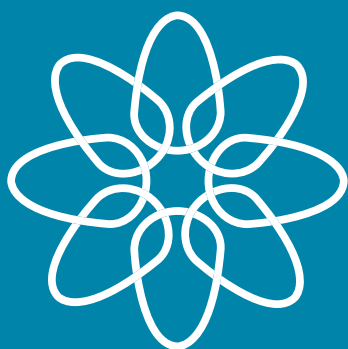


Mirboo North & District
Community Foundation

Together We Thrive

-
Annual Report
2022/23





The Mirboo North & District Community Foundation acknowledges the Gunaikurnai and the Bunurong people and their continuing connection to the land, waters and culture which fall within our district. We pay our respects to their Elders past, present and emerging, including their care for community, for each other and for country. We seek to contribute to the tradition of caring for community and our district through our work.

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Chair's Report

Chair
Robert Kiddell

I am very pleased to present my second report as Chair of the Community Foundation that is continuing to support this community through giving, facilitating and investing.

As it has over the last 14 years, the Community Foundation continues its work to strengthen this district by putting down more roots that will nurture our community in any tough times that may unfold in the years ahead. This year some of those newly planted roots took the form of sub-funds within the Community Foundation, some perpetual and some which flow straight back into impact in the community.

Sub-funds allow groups and individual donors to target their donations to support our community in the area that concerns them, assisted by the Community Foundation's local connections to ensure that their donations will have an impact. It has been pleasing to see the Mirboo North Pharmacy, the Community Bank Mirboo North & District, and the Mirboo North Times choose to partner with us in this space in the last year, as well as the setting up of the Jean Moir Sub Fund. Education support, our senior citizens, student wellbeing and now even financial support for people caught up in difficult economic times, will all benefit from targeted granting from these donor-advised sub-funds.

Another on-going partnership of note has been with the Mirboo North Community Shed Co-operative in relation to the operation of a community bus. This year the Department of Transport granted almost \$60,000 towards the purchase of a new 12 seater bus to enable us to

retire the ageing community bus that had originally come from the local RSL. The Community Bus has been run in partnership with the Community Shed since 2015 and it has been a great success. It is used by the local schools, sporting groups, seniors, community groups, individuals and families.

Our story

When I first brought the idea for a history project to the Board back in 2017, I was mainly concerned with corporate memory and that the Community Foundation would not lose its commitment to the idea of a perpetual endowment. I saw the embryonic history project as a way of preserving that corporate memory. Of course, the project developed far beyond this original aim and Dr. Julie Fenwick's book tells so many wonderful stories, the elements of which, as Kate Buxton tells us in the book, form the threads that "have woven this community into a really unique tapestry."

The book *From Rural Health to Community Strengthening: The Story of the Mirboo North & District Community Foundation* coupled with the infographic provide an excellent resource for all members to communicate our story, and even further, to encourage philanthropic giving whether by donation or bequest. Speaking to a range of people since the launch, I have been heartened by the interest expressed by people keen to leave an on-going legacy to this community that is so close to so many hearts.

This year the Voice referendum has provided its share of challenges for people of good will on both sides of the debate. As an organisation the Board decided unanimously to support a Yes vote. We respect that this was not the vote of the majority in our community or across the country. Despite this, we commit our organisation afresh to working with all peoples to achieve the vision of a fully reconciled community.

During 2023, we decided to take a new approach with acknowledging country and first nations people when we meet as a Board. We took it in turns to lead the acknowledgement of country and included a personal reflection or connection. This has brought much more meaning to this practice which allows us to consider our personal and the organisation's paths to reconciliation. As you might expect, no two have been the same.

I would like to thank my colleagues on the Board, as well as the members who serve on our subcommittees. They have all worked tirelessly in their volunteer roles, overseeing various operations and setting priorities through strategic planning.

Following her resignation earlier this year, I would like to thank Daisy Browne for her important contribution to the Community Foundation as a Director over the last two years. We wish her well in her future endeavours. I am also delighted to welcome Luke McGrath and Heather Farley to the Board. We appreciate their active contribution to date and look forward to benefiting further from their professional experience and local insight.



Executive Officer Report

Executive Officer
Ruth Rogan

Reflecting on the last financial year and the seven years that I have now been in this role, I still feel incredibly lucky to work with the wonderful communities in our District. When I joined this organisation it was seven years old and it now approaches its 14th birthday. Of course, we know this is only one phase of this organisation's inspiring story which really started back in 1932, more than 90 years ago (see page 6 for the short version of our story!).

The decision to sell the aged care was not an easy decision for a group of volunteers to take back in 2008, but in fact, deciding how to use the \$5 million for the benefit of the community was even more difficult. The choice of a perpetual community foundation in 2010 has proven over the last 14 years to be inspired. It enabled the growth of the \$5 million to \$8.3 million, we have given out \$1.7 million in grants, received more than \$1.3 million in donations and we have built a medical centre which has a bulk billing medical practice. This choice gave our communities something akin to a superannuation fund to support impact in our community.

In addition the decision to set up the Community Foundation has also given our district a key piece of infrastructure:

- it provides a channel for donations from individuals and groups to do good in a place that they hold dear (like the Pharmacy Fund supporting local community groups);
- it provides a structure that can hold and invest donations while projects with impact are developed (like the Mirboo North Pool Fund which earned over \$80,000 while the funds were being raised); and

- it provides an embedded local organisation to ensure that donors will connect to local and impactful projects (like Hope N Help's food hamper program).

Strategic Priorities

Last month we reflected as a group with our Board and members about how the organisation was progressing towards the four strategic priorities in our current Strategic Plan (2021-24) (see page 18).

1. Grow Funds

When the Board developed the current plan in 2021, the medical centre was in the process of being built at a cost of \$1.9 million. It was understood that this impact investment, which focused on both financial and social benefits, would provide less earnings for the programs and operations of the Community Foundation. For this reason, the first strategic priority was to encourage donations to ensure these programs could continue and even expand.

There has been good progress in this area: there have been five new sub-funds set up since 2021, which hold donations of \$632,000.

2. Increase Impact

Another strategic priority was to increase our impact on community well-being. The implementation plan for this priority was threefold. Firstly, staying abreast of the community need through engaging with each community's organisations and refreshing the Mirboo North & District's Vital Signs Report. Secondly, supporting community to address the needs that they see (or that are reported – Vital Signs Report) through granting.



Finally, to proactively tackle issues in the district collaboratively, through Programs like the South Gippsland and Bass Coast Live4Life partnership to support youth mental health in our district.

3. Strong Governance

Our third strategic priority was to ensure our internal governance was fit for purpose. Tackling this priority has involved a refresh of our entire corporate governance structure, including new sub-committees, terms of reference, forward agendas, a Governance Framework, as well as reviewing and updating existing policies and procedures.

4. Inspiring our People

Our final strategic priority was to 'Inspire our people'. The completion and opening of the Medical Centre, which was already in progress when this plan was drafted, has been a huge inspiration for our people and our community as to what Community Foundation's can achieve.

We have also sought to inspire through telling our story, and developing eye catching printed booklets covering other aspects of what we do. 'The power of a gift in a will' is one example.

As an organisation we are working towards developing a new multi-year strategic plan in 2024. We look forward to involving our members in that process.

Our Story

While the Mirboo North & District Community Foundation is only 14 years old, our story began 90 years ago with the creation of the Mirboo North Bush Nursing Hospital in 1932.

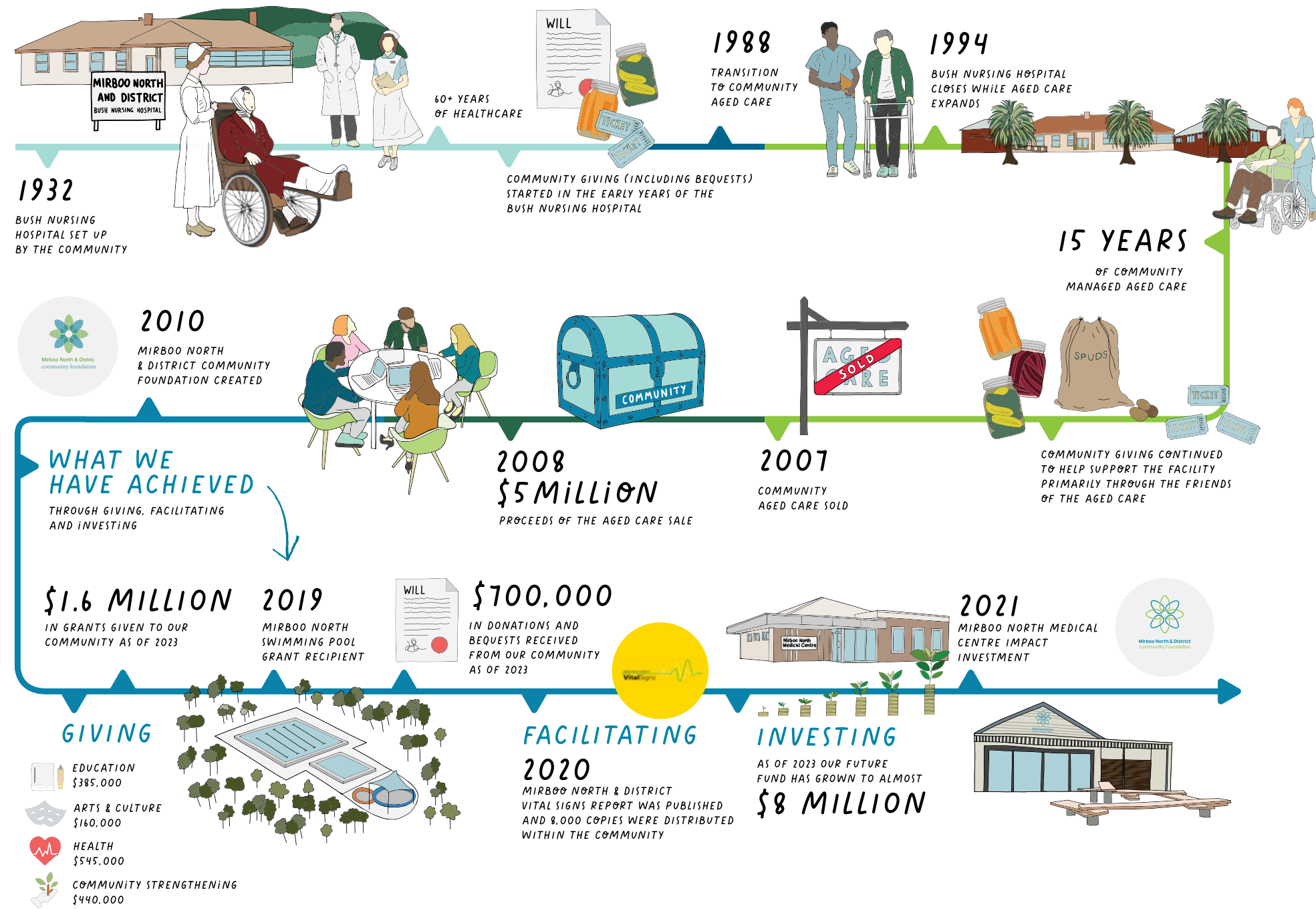
The hospital was set up by the community for the purpose of providing accessible healthcare, which it continued to do for more than 60 years. During those decades it weathered many challenges and community fundraising and donations were key to its longevity.

In the 1980s the advent of Medicare and accessible public hospitals required the MN Bush Nursing Hospital to adapt – it transitioned to aged care. This was a difficult decision for the volunteer board but they went ahead knowing that while a local hospital was no longer viable, there was a real need for an aged care service in the district. This transition completed in 1994 and strong connections were developed between the elderly residents and the local community.

Just over 10 years later the community volunteer board of the aged care facility faced another challenging situation: financial difficulties due to its size and operational challenges due to an accreditation failure. The board put in thousands of volunteer hours to restore accreditation and to work through solutions to the viability issue. Again, the organisation's survival required difficult and brave decisions – focused not only on maintaining care for the elderly, but also ensuring the continuation of the largest employer and ancillary health and pharmacy services in the town.

The volunteer board decided to sell the aged care facility in 2008 to private providers for just over \$5 million. As of 2023, this facility continues to thrive in private ownership and the elderly residents remain at the heart of the community. After the sale the volunteer board were faced with one last challenge: how best to use the \$5 million proceeds to benefit the community that had created it. The community foundation model ticked the boxes: with a focus on a particular geographic area and a perpetual basis, the funds remain invested for the local community and only the earnings are distributed for charitable purpose. In early 2010 the existing organisation amended its rules, changed its name and became the Mirboo North & District Community Foundation.

Thirteen years later the value of that decision is clear: the Community Foundation has a perpetual fund of almost \$8M, it has given \$1.6M to the community in grants and sponsorship, it has received almost \$700k in donations and bequests and it has built a medical centre facility for a bulk billing medical practice.



PHASES ON TIMELINE

- BUSH NURSING HOSPITAL
- AGED CARE
- MIRBOO NORTH & DISTRICT COMMUNITY FOUNDATION
- TRANSITION FROM BUSH NURSING HOSPITAL TO AGED CARE
- TRANSITION FROM AGED CARE TO COMMUNITY FOUNDATION

Community Engagement and Grants Committee Report

Convenor

Diana Mueller

Members

Ariane Ramsay, Paul Pratt,
Wendy Major, Heather Farley,
Lew Rimington



On behalf of the Community Engagement & Grants Committee I present this report on our program of activities.

Community Grants Program

The Community Grants Program at the end of 2022 was the Community Foundation's 13th round of this annual program. This program has granted more than \$630,000 and over 150 grants since 2010, having a significant impact over that time on art and culture, education, health and wellbeing, youth, environment, older people and community strengthening. We were pleased to be able to support eleven new projects in the 2022 Community Grants Program. Grants varied from \$950 - \$5000 and supported upgrades or repairs to existing facilities, technology upgrades, community events and arts projects.

Other Grants

The Community Foundation is always responsive to need and has provision to make grants outside of the annual Community Grants Program if there is an urgency. In addition, distribution

grants will be made from time to time from our donor advised sub-funds into their target areas.

In 2022, almost \$60,000 was granted from the Mirboo North Swimming Pool Fund to support the Friends of the Pool in buying the much loved replacement inflatable 'Nessy' and improving the grounds of the pool through repairing the BBQs and installing shade sails. In 2023 six grants of \$1000 and 10 First Aid Kits were also distributed to local community organisations from the Mirboo North Pharmacy Fund.

Education Support Program 2023

This program, which started in 2013 to assist students going into tertiary education, has distributed over \$200,000 in support of furthering education. The program also includes the opportunity for mentoring and leadership development through collaboration with You thrive Victoria. In 2022 the Community Bank Mirboo North & District continued to sponsor a two-year Education Support Award for two students leaving Secondary College and heading to University. These students receive a \$3,000

Education Support Award in their first and second year of University. Overall eight students received between \$1,500 to \$4,000 individually totalling \$21,500 to assist with their journey into tertiary education.

Sponsorship

It was wonderful to see the resurgence of community events in this last financial year. The Community Foundation supported a broad range of events including the Mirboo North Winterfest, the Movie Night in Dumbalk, Mirboo North Italian Festa, Thorpdale Potato Festival, Do it for Dolly Day Boolarra, Boolarra Folk Festival and the Gippsland Sculpture Exhibition in Yinnar.

Engagement

This year it was lovely to have the opportunity to get out and about and be a part of lots of the events in our district, whether it was the completion of grants (like the Boolarra Old School Mueseum repairs), events that we sponsored or just local community events like the CWA's Community Group showcase.

However, the highlight of this year was being able to launch our history book with members and friends in April. 'From Rural Health to Community Strengthening - the Story of the Mirboo North & District Community Foundation' traces the history of our organisation, and the people who gave so much to make it all happen. It is a story of three different phases and three difficult decisions, but it also honours the contribution of many people who ensured that the community had the services and the benefits it needed at each point - from fundraisers, to committee members people gave lots of time and energy for the on-going benefit of this community.

Finally I would like to welcome Lew Rimington to the Community Engagement Committee. Lew brings strong knowledge and experience in community engagement from his working life. I would also like to thank my other co-committee members, Ariane Ramsey, Paul Pratt and Wendy Major, along with the operations team of Ruth Rogan, Dani Calafiore and Elana Kovac, for all of their efforts during this year.

Community Grants Recipients 2023

Gippsland Sculpture Exhibition
Schools Sculpture Project

Mirboo Recreation Reserve
Switchboard Upgrade

Boolarra Folk Festival
School Drumming Performance

MCDI
BooFIIT Support

MCDI
Christmas in the Boo Family Activities

Mirboo North Grainstore
Website & Branding Project

South Gippsland Radio 3MFM
Mirboo North Broadcasting

Dumbalk Progress Association
Community Celebration

Friends of the Lyrebird Forest Walk

Work Vehicle Upgrade

(It's) No Drama
Inclusive drama performance
Mirboo North

Yinnar & District Memorial Hall
Community Exercise Program

Out of Rounds Grants

MCDI
Winterfest

Mirboo & District Historical Society
Technology Update



Strategic Giving through a Donor Advised Sub-fund

We live in a generous community. A community where people individually and collectively give lots of their time and money.

People give time as volunteers to make services and activities available to us all (from the CFA, to sporting clubs to dance and exercise). They also give their money as part of fundraisers for these local activities or to local or national charities (ABS data shows that one third of tax-payers in our area give tax deductible donations).

Donor advised sub-funds are a financial structure which assists people to give to a local cause that they care about in a strategic and meaningful way.

- Strategic in the sense that the impact can be immediate or long term. It can be about funding programs which provide people with the fish they need to eat now, or the programs that develop peoples' skills to fish for themselves.
- Strategic in the sense that the Community Foundation's connections in the district to community organisations and charities ensures your donation will hit the intended target.
- Strategic in the sense that funds can be distributed over time to have better outcomes, but in the interim they are earning interest to grow their impact.
- Strategic in the sense that the donor, whether an individual or organization, can be as involved as they want to be in defining what the impact looks like.

The following stories give a real sense of how generous local organisations are using these structures to bring immediate and future benefit to our communities.

Chaplaincy and Well-being Fund

This sub-fund, which was set up 10 years ago by the Mirboo North Schools Chaplaincy, targets the wellbeing of the whole school community in Mirboo North.

Mirboo North Schools Chaplaincy set up this sub-fund to ensure the chaplaincy program would continue even if the federal government funding were to disappear (as has been threatened over the years).

Through fundraising and tax deductible donations, this fund is now worth \$160,000 and has also given out a number of grants for the employment of our Chaplain, Norm De Silva and to support a sensory room in the Inclusivity Centre at the Mirboo North Primary School.

The Mirboo North Schools Chaplaincy group acts as the advisory committee for this Fund, raising funds for it and advising on areas to target with grants.



Mirboo North Community Seniors Fund

When the Mirboo North Seniors group wound down its organization in 2021, it wanted to ensure that its remaining funds of \$45,000 would be used for the same purposes that the organization had pursued for over 50 years, that is, to enhance the well-being of Mirboo North's senior citizens.

They decided to donate the funds and set up the Mirboo North Community Seniors Fund. Their recommendations upon its creation were firstly, that the sub-fund be perpetual with only the earnings going back into the community in grants, and secondly that it would support Mirboo North's senior citizens.

Since its creation, this fund has received a further \$5,000 in donations. It has also given grants for a number of Seniors events, so important for reducing isolation and maintaining connection, and for equipment (table tennis tables) for the local University of the Third Age (U3A) group.



Mirboo North Pharmacy Fund

The Mirboo North Pharmacy Fund was set up in February 2023 to hold the \$10,000 donation that the Mirboo North Pharmacy won for being the Arrotex Community Pharmacy of the Year in 2022. The Pharmacy team had received many suggestions from the community on how to target this money. In the end, they decided to set up a sub-fund with the Community Foundation, who could manage the distribution of the funds in accordance with the team's recommendations, to a wide range of community projects, mostly with a health focus.

This donation has had a big impact in our community. In May 2023, grants of \$1,000 were made to six local community organisations including the Mirboo North Early Learning Centre, BooFIIT, U3A Mirboo North, Equip Church's Hope N Help food program, the Wednesday Warriors and the Mirboo North Community garden group, while 10 first aid kits were distributed to local community and sporting groups.

This type of sub-fund is called a 'flow through' sub-fund, with the remaining funds being used this month to provide another 10 first aid kits to local community groups. What an impact in a short space of time!



Community Bank, Mirboo North & District Fund

In June this year the Community Bank Mirboo North & District set up a sub-fund with a really significant donation of **\$560,000**.

These funds, as with all sub-funds, are invested in one diversified investment portfolio by the Community Foundation's investment advisors. This means their value will continue to grow while the Community Bank considers strategic funding for a major community initiative for the district.

The Community Bank's Board will act as the advisory committee for this sub-fund, recommending projects large and small which would benefit from grants from their sub-fund.

If you have any ideas for major projects that would bring significant benefit to the district, please get in touch with ourselves or the Community Bank's Board.



Mirboo North Times Fund

Our most recent sub-fund was set up in October by the Mirboo North Times with a donation of \$10,000.

The volunteers at the Mirboo North Times not only write, design and print a weekly newspaper connecting our community with local news and information, they also provide significant financial support for local events and projects from the newspaper's income.

The Mirboo North Times team was conscious that there are people struggling financially in our community. In discussion with the Community Foundation about how to support the community, it decided to set up the Mirboo North Times Sub-fund and advised that the funds should target existing food relief programs in our community during 2023 and 2024. We expect the first grant to go to Hope N Help this month.



Investment and Finance Committee Report

Convenor

Wendy Major

Members

Robert Kiddell
Luke McGrath
Joy Koh



The Investment and Finance Committee have had a busy year both on the investment and finance side of its role in this financial year. Our work has included advising the Board on investment recommendations, investment service performance, the management of directly held real estate assets, as well as monitoring the financial system, including reporting, budgeting and allocating profits.

This financial year is the last year in which we will benefit from the support of Grant Irving of Bluestone Accounting, who has now retired. We sincerely thank Grant for all of his assistance and guidance over more than 10 years.

Hewison Private Wealth have provided the below comment on the Community Foundation's investment portfolio performance for the year ending 30th June 2023

"The 2022/23 financial year was a positive one for investors with interest rates rising and the Australian share market ending the financial year up 13.5%.

Interest rates continued their climb over the financial year with the Reserve Bank of Australia increasing the target cash rate from 0.85% in June 2022 to 4.10% by the end of June 2023 in an attempt to rein in inflation.

The drivers of higher inflation continue to be related to geopolitical issues as well as rising costs of labour. With the cash rate being held steady since July 2023, borrowers are hoping that we have seen the last of the rate rises for the time being.

Most economists are predicting interest rates to remain elevated for a number of years to combat stubbornly high inflation. Most are also expecting central banks to pause on raising rates, because there is generally a delay in the rise in rates and changes in the economy. Central banks will not want to raise rates too high and risk their economy falling into a deep recession.

From an investment perspective, we are glad to see interest rates back to a more "normal" setting and for fixed interest rates to now be compensating investors appropriately.

The Investment Policy of the Foundation aims to achieve an income return of at least the 90-day bank bill rate plus 1% over a rolling 3-year period, and a growth return in the net value of assets of at least the CPI index over a rolling five-year period. These benchmarks for the year to 30 June 2023 were 1.18% and 3.46% respectively, providing a total benchmark target return of 4.64%.

The Foundations' portfolio has achieved an income return for the past 12 months of 5.9% and a growth return of 1.6%, equaling a total return of 7.5%. While the growth return was below target, the strong income generated by the portfolio has ensured a total return over the 12 months ahead of benchmark target.

Returns for the portfolio since inception in October 2010 continue to be well ahead of target at 10.4% per annum.

The increase in geopolitical events since the end of June 2023 is likely to see markets being volatile for the foreseeable future. Such volatility would provide the opportunity to rebalance asset classes to take advantage of periodic weakness in the price of attractive assets.

We remain confident that the Foundation's investment portfolio is well positioned to protect capital and provide reliable income to meet operations and community grants into the future."

Chris Morcom
Hewison Private Wealth

District Map

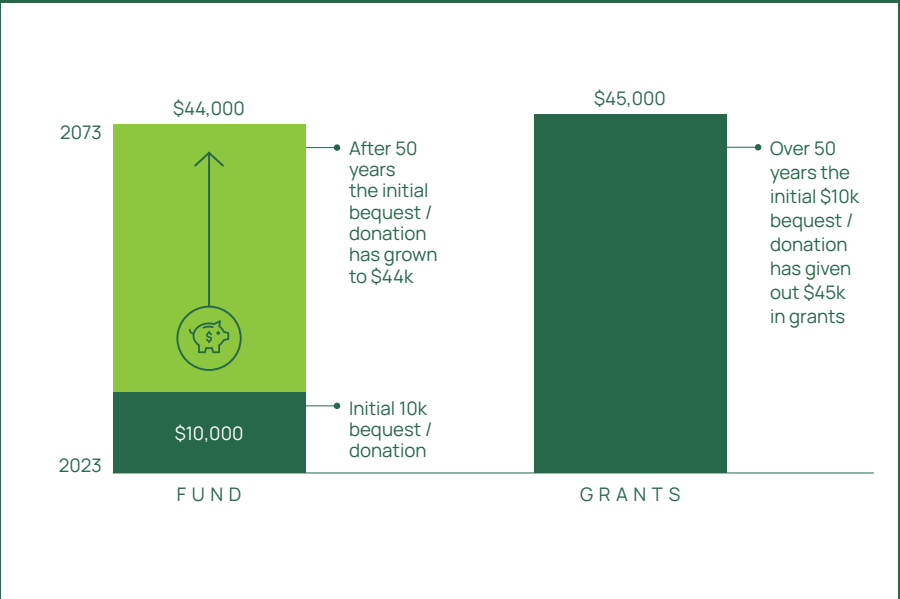


The power of a gift in a will

Have an impact forever

Due to careful stewardship of the invested funds by the Community Foundation, perpetual bequests and donations grow significantly over time.

A \$10,000 donation will grow to \$44,000 and grant our community \$45,000 over a 50 year period. (based on our average rate of return over the past 10 years and a distribution rate of 4%)



“While leaving a gift in our will has no impact on us, it will make a tangible difference to the things that are important to us...”



The Mirboo North Medical Centre facility includes a pathology room due to the generous gift to the Mirboo North & District Community Foundation in the will of Joze (Joe) Zadnik from Allambee South.

In a few easy steps you can create your legacy...



Step 1 - Talk to the people you trust

Speak to your family and / or friends about your intention to leave a gift in your will, so that everyone is on the same page.



Step 2 - Select your cause(s)

Decide how you want your fund to be used – for specific organisations or causes or for general purposes. Your legacy can target something you are passionate about or simply be used at a future time to respond to unforeseen community challenges or opportunities.



Step 3 - Name your fund

Would you like to give the Fund your name or your family's name or it can be named after something that is meaningful to you. It can also be anonymous and go into an existing Fund focused on a particular cause.



Step 4 - Make your bequest

This is about adding some particular wording into your new or existing will which specifies how much the gift is and how it should be used. Seek legal advice to make sure your intention is correctly captured and will have the impact you envisage.

Audit & Risk Committee Report

Convenors

Daisy Browne (until December 2022)
Ned Dennis (from January 2023)

Members

Walter Aich
Joe Piper
Melanie Wearne



It has been another busy year for the Audit and Risk Committee, with Daisy Browne and I in the role of Convenor for half a year each. I am pleased to bring you this report.

Audit

Further to the process managed by the Audit and Risk Committee in the second half of 2022, which sought and reviewed new providers for our audit, the Board asked the members at the 2022 Annual General Meeting to appoint Cardell Assurance and Audit for 2022/23 Financial Year. This appointment was approved and this committee spent considerable time briefing the new Auditors and making arrangements for the 2022/23 Audit.

We were very pleased that the audit went smoothly, but even further, we found that fresh eyes reviewing our management and financial structures and processes was valuable from a continuous improvement perspective.

Risk Management

The Audit and Risk Committee continue to dedicate significant time to risk management. This involves a full review annually of the organisation's risk management framework, its Risk Register, the level of potential exposure and mitigation plans. We also monitor the Risk Register at each meeting.

Compliance

The third key area for the Audit and Risk Committee is responsibility for compliance. This involves monitoring our compliance with external regulation and legislation, for example, reporting to the Australian Charities and Not for Profits Commission, as well as our internal corporate governance structure.

The Committee has been very active on our internal corporate governance structure during this year. This has included developing a Governance Framework, refreshing the Board Charter, reviewing the Delegation of Authorities policy and the Conflict of Interest, Probity and Related Parties policy, as well as putting in place a Gifts Benefits and Hospitality policy. Based on our recommendation, the Board has set up a working group to review the Rules of the organisation.

Accounting treatment

The Audit and Risk Committee is also responsible for reviewing changes in the accounting treatments used by the Community Foundation in producing its financial reports. This year, we had cause to review the mechanism for how the organisation maintains the value of our original corpus in real terms.

Our original corpus of \$5 million came from the sale of the Mirboo North Aged Care in 2008. The organisation committed to this corpus being perpetual, with only the earnings being distributed, so that it will support the community forever. In order to do that, the organisation increases the amount of the corpus each year in line with inflation.

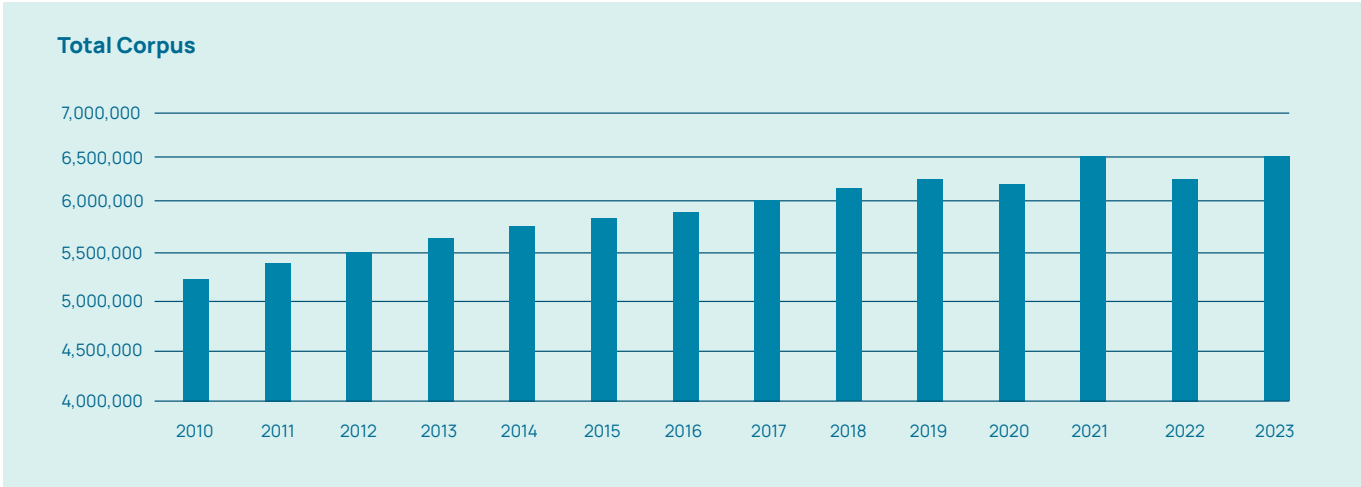
To date, the organisation has increased or maintained the corpus using the annual rate of CPI. This year it was considered whether an average CPI rate would be more appropriate as it would avoid large fluctuations from year to year. The Audit and Risk Committee considered modelling of the outcomes which showed using annual CPI and an average CPI rate. It was proposed to the Board that going forward the organisation would use the average CPI rate since the commencement of the organisation in 2010 as the minimum increase to corpus annually.

This proposal was approved by the Board. The Board did decide to allocate some additional funds from this year's earnings because the Maintained Corpus Reserve had been reduced last year due to the valuation of the Mirboo North Medical Centre. See the chart below which shows the growth of our corpus since 2010.

I would like to thank my colleagues on the Audit & Risk Committee for their commitment and input to the advisory and oversight role which the committee plays. I would particularly like to thank our independent members of this committee for their significant contributions, both of whom are finishing up their terms. Melanie's skill and experience have benefited the Committee for the last two years and were much appreciated.

Joe Piper is coming to the end of his 6th year on this Committee. His skills, experience and insight were very valuable in refreshing our corporate governance structure. This organisation stands in a stronger governance position thanks to his unstinting hard work as a volunteer and his professionalism. I sincerely thank him on behalf of this Committee and this organisation.

I would also note the excellent support this Committee has received from our operational team, Ruth Rogan and Dani Calafiore.



Our Strategic Plan

–
2021-24

Our Vision

A healthy, vibrant and resilient community working together to meet challenges and celebrate success.

Our Mission

We build strong communities through giving, facilitating and investing.

What We Do



Our Strategic Priorities

Internal	People	Finance	Community
Internal Governance that is fit for purpose	Engage and inspire our people	Grow The Capital	Increase impact on community well being
<ol style="list-style-type: none"> 1 Establish separate Audit and Risk Subcommittee in 2021. 2 Review roles of all subcommittees and Board by 2022. 3 Review policy structure, content and review cycle. 	<ol style="list-style-type: none"> 1 Promote respectful, diverse and inclusive culture through the policy review and implementation by 2024. 2 Increase our membership to 85 by 2024, through retention and recruitment. 3 Transition two new Directors on to the Board by 2024. 	<ol style="list-style-type: none"> 1 Raise \$1M in funds to replace the income producing capital invested in the medical centre within 3 years. 2 Establish giving circle or similar mechanism by 2024. 	<ol style="list-style-type: none"> 1 Ensure we are aware of and respond to community needs such as reported in Vital Signs. 2 Partner with key stakeholders to improve mental health wellbeing indicators by 2024.

The Year In Photos



Open day at the Boolarra Old School Museum after ramp and repairs completed through grants.



Education Support Award Recipients 2023



South Coast FM set up a satellite station in Mirboo North's Community Shed thanks to a grant received from the Community Foundation in 2022



Sue Duncan, Principal of Boolarra Primary School Recipient of FRRR Back to School Voucher 2023



Nonna's Cooking demonstration at the Mirboo North Italian Festa, sponsored by the Community Foundation.



Launch of 'From Rural Health to Community Strengthening' in April with many members and friends.



Mirboo North Schools Chaplaincy Group celebrated 20 years in 2023!



Connecting over lunch in celebration of Seniors Month in October 2023 (thanks to SGSC and the Seniors Fund).



New Community Bus for Mirboo North & District, thanks to Department of Transport.



Mirboo North Winterfest and the iconic tipis, which were sponsored by the Community Foundation.



Mirboo North Times gives \$10,000 donation to set up sub-fund and support financial hardship in October 2023.



The Board of the Community Bank Mirboo North & District who support our Education Support Program and set up a sub-fund with a donation of \$560,000 in June 2023

Since 2010 we have granted more than **\$1.7 million** to the community.

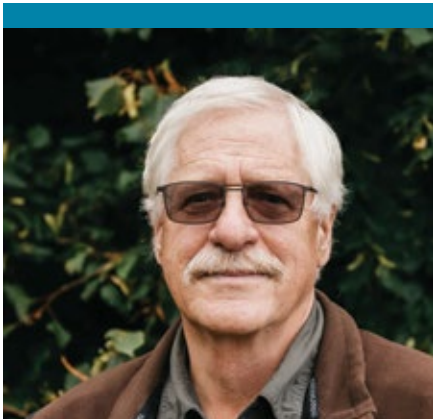


Board of Directors



Robert Kiddell - 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; a Squadron Leader in the RAAF Specialist Reserve for over 32 years; and a Fellow of the Gippsland Community Leadership Program. Robert is also active in the life of the Uniting Church in Australia. He is Chair of the local church council; a former Chairperson of the Gippsland Presbytery and was a member of its Standing Committee for over 20 years; currently a member of the UCA national appeals body; and a member of the UCA Victorian and Tasmanian Discipline Committee. Robert has an interest in encouraging philanthropy generally and was Chairperson of the Latrobe Regional Gallery Foundation and remains a director of it and the Francis Gregory Foundation (a tertiary scholarship fund which he originally set up for a client). Robert has qualifications in law, financial planning and also holds a company directors diploma from Australian Institute of Company Directors (AICD).



Walter Aich - Vice Chair

Walter Aich joined the Mirboo North and District Community Foundation Board in March 2014 and has since been actively involved with the Board and the Community Engagement and Grants Sub-committee. Walter has an extensive background in education with Bachelor of Science (Education) and Bachelor of Education degrees and an ongoing interest in exploring the connection between wellbeing and learning; both personally and in community-based organisations such as community centres and men's sheds. He was a secondary science and maths teacher for more than 20 years before moving on to hold senior positions with the Gippsland Regional Council of Adult, Community and Further Education (ACFE Gippsland). He was responsible for ensuring that the Regional Council met its regulatory, contractual, governance and strategic targets and assisting up to 50 community governed organisations to deliver foundation level adult learning programs across Gippsland. Walter is an active member of several community organisations including Dumbalk Fire Brigade and South Gippsland CFA Group of Fire Brigades and Dumbalk & District Progress Association, where he promotes engagement, good leadership and a professional approach to the work of the volunteers, including governance and management practices.



Wendy Major

Wendy has served on a number of Boards and School Councils over many years in communities across Gippsland and has just retired from her role as Executive Officer of the South Gippsland Bass Coast Local Learning and Employment Network (LLEN). Wendy was an independent volunteer team member of the 2012 Community Grants program leading to her joining the Board. She is an active member of the Community Foundation's Community Engagement & Grants Committee and is the current Chair of the Investment & Finance 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 Community Foundation and the Mirboo North District since coming to the region in 2009 from East Gippsland.

Board of Directors



Ned Dennis

Ned is a long-term resident of the Mirboo North district. Ned has over many years provided extensive service and benefits to many communities in South Gippsland. He has served on many Community organisations in the district and is actively involved in the arts community. Ned worked for 16 years as Community Strengthening Co-Ordinator at South Gippsland Shire Council and worked in the lifelong learning industry for twenty years prior to his local government role.

Ned's extensive community service experience and contacts are of considerable benefit to the Community Foundation.



Diana Mueller

Diana has just retired from the Department of Education and Training (DET), where she taught for more than 20 years and worked at the Regional Office for the last 12 years, thus she has a wide range of experience in the Education sector. She has lived in Mirboo North district for many years, currently on a beef farm at Allambee South with her partner. Family, community and wellbeing are very important to Diana and her life. She is active in the community currently involved with the Allambee South Community Centre, the Mirboo North Community Energy Hub, Gippsland Regional Netball and previously the Mirboo North and Fish Creek Football Netball Clubs. Her knowledge and practical experience in the Education field both in the school and regional setting is invaluable to the Mirboo North & District Foundation and the community in supporting the Foundation's focus on Health & Wellbeing and Youth.



Paul Pratt

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. He feels privileged to have served on the Foundation since its inception. His children's love of community sport encouraged him to volunteer with the Mirboo North Football Netball Club. He had the honour to be President for five years and is still a volunteer. He is now a Vice President of the Mid Gippsland Football Netball League. He works as a solicitor specialising in civil and insurance litigation and has practiced for over 30 years.



Ariane Ramsay

Ariane has lived in Boolarra since 1996. She came to the area to further her studies but stayed on because of the wonderfully creative community and the stunning natural landscape. Ariane studies were in Arts, with a BA (Vis) and Grad Dip Ed from Monash University, and a MA (Arts Management) from Melbourne University.

In her professional life, she has worked extensively on arts events and festivals (including The Melbourne Fringe, The Falls and The Village festivals), as well as managing numerous community events as a Regional Arts Development Officer for Regional Arts Victoria.

Ariane also has a love of music, playing musical instruments of all types and being involved with a number of community music groups. Over the years, Ariane has been very actively involved in the communities of Boolarra and Yinnar, in particular with ARC Yinnar, where she has been Chair, Sound and Lighting Technician and in various Program Coordination roles. She has also been part of the Boolarra Folk Festival committee and was a director on the Board of Latrobe Regional Gallery.



Luke McGrath

Luke moved to Darlimurla in 2009, with his partner Darien and their two kids, Sophie and Tom. With a degree in Construction Management from RMIT, Luke's professional career has been in construction and project management both in private industry and local government. He found the move into local government was rewarding and he has project managed some significant recreational building projects in the region in various roles. He is currently the Coordinator of Projects for South Gippsland Shire Council but has also worked for Latrobe City and Baw Baw Shires.

Luke has already brought his professional experience and skills to bear as a volunteer in one of the Community Foundation's key projects: the build of the Mirboo North Medical Centre for the Community Foundation in 2021.

Luke was a member of the Project Control Group and his experience and skills were very valuable to the managing the detail of the construction.

Luke is proud to be part of the local community, where people are resourceful, connected and capable. He enjoys bringing people together, communicating a clear vision and purpose and working with those people to be their best and achieve a shared purpose. He is looking forward to using those skills within the Board of the Community Foundation.



Heather Farley

Heather has lived in the area around Yinnar all her life and has long term connections with the extended communities of Yinnar and Boolarra. She loves the diversity of the community, the environment and the economy, the proactive attitude of the local communities and the understanding that things are always better done together.

Heather has a deep understanding of what makes communities tick and has strong skills in community development and engagement through her work in state and local government as well as education.

Her interest in joining the Board stemmed from her appreciation of the focus of the Community Foundation and the activities it supports across our local communities. She felt the Community Foundation aligned with her values and her keen interest in community development and change. Heather is also an active volunteer: she is currently involved as deputy Chair with the biennial Gippsland Sculpture Exhibition at Yinnar, she is the Secretary for Walk Jog Run Latrobe and also a regular volunteer with parkrun.

Financial Statements

for year ended 30 June 2023

Mirboo North And District Community Foundation's Financial Statements For The Year Ended 30 June 2023

	NOTE	2023	2022
Current Assets			
Cash and Cash Equivalents	2	759,149	261,317
Accounts receivable and other receivables	3	25,884	37,003
Financial Assets	4	5,821,364	5,587,863
Total Current Assets		6,606,397	5,886,183
Non Current Assets			
Property, Plant and Equipment	5	494,940	439,460
Investment Property	6	1,250,000	1,250,000
Investment in Strzelecki Ranges Community Enterprises Limited - at cost		67,500	67,500
Total Non-Current Assets		1,812,440	1,756,960
TOTAL ASSETS		8,418,837	7,643,143
Current Liabilities			
Trade and Other Payables		68,440	9,768
Employee Provisions		26,571	24,313
Total Current Liabilities		95,011	34,081
Non Current Liabilities			
Employee provisions		11,974	8,906
Total Current Liabilities		11,974	8,906
TOTAL LIABILITIES		106,985	42,987
NET ASSETS		8,311,852	7,600,156
Equity			
Grants Reserve	7	131,572	174,102
Donated Funds Reserve	8	1,147,536	617,316
Financial Assets Reserve	9	437,263	536,003
Retained Earnings		93,788	11,555
Maintained Corpus	10	6,501,693	6,261,180
TOTAL EQUITY		8,311,852	7,600,156

Statement Of Profit Or Loss And Other Comprehensive Income For The Year Ended 30 June 2023

	Note	2023	2022
Revenue From Operations			
Interest Income		163,621	123,881
Investment Income		414,841	535,901
Rental Income		48,792	25,544
Donations received		598,497	31,738
Other income		67,010	4,856
TOTAL REVENUE FROM OPERATIONS		1,292,761	721,920
Expenses From Operations			
Administrative Overheads		64,089	75,074
Consultancy and Project costs		41,022	20,779
Depreciation	5	21,661	13,984
Employee Expenses		151,769	146,443
Grants and Sponsorships		163,410	102,728
Impairment of Investment Property	6	-	600,036
Insurance		6,219	5,510
Investment Advisor Fee		34,155	31,573
TOTAL EXPENSES FROM OPERATIONS		482,325	996,127
OPERATING SURPLUS / (DEFICIT) FOR THE YEAR		810,436	(274,207)
Fair value gain/ (loss) on investments		(98,740)	(320,434)
TOTAL COMPREHENSIVE INCOME / (DEFICIT)		711,696	(594,641)

The accompanying notes form part of these financial statements

Statement Of Cashflows For The Year Ended 30 June 2023

	NOTE	2023	2022
Cash Flows From Operating Activities			
Interest received		163,621	123,881
Receipts from other income		786,002	62,138
Investment income received		424,037	566,393
Payments to grant recipients		(163,410)	(102,728)
Payments to suppliers and employees		(303,036)	(332,700)
Net cash provided by operating activities	12	907,214	316,984
Cash Flows From Investing Activities			
Net (payments for) receipts from investments		(332,241)	(438,950)
Payments for purchase of assets		(77,141)	-
Payments for investment property		-	(976,428)
Net cash used in investing activities		(409,382)	(1,415,378)
Cash Flows From Financing Activities			
Net proceeds from / (repayment of) borrowings		-	-
Net cash from / (used in) financing activities		-	-
Net increase in cash held		497,832	(1,098,394)
Cash and cash equivalents at beginning of financial year		261,317	1,359,711
Cash and cash equivalents at end of the financial year	2	759,149	261,317

The accompanying notes form part of these financial statements

Statement Of Changes In Equity For The Year Ended 30 June 2023

	Grants reserve	Donated funds reserve	Financial assets reserve	Maintained corpus	Retained surplus	Total
Balance at 1 July 2021	180,000	427,541	856,437	6,464,016	266,803	8,194,797
Transfers in / (out)	32,195	249,875	-	-	-	282,070
Payments made	(38,093)	(60,100)	-	-	-	(98,193)
Net transfer from/(to) grants reserve	-	-	-	-	5,898	5,898
Net transfer from/(to) donated funds reserve	-	-	-	-	(189,775)	(189,775)
Transfer from/(to) financial assets reserve	-	-	(320,434)	-	320,434	-
Transfers to/(from) maintained corpus	-	-	-	(202,836)	202,836	-
Comprehensive income / (deficit) for the year	-	-	-	-	(594,641)	(594,641)
Balance at 30 June 2022	174,102	617,316	536,003	6,261,180	11,555	7,600,156
Balance at 1 July 2022	174,102	617,316	536,003	6,261,180	11,555	7,600,156
Transfers in / (out)	24,767	643,245	-	-	-	668,012
Payments made	(67,297)	(113,025)	-	-	-	(180,322)
Net transfer from/(to) grants reserve	-	-	-	-	42,530	42,530
Net transfer from/(to) donated funds reserve	-	-	-	-	(530,220)	(530,220)
Transfer from/(to) financial assets reserve	-	-	(98,740)	-	98,740	-
Transfers to/(from) maintained corpus	-	-	-	240,513	(240,513)	-
Comprehensive income / (deficit) for the year	-	-	-	-	711,696	711,696
Balance at 30 June 2023	131,572	1,147,536	437,263	6,501,693	93,788	8,311,852

Notes To The Financial Statement For The Year Ended 30 June 2023

1. Statement Of Significant Accounting Policies

The financial statements cover Mirboo North and District Community Foundation Inc. an association incorporated in Victoria under the Associations Incorporations Reform Act (Vic) 2012 and is also registered as a charity under the Australian Charities and Not-for-profits Commission Act 2012.

The financial report was authorised for issue by the Board on 18 September 2023.

Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards - Simplified Disclosures of the Australian Accounting Standards Board (AASB) and the Australian Charities and Not-for-profits Commission Regulations 2022 ("ACNC Regulations"). The association is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

Accounting Policies

Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless otherwise stated.

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

(a) Income Tax

As the incorporated association is a registered as a charity, in terms of sub-section 50-5 of the Income Tax Assessment Act 1997 the entity is exempt from income tax.

(b) Cash

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

c) Revenue

Revenue is recognised in accordance with AASB1058 Income of Not-For-Profit Entities and recorded as income when received unless the income is related to a service contract where revenue is recognised as income in accordance with AASB15 Income from Contracts with Customers.

Grant income is recognised as income upon receipt, unless the grant funding has been provided in accordance with specific contractual obligations. In this case, the grant funding is only recognised as income when the specific contractual obligations have been fulfilled in accordance with AASB15 Income from Contracts with Customers.

Investment income is recognised as revenue when received.

d) Accounts receivable and other debtors

Accounts receivable and other debtors include amounts due from customers in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Accounts receivable are initially measured at fair value and subsequently measured at amortised cost, less any provision for impairment.

e) Property, Plant and Equipment

Property, plant and equipment are measured at cost less and, where applicable, any accumulated depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of assets. Donated assets are recognised at fair value at the time of donation.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be reliably measured. All other repairs and maintenance are charged to the Statement of Comprehensive Income during the financial period in when they are incurred.

The carrying amount of property, plant and equipment is reviewed annually by the directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Notes To The Financial Statement For The Year Ended 30 June 2023

Depreciation

The depreciable amount of all property, plant and equipment, including capitalised lease assets, are depreciated on a straight-line basis over their useful lives to the association commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements. The depreciation rates used for each class of depreciable assets are:

Class - Buildings

Depreciation Rate: 2.5-4%

Class - Motor Vehicles

Depreciation Rate: 20%

Class - Furniture and fittings

Depreciation Rate: 10%-20%

Class - Office Equipment

Depreciation Rate: 20%

Class - Leasehold Improvements

Depreciation Rate: 4%

The assets' residual lives and useful lives are reviewed, and adjusted if appropriate, at each statement of financial performance date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the Statement of Comprehensive Income.

(f) Investment Property

The investment properties comprise of freehold land and buildings held for long-term rental and capital appreciation that are not occupied by the Community Foundation. Investment properties are initially recognised at cost, including transaction costs, and are subsequently remeasured annually at fair value. Movements in fair value are recognised directly to profit or loss in the Statement of Comprehensive Income. Investment properties also include properties under construction for future use as investment properties. These are carried at fair value, or at cost where fair value cannot be reliably determined and the construction is incomplete.

(g) Impairment of Assets

At each reporting date, the association reviews the carrying values of its tangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and replacement cost, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to profit or loss in the Statement of Comprehensive Income.

(h) Accounts payable and other payables

These amounts represent liabilities for goods and services provided to the association prior to the end of the financial year 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.

(i) Employee Provisions

Provision is made for the association's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year of the end of the reporting period have been measured at the amounts expected to be paid when the liability is settled, plus related on costs. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and related on-costs and the probability that the employee may not satisfy any vesting requirements. The estimated cash outflows are discounted using market yields on national government bonds with maturity terms that match the expected timing of cash outflows.

Obligations for long term employee benefits are classified as non-current except where there is no unconditional right to defer payment, in which case they are presented as current.

Contributions are made by the association to an employee superannuation fund and are charged as an expense when incurred.

(j) Investments and other financial assets

Classification

The Association classifies its financial assets in the following measurement categories:

- (i) those to be measured subsequently at fair value (either through OCI or through profit or loss), and
- (ii) those to be measured at amortised cost.

Notes To The Financial Statement For The Year Ended 30 June 2023

The classification depends on the Association's business model for managing the financial assets and the contractual terms of the cash flows.

The Association measures its investments at fair value through profit and loss, except where stated, and other financial assets at amortised cost.

Recognition and derecognition

Purchases and sales of financial assets are recognised on trade-date, the date on which the Association commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Association has transferred substantially all the risks and rewards of ownership.

Measurement

At initial recognition, the Association measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Impairment

For trade receivables the Association assesses whether there has been a significant increase in credit risk. For trade receivables, the Association applies the simplified approach permitted by AASB 9 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

(k) Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

(l) 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 in the statement of financial position are shown 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 included in receipts from customers or payments to suppliers.

(m) Adoption of new and revised accounting standards

During the current year, the Association 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.

(n) Critical Accounting Estimates and Judgments

The preparation of the financial statements requires management to make judgements, estimates and

assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year as discussed below.

Estimation of useful lives of assets

The association determines the estimated useful lives and related depreciation charges for its property, plant and equipment. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation will increase where the useful lives are less than previously estimated useful lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Fair value of investment property

The association determines the fair value of investment property with the engagement of a licensed valuer. In accordance with AASB140 Investment Property, the fair value is assessed with reference to rental returns of the property. The investment property is leased on a long term lease at reduced market rates, which impacts the fair value of the property.

Notes To The Financial Statement For The Year Ended 30 June 2023

2. Cash and cash equivalents

	2023	2022
Cash on hand and at the bank	759,149	261,317

3. Accounts receivable and other receivables

	2023	2022
Other receivables	25,884	37,003
	25,884	37,003

4. Financial Assets

Investments at fair value:	-	-
Bonds	115,545	114,095
Hybrid securities	78,165	39,096
Infrastructure	79,092	58,395
Secured first mortgages	2,006,699	1,656,699
Shares	2,867,495	2,592,273
Unlisted property trusts	674,368	1,127,305
	5,821,364	5,587,863

5. Property, Plant & Equipment

Land at cost	115,000	115,000
Buildings at cost	306,366	306,366
Less accumulated depreciation	(28,428)	(18,952)
	277,938	287,414
Motor Vehicles at cost	69,904	7,000
Less Accumulated Depreciation	(440)	(7,000)
	69,464	-
Furniture and Fittings at cost	15,006	15,006
Less Accumulated Depreciation	(9,444)	(7,405)
	5,562	7,601
Office Equipment at cost	5,666	5,666
Less Accumulated Depreciation	(5,612)	(4,479)
	54	1,187
Leasehold Improvements at cost	33,401	33,401
Less Accumulated Depreciation	(6,479)	(5,143)
	26,922	28,258
Total Property, Plant and Equipment	494,940	439,460

Notes To The Financial Statement For The Year Ended 30 June 2023

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:

2022	Land	Buildings	Motor Vehicles	Furniture and Fittings	Office Equipment	Leasehold Improvements	Total
	\$	\$	\$	\$	\$	\$	\$
Balance at beginning of the year	115,000	287,414	-	7,601	1,187	28,258	439,460
Additions	-	7,237	69,904	-	-	-	77,141
Disposals	-	-	-	-	-	-	-
Depreciation expense	-	(16,713)	(440)	(2,039)	(1,133)	(1,336)	(21,661)
Balance at end of the year	115,000	277,938	69,464	5,562	54	26,922	494,940

6. Investments

Investment Property - at Fair Value	1,250,000	1,250,000
	1,250,000	1,250,000

Movements in Carrying Amounts:

Balance at beginning of the year	1,250,000	873,608
Purchases	-	976,428
Impairment	-	(600,036)
Balance at end of the year	1,250,000	1,250,000

In the prior year, the Mirboo North Medical Centre was completed with a construction cost of \$1.85m. In accordance with AASB140 Investment Property the fair value of the medical centre was assessed with reference to rental returns. As the medical centre is leased on a long term lease at reduced market rates (to ensure sustainable affordable medical services in Mirboo North), the fair value was assessed as \$600,036 less than the construction cost, resulting in an impairment. The Board view this impairment value as the value of the social return to the community. The fair value was assessed by the Board as at 30 June 2023 and no adjustment to fair value was considered necessary.

7. Grants Reserve

Balance at the start of the year	174,102	180,000
Transfers in/ (out)	24,767	32,195
Payments made	(67,297)	(38,093)
Balance at the end of the year	131,572	174,102

The grants reserve represents funds approved by the board to be spent on grants. As the allocated 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 the grants in the future.

Notes To The Financial Statement For The Year Ended 30 June 2023

8. Donated funds reserve

	2023	2022
Balance at the start of the year	617,316	427,541
Transfers in/(out)	643,245	249,875
Payments made	(113,025)	(60,100)
Balance at the end of the year	1,147,536	617,316

The donated funds reserve represents donations received where the donor has requested the funds be spent for a specific purpose. Transfers in/(out) of the reserve represents donations received during the year, an allocation of investment income for the year based on the average rate of return of the Community Foundation's portfolio, less an allocation of the Foundation's expenses based on two percent of the reserve balance for the year, and allocations of some investment income from donated fund reserves to program reserves

9. Financial Assets Reserve

	2023	2022
Balance at the start of the year	536,003	856,437
Fair value adjustment	(98,740)	(320,434)
Closing Financial Assets Reserve	437,263	536,003

The financial assets reserve represents the revaluation of financial assets.

10. Maintained Corpus

	2023	2022
Balance at the start of the year	6,261,180	6,464,016
Transfers in	240,513	(202,836)
Closing Maintained Corpus	6,501,693	6,261,180

Maintained corpus represents the funds from the sale of the Mirboo North aged care facility which are held in perpetuity by the Community Foundation for the benefit of the district. The Community Foundation distributes the earnings from the corpus as grants etc, save that the corpus is maintained with an annual increase based on CPI Australian All Groups.

In prior years the Board has increased the maintained corpus by the annual CPI rate as at 30 June of the year; however, this year the Board has increased the maintained corpus on the average annual CPI rate since 2010. The Board decided that, as a minimum allocation, an average CPI rate was more appropriate as it smooths the peaks and troughs over the long term and still maintains the value of the corpus in real terms.

11. Subsequent events

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.

Notes To The Financial Statement For The Year Ended 30 June 2023

12. Cash Flow Information

a) Cash Assets

Refer Note 2

	2023	2022
b) Reconciliation of net cash flows from operating activities to operating surplus / (deficit) after income tax		
Operating surplus / (deficit)	711,696	(594,641)
<i>Add back non cash flows:</i>		
Depreciation	21,661	13,984
Fair value movement in financial investments	98,740	320,434
Impairment expense	-	600,036
<i>Movements in assets and liabilities:</i>		
Decrease/(Increase) in trade and other receivables	11,119	30,492
Increase/(Decrease) in trade and other payables	58,672	(60,912)
Increase / (Decrease) in provisions	5,326	7,591
Net cash provided by / (used in) operating activities	907,214	316,984

c) Credit standby arrangements with banks:

The association has no credit standby arrangements with banks

d) Loan Facilities

At 30 June 2023 the association does not have any current loan facilities

13. Key Management Personnel (KMP) Remuneration

Any person having the authority and responsibility for planning, directing and controlling the activities of the association, either directly or indirectly, including directors is considered key management personnel.

Members of the Board as at the date of this report have been in office for the financial year, unless otherwise stated: Robert Kiddell, Chair, Walter Aich, Vice Chair, Ned Dennis, Dianne Muller, Wendy Major, Ariane Ramsey, Kate Reiske (resigned 15 August 2022), Daisy Browne (resigned 8 December 2022), Luke McGrath (appointed 14 August 2023), Heather Farley (appointed 14 August 2023).

No member of the Board has received remuneration during the financial year. The only employee defined as KMP is Ruth Rogan, Executive Officer. Given there is only one person defined as KMP who has received remuneration during the financial year, disclosure of the amount paid is exempt.

14. Related Party Transactions

No Board member or related party has received or become entitled to receive during or since the financial year, a benefit because of a contract made by the association with the Board member, a firm in which the Board member is a member, or any entity in which the Board member has a substantial interest.

Notes To The Financial Statement For The Year Ended 30 June 2023

15. Financial commitments

At the date of this report, there are no financial commitments to be disclosed.

16. Contingent Liabilities

At the date of this report, there are no contingent liabilities to be disclosed

17. Association Details

The registered office and principal place of business of the association is:
Mirboo North and District Community Foundation Inc.
96 Ridgway, Mirboo North.

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.


Mirboo North And District Community Foundation Inc. Statement By Members Of The Board


1. The financial statements as set out on in the accompanying Statement of Financial Position, Statement of Comprehensive Income, Statement of Cash Flows, Statement of Changes in Equity and the Notes to the Financial Statements of Mirboo North and District Community Foundation Inc. are prepared in accordance with the Australian Charities and Not-for-profit Commission Act 2012 and the Associations Incorporation Reform Act (Vic) 2012 and:

- a) comply with Australian Accounting Standards - Simplified Disclosures: and
- b) give a true and fair view of the financial position of Mirboo North and District Community Foundation Inc. as at 30 June 2023 and its performance for the year ended on that date.

2. At the date of this statement, there are reasonable grounds to believe that Mirboo North and District Community Foundation Inc. will be able to pay its debts as and when they become due and payable.


This declaration is made in accordance with subsection 60.15 (2) of the Australian Charities and Not-for-profit Commission Regulations 2022 and is signed for and on behalf of the Board by:


Name: ROBERT KIDDELL
Position: CHAIRMAN


Name: WALTER ATCH
Position: Vice Chairman

Date: 18th September 2023


Independent Auditor's Report



REGISTERED COMPANY AUDITORS

INTERNAL AUDITORS

CHARTERED ACCOUNTANTS



INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF MIRBOO NORTH AND DISTRICT COMMUNITY FOUNDATION INC.

Opinion

We have audited the financial report of Mirboo North and District Community Foundation Inc., which comprises the Statement of Financial Position as at 30 June 2023, the Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, notes to the financial statements comprising a summary of significant accounting policies and other explanatory information, and the Statement by the Members of the Board.

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

- a) giving a true and fair view of the association's financial position as at 30 June 2023 and of its performance for the year ended on that date; and
- b) complying with Australian Accounting Standards – Simplified Disclosures and Division 60 of the Australian Charities and Not-for-profits Commission Regulations 2013.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the "Auditor's responsibilities for the audit of the financial report" section of our report.

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

Other information

The members of the Board are responsible for the other information provided in the association's annual report for the year ended 30 June 2023 other than the financial report and our auditor's report thereon. Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion there.

In connection with our audit of the financial report, our responsibility is to read the other information, and in doing so, consider whether the other information is materially inconsistent with the financial report, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report the fact. We have nothing to report in this regard.

Responsibilities of the members of the Board for the financial report

The members of the Board are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Simplified Disclosures and the financial reporting requirements of the Australian Charities and Not-for-profits Commission Act 2012, the Associations Incorporation Reform Act (Vic) 2012 and the needs of the members.

The responsibility of the members of the Board also includes such internal control as the members of the Board determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the members of the Board are responsible for assessing the association's ability to continue as a going concern, disclosing as applicable, matters relating to going concern and using the going concern basis of accounting unless the members of the Board either intend to liquidate the association or to cease operation, or have no realistic alternative but to do so.

The members of the Board are responsible for overseeing the association's financial reporting process.

Auditor's responsibility for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists.

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Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of the users taken on the basis of the financial report.

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism through the audit. The audit involves us:

- Identifying and assessing the risk of material misstatement of the financial report, whether due to fraud or error, designing and performing audit procedures responsive to those risks, obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Obtaining an understanding of internal control relevant to the audit 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 entity's internal control.
- Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the members of the Board.
- Concluding on the appropriateness of Board's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.
- Evaluating the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report presents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the members of the Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the members of the Board with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, where applicable, related safeguards.

Independence

We are independent of the association in accordance with the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* and the ethical requirements of the Accounting Professional and Ethical Standard Board's APES 110 Code of Ethics for Professional Accountants (the "Code") that are relevant to our audit of the financial report in Australia. We have also fulfilled our other responsibilities in accordance with the Code and confirm that the independence declaration would be in the same terms if given to the Board as at the time of the auditor's report.

CARDELL ASSURANCE & AUDIT



Lynda McKenzie
3A Billson Street
WONTHAGGI VIC 3995

22 September 2023

L J McKenzie BCom, CA
Principal

REGISTERED COMPANY AUDITORS
INTERNAL AUDITORS
CHARTERED ACCOUNTANTS

CARDELL
ASSURANCE AND AUDIT

AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 60-40 OF THE
AUSTRALIAN CHARITIES AND NOT-FOR-PROFITS COMMISSION ACT 2012
TO THE MEMBERS OF
MIRBOO NORTH AND DISTRICT COMMUNITY FOUNDATION INC.

I declare that, to the best of my knowledge and belief, during the financial year ended 30 June 2023 there have been no contraventions of:

- i) the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and
- ii) any applicable code of professional conduct in relation to the audit.

CARDELL ASSURANCE & AUDIT



Lynda J. McKenzie
Registered Company Auditor
3A Billson Street
WONTHAGGI VIC 3995

13 September 2023

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Ancillary Fund Financial Statements For The Year Ended 30 June 2023

		Jul 22 - Jun 23	Jul 21 - Jun 22
Ordinary Income/Expense			
	BANK INTEREST -	101	6
	Capital Gains/Losses -	-	10,470
	DIVIDEND INCOME -	2,062	1,685
	FIXED INTEREST	1,795	1,062
	HYBRID INCOME -	659	377
	INTERNATIONAL INCOME -	574	394
	LISTED TRUST INCOME -	572	508
Total Income		5,763	14,503
Net Ordinary Income		5,763	14,503
Other Income/Expenses			
Other Income	Donation Received Relief	371	-
	Donation Received Wayne Casey Youth	1,750	2,000
	Donation Received MN Seniors	-	15
	Donation Received Chaplaincy	2,950	3,394
	MARKET MOVEMENTS YTD -	43	(15,647)
Total Other Income/ (loss)		5,114	(10,238)
Other Expense	Distribution Paid	14,334	4,052
Total Other Expense		14,334	4,052
Net Other Income/ (loss)		(9,220)	(14,290)
Net Income		(3,457)	213

Ancillary Fund Financial Statements For The Year Ended 30 June 2023

		Jun 30, 2023	Jun 30, 2022
Assets			
Current Assets			
Chequing/Savings	Bendigo DGR Account	959	6,403
	Macquarie CMA Account	5,740	3,994
Total Chequing/Savings		6,699	10,397
Other Current Assets			
	Imputation Credits	816	619
Total Other Current Assets		816	619
Total Current Assets		7,516	11,016
Other Assets			
	Australian Company Shares -	39,222	40,533
	Fixed Interest -	22,568	22,555
	Hybrid Investments -	10,218	10,215
	International Equity Funds -	10,621	9,253
	Listed Property Trusts -	7,909	7,940
TOTAL OTHER ASSETS		90,538	90,495
LIABILITIES		0	0
TOTAL ASSETS		98,054	101,511
Equity			
Retained Earnings		3,456	-213
SUB FUNDS -		98,054	101,511
Net Income		(3,457)	213
TOTAL EQUITY		98,054	101,511

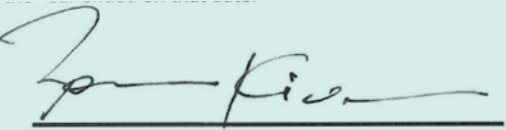
In the Board's opinion, the Ancillary Fund is not a reporting entity because there are no users dependent on general purpose financial statements. These are special purpose financial statements that have been prepared to meet the needs of the Trustees. The Board have determined that the accounting policies adopted are appropriate to meet the needs of the Fund.


The financial statements have been prepared on an accruals basis and are based on historic cost, except for investments which are recorded at market value at the end of the financial year.

Board Audit Statement

Mirboo North & District Community Foundation Ancillary Fund
Statement By Members Of The Committee

In the opinion of the members of the Board the financial statements present a true and fair view of the position of the Mirboo North & District Community Foundation Ancillary Fund as at 30 June 2023 and its performance for the year ended on that date.


ROB KIDDELL, CHAIR


WALTER ARCH VICE CHAIR

Dated this 16th day of October 2023

Independent Auditor’s Review Report

L J McKenzie BCom, CA
Principal

REGISTERED COMPANY AUDITORS
INTERNAL AUDITORS
CHARTERED ACCOUNTANTS



INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF MIRBOO NORTH AND DISTRICT COMMUNITY FOUNDATION
ANCILLARY FUND

Conclusion

We have reviewed the accompanying special purpose financial report of Mirboo North and District Community Foundation Ancillary Fund (the "Fund") which comprises the Statement of Financial Position at 30 June 2023 and the Statement of Profit or Loss for the financial year ended 30 June 2023, and the trustee's declaration.

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the accompanying special purpose financial report of Mirboo North and District Community Foundation Ancillary Fund does not present fairly, in all material respects, the financial position of the Fund's financial position at 30 June 2023 and of its performance for the year ended on that date.

Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Fund in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the "Code") that are relevant to our audit of the special uprose financial report. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Emphasis of matter

We draw attention to the special purpose financial report which has been prepared for reporting to members. As a result, the special purpose financial report may not be suitable for any other purpose. Our conclusion is not modified in respect of this matter.

Responsibility of the Trustees for the financial report

The trustees of the Fund are responsible for the preparation of the special purpose financial report that gives a true and fair view and for such internal control as the trustees determine is necessary to enable the preparation of the special purpose 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 a conclusion on the special purpose financial report based on our review.

ASRE 2410 requires us to conclude whether anything has come to our attention that causes us to believe that the special purpose financial report does not present fairly, in all material respects, the financial position of the Fund as at 30 June 2023 and its financial performance for the year ended on that date.

A review of a financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

CARDELL ASSURANCE & AUDIT



Lyndal McKenzie
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17 October 2023

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Banking

Mirboo North & District Community Bank Branch – Bendigo Bank

Investment Advisors

Hewison Private Wealth

Legal

Herbert Smith Freehills
BRB Law
Verhoeven & Curtain Solicitors

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