

Mirboo North & District Community Foundation

2016 Annual Report



Mirboo North & District
community foundation

The Mirboo North & District
Community Foundation will
enhance the social and economic
strength in our community,
encourage philanthropy and
grow our legacy through good
stewardship and strong effective
partnerships.



Contents

| | |
|--|----|
| Governance and Management Report | 4 |
| Compliance and Finance Sub-Committee Report | 7 |
| Grants and Allocations Sub-Committee Report | 9 |
| Community Connections Sub-Committee Report | 11 |
| Where We Have Helped | 13 |
| Projects funded by the 2015 Community Grants Program | 15 |
| Financial Statements 2015/16 | 19 |
| Independent Auditor's Report | 27 |
| Organisational and Governance Structure | 28 |
| Directors | 29 |
| Professional Service Providers / Memberships / Contact Details | 32 |

Objectives

The objectives of the Mirboo North & District Community Foundation are to:

1. build a sustainable fund for philanthropic purposes
2. make grants for the long term benefit of our community and evaluate the effectiveness of these grants
3. encourage giving to the Foundation
4. establish partnerships that will increase the effectiveness of the Foundation
5. maintain the highest professional standards, transparency and service to our community
6. be part of community building initiatives and achievements and participate in the Community Foundation movement.

Governance and Management Report



Derrick Ehmke
Executive Officer



Paul Pratt
Chair

This year has seen our organisation commence a number of new initiatives, building on our strong foundations, to ensure the long term success of the Foundation for the Mirboo North & District community. Some of the highlights of the year have been:

- appointment of a new Executive Officer to support the Foundation through the next stages of development and growth
- appointment of an administration assistant as a back-up to ensure continuity of operations and enable the Executive Officer to collaborate, partner and engage more with the community and other external organisations
- undertaking a review of and future plan for our Community Engagement Strategy
- jointly hosting the Australian Community Philanthropy's 2016 National Community Foundations Forum at the RACV Resort Inverloch
- review of our 5 year strategic plan to meet the needs and address the issues of our community
- Australian Community Philanthropy (ACP) 'Local Philanthropist' award, to Rob Kiddell, Director of our Foundation.

The Foundation's vision is a bright and sustainable future for the Mirboo North district by working together to enhance the social and economic strength of our community. Our corpus is a perpetual fund and the

income yielded from this resource has enabled us to distribute, since our launch in 2010, over \$500,000 of funding via our Community Grants program, sponsorships and donations to project/programs.

We are pleased to note that in spite of volatile financial markets and low interest rates in the last Financial year, the Foundation has achieved good financial results to meet our objective of increasing the Foundation's endowment fund in perpetuity.

- Equity as at 30 June 2016 after grants, donations and expenses increased by \$184,870 to \$7,285,734 for the financial year.
- Equity, after grants and donations has increased by \$2,193,340 or 43% since 2010. Total investment return was 1.3% for the year ended 30 June 2016. Income return was 4.7%, which was offset by a reduction in the growth of equities of 3.4% for the financial year.
- The total investment return since 2010 has been 8.4% per annum.

Local Philanthropy

Community foundations are independent, place-based, community-owned philanthropic vehicles. They exist to create a financial asset for public benefit in a specific geographic location, such as a town, city or region. By their nature, community foundations are community-owned and driven grassroots organisations, which are highly responsive to local conditions and opportunities.

Having local people involved as donors, advisors and volunteers generates strong community ownership and accountability, and creates valuable local knowledge.

The Mirboo North & District Community Foundation is proud to support and cultivate stronger local communities by:

- providing grants to organisations and community groups for local projects that build capacity and pride within the community
- prudent investment and stewardship of the funds to ensure a permanent and growing source of funds for the community
- being an honest broker with no agenda other than what is best for the community
- assisting as an enabler, facilitating organisations and/or projects particularly with respect to specific issues or local needs and priorities
- partnering and collaborating with other organisations. Whilst not 'service providers' the Foundation brings its capacity as a locally embedded flexible organisation with excellent linkages, funding dollars and the potential for leveraging its contribution
- building social capital by encouraging and assisting individuals and organisations to become philanthropists
- investing in local people and programs and projects to ensure long term community wellbeing.

Since the Foundations first community grants program in 2010 we have supported local organisations with grants and sponsorships distributing over \$500,000 to local programs and projects addressing a wide range of local issues. See page 13 for details on our “Where We Have Helped” tree.

In 2015 the Foundation launched our Strategic Grants program. This is directed at longer term sustainable capacity building programs and projects which will become self-sustaining and embedded in the organisations providing the services to the community.

In 2016 we had a great example of local philanthropy in action, when the Foundation received a bequest of \$225,000 from the estate of the late Joe Zadnik. These funds will be maintained and distributed in a Named Fund to honour Joe and Martha Zadnik.

Community Engagement Strategy

The Foundation has over the past years been focussed on setting up the structures and policies to ensure safe stewardship of the Foundation’s perpetual fund and the appropriate distribution of community grants. It is now time to focus efforts on the “Front End”. With this top of mind the Foundation has been reviewing its Community Engagement Strategy. The Member and Community surveys carried out in June of this year were a part of that process.

The results pointed strongly to a need for the Foundation to have a much greater involvement with the community, community organisations and our members. A phrase from the survey sums it up, the Foundation “needs to be more **of** and not **for**” the Community.

We are therefore developing a comprehensive community engagement strategy that will cover 2017 and 2018 calendar years.

Needless to say our members, community and community organisations will be actively involved and we look forward to their contribution.

Part of a Growing Global Philanthropic Movement

The Foundation is a member of and very actively involved in Australian Community Philanthropy (‘ACP’), the peak body for Community Foundations in Australia. ACP has an exciting and challenging strategic plan for the future development and the growth of community foundations in Australia, whose local focus is the major differentiator from other philanthropic organisations.

Since the first Australian Community Foundation was founded in 1923, 38 community foundations have granted over \$100 million within their communities and hold more than \$310 million in funds under management.

Kate Buxton, an ex-Chair of MNDCF, is the Executive Officer of ACP and has since her appointment in 2015 made great strides in the promotion and advancement of community foundations and local philanthropy.

2016 National Community Foundations Forum (NCF#16)

The Foundation was privileged to be chosen, together with Bass Coast Community Foundation, to be the joint hosts of the NCF held at the RACV Resort, Inverloch in October. This was a wonderful opportunity to showcase Gippsland and our local community foundations.

The theme of the Forum was “Building resilience through innovation and collaboration” and it was an outstanding success with 117 delegates from all over Australia attending. This is a record number of delegates for the Forum and is a tribute to the organisers and in particular Kate Buxton, Executive Officer of ACP.

One key take away was framed by opening keynote speaker, Ruth Jones, who noted that thriving, resilient communities are unlikely to happen without the same commitment to making our own Community Foundations thriving, resilient organisations. She summed it up thus: “Investing in your own organisation’s capacity will unleash your foundation’s potential and that of the ecosystem in which you operate” The corollary of this is bravery, underpinned by leadership which is unafraid to think ‘big’ when it comes to making a difference.

The Board were also delighted that Rob Kiddell, a founding Director of the Foundation, received the ACP Local Philanthropist award. Rob has been hugely active in community activities in the Mirboo North District for many years as the “Quiet Philanthropist”. Well Done and thank you Rob.

Appointments

Following Derrick Ehmke’s decision to retire at the end November 2016 the Board went through a thorough process of selecting a new Executive Officer. There were a number of excellent candidates reflecting the abilities and diversity of local talent available. We are delighted to advise that Ruth Rogan has been appointed as Executive Officer of Mirboo North & District Community Foundation, commencing in October 2016.

Ruth, who qualified as a lawyer in 1999 and originally hails from Ireland, moved to Mirboo North with her Australian husband and family in 2012. Ruth is involved in a number of community organisations (including founding member of the Artspace) as well the Mirboo North Primary School, where she is currently School Council President. Ruth’s legal background as well as her connections to the Mirboo North Community leaves her well placed to take on this role and fill the very big shoes that Derrick leaves behind.

Derrick’s retirement comes after many years of working tirelessly for our community, both as a volunteer and as Executive Officer of the Community Foundation. Derrick is a former Chair and Vice-Chair of the Mirboo North Community Care Inc (MNCC) which operated Mirboo North’s community owned Aged Care facility for many years. He, together with the other members of the MNCC, as well as the community itself, went through a difficult period when financial and operational difficulties required the sale of this community asset. Derrick has been a key contributor to the following achievements:

- sale of the Aged Care Facility for \$5.1 million;
- creation of the Mirboo North & District Community Foundation and securing the \$5.1million proceeds for the benefit of our community in perpetuity;
- operation of the Community and Strategic Grants programs which has distributed more than \$500,000 to the local community since 2010;
- prudent stewardship of MNDCF’s investment policy, such that MNDCF’s investments are now valued at \$7.2 million as at 30 June 2016.

Our organisation’s achievements are the result of common purpose and teamwork. We wish to express our appreciation and sincere thanks to our hardworking Board members, our dedicated Executive Officer, Staff and our Members who have generously shared their ideas, expertise and valuable local knowledge at our regular functions and events.

Compliance and Finance Sub-Committee Report

Convenor

Robert Kiddell

Members

Grant Irving
Paul Pratt
Jodie Pincini

Highlights for the Year

With the slowing and volatility of the global economy the Foundation's prudent investment policies, based on advice from our advisors, Hewisons Private Wealth, have resulted in an increase of capital to \$7.3 million as at 30 June 2016 from an initial capital base of \$5.09 million in 2010.

In particular we note that the Foundation's income stream has been above expectations due to a higher number of equities purchased at low prices which are now yielding higher dividends than the earlier fixed interest return investments obtained while growth investments were being acquired over time.

The Foundation's income stream has experienced a reduction in the financial year due to lower interest rates which has been offset to some degree by investment in prudent and low geared first mortgage securities. The properties involved are all conservatively valued and the maximum gearing ratio is 60% of the property valuation.

The Foundation was delighted to receive a bequest of \$225,000 from the estate of the late Joe Zadnik of Allambee South. The Foundation is one of a number of benefactors of the estate including other social purpose organisations. Joe and his wife Martha, were long standing residents of the district and the Foundation will honour their bequest and commitment to the local community by investing the funds

in a named fund so that their legacy will be continued into the future.

In the current economic climate the Compliance and Finance Committee and the Board are very pleased with the current financial results achieved and will continue the policy of growing the Foundations capital so that increased funds are available for distribution to the Community for capacity building and other major programs for future generations.

Investments have exceeded the policy benchmarks set; refer our Investment Advisors, Hewisons Private Wealth, advice below:

"The Foundation has an investment policy target of achieving an income before costs of at least the 90 day bank bill rate on a rolling three year basis. It also has the target of growing the value of investments by at least the Consumer Price Index (CPI) over the past five years.

The 90 day bank bill rate has averaged 2.44% over the past three years, and the average CPI over the past five years has been 2.01%.

The Foundation has achieved an income return on investments of 4.7% over the 2015/16 financial year, and since inception the income return has averaged 6.1% per annum.

The Foundation recorded a fall in value of investments of 3.4% over the 2015/16 financial year, and since inception in October 2010

has achieved growth in the value of investments of 2.3% per annum.

Total returns have averaged 1.3% for the 2015/16 financial year, and 8.4% per annum since 2010.

The Foundation continues to exceed its longer term benchmark returns, despite the drop in value of investments in the 2015/16 financial year. The drop in value is due to a fall in the share prices of quality Australian companies held by the Foundation, of which many have already shown some recovery in the new financial year.

The 2015/16 financial year saw the Australian share market as measured by the ASX 200 return 1%. However the ASX 50 fell 11.1% over the same period. With many of the Foundation's share investments in the top 50 stocks, this contributed to the negative performance over the past financial year. The diverse nature of the Foundation's investment portfolio has protected it somewhat from the large swings in share prices over the past 12 months.

Given the relatively conservative nature of the Foundation's investment policy, we anticipate returns will continue to provide a reliable source of income as well as longer term asset growth to meet the future objectives of the Foundation."

Chris Morcom
Hewisons Private Wealth

The Foundation's Board remain cautious of the future global economic situation and will continue the prudent investment policies to preserve and grow the Foundations capital with an asset allocation of:

| | |
|----------------------------------|------------|
| Australian Fixed Interest | 46% |
| Australian Equities | 35% |
| International Equities | 5% |
| Australian Property | 10% |
| Cash | 4% |

Financial and Investment Policies

The Foundation's Board of Directors are very conscious of the need for consistent responsible grant making from one year to the next, as well as initiating projects to benefit our community. At the same time we are conscious of the need and have to balance the imperative of maintaining the Foundation's capital for future generations. Our financial policy is summarised as follows:

- to maintain and grow the capital at a minimum of the annual CPI percentage (over rolling 3 year periods), so that in future years the capital will have at least the same value as it has today
- to grow the capital by funding campaigns through donations, bequests, named funds, grants

and other sources of income

- we will only make grants out of income or reserve monies specifically set aside for grants. Capital will not be used for grants
- our aim is to continue with a reasonable value (and where possible a leveraged) grants program, and build the monetary reserves for potential major projects for the longer term.

The strategic asset allocation, investment and risk management policies were reviewed during the year to ensure the Foundation conform to our stated aims and meet all prudential and regulatory requirements.

Purpose

The Compliance and Finance Sub-Committee is responsible for advising the Board regarding matters of financial management and regulatory compliance. This includes ensuring that the funds of the organisation are well and prudently managed and that accounting standards, relevant legislation and organisational rules are complied with.

Grants and Allocation Sub-Committee Report

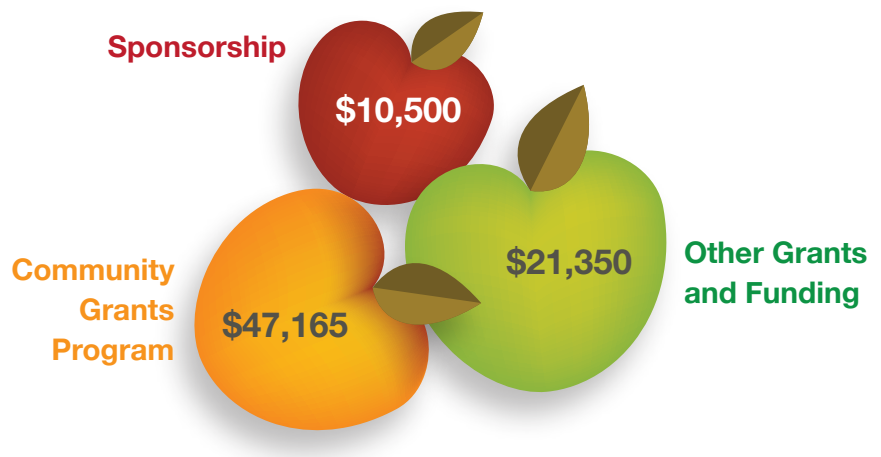
Convenor

Diana Mueller

Members

Walter Aich
Kate Buxton
Ned Dennis
Wendy Major

2015/16 has been a busy year for the Grants and Allocations Sub-Committee distributing funds to the community totalling **\$79,000**.



- **\$47,165 for the Community Grants program**
- **\$21,350 for Other Grants and Funding**
- **\$10,500 in Sponsorships**

The 2015 Community Grants Program funded 12 projects delivering a wide range of benefits to our community. Once again it has been with great interest to see projects progress throughout the year bringing many benefits to the community.

Since its launch in 2010 the Foundation's Community Grant program has provided over \$500,000 in funding for local projects and programs.

Strategic Grants Funding

In 2015 we launched a Strategic Grants program which uses a different model and has a different time frame from our Community Grants Program.

The Foundation has to date allocated \$140,000 to establish this fund.

The Foundation's Executive Officer, Derrick Ehmke, said *"the Strategic Grants Program is an opportunity for the Foundation to forge partnerships with organisations to deliver sustainable projects that meet the social, economic, environmental, health, educational or cultural needs of our community. Whilst not service providers we bring our capacity as a locally embedded flexible organisation with substantial funding dollars to the table"*.

To date the Foundation has allocated \$72,100 in Strategic Grants to the following projects:

- Mirboo North Artspace - \$10,320 - Rental assistance for premises over 3 years
- Mirboo North Times - \$6,780 for Computer equipment and \$5,000 for a strategic planning study
- Mirboo Country Developments - \$15,000 for employing a Community Project Officer

- Mirboo North Primary School and Secondary College - \$35,000 for the implementation of its Student Health and Wellbeing program, including the MindMatters / KidsMatters mental health and wellbeing framework.

Impact of Grants Funding - Catalyst for Change

Whilst not distributed as strategic grants (which was not in place at the time) it is interesting and worthwhile noting that two grants awarded a number of years ago have now resulted in significant outcomes, building capacity for the community.

- In 2012 the Foundation awarded a grant of \$20,000 to the Mirboo North Energy Hub for a business case study. The Mirboo North Energy Hub has built on this successful work and it was recently announced in November 2016 that they have been awarded \$50,000 by the Victorian Department of Economic Development, Jobs, Transport & Resources: to fund a feasibility study into the development of a potential Mirboo North & District Renewable Energy Project.

- The Project will investigate all of the renewable energy technologies including wind, small scale solar, hydroelectricity and battery storage, with the aim of determining the most appropriate source, scale and mix of renewable energy supply to meet local community needs.
- In 2010 St Marys Anglican Church, Mirboo North was awarded a grant of \$2,000 by the Foundation in order to fund the development of plans for the redevelopment of their kitchen and toilet facilities. Following the Foundation's support at the design stage, St. Mary's has worked very hard over 6 years to raise the funds and carry out its redevelopment. Eventually determination and commitment prevailed and the new facilities were opened in April 2016.

Partnership Granting



The Foundation for Rural and Regional Renewal's (FRRR) annual "Back to School" program of \$50 vouchers to support students and families has been operating since 2005. In that time the program has distributed \$6.6 million to over 132,250 children over 43 rural and regional communities across Australia. The Foundation joined the program in 2012 and is continuing to actively support families and students who require assistance for some of their basic school needs.

A heartwarming quote from one of the Schools who has received vouchers under this FRRR Back to School Program:

"The vouchers help strengthen our connections with families. We recognise the pressures they face in getting their children to school 'on the same basis' as other families. A new school T-shirt compared to a second hand one does make a difference, as does a new pencil case or a pair of shoes.

This 'feeling' of belonging is hard to measure but is visible. Thank you for your support."

The vouchers have been distributed to schools in Mirboo North, Boolarra, Narracan, Thorpdale and Yinnar.

Educational Support Fund – An Investment in our Future

Financial hardship is one of the biggest barriers rural students face when enrolling in post-compulsory education such as TAFE or university. Mirboo North & District Foundation's Educational Support Fund assists young-adult and mature students with relocation expenses, study set-up costs, and scholarships.

Educational Support of \$13,000 was provided to 5 local students in the 2015/16 program.

"The beneficiaries of the skills and training this group of students will receive over the next few years are ultimately us, our community and in fact our society. That's the real purpose of the Education Support Fund; it is an investment for the future."

Kate Buxton

Director, Mirboo North & District Community Foundation

The Educational Support Fund is a sub-fund within the Mirboo North & District Community Foundation. The principal contributor to this sub-fund is currently the Mirboo North & District Community Bank. The Foundation is very appreciative of this generous on-going contribution from Mirboo North & District Community Bank and its commitment to this program. Other businesses and individuals can also get involved in this program and make contributions to the Educational Support Fund, increasing the impact within our community.

Sponsorships

The Foundation is pleased to support and provided sponsorship funding to a number of local organisations in 2015/16:

- Major Sponsor of the Mirboo North Art Show
- Mirboo North Arty Gras
- Mirboo North Walter J Tuck Recreation Reserve
- Mirboo North Swim Pool – Idol Competition
- Mirboo North Senior Citizens Club
- Mirboo North Music Festival.

Community Connections Sub-Committee Report

Convenor

Diana Mueller

Members

Walter Aich
Kate Buxton
Ned Dennis
Wendy Major

There is a growing recognition that communities need to build community capacity to be self-reliant and sustainable.

The Mirboo North & District Community Foundation grew out of a desire to find new ways to respond to the issues facing our community in areas such as wellbeing, mental health, education and the environment. We believe that by working together our community has a bright and sustainable future. Engagement with the community at multiple levels is key and for this reason, the Foundation has carried out a review of its community engagement strategy during 2016.

Community Engagement Strategy Review

The review was kicked off with research by way of a community and members survey. A number of messages came through quite clearly from that research:

- approximately 80% of the community and members highly agreed or agreed that the Foundation is trusted by the community
- however, 80% (approx.) of community and members felt the Foundation could increase visibility and improve communication about impact

- 58% of Members said it was very important to grow the original investment
- 83% of members want to learn more about philanthropy
- 87.5% of Members said it was very important for the Foundation to play a leading role on community issues
- the responses were perhaps summed up by one comment: the Foundation 'should have a stronger emphasis on being **'of'** the community and not **'for'** the community.

Following the research, the Foundation has been working on documenting a community engagement strategy to respond to those issues. Due to be finalised this year, it will be rolled out in 2017 and 2018.

Keeping in Touch

The Foundation is a membership based organisation and we again salute and thank our members for their continued support over the years. We gain valuable feedback and information from our member surveys, meetings, responses to our newsletters and most importantly in a small local district, personal contact.

We welcome new members to participate with us to benefit our community. We would love to welcome you to our movement and enrich your lives. Please visit our

Website for more information and application forms or contact our Executive Officer directly for a chat.

The Mirboo North & District Community Foundation "Story"

The Foundation's "story", its history, is a fantastic example of our local community's resilience and its ability to build capacity. The "story" goes back more than 80 years to when the Mirboo North Bush Nursing Hospital was opened in 1931 through the fundraising and other efforts of the community. When it was threatened with closure in the 1980s, the community gathered together and after extensive evaluations and discussions the local community decided to build an aged care facility to replace the Bush Nursing Hospital.

The facility was built in two stages from 1989 to 1992 costing a total of \$2.8 million. It is a tribute to the community that in less than 12 months the community had raised over \$800,000 for the first stage of the project, a considerable amount in those days.

The determination and commitment of these selfless community minded pioneers not to accept the closure of the Bush Nursing Hospital without the creation of another vital social service for Mirboo North is a wonderful example of our strong community resilience. This was a clear indicator for future generations that communities with such resilience can move mountains when working together.

The Foundation salutes these pioneers some of whom are still with us today as members of the Mirboo North & District Community Foundation, without them there would be no continuing aged care facility or Community Foundation.

A number of these pioneers are current Life members of the Foundation, we thank and salute them as an example to all future generations of resilience and can do attitudes.

Partnerships/Collaborations

A major initiative of the Mirboo North & District Community Foundation is partnerships and collaboration with other organisations, including Shire Councils and service providers to the benefit of our community. We communicate, identify community need and determine how we can work together to address these identified areas of need. Some examples of this are:

Mirboo North Community Bus Service



The Foundation and the Mirboo North Community Shed are continuing their partnership of providing the Mirboo North Community Bus service formerly operated by the Mirboo North RSL. This vitally important community service provides much needed transport services to the residents of

the Mirboo North district, particularly those who have difficulty in finding suitable transport.

Our thanks also to South Gippsland Shire who have recognised the importance of this service and agreed to continue providing a fuel card for the community bus until at least 2018.

The Foundation and the Mirboo North Community Shed look forward to providing this valuable transport service for our district community for many years.

Mirboo North Schools Health and Wellbeing Support



The whole community benefits from investment in the health and wellbeing of our young people. It is essential we give them the best opportunity they can have for the future. The provision of counseling services to students of both Mirboo North Primary and Mirboo North Secondary College through their Chaplain, Norm da Silva, is one such investment.

The Foundation has a Deductible Gift Recipient (DGR) trust so that the local community members can make donations to the Foundation for a range of programs, for which donations are tax deductible. In partnership with the Mirboo North Schools Chaplaincy committee, the Foundation is able to accept

donations for the Mirboo North Schools Health and Wellbeing Program.

The Foundation further supports this Program by donating \$50 for each of the first 200 donations made to the program.

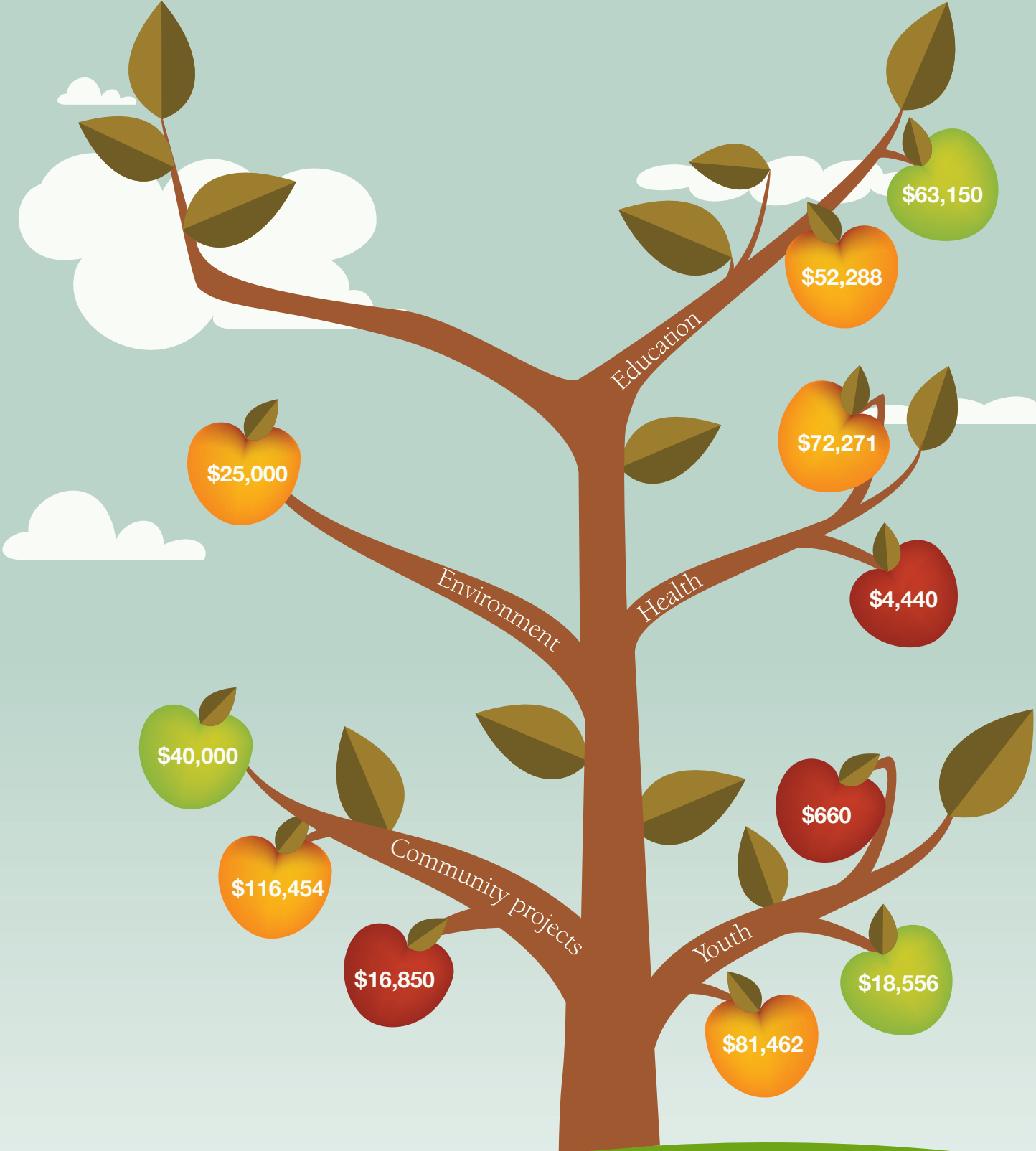
If you wish to find out more or contribute to the health and wellbeing support of our local students please contact our Executive Officer or the Mirboo North Primary School or Secondary College.

Establishing a 'Named' Fund

If you would like to find out more about how you can contribute to our community by establishing a sub-fund in your name or a name of your choice, through the Mirboo North & District Community Foundation, please contact our Executive Officer to discuss. These 'sub-funds' can specify how your donation is to be distributed by the Foundation, for example, to a particular area of interest or community need that you are passionate about.

The 'name' of the sub-fund may honour someone in their lifetime or preserve the memory of a family member, friend, pioneer or outstanding citizen into the future.

Where we have helped



Key


Other Grants
and Funding


Sponsorship


Community
Grants
Program

Funding Recipients 2010 - 2015

| | |
|------------------------------------|---------------------------------|
| Bass Coast Family Resource Centre | Mirboo North Italian Seniors |
| Boolarra & District Youth Theatre | Mirboo North Kindergarten |
| Boolarra Folk Festival | Mirboo North Newspaper |
| Boolarra Football/Netball Club | Mirboo North Playgroup |
| Boolarra Memorial Park | Mirboo North Pony Club |
| Boolarra Playgroup | Mirboo North Primary School |
| Boolarra Primary School | Mirboo North Recreation Reserve |
| Dumbalk Hall Committee | Mirboo North RSL |
| Dumbalk Progress Association | Mirboo North Secondary College |
| Friends of Lyrebird Walk | Mirboo North Senior Citizens |
| Friends of Mirboo North Library | Mirboo North Swimming Pool |
| Gippsland Bushfire Appeal | Narracan Primary School |
| Mirboo Country Development Inc. | Ridge Writers Mirboo North |
| Mirboo Group CFA | St. John's Ambulance |
| Mirboo Recreation Reserve | St. Mary's Anglican Church |
| Mirboo North Aged Care (Friends) | South Coast PCP, MNSC, GPA |
| Mirboo North Art Show | Thorpdale Kindergarten |
| Mirboo North Artygras | Thorpdale Potato Festival |
| Mirboo North Community Energy Hub | Thorpdale Primary School |
| Mirboo North Child Care Centre | Thorpdale Recreation Reserve |
| Mirboo North Community Shed | Uniting Care Gippsland |
| Mirboo North Football/Netball Club | Yinnar Fiddlehead Festival |
| Mirboo North Historical Society | Yinnar Primary School |
| Mirboo North Italian Festa | YMCA Ballarat |

Projects funded by the 2015 Community Grants Program

12 successful applicants totaling \$47,165

The worthy and diverse group of community organisations who received these community grants are:



Boolarra Folk Festival

Received \$2,500

Project Name:

Opening act schools drumming 2016

The Boolarra Folk Festival is a free music festival held at Boolarra in March of each year. Our grant supported workshops for Boolarra Primary School children to develop and enhance their musical skills and learn bass percussive rhythm. The project culminated with the entire student population of Boolarra performing as part of the opening act at the Festival.

The festival feedback surveys indicated that the audience loves the inclusivity of Boolarra Folk Festival programming, and that this element is key to its ongoing success.



Mirboo North Artspace

Received \$4,413

Project Name:

Workshop fitout and community engagement

Our grant supported the creation of a workshop area within the Artspace and launch a series of free taster workshops for the community.

During January and February the workshop space was overhauled with new floor to ceiling cupboards, renovated wooden floor boards and new comfortable long wearing tables and chairs. From the end of February through to April, the Artspace held its launch and eight free taster workshops in Jewellery making, Drawing, Singing and Ukulele, Mandalas, Wire Sculpture, 'Stitch Don't Ditch', Wire Sculpture for Kids and Sewing.

The community engagement involved significant promotion and its success is evidenced by the fact that each of these workshops was at full capacity, engaging people from right across the community (different ages, skills, backgrounds). The skills of our local artists were promoted, some of whom have continued to provide workshops throughout the year. The impact of this grant was to create a space for the sharing of artistic skills between artists and the Community, whilst also removing the isolating cost barrier.



St. Paul's Catholic Social Club Inc

Received \$4,000

Project Name:

Mirboo North Italian festa

Our grant supported Mirboo North Italian Festa, a family friendly festival held in Baromi park Mirboo North. The Festa celebrated all things Italian with a focus on sharing Italian culture through providing a wonderful variety of food and entertainment, displays and activities. Through collaboration, networking, social media, advertising and marketing the local community was united and engaged. The Festa attracted visitors from across Victoria thereby promoting the beauty of Mirboo North and the South Gippsland area. Attendance was estimated at 5,000.

Collaboration with local schools, childrens centres, seniors groups, the aged care facility, churches, local shops, businesses and service clubs promoted social interaction, strong community links and, we believe, improved social and economic outcomes for our local area.



Mirboo North Playgroup

Received \$3,350

Project Name:

Make our space safe

Mirboo North Playgroup leveraged our grant with a South Gippsland Shire Council grant and funds raised through Choo Choo Market, to fund the installation of a new rubber-tough covering surface for its outdoor hard surface area. The new surface provides a safe and entertaining surface where the platform of the original Mirboo North Railway station would have been. To celebrate that link, the new rubber-tough surface has incorporated a railway track and three stations – Mirboo North, Darlimurla and Boolarra.

The Playgroup building is also turning 100 this year, and the new rubber-tough surface will be on show during the celebration to be held on the Trader's Evening (Dec 1st), in collaboration with the Mirboo & District Historical Society.



Mirboo North Primary School

Received \$3,000

Project Name:

Brekky club

Our grant has supported the expansion and sustainability of the Mirboo North Primary School's Brekky club in its second year. The Brekky club operated twice a week during terms 2 and 3, with an average of 80 students attending each day, to munch on toast and have a hot or cold drink. The high level of attendance makes it a fun gathering for all of the kids, but one with an important benefit for those who haven't had breakfast before they come to school.

The purchase of freezer, dishwasher, toaster etc has helped make the whole process more sustainable for the fantastic volunteers who give their time for each session. Mirboo North Primary School has now instituted a special assembly to recognize and thank Brekky club volunteers for all of their efforts.



Mirboo North Primary School

Received \$3,000

Project Name:

Mural depicting historic school scene

Our grant, together with funds raised by the Parents club, has been used to design, prepare and construct a powder coated metallic historic mural. Designed and constructed by local artists, Helen Lockie and Shane Imlach, the design depicts the original wooden school building from the 1800s (originally on the site of Strzelecki House) and some other images of our district at that time. The mural will be seen in relief as the black powder coated metal is set on a white background, prominently placed on a wall on the side of the school facing the Strzelecki Highway, where it can be viewed by all passing.

In its design phase, the mural has helped the school community reconnect with its history, and it is expected that once completely installed, these benefits will flow to the broader community as well.



Mirboo North Secondary College

Received \$4,000

Project Name:

Resonance - a music initiative to inspire confidence and self-reliance for youth through creative expression.

Our Grant supported the creation of the Resonance Project for Year 7 and 9 students at Mirboo North Secondary College. In practice, this meant that in Terms 2 and 3, local musician and instrument maker, Dave Paxton worked with year 7 students to make and decorate their own marimba bars, and then with year 9 students who designed and created instruments using parts of Nuffy the Tractor. Nuffy the tractor (fondly nicknamed as it is a vintage Nuffield tractor) was very kindly donated to the College by Mr Noel Densley. At the end of Term 3, the Year 7 and 9 students gave a performance on Marimbas, Harp, Cello and the Resonator guitar that they made together.

The other instruments made from Nuffy the tractor were the wheel drum, wheel marimba, chime and jingalar which all featured in the marimba performances. Students were involved in creating Marimbas from scratch, learning about frequency, pitch, design, technology skills all whilst developing their self-confidence and understanding of how an instrument is made. In addition, the completed Marimbas are now a part of the instrument resources of the MN Primary School.

We believe we have ignited a passion within students, to inspire and give them the confidence to try new things, building skills and self-confidence, to take a risk and learn that from failure comes success.



St. Mary's Anglican Church

Received \$1,000

Project Name:

Brekky club - Mirboo North Secondary College

Brekky Club has operated for many years at Mirboo North Secondary College, thanks to the many volunteers who support the program, and also the valued financial input from the Mirboo North and District Community Foundation. This continued, as usual, throughout Terms 2 and 3 of 2016, drawing as many as 40 students on Tuesdays and Thursdays each week of term.

The Brekky Club has not only ensured that the students can access breakfast, but has also allowed them to enjoy being in each other's company before classes start, enabling new friendships to be struck up and drawing new students into existing friendship groups.



St. Mary's Anglican Church

Received \$2,300

Project Name:

Movie Monday's for teens and families film nights

Following on from the successful piloting of Movie Mondays in 2014 and 2015, our grant funded St. Mary's Anglican Church to hold Movie Mondays in Terms 1 to 4 in 2016. The evenings have been well received by the teenagers (approximately 22 per session), and much approved by their parents and other interested community members over this time. The teenagers commented often that they have appreciated being able to attend a safe and fun activity together on a regular basis.

In addition, during the September school holidays, St. Mary's ran 3 nights of family films per week which were also well attended and well received. The Movie Mondays have provided an opportunity to connect these teenagers with a range of movies that have strong positive messages.



St. John's Ambulance

Received \$2,192

Project Name:

Essential first aid equipment for St. John Ambulance Latrobe division

Our grant enabled the Latrobe Division of the St. John's Ambulance to purchase essential first aid equipment required for volunteers, including two Oxygen Response Kits and three Manikins for training purposes.

Each year the Latrobe Division of St. John's Ambulance provides approximately 2,300 hours of First Aid at sporting events, concerts, fairs and expos in the community, including events like the Arty Gras Festival and the Gippsland Koorie Football and Netball Carnival. The modern equipment, including the equipment purchased with this grant, is essential to improve the skills of the volunteers and ensure that they can assist patients with a wide range of health issues.



Thorpdale Recreation Reserve

Received \$7,410

Project Name:

Thorpdale Recreation Reserve playground safety project

Our grant funded the erection of a Child Safe Fence around the existing playground equipment at the Thorpdale Recreation Reserve. The Child Safe Fence has replaced a low post and rail barrier which ran between the playground and the adjacent road. This fence has made the Playground a safer place for all users, whether the parents and children who attend the reserve during Football, Cricket and Tennis match days, or the parents and children who use the Reserve facilities for 'boot camp', casual walking groups, social tennis occasions or during the Potato Festival.



Walter J Tuck Reserve

Received \$10,000

Project Name:

Installation of solar electricity system

Our grant was used to install a 10.2kW solar power system on the Function Rooms at the Walter J Tuck Recreation Reserve in Mirboo North. The installation has proved highly beneficial to the user groups at the Reserve, through a reduction in electricity costs and a move closer to energy sustainability. The benefits are clear to see - during the first nine months (including the winter season) the new system has provided savings of nearly \$2,000 – that is \$2,000 which does not need to be met by the volunteer fundraising efforts of the community members belonging to the user groups going forward.

Financial Statements for the year ended 30 June 2016

Balance Sheet as at 30 June 2016

| | Note | 2016 (\$) | 2015 (\$) |
|--|-----------|------------------|------------------|
| Cash and Cash Equivalents | 3 | 374,925 | 307,577 |
| Trade and Other Receivables | 2 | 57,665 | 57,664 |
| Financial Assets | 4 | 6,611,016 | 6,479,398 |
| Loan Receivable | 5 | 13,496 | 16,608 |
| Total Current Assets | | 7,057,102 | 6,861,247 |
| NON CURRENT ASSETS | | | |
| Loan Receivable | 5 | 161,186 | 174,617 |
| Property, Plant and Equipment | 6 | 5,600 | - |
| Investment in Strzelecki Ranges Community Enterprises Limited | | 65,000 | 65,000 |
| Total Non-Current Assets | | 231,786 | 239,617 |
| TOTAL ASSETS | | 7,288,888 | 7,100,864 |
| CURRENT LIABILITIES | | | |
| Trade and other payables | | 3,154 | - |
| Total Current Liabilities | | 3,154 | - |
| TOTAL LIABILITIES | | 3,154 | - |
| NET ASSETS | | 7,285,734 | 7,100,864 |
| EQUITY | | | |
| Grants Reserve | 7 | 140,921 | 181,155 |
| Donated Funds Reserve | 8 | 331,837 | 36,818 |
| Financial Assets Reserve | 9 | 260,706 | 506,453 |
| Retained Earnings | 10 | 643,030 | 527,052 |
| Maintained Corpus | 11 | 5,909,240 | 5,849,386 |
| TOTAL EQUITY | | 7,285,734 | 7,100,864 |

The accompanying notes form part of these financial statements

Comprehensive Income Statement for the Year Ended 30 June 2016

| | Note | 2016 (\$) | 2015 (\$) |
|---|------|----------------|----------------|
| REVENUE FROM OPERATIONS | | | |
| Interest Income | | 152,802 | 141,996 |
| Investment Income | | 250,966 | 379,590 |
| Miscellaneous Income and Donations | | 289,192 | 9,713 |
| TOTAL REVENUE FROM OPERATIONS | | 692,960 | 531,299 |
| EXPENSES FROM OPERATIONS | | | |
| Administration | | 95,838 | 81,268 |
| Consultancy and Project Management Fees | | 8,974 | 3,295 |
| Grants and Sponsorships | | 111,471 | 83,045 |
| Insurance | | 3,354 | 3,125 |
| Investment Advisor Fee | | 42,706 | 43,451 |
| TOTAL EXPENSES FROM OPERATIONS | | 262,343 | 214,184 |
| SURPLUS FOR THE YEAR | | 430,617 | 317,115 |
| Fair value loss on investments | 9 | (245,747) | (119,356) |
| TOTAL COMPREHENSIVE INCOME | | 184,870 | 197,759 |

The accompanying notes form part of these financial statements.

Cash Flow Statement For The Year Ended 30 June 2016

| | Note | 2016 (\$) | 2015 (\$) |
|--|------|------------------|------------------|
| Interest received | | 151,667 | 142,725 |
| Receipts from other income | | 282,192 | 9,713 |
| Investment income received | | 268,643 | 376,301 |
| Payments to grant recipients | | (111,471) | (83,045) |
| Payments to suppliers and employees | | (146,318) | (158,199) |
| Net cash from operating activities | | 444,713 | 287,495 |
| <hr/> | | | |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Net Payments for investments | | (377,365) | (589,142) |
| Net cash used in investing activities | | (377,365) | (589,142) |
| <hr/> | | | |
| Net decrease in cash held | | 67,348 | (301,647) |
| Cash at beginning of year | | 307,577 | 609,224 |
| Cash at end of year | 3 | 374,925 | 307,577 |
| Cash at end of year | | 1,113,612 | 1,400,117 |

The accompanying notes form part of these financial statements.

1. Statement of Significant Accounting Policies

The financial statements cover the Association Mirboo North and District Community Foundation Inc, incorporated and domiciled in Australia.

The Association is not a reporting entity because in the opinion of the Committee there are unlikely to exist users of the financial report who are unable to command the preparation of reports tailored so as to satisfy specifically all of their information needs. Accordingly, these special purpose financial statements have been prepared to satisfy the requirements of section 60.40 of the Australian Charities and Not-for-profits Commission Regulation 2013 (ACNC Regulation) and meet the needs of the members.

Statement of Compliance

The financial statements have been prepared in accordance with the Australian Charities and Not-for-profits Commission Act 2012, the recognition and measurement requirements specified by all Australian Accounting Standards and Interpretations, and the disclosure requirements of Accounting Standards AASB 101 Presentation of Financial Statements, AASB 107 Statement of Cash Flows, AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors and AASB 1054 Australian Additional Disclosures.

Basis of Preparation

The financial statements, except the cash flow information, have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement of fair value of selected non-current assets, financial assets and financial liabilities. Historical cost is generally based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise noted.

Accounting Policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements, except as explained under changes in accounting policies.

a. Income Tax

As the incorporated association is a charitable institution in terms of subsection 50-5 of the Income Tax Assessment Act 1997, as amended, it is exempt from paying income tax.

b. Cash

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

c. Revenue

“Revenue is recognised when it is probable that the economic benefit will flow to the association and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable.

Donations

Donations are recognised at the time the funds are received.

Interest

Interest revenue is recognised as interest accrues using the effective interest method.

Investment Income

Investment income is recognised as revenue when received.”

d. Trade and Other Receivables

Other receivables are recognised at amortised cost, less any provision for impairment.

e. Trade and other payables

These amounts represent liabilities for goods and services provided to the incorporated association

prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

f. Principal Activity

The principal activity of the Mirboo North and District Community Foundation Inc. is the investment and distribution of funds for the future benefit of the community.

g. Place of Business

The principal place of business of the Mirboo North and District Community Foundation Inc. is Mirboo North.

h. Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the association commits itself to either purchase or sell the asset (i.e. trade date accounting is adopted).

Classification and subsequent measurement

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest rate method or cost. Fair value represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Financial assets at fair value through profit or loss

Financial assets are classified at “fair value through profit or loss” when they are held for trading for the purpose of short-term profit taking, where they are derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable

Notes To The Financial Statements For The Year Ended 30 June 2016

performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying value being included in profit or loss.

(i) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the taxation authority, are presented as operating cash flows.

(j) Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes

in presentation for the current financial year.

(k) Adoption of new and revised accounting standards

“During the current year, the Group has adopted all of the new and revised Australian Accounting Standards and Interpretations applicable to its operations which became mandatory.

The adoption of these standards has not significantly impacted the recognition and measurement of transactions and the presentation and disclosures of the financial statements.”

2. Receivables

| | 2016 (\$) | 2015 (\$) |
|-------------------|---------------|---------------|
| Debtors | 4,950 | 3,815 |
| Other receivables | 52,715 | 53,849 |
| | 57,665 | 57,664 |

3. Cash Flow Information

a. Cash Assets

For the purpose of the cash flow statement, the Facility considers cash to include cash on hand and in banks and term deposits. Cash at the end of the reporting period as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:

| | 2016 (\$) | 2015 (\$) |
|----------------------|----------------|----------------|
| Cash on hand at bank | 374,925 | 307,577 |
| | 374,925 | 307,577 |

b. Reconciliation of net cash provided by Operating Activities to Operating Surplus/(Deficit) after Income tax

| | 2016 (\$) | 2015 (\$) |
|---|----------------|----------------|
| Operating surplus | 430,617 | 317,115 |
| Changes in assets and liabilities: | (1) | (2,560) |
| Increase in receivables | 3,154 | (27,060) |
| Increase/(decrease) in payables | 16,543 | - |
| Decrease in loan receivable | | |
| Net cash from operating activities | 450,313 | 287,495 |

Notes To The Financial Statements For The Year Ended 30 June 2016

| 4. Financial Assets | 2016 (\$) | 2015 (\$) |
|--|------------------|------------------|
| Term deposits | 362,200 | 806,035 |
| Investment in shares | 2,683,644 | 2,662,461 |
| Investment in hybrid securities | 470,712 | 479,005 |
| Investment in bonds | 357,851 | - |
| Investment in unlisted property trusts | 846,609 | 621,897 |
| Investment in secured first mortgages | 1,890,000 | 1,910,000 |
| | 6,611,016 | 6,479,398 |

| 5. Loan Receivable | 2016 (\$) | 2015 (\$) |
|-------------------------------|----------------|----------------|
| Loan Receivable - current | 13,496 | 16,608 |
| Loan Receivable - non current | 161,186 | 174,617 |
| | 174,682 | 191,225 |

In April 2013, the Mirboo North and District Community Foundation Inc. received a donation of \$206,818. The donation is a transfer of a mortgage which is receivable over a maximum period of 20 years. The full amount of the donation has been recognised as income in the 2013 financial year. Future repayments of the mortgage will be recognised as a reduction in the loan receivable balance, and any interest component will be recognised in the year it is received.

| 6. Property Plant and Equipment | 2016 (\$) | 2015 (\$) |
|---------------------------------|--------------|-----------|
| Motor Vehicles | 7,000 | - |
| Accumulated Depreciation | (1,400) | - |
| Closing Grants Reserve | 5,600 | - |

Movements in Carrying Amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

| 2016 | Motor Vehicles | Total |
|-----------------------------------|----------------|--------------|
| Balance at beginning of the year | - | - |
| Additions | 7,000 | 7,000 |
| Depreciation | (1,400) | (1,400) |
| Balance at end of the year | 5,600 | 5,600 |

| 7. Grants Reserve | 2016 (\$) | 2015 (\$) |
|--------------------------------|----------------|----------------|
| Opening General Reserve | 181,155 | 120,000 |
| Transfers in | 45,000 | 120,000 |
| Payments made | (85,234) | (58,845) |
| Closing General Reserve | 140,921 | 181,155 |

The grants reserve represents funds approved by the board to be spent on community grants. As the allocation of grants has not yet been approved by the board there is no liability in relation to these amounts at 30 June. It is however the intention of the board to award these grants in the future.

| 8. Donated Funds Reserve | 2016 (\$) | 2015 (\$) |
|--------------------------------------|----------------|---------------|
| Opening Donated Funds Reserve | 36,818 | 47,238 |
| Transfers in | 310,619 | 10,380 |
| Payments made | (15,600) | (20,800) |
| Closing Donated Funds Reserve | 331,837 | 36,818 |

Notes To The Financial Statements For The Year Ended 30 June 2016

| 9. Financial Assets Reserve | 2016 (\$) | 2015 (\$) |
|---|----------------|----------------|
| Opening Financial Assets Reserve | 506,453 | 625,809 |
| Fair value adjustment | (245,747) | (119,356) |
| Closing Financial Assets Reserve | 260,706 | 506,453 |

The financial assets reserve represents the revaluation of financial assets.

| 10. Retained Earnings | 2016 (\$) | 2015 (\$) |
|--|----------------|----------------|
| Opening Retained Earnings | 527,052 | 347,733 |
| Net Transfer from/(to) Grants Reserve | 40,234 | (61,155) |
| Net Transfer from/(to) Donated Funds Reserve | (295,019) | 10,420 |
| Transfer from/(to) Financial Assets Reserve | 245,747 | 119,356 |
| Transfer to Maintained Corpus | (59,854) | (87,061) |
| Comprehensive Income for the year | 184,870 | 197,759 |
| Closing Retained Earnings | 643,030 | 527,052 |
| Closing Retained Earnings | 527,052 | 347,732 |

| 11. Maintained Corpus | 2016 (\$) | 2015 (\$) |
|----------------------------------|------------------|------------------|
| Opening Maintained Corpus | 5,849,386 | 5,762,325 |
| Transfers in | 59,854 | 87,061 |
| Closing Maintained Corpus | 5,909,240 | 5,849,386 |

Maintained corpus represents funds that have been quarantined to preserve the assets of the foundation. The income produced from the assets can be used for grant payments, however the maintained corpus itself must remain intact.

12. Related Parties

“Grant Irving, a Director of Mirboo North and District Community Foundation Inc., is a Director of Bluestone Management Accounting Pty Ltd, which provides accounting services to the Association at a market reduced fee. A declaration of interest has been provided by the Director.

Kate Buxton, a Director of Mirboo North and District Community Foundation Inc., is a Director of Tommy Gun Pty Ltd, which provides marketing consultancy services to the Association at a market reduced fee. A declaration of interest has been provided by the Director.”

13. Contingent Liabilities

There are no contingent liabilities at reporting date (2015: nil).

14. Events After Reporting Date

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Association, the results of those operations, or the state of affairs of the Association in future financial years.

15. Commitments

The Association has no commitments for expenditure as at 30 June 2016 (2015: \$nil)

16. Association Details

The registered office and principal place of business of the Association is:
Mirboo North, Victoria

The principal activity of the Mirboo North and District Community Foundation Inc. is the investment and distribution of funds for the future benefit of the community.

Statement By Members Of The Committee

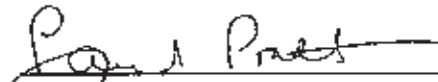
MIRBOO NORTH AND DISTRICT COMMUNITY FOUNDATION INC STATEMENT BY MEMBERS OF THE COMMITTEE


The members of the Committee have determined that the Association is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies described in Note 1 to the financial statements.

In the opinion of the members of the Committee the financial statements present a true and fair view of the financial position of Mirboo North and District Community Foundation Inc. as at 30 June 2016 and its performance for the year ended on that date. The members of the Committee declare that:

1. At the date of this statement, there are reasonable grounds to believe that the Mirboo North and District Community Foundation Inc. will be able to pay its debts as and when they become due and payable, and
2. The financial statements and notes satisfy the requirements of the Australian Charities and Not-for-profit Commission Act 2012.

Signed in accordance with subsection 60.15(2) of the Australian Charities and Not for profit Commission Regulation 2013:





Dated this 2nd day of November 2016



INDEPENDENT AUDITOR'S REPORT

To the Members of Mirboo North and District Community Foundation Inc.

Crowe Horwath Vic
ABN 27 621 602 883
Member Crowe Horwath International
3 Napier Street
Warragul VIC 3820 Australia
PO Box 346
Warragul VIC 3820 Australia
Tel 03 5622 7500
Fax 03 5623 6948
www.crowehorwath.com.au

We have audited the accompanying financial report, being a special purpose financial report of Mirboo North and District Community Foundation Inc., which comprises the statement of financial position as at 30 June 2016, the statement of profit or loss and other comprehensive income, and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the statement by members of the committee.

Committee's Responsibility for the Financial Report

The members of the committee are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the *Associations Incorporation Reform Act 2012* and the *Australian Charities and Not-for-profits Commission Act 2012* and the needs of the members. The responsibility of the members of the committee also includes such internal control as the members of the committee determine is necessary to enable the preparation of a financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the association's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the association's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the members of the committee, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, we have complied with the independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012*. We confirm that the independence declaration required by the *Australian Charities and Not-for-profits Commission Act 2012*, which has been given to the committee of Mirboo North and District Community Foundation Inc., would be in the same terms if given to the committee as at the time of the auditor's report.

Opinion

In our opinion the financial report of Mirboo North and District Community Foundation Inc. has been prepared in accordance with the *Associations Incorporation Reform Act 2012* and Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

(a) giving a true and fair view of Mirboo North and District Community Foundation Inc.'s financial position as at 30 June 2016 and of its financial performance and cash flows for the year ended on that date; and

(b) complying with Australian Accounting Standards – Reduced Disclosure Requirements, the *Associations Incorporation Reform Act 2012* and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

Basis of Accounting

Without modifying our opinion, we draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist Mirboo North and District Community Foundation Inc. to meet the requirements of the *Associations Incorporation Reform Act 2012* and the *Australian Charities and Not-for-profits Commission Act 2012*. As a result, the financial report may not be suitable for another purpose.

Crowe Horwath Vic

CROWE HORWATH VIC

G. Robertson

GORDON ROBERTSON

Partner

Warragul

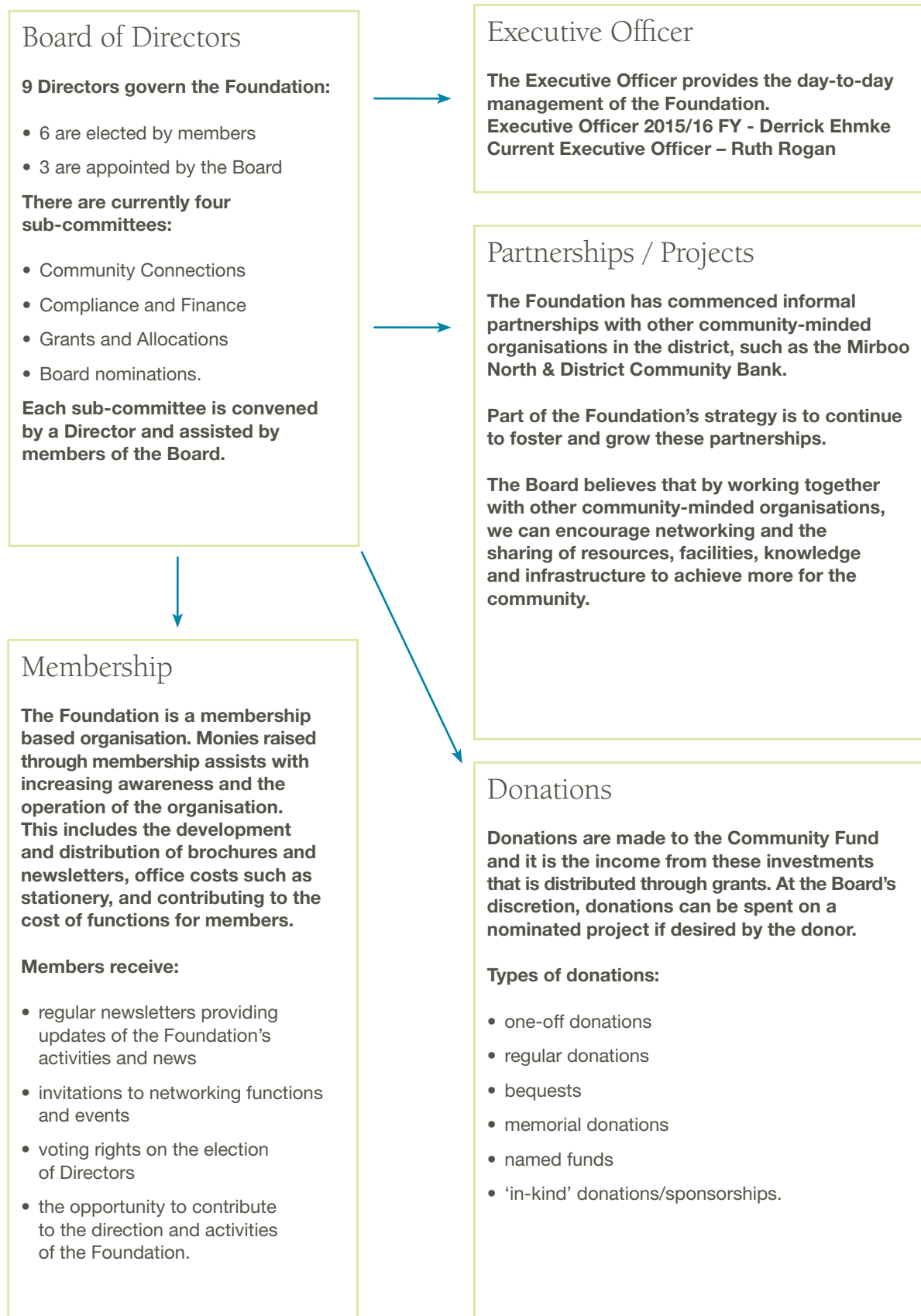
Date: 3 November 2016

Crowe Horwath Vic is a member of Crowe Horwath International, a Swiss Verein. Each member of Crowe Horwath is a separate and independent legal entity. Liability limited by a scheme approved under Professional Standards Legislation other than for the acts or omissions of financial services licensees.

Structure

The Mirboo North & District Community Foundation was established in 2010.

The Foundation is a membership based incorporated association governed by a volunteer Board of Directors with a wide range of skills and an extensive knowledge of the community.



Board of Directors

The Mirboo North & District Community Foundation is governed by a volunteer board of directors broadly drawn from the Mirboo North district.



Paul Pratt
Chair

Paul has been a member of this community since 1995, when he moved here with his wife Libby and three children. He has loved being actively involved in this community, as a member of Scope, an adult education provider, the Primary School Council, the Chaplaincy committee, St. Mary's parish council, the Mirboo North Junior Football Club and the former aged care board. He is currently the president of the Mirboo North Football Netball Club.

He is a solicitor specialising in civil litigation and has practiced for 30 years.



Robert Kiddell
Vice Chair

Robert is a local certified financial planner (CFP®), lawyer, notary and company director who has wide community and professional interests.

He is a former shire councillor; a Life Member of Apex; he was the inaugural president of the Mirboo Community Association; a former Secretary of the Gippsland Law Association; an original director of Strzelecki Brewing Company and Mirboo Tourism Pty Ltd; inaugural chair of the IAFP (Gippsland Chapter) now Financial Planning Association; managing director of Grand Ridge Agencies (Bendigo Bank Agency prior to the Community Bank) for 12 years; and a Fellow of the Gippsland Community Leadership Program.

Robert's dedication and service to the district community have brought enormous benefit to the community and his wealth of experience and expertise in the legal and financial world are invaluable.



Kate Buxton

Born in the UK, Kate graduated from the London School of Economics in 1987. Before migrating to Australia, she worked at a senior level in the independent television production sector in the UK and is a former Executive Officer of Women and Film and Television (UK) and General Manager of Lifeline Gippsland.

She has worked closely with the Boards of several non-profit and membership based organisations and has extensive experience in the development of government and philanthropically funded projects for a wide range of community and mental health organisations. Kate is passionate about community foundations; she is the current Executive Officer of Australian Community Philanthropy, the peak organisation for community foundations in Australia, assisting them to establish, grow and achieve their objectives.



Ned Dennis

Ned is the Community Strengthening Co-ordinator at South Gippsland Shire and is a well-known resident of Mirboo North. Ned has over a number of years provided extensive service and benefits to many communities in South Gippsland. He serves on many Community organisations in the district and is actively involved in the arts community. Ned's extensive community service experience and contacts are of considerable benefit to the Foundation.



Diana Mueller

Diana is with the Department of Education and Training (DET) and has lived and taught in the Mirboo North district for many years, currently living on a farm in Allambee South.

Diana has worked at Regional Office for over 5 years, taught for more than 20 years and has a wide range of experience in the Education sector. Diana is active in a number of community organisations including the Allambee South Community Centre, Mirboo North Football Netball Club and the Mirboo North Community Energy Hub.

Her knowledge and practical experience in the Education field is invaluable to the Mirboo North & District Foundation and the community in supporting the Foundation's focus on Youth.



Grant Irving

Grant is a long standing resident and well know accountant in the Mirboo North district. As the accountant for the Mirboo North Aged Care facility over many years, Grant provided the facility with prudent and well founded financial advice. He is a major contributor to the Compliance and Finance sub-committee and his wealth of financial and regulatory experience is a major asset to the Foundation.



Jodie Pincini

Jodie has 20 years' experience as a Chartered Accountant, is a member of the Institute of Chartered Accountants of Australia, gained her Bachelor of Economics degree from Monash University in 1991 and is a Graduate of the Australian Institute of Company Directors.

She is a Director of KRED Enterprises Charitable Trust – an Aboriginal owned trust to promote economic and business development opportunities to Aboriginal people in the Kimberley region of WA.

Jodie is active in a number of community organisations in Mirboo North including the Friends of Mirboo North Swimming Pool, Mirboo North Netball Club and St. Mary's Anglican Parish. As a parent of school age children, Jodie sees first hand some of the challenges facing young people today and is keen to support and encourage them to be active in the community. Jodie has lived most of her life in remote and regional communities and feels strongly about bridging the gap of access to services when compared with city counterparts.

Jodie's governance skills and record of enthusiasm for serving the community have, and will continue to be, of major benefit to the Foundation and the community.



Walter Aich

Walter Aich joined the Mirboo North and District Community Foundation Board in March 2014 and has since been actively involved in Board, Community Connections and Grants and Allocations Committee.

Walter has an extensive background in education with a Bachelor of Science (Education) and a post graduate Bachelor of Education degrees.

After more than 20 years as a secondary science and maths teacher Walter moved on to hold senior positions with the Gippsland Regional Council of Adult, Community & Further Education (ACFE Gippsland), within the Departments of Education and Early Childhood Development (DEECD) and Planning and Community Development (DPCD).

Walter's role as executive officer to ACFE Gippsland, was to ensure that the Regional Council met its contractual, governance and strategic targets as a statutory organisation within the State Government and assist up to 50 community governed organisations to deliver foundation level adult learning programs across Gippsland.

Walter has been very active with a number of community organisations including the South Gippsland CFA and Dumbalk Progress Association.



Wendy Major

Wendy moved to Mirboo North a few years ago from Bairnsdale, and has become actively involved in the Mirboo North & District community.

She is currently Executive Officer of the South Gippsland Bass Coast Local Learning and Employment Network (LLEN) which puts her in a great position to understand the needs of Youth in education and employment. Wendy has served on a number of Boards and School Councils over many years and is a member of the LLEN Network Executive.

Wendy was an independent volunteer team member of the 2012 Community Grants program leading to her joining the Board. She is a very active member of the Foundations Grants and Community Connections committee.

Wendy has extensive experience in serving on a number of Community organisations and Boards, particularly in Education, and has made a valuable contribution to the Foundation and the Mirboo North District.

Professional Service Providers

Audit
Crowe Howarth Vic

Accounting
Bluestone Management Accounting

Banking
Mirboo North & District Community Bank Branch-Bendigo Bank

Investment Advisors
Hewison Private Wealth

Legal
Herbert Smith Freehills

Graphic Design
tommy gun

Photography
buxtonography and the local community

Memberships

Philanthropy Australia
Australian Community Philanthropy
Our Community (www.ourcommunity.com.au)

Contact Details

PO Box 327
Mirboo North
3871, Victoria
Australia

0418 301 092
info@mirboodistrictfoundation.org.au
www.mirboodistrictfoundation.org.au
ABN 49 954 324 242

This Annual Report is printed on Ecostar Recycled.



Mirboo North & District
community foundation

Strong Foundation, Strong Communities
www.mirboodistrictfoundation.org.au