

Victorian Scottish Heritage Cultural Foundation Limited

Annual Report 2021-22



Directors

Old Scotch Collegians Association Director representatives

H R Tadgell, Chairman
A A Wilson
J M Jeffreys

Melbourne Scots Director representatives

J B Blanch
N McConnachie
R L Adams
A Ross (Alternate Director – retired 6 June 2022)
C Cooper (Alternate Director – appointed 18 August 2022)

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

Over the last year, as we have learned to live with the Coronavirus, it has been heartening to see things 'open up' and a return of many of the artistic, cultural and sporting activities and events we have so sorely missed. It has been good for the body and soul. It has also been a salient reminder of the importance these activities play in our lives in ensuring a thriving and healthy functioning society.

In recognising this, it was exciting to see the return of the Melbourne Tartan Festival to the streets of Melbourne. The festival is now in its sixth year and the program of events has grown to span five weeks through June and July. Like all festivals and events, we faced Covid and logistics issues, and unfortunately the festival Gala dinner and concert at the Melbourne Town Hall had to be cancelled. However, it was wonderful to be back live and see the crowds and participation at expanded number events on the program, including: the Hustle at the Last Jar Hotel, the Ceilidh at the Collingwood Town Hall, the Victorian Solo Piping Championships, Scottish dancing on the Treasury steps, flash-mob pipers, pipe bands and solos, singing and fiddler concerts and jams, Scottish films, walking tours, ancestry classes, history lectures and Gaelic speaking classes.

For those who managed to attend the festival massed pipe band parade down Collins Street on Sunday the 10th of July, it was a stirring and colourful spectacle in both sight and sound: eleven pipe bands and over two hundred and fifty pipers, drummers and dancers in traditional dress, marching to familiar tunes. For many with Scottish roots, myself included, it aroused a sense of romanticism and pride in being Scottish. For those not so conversant with Scottish traditions and culture, and even those hearing the pipes for the first time, it's hard not to imagine a sense of reverence and awe in seeing the mass pipe band on the march.

The parade in a number of ways embodies what the Melbourne Tartan Festival is about:

- The bringing together of the Scottish community.
- The celebration of Scottish music and culture in all its forms; and
- Inviting the broader community to participate and enjoy Scottish culture and traditions, and in doing so adding to the rich tapestry (or we might say tartan) that makes Melbourne and Victoria such an inclusive and diverse place.

The Melbourne Tartan Festival remains a key focus of the Foundation. The Foundation is the financial sponsor of the festival and along with the Scots of Victoria Coordinating Group and Festival Organizing Committee is responsible for overseeing the co-ordination and staging the event.

The festival would not be possible without a lot of hard work from the festival organizing Committee and the Festival Co-ordinator, Carol Davis. I would again particularly like to recognise Carol's leadership, enthusiasm and tireless work in ensuring the festival's success. Key to this is her ongoing diplomacy and hard work in bringing the various clans, bands and associations together.

I would also like to thank all the community groups and associations who have again supported the festival and volunteered including, The Victorian Pipers Association, Pipe Bands 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.

Whilst the Melbourne Tartan Festival is a key objective and focus of the Foundation its broader role is as an enabler in working alongside the Scottish community in providing financial grants, support, and assistance in promoting and cultivating participation in Scottish culture for the benefit of all Victorians.

Over the last decade, the Foundation has sponsored a wide variety of projects including the Auld Lang Syne Exhibition at the Ballarat Art Gallery, The Robert Burns Camperdown Festival, Scots Bendigo Day Out, Ringwood Highland Games, Albury Highland Games, Victorian Scottish Fiddlers concerts and recordings and history of the Mechanics institutes in Victoria, to name a few.

It has also established Scottish piping and dancing scholarship programs, assisted in buying equipment and dress for various Pipe bands and performance groups, and assisted students who may not otherwise been able to gain tuition and overseas experience in competitions and musical tours.

During the year, the Foundation was in receipt of a wide range of project applications and supported a number of different Scottish cultural activities, including:

- Purchasing learner bagpipes for the City of Melbourne Highland Pipe Band School of Piping and Drumming to provide opportunities for students who are not attending schools which have a piping program to hire and learn the bagpipes.
- Sponsoring Cresfest, a new music festival in the Victorian goldfields' region showcasing a diverse musical program including Scottish music and culture to help support live artists and the community post Covid.
- Assisting the Old Scotch Collegians' Pipe Band with the purchase of tartan for new kilts.
- Sponsoring the Melbourne Highland Games and Celtic Festival, which have been running for over 50 years and returned after a two-year hiatus due to Covid restrictions. The Games events include Highland Games are Pipe Band Competitions, traditional Heavy Events including tossing the caber, Highland Dancing, the Folk Tent, Scottish Martial Arts and displays.
- Sponsoring the awards for The Victorian Pipers Association (VPA) Victorian Solo Piping Championships. This event is the largest solo piping competition in Australia and the VSHCF, as the major sponsor, supports the VPA to foster new talent, provide platforms for youth to perform, and support aspiring pipers to further develop in a positive environment.

As a proud member of the broad Scottish diaspora in Victoria and Australia, the Foundation believes the values of the Scottish enlightenment around a belief in education for all; the role of reason in building modern society; and a belief in egalitarian values are as important today as ever and will remain so into our Australian future.

The Foundation also recognises whilst many participating in Scottish cultural activities retain a link to Scottish ancestry, there are increasing numbers of young people interested in Scottish culture and music that come from non-Scottish ancestry. We are keen to encourage and promote this and ensure as many people as possible from all walks of life come to enjoy and be involved in the delights and traditions of Scottish culture.

The Foundation has formulated plans and are currently executing against our 3-5-year strategy, whilst working on the framework for the next 5 to 10-year plan.

Continuing support of Scottish cultural groups remains a key objective – to keep the grass roots groups vibrant, and able to deliver to the active participating communities.

Growing the Melbourne Tartan Festival is another key objective. The festival is already a fixture in the Melbourne events scene, and the plan is to grow it to a 'major event' status over the next 5-10-years. This includes a vision for a Melbourne Highland Tattoo bringing together local bands and international acts to showcase highland music, dancing and military history.

We believe Victoria's deep Scottish roots and cultural and artist centricity provide a natural platform for such an event. The New York City Tartan Week and the Edinburgh Festivals also show what can be done, and how Scottish culture remains contemporary and attractive to younger generations.

The staging of a 'major event' in Melbourne would require the support of not just the Scottish community but broader Victorian community and set up commercial opportunities as well as provide cultural opportunities for local and international artists and groups, including the export of Australian Scottish talent to overseas festivals, including Edinburgh.

We are excited about the future and the role the Foundation has to play. In particular, the opportunity to celebrate Victoria's Scottish cultural heritage whilst at the same time weaving that heritage into the future of Victoria as a multi-cultural community.

For the Foundation to deliver on its planned aspirations and 'do more' growing its corpus is central. The legacy and founding bequest of Geoffrey Donaldson AO underpins the Foundation's current financial position. However, to build on what we are doing and deliver on our aspirations and vision depends on the generous support of future benefactors and donors who share the Foundation's vision and have a desire to see Scottish heritage and culture practiced and promoted and passed on for future generations.

The Foundation's financial position remains sound. In the last 12 months, we recorded a surplus of \$18,698, with resulting net assets of \$776,238 at 30 June 2022. During the year, the Foundation received \$10,351 in donations. We thank those all those who continue to generously support the Foundation.

The activities of the Foundation depend heavily on the support of the volunteers and co-opted members and directors who serve on the various Foundation sub-committees. I again thank CEO Carol Davis for her ongoing oversight and executive leadership. There is no question, the Melbourne Tartan Festival and the Foundation's standing and connections through the Scottish community here in Victoria, and more widely, would not have developed and prospered as they have without Carol's enthusiasm, dedication, and commitment.

During the year, Alexander Ross resigned as a Melbourne Scots representative alternate director and was replaced by Craig Cooper. Alex has made a valuable contribution to the Fundraising and Communications Committee in helping to develop the Foundation's database and communications strategy and update the website, giving the ability to now make online donations and engage better via social media. Craig Cooper has become the Chair of the Fundraising and Communications Committee and brings valuable skills and energy to further advance how we engage with the community and key stakeholders and their understanding of our strategy.

Finally, I would like to extend my appreciation to the current Board of Directors who give a considerable amount of their time, thought and effort in a voluntary capacity to oversee the activities 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.
2021	Noah Boundy, Hugh Hasker, Nick Heerey, Eden Johns, Oliver MacLean, Max McCulloch, Sherry Li, Madeleine Palmer

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 2022.

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.

Principles and objectives

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 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 OSCA, 1 Morrison Street, HAWTHORN, VIC 3122.
- **Eligible applicants** need to supply the following eligibility information if applying as an organisation:
 - Verification that it 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 donations and income and investment returns from its endowments. In the financial year ending 30 June 2022 the Foundation received donations and bequests totalling \$10,352.

As at 30 June 2022 the Foundation had \$776,238 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	No. of meetings eligible to attend during the year	No. of meetings attended during the year
R L Adams	Director	10 June 2021		4	3
J B Blanch	Director	6 October 2010		4	4
C Cooper	Alternate Director	18 August 2022		0*	1*
J Jeffreys	Director	19 November 2018		4	3
N McConnachie	Director	19 November 2018		4	3
H R Tadgell	Director (Chairman)	28 October 2013		4	4
A Wilson	Director	20 November 2017		4	4
A Ross	Alternate Director	20 August 2020	6 June 2022	4	3

*Mr Cooper was appointed Alternate Director on 18 August 2022, after the end of the 2021/2022 financial year. Although he attended meetings

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)	C Cooper (Chair)
	J B Blanch	H R Tadgell	A Wilson
	H R Tadgell	N McConnachie	N McConnachie
	J Jeffreys		C Davis
	C Davis		A Ross

Result of operations

The net operating position of the Foundation for the financial year ended 30 June 2022 after provision for income tax was a surplus of \$18,698 (2021: \$1,061). As at 30 June 2022 the Foundation had net assets of \$776,238 (2021: \$790,813).

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 M Jeffreys
Director

September 2022
Melbourne

Special Purpose Financial Report for year ended 30 June 2022

The Victorian Scottish Heritage Cultural Foundation
Statement of Net Operating Position
For year ended 30 June 2022

	Note	2022 \$	2021 \$
Revenue			
Interest	2(a)	51	2,043
Dividends	2(a)	52,349	24,870
Donations	2(b)	10,351	19,700
		<u>62,751</u>	<u>46,613</u>
Total Income		<u>62,751</u>	<u>46,613</u>
Expenses			
Project funding		31,063	39,405
Other		12,990	6,147
		<u>44,053</u>	<u>45,552</u>
Total Expenditure		<u>44,053</u>	<u>45,552</u>
Net Operating (Deficit)/Surplus before Income Tax		18,698	1,061
Income Tax Expense	2(c)	-	-
		<u>-</u>	<u>-</u>
Net Operating (Deficit)/Surplus after Income Tax		<u>18,698</u>	<u>1,061</u>

The accompanying notes form part of these financial statements.

The Victorian Scottish Heritage Cultural Foundation
Statement of Financial Position
As at 30 June 2022

	Note	2022 \$	2021 \$
ASSETS			
Cash at Bank		50,551	99,279
Investments	3	703,754	669,062
Receivable		21,933	12,472
		<hr/>	<hr/>
TOTAL ASSETS		776,238	790,813
		<hr/>	<hr/>
NET ASSETS		776,238	790,813
		<hr/> <hr/>	<hr/> <hr/>
ACCUMULATED SURPLUS	4	776,238	790,813
		<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 2022

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.

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 and notes. Dividend income reflects dividends and distributions from investments in equities and fixed income including franking credits.

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 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.

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. Investments

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

As at 30 June	2022	2021
	\$	\$
Shares in listed companies and trusts	376,655	386,809
Fixed interest investments	327,099	282,253
Total	703,754	669,062

4. Accumulated Funds

	Balance 1 Jul 21 \$	Donations \$	Income Received \$	Payments \$	Receivable (Paid)/ Received \$	Change in fair value of investments \$	Balance 30 Jun 22 \$
VSHCF Foundation	790,813	10,351	52,400	(44,053)	-	(33,273)	776,238
	790,813	10,351	52,400	(44,053)	-	(33,273)	776,238

	Balance 1 Jul 20 \$	Donations \$	Income Received \$	Payments \$	Receivable (Paid)/ Received \$	Capital Return \$	Balance 30 Jun 21 \$
VSHCF Foundation	738,344	19,700	26,813	(45,552)	-	51,408	790,813
	738,344	19,700	26,813	(45,552)	-	51,408	790,813

5. 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 13 to 16:

- (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 2022 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 26th day of September 2022.



H R Tadgell
Chairman



J M Jeffreys
Director