

Gippsland Community Foundation

ABN 23 649 303 186

Financial Report - 30 June 2024

Gippsland Community Foundation

Directors' Report

30 June 2024

Your directors present this report on the entity for the financial year ended 30 June 2024.

Directors

The names of each person who has been a director during the year and to the date of this report are:

Barry Henwood
Joe Rettino
David Impey
Helen Martin
Monika Oudendyk
Trevor Hancock
Lara Caplygin (appointed 13 November 2023)
Eric Sjerp (appointed 13 November 2023)
Meg Allan (appointed 13 November 2023)
Paul Holton (appointed 13 November 2023)
Susan Medson (resigned 13 November 2023)
Brendan Pfanner (resigned 31 December 2023)

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Principal activities

Gippsland Community Foundation is a philanthropic community foundation established for the purpose of providing funding to support the East Gippsland community in its long-term recovery from the 2019-2020 Victorian bushfires.

Established by the community, for the community, the Foundation was seeded by donations to the Victorian Bushfire Appeal.

The company is an operating not-for-profit, non-political entity established for the purpose of promoting charitable purposes within the Gippsland Region in order to support and strengthen the community, including community wellbeing and resilience. As part of its charitable activity it also acts as a trustee of the East Gippsland Community Bushfire Disaster Relief Fund. This company undertakes the administrative activities of the Foundation and employs administrative staff.

The company has received funding from Bushfire Recovery Victoria and Community Enterprise Foundation to support the administrative activities of the Foundation.

Operating result

	2024	2023
	\$	\$
The deficit generated by the Foundation during the financial year is:	(120,016)	(117,372)

Significant changes

No significant change in the nature of the company's principal activities occurred during the year.

Events after balance date

There have been no events after the end of the financial year that would materially affect the financial statements.

Information on directors

Barry Henwood - Chairperson/Director

Barry Henwood is a director of the Foundation and has been chair since its inception. After a long and successful career in retail and community banking, Barry became director of the board for the Hurstbridge Bendigo Bank Community Bank, then its chair, and later, its CEO/chair. Today, Barry has stepped down from these roles, but he remains the CEO of Valley Community Financial Services Limited.

Gippsland Community Foundation

Directors' Report

30 June 2024

Barry's comprehensive experience includes roles as chair of the Hurstbridge Traders Association, and of the Community Bank Stadium in Diamond Creek's fundraising committee (a \$10.5 million project). After the 2009 Black Saturday bushfires, Barry worked with the Bendigo Bank, and local organisations and individuals to rebuild communities severely impacted by fire. Subsequently, he was invited to present at several public forums and, in 2010, became the Nillumbik Shire Council's Citizen of the Year. In 2011, he was awarded a Paul Harris Fellow award from the local Diamond Creek Rotary club.

Joe Rettino - Deputy Chairperson/Director

Joe Rettino is a director and deputy chair of the Gippsland Community Foundation and is currently a Recovery Support Officer (RSO) for the National Emergency Management Agency (NEMA). Previously he was a partnership/engagement broker for TAFE Gippsland. As a councillor of East Gippsland Shire Council he served a two-year term as mayor (2016-2018). Joe has held directorships in key Gippsland organisations, including the Lakes Entrance Fishermen Ltd, Omeo District Health and East Gippsland Water.

During his time in local government, Joe successfully advocated for significant grants from the Commonwealth and State governments, including advocacy as a member of the Gippsland Local Government Network (GLGN/One Gippsland). Joe's experience has given him specialist skills in stakeholder and community engagement, leadership, communication, organisational skills, relationship management, commercial management, strategic procurement and governance.

David Impey - Treasurer/Director

David Impey is a director of the Foundation. He is currently chief executive officer of the Community Enterprise Foundation, the philanthropic arm of Bendigo and Adelaide Bank.

Helen Martin - Director

Helen Martin is a director of the Foundation. She has held senior positions in local government, including in East Gippsland, where her responsibilities covered community recovery from disasters. She has also worked for State and Commonwealth agencies and run a consultancy business for over 20 years.

Helen's specialist skills lie in strategic planning, community engagement and policy development for rural and regional areas. She is strongly committed to enhancing the Foundation's role in assisting recovery and building resilience. Helen is a graduate of the Gippsland Community Leadership Program and was previously chair of the Gippsland Coastal Board.

Monika Oudendyk - Director

Monika Oudendyk is a director of the Foundation. She moved to East Gippsland five years ago from Melbourne. Monika was the project management office manager at Monash University and has held a number of program and project management roles, specialising in information technology and educational program development as well as business continuity management.

Monika currently works remotely for Peninsula Health as an IT Project Manager.

Trevor Hancock - Director

Trevor's family has strong connections to East Gippsland and he is the fifth generation to continue service to the region. His professional background is in fundraising, marketing, strategic planning, Government, corporate, crises, and public relations. Trevor started his fundraising with Red Cross organising 'Red Cross Calling' in Victoria. He has been responsible for fundraising, communications and marketing at the Austin Hospital, Deakin University, and the University of Adelaide. He established the Hackett Foundation at the University of Western Australia and advised The Howard Flory Institute on fundraising.

Trevor has been a Councillor of the City of Malvern and Vice President of the Metropolitan Municipal Association. He was Chairman of Chattering Financial Services, a community owned company with the franchises for three Bendigo Bank branches. With considerable expertise in Australia's cultural heritage, he holds Federal Government advisory roles in the area. Trevor was an inaugural Fellow of the Williamson Community Leadership Program and is the current President of the Bairnsdale Chamber of Commerce.

Gippsland Community Foundation

Directors' Report

30 June 2024

Lara Caplygin - Secretary/Director

Lara is an environmental engineer with over seventeen years' experience in the Victorian water industry. Starting out in consulting with Earth Tech in Melbourne, she then went on to a number of roles at East Gippsland Water, including in the executive team. As a recipient of the 2014 Laurie Gleeson Development Award (Institute of Water Administration), Lara explored innovation and efficiency with Scottish Water and Scottish Water Horizons. In 2020 she graduated from the inaugural Executive Leadership Women in Water Program, sponsored by the Victorian Minister for Water. From 2021-22 she was appointed to the Executive Group of the Intelligent Water Networks (IWN).

Lara is currently working as a Senior Project Manager at Crossco, an East Gippsland based engineering and environmental consultancy. As a director with her husband of Evans Ripple Lea Farm Pty Ltd, a multigenerational dairy farm in Wuk Wuk, near Lindenow. Lara is a graduate of the Australian Institute of Company Directors and a passionate member of the East Gippsland community.

Eric Sjerp - Director

Eric Sjerp is an environmental scientist with a degree in geology and geography from the University of Western Australia. He is Managing Director of Ethos NRM – environmental assessment and natural resource management consultants. Eric has extensive professional experience in the fields of environmental impact assessment, natural resource and conservation management, strategic land use planning, urban and rural water industries, exploration geology and government liaison. Eric's professional career spans over 30 years throughout Australia and internationally in Malaysia and the UK.

Eric has been a director of Yarra Valley Water, East Gippsland Water and Southern Rural Water, as well as holding leadership roles in several natural resource management advisory bodies. He is also a past executive officer of the Gippsland Lakes Management Council. Eric is a member of the Australian Institute of Company Directors (AICD), the Environment Institute of Australia & New Zealand (EIANZ) and the Victorian Planning and Environmental Law Association (VPELA).

Meg Allan - Director

Meg Allan hails from Mallacoota, in Far East Gippsland and possesses a deep-rooted passion for Gippsland and its communities. Meg currently works for Australian Centre for Rural Entrepreneurship, having previously worked with East Gippsland Shire Council as the place manager for Mallacoota and Cann Valley.

Meg is co-founder and chair of the Wilderness Collective Mallacoota, a social enterprise facilitating a self-determined and sustainable future for Far East Gippsland through the catalysts of enterprise, education, and co-working. She graduated from the Gippsland Community Leadership Program in 2022. Meg's experience has given her specialist skills in areas such as systems and strategic thinking, sustainable regional development, facilitation and leadership.

Paul Holton - Director

Paul is principal at Lightwell Consulting, undertaking projects in the community and local government sectors. He was formerly Director Development with East Gippsland Shire Council, where his role encompassed strategic management of statutory land use planning, economic development, capital projects and council enterprises across East Gippsland. His previous work in local government included arts facilities administration, cultural development, leisure facilities and events management. Paul was part of the team that initiated the highly successful Wangaratta Festival of Jazz. He is a former member of the Australia Council's Community Cultural Development Board.

Brendan Pfanner - Director

Brendan Pfanner is a photographer, and, for 12 years, a teacher at the School for Student Leadership, Snowy River Campus focusing on year nine residential education and personal development. Brendan's areas of expertise include educational leadership, curriculum development, digital technologies and building community partnerships.

Brendan has been a secondary school teacher since 2000, both in Australia and the United Kingdom. He also worked with Skills Victoria, regulating apprenticeships and traineeships. He is a registered teacher with the Victorian Institute of Teaching and a School for Student Leadership school council member.

Gippsland Community Foundation

Directors' Report

30 June 2024

In 2017, Brendan graduated as a Fellow of the Gippsland Community Leadership Program. Recently, he became a General Firefighter with the Country Fire Authority and has been appointed to the Orbst District Community Recovery and Transition Committee to support the strategic direction of the community's recovery and transition from the 2019-2020 bushfires.

Sue Medson - Director

Sue Medson is a long-time resident of East Gippsland, she only recently stepped down from her role as Chief Executive Officer of Gippsland Lakes Complete Health, after 10 years. Sue's over-thirty-year career includes senior management roles and over 15 years in CEO positions for community health and social service organisations across Victoria. These include Latrobe Community Health Service, FamilyCare in Shepparton, Goulburn Valley Community Health Service and Otway Health and Community Service. Sue has also held roles on the Boards of local Aboriginal organisations, including Lake Tyers Health and Children's Service, Lakes Tyers Aboriginal Trust Transition Board, and Lakes Entrance Aboriginal Health Association.

During her professional career, Sue established partnerships with local agencies, including the East Gippsland Health Services Alliance and Connect Well. Sue was the executive producer of the compelling documentary "Beyond the Fire", which follows the stories of Australians coming together to create life from ashes of the Australian Black Summer Bushfire Crisis.

Meetings of directors

During the financial year, 10 meetings of directors were held. Attendances by each director were as follows:

	Board Meetings	
	Eligible	Attended
Barry Henwood	10	9
Joe Rettino	10	6
David Impey	10	8
Helen Martin	10	9
Monika Oudendyk	10	7
Trevor Hancock	10	8
Lara Caplygin	5	5
Eric Sjerp	5	5
Meg Allan	5	4
Paul Holton	5	3
Susan Medson	5	4
Brendan Pfanner	6	4

Indemnification and insurance of directors and officers

The company has indemnified all directors and the Executive Officer in respect of liabilities to other persons (other than the company or related body corporate) that may arise from their position as directors or Executive Officer of the company except where the liability arises out of conduct involving the lack of good faith.

Disclosure of the nature of the liability and the amount of the premium is prohibited by the confidentiality clause of the contract of insurance. The company has not provided any insurance for an auditor of the company or a related body corporate.

Proceedings on behalf of the entity

No person has applied for leave of Court to bring proceedings on behalf of the entity or intervene in any proceedings to which the entity is a party for the purpose of taking responsibility on behalf of the entity for all or any part of those proceedings. The company was not a party to any such proceedings during the year.

Members guarantee

The entity is incorporated under the *Corporations Act 2001* and is a public company limited by guarantee. If the entity is wound up, the constitution states that each member is required to contribute a maximum amount of \$10 each towards meeting any outstanding obligations of the entity. At 30 June 2024, the total amount that members of the entity are liable to contribute if the entity is wound up is \$100 (2023: \$80).

**Gippsland Community Foundation
Directors' Report
30 June 2024**

Auditor's independence declaration

The lead auditor's independence declaration for the year ended 30 June 2024, as required under section 307C of the *Corporations Act 2001*, has been received and can be found on page 6 of the financial report.

This directors' report is signed in accordance with a resolution of the Board of Directors, pursuant to section 298(2)(a) of the *Corporations Act 2001*.

A handwritten signature in black ink, appearing to read "Amy Howard", is written over a horizontal line.

Director

14 October 2024



Andrew Frewin Stewart
61 Bull Street Bendigo VIC 3550
ABN: 65 684 604 390
afs@afsbendigo.com.au
03 5443 0344

Lead auditor's independence declaration under section 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012* to the Directors of Gippsland Community Foundation

As lead auditor for the audit of Gippsland Community Foundation for the year ended 30 June 2024, I declare that, to the best of my knowledge and belief, there have been:

- i) no contraventions of the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit, and
- ii) no contraventions of any applicable code of professional conduct in relation to the audit.

A handwritten signature in black ink, appearing to read 'Andrew Frewin Stewart', is positioned to the left of the signature block.

Andrew Frewin Stewart
61 Bull Street, Bendigo Vic 3550
Dated this 14th day of October 2024

A handwritten signature in black ink, appearing to read 'Joshua Griffin', is positioned to the right of the signature block.

Joshua Griffin
Lead Auditor

Gippsland Community Foundation
Statement of profit or loss
For the year ended 30 June 2024

	Note	2024 \$	2023 \$
Revenue	4	917,813	117,597
Finance income	4	14,710	7,813
Other income	4	-	10,000
Total revenue and other income		<u>932,523</u>	<u>135,410</u>
Expenses			
Grant funds expended		(681,724)	(27,597)
Employee benefits expense	5	(269,816)	(153,942)
General administration expenses	5	(36,571)	(32,570)
Advertising, marketing, sponsorships and promotional		(35,240)	(11,333)
Depreciation		(5,039)	(3,816)
Occupancy and associated costs		(4,323)	(9,692)
Travel, meals & entertainment		(13,733)	(13,832)
Motor vehicle expenses		(4,101)	-
Loss on disposal of assets		(1,992)	-
Total expenses		<u>(1,052,539)</u>	<u>(252,782)</u>
Deficit before income tax expense		(120,016)	(117,372)
Income tax expense		-	-
Deficit after income tax expense for the year		<u><u>(120,016)</u></u>	<u><u>(117,372)</u></u>

The above statement of profit or loss should be read in conjunction with the accompanying notes

Gippsland Community Foundation
Statement of financial position
As at 30 June 2024

	Note	2024 \$	2023 \$
Assets			
Current assets			
Cash and cash equivalents	6	811,183	864,463
Trade and other receivables	7	5,057	19,377
Total current assets		<u>816,240</u>	<u>883,840</u>
Non-current assets			
Property, plant and equipment	8	859	3,196
Total non-current assets		<u>859</u>	<u>3,196</u>
Total assets		<u>817,099</u>	<u>887,036</u>
Liabilities			
Current liabilities			
Trade and other payables	9	81,127	35,093
Contract liabilities	10	130,745	142,402
Employee benefits	11	23,441	15,658
Total current liabilities		<u>235,313</u>	<u>193,153</u>
Non-current liabilities			
Employee benefits	11	7,919	-
Total non-current liabilities		<u>7,919</u>	<u>-</u>
Total liabilities		<u>243,232</u>	<u>193,153</u>
Net assets		<u>573,867</u>	<u>693,883</u>
Equity			
Retained surplus		<u>573,867</u>	<u>693,883</u>
Total equity		<u>573,867</u>	<u>693,883</u>

The above statement of financial position should be read in conjunction with the accompanying notes

**Gippsland Community Foundation
Statement of changes in equity
For the year ended 30 June 2024**

	Retained surplus \$	Total equity \$
Balance at 1 July 2022	<u>811,255</u>	<u>811,255</u>
Deficit after income tax expense	<u>(117,372)</u>	<u>(117,372)</u>
Balance at 30 June 2023	<u><u>693,883</u></u>	<u><u>693,883</u></u>
Balance at 1 July 2023	<u>693,883</u>	<u>693,883</u>
Deficit after income tax expense	<u>(120,016)</u>	<u>(120,016)</u>
Balance at 30 June 2024	<u><u>573,867</u></u>	<u><u>573,867</u></u>

The above statement of changes in equity should be read in conjunction with the accompanying notes

Gippsland Community Foundation
Statement of cash flows
For the year ended 30 June 2024

	Note	2024	2023
		\$	\$
Cash flows from operating activities			
Operating grants		972,525	250,622
Payments to suppliers and employees (inclusive of GST)		(1,035,821)	(277,121)
Interest received		14,710	6,809
		<u> </u>	<u> </u>
Net cash used in operating activities	14	<u>(48,586)</u>	<u>(19,690)</u>
Cash flows from investing activities			
Payments for motor vehicle		(36,089)	(7,012)
Proceeds from disposal of motor vehicle		31,395	-
		<u> </u>	<u> </u>
Net cash used in investing activities		<u>(4,694)</u>	<u>(7,012)</u>
Net decrease in cash and cash equivalents		(53,280)	(26,702)
Cash and cash equivalents at the beginning of the financial year		<u>864,463</u>	<u>891,165</u>
Cash and cash equivalents at the end of the financial year	6	<u><u>811,183</u></u>	<u><u>864,463</u></u>

The above statement of cash flows should be read in conjunction with the accompanying notes

Gippsland Community Foundation

Notes to the financial statements

30 June 2024

Note 1. General information

The financial statements cover Gippsland Community Foundation as an individual entity. The financial statements are presented in Australian dollars, which is the entity's functional and presentation currency.

Gippsland Community Foundation is a not-for-profit unlisted public company limited by guarantee, incorporated and domiciled in Australia. A description of the nature of the entity's operations and its principal activities are included in the directors' report.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 14 October 2024. The directors have the power to amend and reissue the financial statements.

Basis of preparation

These general purpose financial statements have been prepared in accordance with the Australian Accounting Standards - Simplified Disclosures of the Australian Accounting Standards Board (AASB) and the *Australian Charities and Not-for-profits Commission Act 2012*. The entity is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

The financial statements, except for the cash flow information, have been prepared on an accrual 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.

Statement of compliance

The entity is a not-for-profit entity as defined in AASB 1053 *Application of Tiers of Australian Accounting Standards* and is therefore eligible to apply the 'Tier 2' reporting framework under Australian Accounting Standards.

The financial statements comply with the recognition and measurement requirements of Australian Accounting Standards, the presentation requirements in those Standards as modified by AASB 1060 *General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities* (AASB 1060) and the disclosure requirements in AASB 1060. Accordingly, the financial statements comply with Australian Accounting Standards – Simplified Disclosures.

Going concern

The financial statements have been prepared on a going concern basis, which contemplates continuity of normal business activities and the realisation of assets and the settlement of liabilities in the ordinary course of business.

Economic Funding

The entity received funding from the Victorian State Government and the Community Enterprise Foundation to support the ongoing operations of the entity over a three year period. During the current financial year there was an extension of funds from Victorian State Government to 30 June 2025. The current funding received from Bushfire Recovery Victoria, through the Department of Justice and Community Safety, and the Community Enterprise Foundation aims to cover administration costs in managing funds allocated from the Victorian Bushfire Appeal.

Note 2. Summary of significant accounting policies

Accounting Policies

New and Amended Accounting Standards Adopted by the Entity

The company has adopted all of the new or amended Accounting Standards and Interpretations issued by the AASB that are mandatory for the current financial year. A description of the impact of new or amended Accounting Standards and Interpretations that have had a material impact on the company during the current financial year is outlined below:

AASB 2021-2 Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates is mandatory for annual reporting periods beginning on or after 1 January 2023 and was adopted by the company in the preparation of the 30 June 2024 financial statements.

Gippsland Community Foundation
Notes to the financial statements
30 June 2024

Note 2. Summary of significant accounting policies (continued)

AASB 2021-2 includes amendments to AASB 101 *Presentation of Financial Statements*, requiring the company to disclose material accounting policy information in its financial statements rather than significant accounting policies which was required in previous financial years. Accounting policy information is material if it, when considered with other information, could reasonably be expected to influence decisions of primary users based on the financial statements.

Adoption of AASB 2021-2 has had no impact on the numerical information disclosed in the company's financial statements. Rather, adoption has required the company to remove significant accounting policy information from the notes to the financial statements that is not considered material.

Financial Instruments

The entity's financial instruments consist mainly of deposits with banks, receivables and payables.

Recognition, initial measurement and derecognition

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions of the financial instrument, and are measured initially at fair value adjusted by transactions costs, except for those carried at fair value through profit or loss, which are measured initially at fair value. Subsequent measurement of financial assets and financial liabilities are described below.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Classification and subsequent measurement of financial assets

All financial assets are initially measured at fair value adjusted for transaction costs (where applicable). For the purpose of subsequent measurement, financial assets are classified as at amortised cost. The entity does not utilise hedging instruments.

Classifications are determined by both:

- the entity's business model for managing the financial asset
- the contractual cash flow characteristics of the financial asset.

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs or other income, except for impairment of trade receivables, which is presented within other expenses.

Financial assets are measured at amortised cost if the assets meet the following conditions:

- they are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. The entity's cash and cash equivalents and trade and other receivables fall into this category of financial instruments.

Impairment of financial assets

The entity makes use of a simplified approach in accounting for trade and other receivables and records the loss allowance at the amount equal to the expected lifetime credit losses. The entity uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses.

Classification and measurement of financial liabilities

The entity's financial liabilities include trade and other payables. Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs unless the entity designated a financial liability at fair value through profit or loss.

Subsequently, financial liabilities are measured at amortised cost using the effective interest method except for financial liabilities designated at fair value through profit or loss, which are carried subsequently at fair value with gains or losses recognised in profit or loss. The entity does not utilise derivative financial instruments.

Gippsland Community Foundation
Notes to the financial statements
30 June 2024

Note 2. Summary of significant accounting policies (continued)

All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss are included within finance costs or other income.

Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

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 ATO 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 ATO, are presented as operating cash flows included in receipts from customers or payments to suppliers.

Income Tax

No provision for income tax has been raised as the entity is exempt from income tax under Div 50 of the *Income Tax Assessment Act 1997*.

Impairment of Assets

At the end of each reporting period, the company reviews the carrying values of its tangible and intangible 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 value-in-use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the Statement of Profit or Loss.

Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Comparative Figures

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

Note 3. Critical accounting judgements, estimates and assumptions

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 are discussed below.

Recognition, initial measurement and derecognition

To determine if grant funding should be accounted for under AASB 1058 or AASB 15, the entity has to determine if the contract is 'enforceable' and contains 'sufficiently specific' performance obligations. When assessing if the performance obligations are 'sufficiently specific', the entity has applied significant judgement in this regard by performing a detailed analysis of the terms and conditions contained in the grant contracts, review of accompanying documentation and holding discussions with relevant parties. Income recognition from grants received by the entity has been appropriately accounted for under AASB 1058 or AASB 15 based on the assessment performed.

Gippsland Community Foundation
Notes to the financial statements
30 June 2024

Note 4. Revenue and other income

Revenue	2024	2023
	\$	\$
<i>Revenue from grants</i>		
Local government grants - operating	139,255	62,597
Community Enterprise Foundation grants - operating	50,000	55,000
Monash University	720,000	-
	<u>909,255</u>	<u>117,597</u>
<i>Other income</i>		
Sales	8,558	-
	<u>917,813</u>	<u>117,597</u>
Total revenue	917,813	117,597
Other income		
	2024	2023
	\$	\$
Interest received	14,710	7,813
Reimbursement	-	10,000
	<u>14,710</u>	<u>17,813</u>
Total other income	14,710	17,813

Accounting policy for revenue and other income

Operating grants

When the company receives operating grants, it assesses whether the contract is enforceable and has sufficiently specific performance obligations in accordance with AASB 15 *Revenue from Contracts with Customers*.

When both these conditions are satisfied, the company:

- identifies each performance obligation relating to the grant
- recognises a contract liability for its obligations under the agreement and
- recognises revenue as it satisfies its performance obligations.

Where the contract is not enforceable or does not have sufficiently specific performance obligations, the company:

- recognises the asset received in accordance with the recognition requirements of AASB 1058 *Income for Not-for-Profit Entities*
- the company's operating grant contracts do not typically contain sufficiently specific performance obligations. Therefore such funds are recognised as income immediately under AASB 1058 even if the funding is to be spent in future reporting periods.

Interest income

Interest income is recognised using the effective interest method.

Note 5. Expenses

Employee benefits expense

	2024	2023
	\$	\$
Wages and salaries	236,545	127,778
Superannuation contributions	26,395	24,035
Expenses related to long service leave	7,919	-
Other expenses	(1,043)	2,129
	<u>269,816</u>	<u>153,942</u>

Gippsland Community Foundation
Notes to the financial statements
30 June 2024

Note 5. Expenses (continued)

General administration expenses

	2024	2023
	\$	\$
Accounting and bookkeeping	8,129	8,752
Audit Fees	9,372	8,925
Bank charges and fees	345	17
Professional fees	853	5,250
Insurance	925	160
Meetings	3,050	1,248
Office expenses	2,688	5,074
Recruitment / HR consulting	-	698
Subscriptions	11,209	2,446
	<u>36,571</u>	<u>32,570</u>

Note 6. Cash and cash equivalents

	2024	2023
	\$	\$
Cash at bank - Bendigo and Adelaide Bank Limited	<u>811,183</u>	<u>864,463</u>

Note 7. Trade and other receivables

	2024	2023
	\$	\$
Trade receivables	-	10,000
Accrued income	-	1,004
Prepayments	5,057	5,973
GST receivable	-	2,400
	<u>5,057</u>	<u>9,377</u>
	<u>5,057</u>	<u>19,377</u>

Note 8. Property, plant and equipment

	2024	2023
	\$	\$
IT equipment - at cost	7,012	7,012
Less: Accumulated depreciation	<u>(6,153)</u>	<u>(3,816)</u>
	<u>859</u>	<u>3,196</u>

Gippsland Community Foundation
Notes to the financial statements
30 June 2024

Note 8. Property, plant and equipment (continued)

Reconciliations

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

	IT Equipment \$	Motor vehicle \$	Total \$
Balance at 1 July 2022	-	-	-
Additions	7,012	-	7,012
Depreciation	(3,816)	-	(3,816)
Balance at 30 June 2023	3,196	-	3,196
Additions	-	36,089	36,089
Disposals	-	(33,387)	(33,387)
Depreciation	(2,337)	(2,702)	(5,039)
Balance at 30 June 2024	<u>859</u>	<u>-</u>	<u>859</u>

Accounting policy for property, plant and equipment

Each class of property, plant and equipment is carried at cost or fair value as indicated less, where applicable, any accumulated depreciation and impairment losses.

Note 9. Trade and other payables

	2024 \$	2023 \$
<i>Current liabilities</i>		
Trade payables	64,481	785
GST payable	532	-
Accrued expenses	16,114	16,489
Payroll liabilities	-	17,819
	<u>81,127</u>	<u>35,093</u>

Accounting policy for trade and other payables

Trade and other payables represent liabilities for goods and services provided to the entity 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.

Note 10. Contract liabilities

	2024 \$	2023 \$
<i>Current liabilities</i>		
Contract liabilities	<u>130,745</u>	<u>142,402</u>

Accounting policy for contract liabilities

Contract liabilities represent the company's outstanding obligations to transfer goods or services to a recipient under a funding agreement and are recognised when the funding has been received before the company has transferred the applicable goods or services.

Gippsland Community Foundation
Notes to the financial statements
30 June 2024

Note 11. Employee benefits

	2024	2023
	\$	\$
Annual leave liability	<u>23,441</u>	<u>15,658</u>
Long service leave liability	<u>7,919</u>	<u>-</u>

Note 12. Financial Instruments

	2024	2023
	\$	\$
Financial assets		
Trade and other receivables	-	13,404
Cash and cash equivalents	<u>811,183</u>	<u>864,463</u>
	<u>811,183</u>	<u>877,867</u>
Financial liabilities		
Trade and other payables	81,127	35,093
Contract liabilities	<u>130,745</u>	<u>142,402</u>
	<u>211,872</u>	<u>177,495</u>

Accounting policy for financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. The association's financial instruments include trade debtors and creditors, cash and cash equivalents and contract liabilities.

Note 13. Auditors' remuneration

During the financial year the following fees were paid or payable for services provided by Andrew Frewin Stewart, the auditor of the entity:

	2024	2023
	\$	\$
<i>Audit services</i>		
Auditing or reviewing the financial report	<u>9,372</u>	<u>8,925</u>

Gippsland Community Foundation
Notes to the financial statements
30 June 2024

Note 14. Cash flow information

	2024	2023
	\$	\$
Deficit after income tax expense for the year	(120,016)	(117,372)
Adjustments for:		
Depreciation	5,039	3,816
Change in operating assets and liabilities:		
Decrease/(increase) in trade and other receivables	14,320	(19,377)
Increase/(decrease) in trade and other payables	48,026	(39,587)
Increase/(decrease) in contract liabilities	(11,657)	142,402
Increase in employee benefits	15,702	10,428
Net cash used in operating activities	<u>(48,586)</u>	<u>(19,690)</u>

Note 15. Contingent liabilities and contingent assets

There were no contingent liabilities or contingent assets at the date of this report to affect the financial statements.

Note 16. Events after the reporting period

There have been no events after the end of the financial year that would materially affect the financial statements.

Note 17. Related party transactions

No director or related entity has entered into a material contract with the entity. No director fees have been paid as the positions are held on a voluntary basis.

Note 18. Members' guarantee

The entity is incorporated under the *Corporations Act 2001* and is a company limited by guarantee. If the entity is wound up, the constitution states that each member is required to contribute an amount towards meeting any outstanding obligations of the entity not exceeding \$10. At 30 June 2024 the number of members was 10 (2023: 8).

Note 19. Trust liabilities and right of indemnity

The Foundation acts as trustee of the East Gippsland Community Bushfire Disaster Relief Fund ("the Fund"). Liabilities incurred by the Fund are not recognised in the financial report of the Foundation when it is not probable that the Foundation will have to meet any of these liabilities from its own resources.

When it is probable that the Foundation will have to meet some or all of the liabilities of the Fund, a liability for the deficiency in trust right of indemnity is brought to account. Details of the Fund's liabilities, the offsetting right of indemnity, and any deficiency in the right of indemnity as at 30 June 2024 is disclosed below.

Liabilities of the Fund not recorded in the financial statements of the Foundation were:

	2024	2023
	\$	\$
<i>Current liabilities</i>		
Trade and other payables	<u>23,752</u>	<u>160,000</u>

Gippsland Community Foundation
Notes to the financial statements
30 June 2024

Note 19. Trust liabilities and right of indemnity (continued)

Rights of indemnity for liabilities incurred by the Foundation on behalf of the Fund not recorded in the financial statements were nil (2023: nil).

The assets of the Fund, which lie behind the right of indemnity, are not directly available to meet any liabilities of the Foundation acting on its own right. The assets of the Fund were sufficient to discharge all liabilities of the trust at 30 June 2024.

Note 20. Entity details

The registered office of the entity is:
Gippsland Community Foundation
The Bendigo Centre Level 4 22-24 Bath Lane BENDIGO VIC 3550

The principal place of business is:
Gippsland Community Foundation
The Bendigo Centre Level 4 22-24 Bath Lane BENDIGO VIC 3550

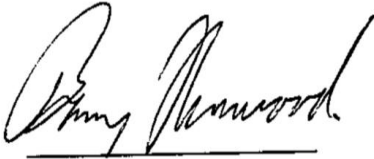
Gippsland Community Foundation
Directors' declaration
30 June 2024

In accordance with a resolution of the directors of Gippsland Community Foundation, the directors of the entity declare that:

- The attached financial statements and notes are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012* and:
 - (a) comply with Australian Accounting Standards - Simplified Disclosures applicable to the entity; and
 - (b) give a true and fair view of the financial position of the registered entity as at 30 June 2024 and of its performance for the year ended on that date.
- In the directors' opinion there are reasonable grounds to believe that the registered entity will be able to pay its debts as and when they become due and payable.

This declaration is signed in accordance with subs 60.15(2) of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

The statement is made in accordance with a resolution of the directors and is signed for and on behalf of the directors by:

A handwritten signature in black ink, appearing to read 'Amy Newwood', written over a horizontal line.

Director

14 October 2024

Independent auditor's report to the Directors of Gippsland Community Foundation

Report on the audit of the financial statements

Opinion

We have audited the financial report of Gippsland Community Foundation (the company), which comprises:

- Statement of financial position as at 30 June 2024
- Statement of profit or loss and other comprehensive income for the year then ended
- Statement of changes in equity for the year then ended
- Statement of cash flows for the year then ended
- Notes comprising a summary of significant accounting policies and other explanatory notes
- The directors' declaration of the company.

In our opinion, the financial report of the company, is in accordance with the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- i. giving a true and fair view of the company's financial position as at 30 June 2024 and of its financial performance for the year ended on that date, and
- ii. complying with Australian Accounting Standards - Simplified Disclosure Requirements and the Australian Charities and Not-for-profits Commission Regulations 2022.

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 audit opinion.

Basis of accounting and restriction on distribution

Without modifying our opinion, we draw attention to note 1 to the financial statements, which describes the basis of accounting. The financial report has been prepared to assist the company to meet the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*. As a result, the financial report may not be suitable for another purpose.

Independence

We are independent of the company 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 Standards Board's *APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Directors' responsibility for the financial report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards - Simplified Disclosure Requirements and the *Australian Charities and Not-for-profits Commission Act 2012* and for such internal control as the directors 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 directors are responsible for assessing the company's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or cease operations, or have no realistic alternative but to do so.

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 the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatement can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain 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.
- Obtain 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 company's internal control.



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03 5443 0344

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' 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 company'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 the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with the directors 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.

A handwritten signature in black ink, appearing to read 'Andrew Frewin Stewart', written in a cursive style.

Andrew Frewin Stewart
61 Bull Street, Bendigo, 3550
Dated this 14th day of October 2024

A handwritten signature in black ink, appearing to read 'Joshua Griffin', written in a cursive style.

Joshua Griffin
Lead Auditor