

Victorian Scottish Heritage Cultural Foundation Limited

Annual Report 2020-21



Directors

Old Scotch Collegians' Association Director representatives

H R Tadgell, Chairman

A A Wilson

J Jeffreys

Melbourne Scots Director representatives

J B Blanch

N McConnachie

R L Adams

A Ross (Director alternate)

Officeholders

Chief Executive Officer

C J Davis

Company Secretary

J Green

Registered Office

1 Morrison Street, Hawthorn, Victoria 3122

Bankers

National Australia Bank

Investment Advisers

S G Hiscock & Company Limited

Chairman's Report

As we have all experienced, the Coronavirus pandemic has heavily disrupted and restricted our normal routines and what we have been able to do over the last twelve months - the Foundation has not been immune.

Cultural activities and the arts have been particularly impacted given the restrictions on congregating in public spaces and gatherings. For the second year, many of the projects we had planned to support over the last 12 months including concerts, highland games and piping competitions have been cancelled or postponed. With vaccinations becoming more universally available, immunisation rates increasing and Governments looking to relax restrictions hopeful things will start to open up and we will return to some semblance of life as we knew it, and those things we enjoy and miss.

It was disappointing that the 2021 Melbourne Tartan Festival (MTF) plans were disrupted for the second year running due to Covid. The Festival organising Committee, responsible for co-ordinating and staging the MTF, worked tirelessly over the last 12 months navigating the uncertainty of pandemic. It has been a frustrating and challenging year in planning an expanded program and only being able to stage a handful of events, but in many respects, it has brought the community closer together and added to the resolve to make next year's Festival even bigger and better.

Since launching the Festival, it has grown in popularity as the list of events and breadth of activities has expanded. This year the Festival was planned over two weeks in July, with piping, singing and traditional Scottish music concerts and recitals, a ceilidh, genealogy and Gaelic language workshops, whisky tasting, Scottish film events and, culminating in the gala dinner concert at the Melbourne Town Hall and mass pipe band parade down Collins Street the following day. Whilst it was highly disappointing Covid restricted the program, in keeping with last year a number of events moved on line, and between lockdowns:

1. A Scottish film afternoon was held by the Old Scotch Collegians' Association Film Society with guests welcomed by the Scotch College Pipes & Drums and entertained by the Victorian State Committee of Highland Dancing Inc. (VSCHDI) dancers, who put on an outstanding display of Highland dancing.
2. The Kirkin 'O The Tartan Service was held at Scots' Church Melbourne on Sunday 11th July, with 20 clans and community group representatives participating in the Tartan Parade led by Old Scotch Pipes & Drums piper, Stewart Wallace.
3. 'Scottish Connections' CBD guided tours were held on Saturday 10th and Sunday 11th July.
4. The Caledonian Castaways' 'Oan The Road' concert and whisky tasting was held at the Theatre Royal, Castlemaine on 11th July, marking the Festival's first foray into regional Victoria.
5. Four virtual MTF Scottish themed lectures by Kenneth Park and an Author talk by Michael Veitch, author of 'Hell Ship' were held across the two weeks.

Links to the festival highlights and performances have been uploaded to the MTF website and Facebook and Instagram pages. They provided some welcome relief and good fix of Scottish culture during lockdown!

The Foundation continues to see the MTF as an important cultural event in celebrating Scottish culture and traditions and ensuring they are promoted and handed down to future generations. Importantly, it also adds another flavour to Melbourne's wonderfully rich multicultural fabric. The love of Scottish culture and values enshrined in the Scottish enlightenment is not confined to just those with a Scottish background.

Planning is already underway for the 2022 MTF, and details will be available soon on the MTF website and Facebook link, including details of ticket sales and sponsorship opportunities. Judging by the growing number of activities that were scheduled for this year's festival, and ticket sales for the gala dinner, there is greater support than ever for the Festival. We eagerly look forward to the return of live events and opportunity to congregate, and hope as many of community as possible will be able to join in on the festivities next July.

I would particularly like to thank Carol Davis, the Festival Coordinator for her vision and leadership, enthusiasm and tireless work. Her networking and engagement in bringing the various clans and associations together has been instrumental in establishing the MTF and making it a success.

The MTF would also not be what it is without the participation and commitment of all the community groups and associations who have again supported the Festival and volunteered their time including, The Scots of Victoria Coordinating Group, The Victorian Pipers Association, Pipe Brands Victoria, The Scottish Dancing Associations, the Gaelic Society, Melbourne Scots and Old Scotch Collegians' Association. It is the different community and volunteer groups from within the broader Scottish community, who give willingly and because of their love of Scottish culture and values, and desire to share this more broadly, that make the Festival, and more widely the Foundation projects, such a success.

This year has seen the successful conclusion of three significant projects supported by the VSHCF:

1. The creation of a tartan named to honour the memory of RJK (Bob) Semple OAM BEM, former Chieftain of the Australian Pipe Band Association, Rats of Tobruk veteran and Drum Major of Hawthorn City Pipe Band (HCPB). The HCPB will now perform in new kilts made with this tartan as a lasting tribute to this inspirational man of the people.

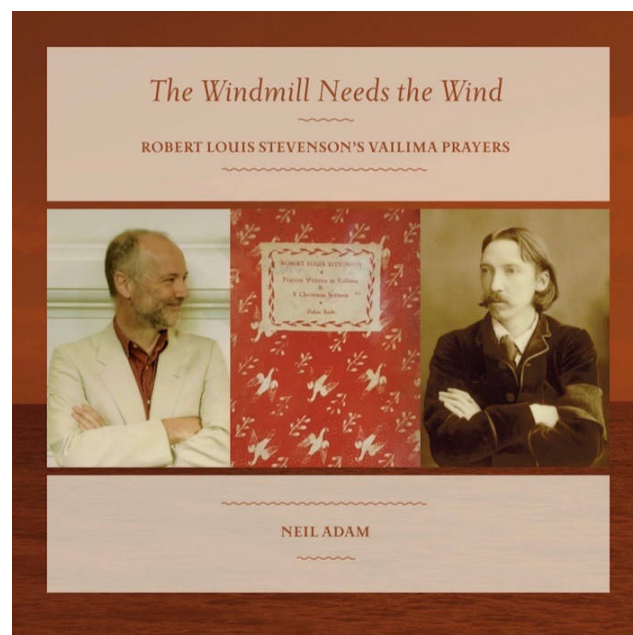


RJK "Bob" Semple OAM BEM Tartan

2. The opening of the Tolson Centre Museum and Archives which now safely houses in controlled temperature and humidity one of the most significant Robert Burns literature collections in Australia and a timeline display of Early Scots contributions to the development of Victoria.



3. The Windmill Needs the Wind project by Judy Turner and Neil Adam celebrating in music Robert Louis Stevenson's Vailima Prayers has come to a stunning conclusion. The song book and accompanying CD are of first class quality and are a credit to these two talented artists.



The Foundation was delighted to continue supporting the Scottish Gaelic Society of Victoria with the award of the VSHCF Gaelic Language Scholarship for 2020.

The Victorian Pipers Association (VPA) was unable to hold the 2020 Victorian Solo Piping Championships as part of the Melbourne Tartan Festival this year due to pandemic. Instead they successfully switched to an

online event which was supported by the Foundation. The VPA aims to foster new talent, provide platforms for youth to perform, and support aspiring pipers to further develop in a positive environment.

The VSHCF continues to focus its support of Scottish culture for young people through a number of programs:

1. Now in its ninth year, the Scottish Music Prizes program for secondary school students has gone from strength to strength with this year eight prizes awarded to students from Ballarat Grammar School, Haileybury College, Presbyterian Ladies' College, Scots School Albury and Scotch College. An honor roll of recipients who received prizes, including those in the last year is on page 8.
2. The Foundation has continued to provide support for Scottish Highland Dancing. The Victorian State Committee of Highland Dancing and the Glenbrae Dancers have continued to support their students with innovative online activities.

Unfortunately, there were three activities approved for funding support by the VSHCF that had to be cancelled due to the Covid pandemic restrictions. These were the 2021 Camperdown Robert Burns Festival, the Melbourne Highland Games and Celtic Festival (the relaunched Ringwood Highland Games) and the 2021 Australian Commonwealth Highland Dancing Championships conducted by the Victorian Scottish Dancing Members Association Inc.

The Foundation's financial position remains sound. In the last 12 months, we recorded a surplus of \$40,466, which was aided by the strong rebound in financial markets. This buoyed the performance of the investment portfolio and corpus, resulting in net assets of \$790,812 at 30 June 2021.

As a not-for-profit organisation, the Foundation relies exclusively on maintaining a healthy corpus and the generous support of benefactors and fundraising and bequests. During the year, the Foundation received \$19,700 in donations.

Bequests and donations continues to be vital in helping support the Foundation's objectives and broadening the number and types of projects. We are currently supporting projects of around \$30,000 per annum, but it is hoped this will increase and grow. A key strategic focus under the current 5-year plan is for Foundation to grow its fundraising and donor support program with a vision to at least tripling the annual project funding commitments.

We thank those who have donated to the Foundation and continue to support the vision to promote, and enjoy Scottish heritage and cultural activities, and ensure the traditions are celebrated and cultivated for future posterity.

The activities of the Foundation also rely heavily on the support of the volunteers and co-opted members of the various sub-committees and Board who freely and tirelessly dedicate their time to the Foundation. I thank Carol Davis for her oversight and executive leadership, and Graeme McCrae for his diligent and scrupulous role as Secretary. Over the last twelve months Graeme has aided greatly in enhancing the Foundation's governance

reporting framework, and finding a successor in Jonathan Green who assumed the role as Secretary in April 2021. We thank Graeme for his service and all he has done in assisting the Foundation, and welcome Jonathan.

During the year, Stewart Gill tendered his resignation as Director representative of Melbourne Scots. Stewart has been an invaluable source of support in Chairing the Communications and Fundraising Committee and applying his skills to help develop the Foundation's fundraising and donor strategy. Rob Adam's who has been a Director Alternate representative for the Melbourne Scots since 2013 has been appointed as a Director representative for the Melbourne Scots. We thank Stewart for all his time and efforts in supporting the Foundation, and congratulate Rob on his new appointment which adds to his responsibilities of Chairing the Project and Grants Management Committee.

Finally, I would like to extend my appreciation to the current Board of Directors who volunteer their time and show great passion in the vision and objectives of the Foundation. I thank them for their continued support and diligence in their deliberations in guiding the Foundation.



Hamish R Tadgell
Chairman

VSHCF Scottish Music Prize Honour Roll

Each year the VSHCF awards music prizes to young pipers and drummers who have been nominated by their school or pipe band organisation.

The Foundation congratulates the following musicians for their outstanding achievements in Scottish music:

Year	Recipients of VSHCF music award prizes
2012	William Sincock, Eck-Jin Tan and Allison Wallace
2013	Liam Irving, Cameron Webb and Imogen Williams
2014	Kyle Blane-Brown, Andrina Dixen, Benjamin Field, Vivencia Luong and Samuel Templeton
2015	Thomas Cameron, Kelly Cheng, Jacob Delbridge and Cadon Ho
2016	Anna Blanch, Amy Chandler, Charlie Cooper, Prince Jayasundera and Isabella Plunkett
2016	Sai Campbell, Hugh Hosking, Peter Tambanis and Lily Turner
2018	Dylan Forge, Harrison Gill, Charles Lewis, Isabelle Lo, Hamish Wallace, Jack White and Michael Zhang
2019	Oscar Booth, Jake Davoren, William Edney, Angus Evans, Charles Lewis, Liam Nicolson, Emma Radmanic and Brylee Walker
2020	Max Coupland, Noah Dall, Tegan Forge, Anna French, Lucy Ham, Tingting Han, Connor Mason-Jones and Matthew Rogers.

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 2021.

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:

1. 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.
2. Recognise Scottish traditions and celebrate Scottish heritage through encouraging and promoting public participation in, and performance of, Scottish cultural activities.
3. Promote and recognise excellence and achievement in the performance of Scottish cultural activities.

The objectives of the VSHCF are to:

1. Manage the VSHCF Public Fund to support the promotion and recognition of, and participation in, Scottish culture and heritage in Victoria and throughout Australia.
2. 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.
3. 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.
4. 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.

1. 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.
2. 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.
3. 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.
4. 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.
5. 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:

1. General fund-raising appeals.
2. 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.
3. Recurrent expenditure for which there is no future provision.
4. Capital or endowment funds established to provide a corpus for institutions.
5. 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.
6. Applications for projects that have previously been declined by the Foundation cannot be resubmitted.
7. Applications will not be accepted from organisations that have not successfully acquitted previous grants from the Foundation.
8. Sport, recreation or social activities for their own sake.

Application process

1. **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.

2. **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.
3. **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 e.g. annual report, newsletters, bulletins etc. Applicants must also submit their most recent financial statements. All applications should be forwarded to Victorian Scottish Heritage Cultural Foundation Limited, c/o Old Scotch Collegians' Association, 1 Morrison Street, HAWTHORN, VIC 3122.
4. **Eligible applicants** need to supply the following eligibility information if applying as an organisation:
 1. Verification that it is a not-for-profit organisation.
 2. Evidence of current insurance status – public liability and/ or professional indemnity.
3. **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.
4. **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.
5. **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 2021 the Foundation received donations and bequests totalling \$19,700.

As at 30 June 2021 the Foundation had \$790,812 in investments and net cash.

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

Under the Foundation Constitution the Board shall comprise a maximum of six directors, with three directors each being appointed by the Old Scotch Collegians' Association and the Melbourne Scots.

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

Name	Position	Appointed	Retired	Meetings eligible to attend during the year	Meetings attended during the year
R L Adams	Director Alternate	31 Jan 2013	10 Jun 2021	4	4
	Director	10 Jun 2021		0	0
J B Blanch	Director	6 Oct 2010		4	3
S Gill	Director	25 Nov 2019	9 Jun 2021	4	4
J Jeffreys	Director	19 Nov 2018		4	4
N McConnachie	Director	19 Nov 2018		4	4
A Ross	Director Alternate	20 Aug 2020		3	3
H R Tadgell	Director (Chairman)	28 Oct 2013		4	4
A Wilson	Director	20 Nov 2017		4	4

Sub-committees

During the financial year, the following Sub-committee structure assisted in overseeing the activities of the Foundation. The Committee members have various business, professional, academic and social experience and qualifications appropriate to overseeing the running of the Committees and Foundation.

	Project & Grant Management Committee	Finance & Investment Committee	Fundraising & Communications Committee
Responsibilities:	<ul style="list-style-type: none"> • Grant application policies & procedures • Project development • Promoting awareness of Scottish heritage 	<ul style="list-style-type: none"> • Investments • Finances • Compliance 	<ul style="list-style-type: none"> • Fundraising & donor relations • Promotional activities • Website & communications
Committee members:	R L Adams (Chair)	J Jeffreys (Chair)	A Gill (Chair)
	J B Blanch	H R Tadgell	A Wilson
	H R Tadgell	N McConnachie	A Ross
	J Jeffreys		C Davis

Result of operations

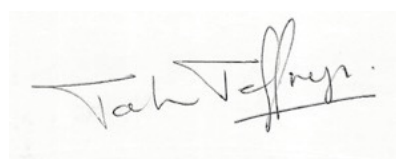
The net operating position of the Foundation for the financial year ended 30 June 2021 after provision for income tax was a surplus of \$1,061 (2020: \$19,870). As at 30 June 2021 the Foundation had net assets of \$790,813 (2019: \$738,344).

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 Jeffreys
Director

Special Purpose Financial Report for year ended 30 June 2021

The Victorian Scottish Heritage Cultural Foundation Statement of Net Operating Position For year ended 30 June 2021

	Note	2021 \$	2020 \$
Revenue			
Interest	2(a)	2,043	596
Dividends	2(a)	24,870	38,385
Donations	2(b)	19,700	16,000
		<hr/>	<hr/>
Total Income		46,613	54,981
		<hr/>	<hr/>
Expenses			
Project funding		39,405	34,305
Other		6,147	806
		<hr/>	<hr/>
Total Expenditure		45,552	35,111
		<hr/>	<hr/>
Net Operating (Deficit)/Surplus before Income Tax		1,061	19,870
		<hr/>	<hr/>
Income Tax Expense	2(c)	-	-
		<hr/>	<hr/>
Net Operating (Deficit)/Surplus after Income Tax		1,061	19,870
		<hr/> <hr/>	<hr/> <hr/>

The accompanying notes form part of these financial statements.

The Victorian Scottish Heritage Cultural Foundation
Statement of Financial Position
As at 30 June 2021

	Note	2021 \$	2020 \$
ASSETS			
Cash at Bank		99,279	81,564
Investments	3	669,062	623,094
Receivable		12,472	33,686
TOTAL ASSETS		790,813	738,344
NET ASSETS		790,813	738,344
ACCUMULATED SURPLUS	4	790,813	738,344

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 2021

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 Foundation 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.

The Foundation became registered as a charity with the Australian Charities and Not-for-Profits Commission in December 2015 and has been granted tax-exempt status by the Australian Tax Office.

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

3. Investment Income

Income and expenses are brought to account on an accrual basis. Interest income reflects coupon interest received and interest on bank deposits and notes. Dividend income reflects dividends and distributions from investments in equities and fixed income including franking credits.

4. 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.

5. Income Tax

The Foundation is registered with The Australian Charities and Not-For-Profits Commission (ACNC) as a charity and is endorsed by the Australian Taxation Office as both a deductible gift recipient (DGR) and exempt from income tax.

6. 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.

7. Investments

The following table details the fair values of financial investments held at balance date:

As at 30 June	2021	2020
	\$	\$
Shares in listed companies and trusts	386,809	330,291
Fixed interest investments	282,253	292,803
Total	669,062	623,094

8. Accumulated Funds

	Balance 1 Jul 20 \$	Donations \$	Income Received \$	Payments \$	Receivable (Paid)/ Received \$	Change in fair value of investments \$	Balance 30 Jun 21 \$
VSHCF Foundation	738,344	19,700	26,913	(45,552)	-	51,408	790,813
	738,344	19,700	26,913	(45,552)	-	51,408	790,813

	Balance 1 Jul 19 \$	Donations \$	Income Received \$	Payments \$	Receivable (Paid)/ Received \$	Capital Return \$	Balance 30 Jun 20 \$
VSHCF Foundation	771,648	16,000	38,981	(35,111)	-	(53,174)	738,344
	771,648	16,000	38,981	(35,111)	-	(53,174)	738,344

9. Events Occurring after the Balance Date

The members of the Board are conscious of the current coronavirus pandemic affecting Australia and the world and that these circumstances may cause disruption to the future activities of the Victorian Scottish Heritage Cultural Foundation and its financial results into the future. At the date of this Report, the impact is not able to be estimated.

The directors of the Foundation declare that the financial statements and notes of the Foundation set out on pages 14 to 18:

- (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 2021 and its performance for the financial period ended on that date.

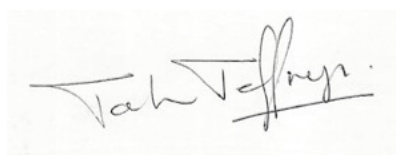
In the opinion of the directors of the Foundation:

- (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 5th day of November 2021.



H R Tadgell
Chairman



J Jeffrey
Director