June 2014 the Foundation received bequests totalling \$7,000.

As at 30 June 2014 \$722,345 was held in the Scotch College Charitable Trust relating to a donation directed to the Foundation by Mr J. Geoff Donaldson AO. Now that the Foundation Public Fund is listed on the register of Cultural Organisations arrangements are being made to transfer the balance of these funds, including accrued interest, to the Foundations Public Fund account. On receiving these funds they will be invested by the Foundation in accordance with its investment policy.

The Foundation's investment strategy is to maintain the real value of the investment assets, generating a stable and sustainable return whilst taking into consideration requirements of the Foundation (especially operating cash flow and income needs). The VSHCF Board considers the Association a conservative investor, with a medium to long-term investment horizon.

Directors

The name of the Directors in office at any time during or since the end of the financial year:

Name	Position	Appointed	Resigned	No. of meetings eligible to attend during the year	No. of meetings attended during the year
D L Adams	Alternate Director	31 January 2013		5	3
B A Brown	Director	28 October 2013		4	3
J B Blanch	Director	6 October 2010		5	5
P F England	Director	6 October 2010	28 October 2013	2	2
P F England	Alternate Director	28 October 2013		3	1
P M Findlay	Director	6 October 2010		5	3
P C Joyce	Director	6 October 2010	28 October 2013	2	1
D A Kemp	Director	6 October 2010		5	3
D P Mercer	Director	6 October 2010		5	5
J M B Ross	Alternate Director	28 October 2013		4	2
H R Tadgell	Director	28 October 2013		4	4

The company secretary, Mr Scott R Montgomery, has been Secretary since 9 October 2012.

Result of operations

The net operating position of the Foundation for the financial year ended 30 June 2014 after provision for income tax was a deficit of \$143 (2013: \$2,042 deficit). As at 30 June 2014 the Foundation had net assets of \$725,175 (2013: \$722,945).

The Foundation is a Company limited by guarantee and under the Corporations Act not required to have its accounts audited, and the Foundation's Constitution does not require an audit to be undertaken.

This report is made in accordance with a resolution of the Directors.

H R Tadgell
Chairman

J B Blanch
Treasurer

30 October 2014
Melbourne

Special Purpose Financial Report for year ended 30 June 2014

The Victorian Scottish Heritage Cultural Foundation
Statement of Surplus or Deficit
For year ended 30 June 2014

	Note	2014 \$	2013 \$
Revenue			
Interest		43	120
Donations		7,000	1,000
Total Income		<u>7,043</u>	<u>1,120</u>
Expenses			
Project funding		7,000	1,500
Other		186	1,662
Total Expenditure		<u>7,186</u>	<u>3,162</u>
Net Operating (Deficit)/Surplus before Income Tax		(143)	(2,042)
Income Tax Expense	2(c)	-	-
Net Operating (Deficit)/Surplus after Income Tax		<u>(143)</u>	<u>(2,042)</u>

The accompanying notes form part of these financial statements.

The Victorian Scottish Heritage Cultural Foundation
Statement of Financial Position
As at 30 June 2014

	Note	2014 \$	2013 \$
ASSETS			
Cash at Bank		2,830	2,973
Receivable from Scotch College Charitable Fund		722,345	719,972
		<hr/>	<hr/>
TOTAL ASSETS		725,175	722,945
		<hr/>	<hr/>
NET ASSETS		725,175	722,945
		<hr/> <hr/>	<hr/> <hr/>
ACCUMULATED SURPLUS	3	725,175	722,945
		<hr/> <hr/>	<hr/> <hr/>

The accompanying notes form part of these financial statements.

The Victorian Scottish Heritage Cultural Foundation

Notes to the Financial Statements

For the year ended 30 June 2014

1. Introduction

The Victorian Scottish Heritage Cultural Foundation was established in 2011 and is a limited liability company registered with ASIC for the purposes of promoting the recognition, understanding and celebration of Scottish cultural heritage.

The Foundation was established on the joint initiative of the Melbourne Scots and the Old Scotch Collegians Association to ensure that the Scottish cultural heritage of Victoria and Australia continued to enjoy active support and encouragement. The Foundations has a particular interest in the teaching and practice of Scottish Cultural heritage in educational institutions, as well as in the general community. Through its activities the Foundation seeks to ensure that the role of Scottish heritage and culture in Australia's history is forever recognised in Victoria and widely in Australia.

The financial statements are presented in Australian dollars.

The Foundation Public Fund was approved by the Australian Government Ministry of Arts as an organisation on the Register of Cultural Organisations under the Income Tax Assessment Act 1997 on 20 March 2014 and received deductible gift recipient endorsement from the Australian Taxation Office on 28 March 2014, making it eligible to receive tax deductible donations.

2. Summary of significant accounting policies

These financial statements are a special purpose financial report prepared in order to satisfy the accounts preparation requirements contained in the Constitution of the Victorian Scottish Heritage Cultural Foundation Limited. The Directors has determined that the Foundation is not a reporting entity as defined in Statement of Accounting Concepts 1 "Definition of the Reporting Entity" and therefore there is no requirement to apply accounting concepts or standards in the preparation of these statements.

The financial report has however adopted the measurement requirements Australian Accounting Standards, which include Australian Equivalents to International Financial Reporting Standards.

The principle accounting policies adopted by The Foundation are stated in order to assist in a general understanding of the financial report.

a) Investment Income

Income and expenses are brought to account on an accrual basis. Interest income reflects coupon interest received and interest on bank deposits.

b) Donations

Income is recognised when the Foundation obtains control of the contribution or the right to receive a contribution, it is probable that the economic benefits comprising the contribution will flow to the entity and the amount of the contribution can be reliably measured. Donations in kind are recognised at the net fair value of the underlying asset.

c) Income Tax

The Foundation is a non-profit registered cultural organisation and is endorsed by the Australian Taxation Office as a deductible gift recipient and exempt from income tax under Subdivision 50-1 of the Income Tax Assessment Act 1997.

d) Cash

Cash includes deposits held at call with a bank or financial institution and highly liquid investments that are readily convertible to cash on hand and are subject to an insignificant risk of changes in value.

3. Accumulated Funds

	Balance 1 Jul 13 \$	Donations \$	Income Return \$	Payments \$	Balance 30 Jun 14 \$
VSHCF Foundation	2,973	7,000	43	(7,186)	2,830
Scotch Charitable Fund	719,972		12,373	(10,000)	722,345
	703,176	7,000	12,416	(17,186)	725,175

	Balance 1 Jul 12 \$	Donations \$	Income Return \$	Payments \$	Balance 30 Jun 13 \$
VSHCF Foundation	5,015	1,000	120	(3,162)	2,973
Scotch Charitable Fund	690,077		29,895		719,972
	695,092	1,000	30,015	(3,162)	722,945

The directors of the Foundation declare that the financial statements and notes of the Foundation set out on pages 11 to 14:

- (a) are consistent with the financial reporting requirements of The Victorian Scottish Heritage Cultural Foundation Limited and are appropriate to meet the needs of the members; and
- (b) present fairly the Foundation's financial position as at 30 June 2014 and its performance for the financial period ended on that date.

In the opinion of the directors of the Foundation:

- (a) the financial statements and notes are in accordance with the Foundation's Constitution; and
- (b) there are reasonable grounds to believe that the Foundation will be able to pay its debts as and when they become due and payable.

Signed at Melbourne in accordance with a resolution of the directors this the 30th day of October 2014.

Mr H R Tadgell
Director

Mr J B Blanch
Director