

# Buderim Foundation Limited

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## Annual General Meeting, 30<sup>th</sup> September, 2020

### Report of the Board of Directors

#### Introduction

This report on the activities and achievements of the Buderim Foundation Ltd is made to the Members of the company. The Buderim Foundation has been managed over the past year in accordance with the Constitution approved in 2015 and modified at SGMs in July 2019 and June 2020.

As Chair of the Foundation I present this Report outlining the activities of the Foundation since the Annual report in October 2019.

#### Objectives of the Foundation

The **purpose** of the Foundation is to build a stronger community by harnessing the power of giving. Our **goal** is to enrich and enhance the quality of life for all people living in the 4556 post-code. The Foundation does this by:

- Conducting fund-raising activities in addition to receiving donations and bequests designed to grow a corpus of funds to be held in trust in perpetuity – **money in**;
- managing those funds wisely through careful investment to provide a good return - **money managed**; and
- distributing the income as grants each year, to organisations that provide services and community infrastructure in the Buderim area – **money out**.

The Foundation is established as a philanthropic, not-for-profit company limited by guarantee. It has been granted Deductible Gift Recipient (DGR) status by the Australian Taxation Office and is a member of Australian Community Philanthropy Ltd.

The company acts as trustee of the Public and Open trusts for the purposes of grant making for the benefit of eligible community organisations or for eligible community purposes. The Public Trust is a Public Ancillary Fund and as such is subject to regulation by the Australian Charities and Not-For-Profit Commission (ACNC). Because of its Deductible Gift Recipient (DGR) status the Public Trust also comes within the purview of the Australian Taxation Office. The Open Trust is unable to offer tax-deductibility to donors but has more flexibility in how the trust funds can be used, as grants can be made to organisations which do not have DGR status.

The longer-term vision of the Foundation is to be widely known for our vital role in making Buderim a vibrant, generous and just community.

The company is subject to the rules of the Australian Securities and Investments Commission and also is expected to meet a number of state government requirements.

## Members

Currently there are six Members who are responsible for appointing the Directors and monitoring the Board performance.

In 2020, Members have conducted their activities in accordance with the Charter (developed in 2018) which outlines their duties and responsibilities.

The Board and the Members meet periodically and the Chair updates the Members' coordinator Rod McKinnon regularly. In addition, the confirmed Board minutes are circulated to Members. Members are also invited to participate in strategic planning meetings of the Board.

## Changes to the Constitution

At a Special General Meeting (SGM) on 11 June 2020, the following changes to the Constitution were approved by the Members:

*Clause 2 was amended as follows:*

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### 2. Company's objects

- (a) The object of the company is to encourage philanthropy within and for the Buderim community by:
  - (1) acting as trustee of trusts for the purposes of grant making for the benefit of eligible community organisations or for eligible community purposes;
  - (2) acting as trustee of trusts for any charitable or public benevolent purpose including, without limitation, any trust that is established and maintained for the relief of persons in Australia who are in necessitous circumstances;
  - (3) if decided by the directors, providing or promoting community activities or applying its income and property for community purposes.
- (b) For the purposes of the company, the directors may:
  - (1) affiliate with the Buderim War Memorial Community Association Inc. ABN 87 504 624 178 and to promote, and support its aims and objectives; and
  - (2) conduct fund raising activities for, and to render financial and other assistance (whether by gift, sponsorship, joint venture or other means) to the BWMCA, its affiliated members and such other community organisations as the Foundation approves from time to time to be used for community purposes; and
  - (3) pay or apply monies to any eligible recipients in accordance with the terms of any trust deed for which the company is the trustee.

*Clause 3 (b) was amended as follows:*

- (b) provide funds, payments or other material benefits by way of grant or otherwise;

Clause 21.1 was amended by inserting the following new definition:

**eligible recipients** means any person or organisation that is entitled to receive a payment or other benefit in accordance with the terms of any trust deed of which the company is a trustee.

## Director Casual Vacancy

At an SGM on 7 February 2020, Members appointed Margaret Thursby to fill a casual vacancy on the Board created by the resignation of Amber James. Marg has continued to act as Chair of the Marketing Committee.

## Financial Performance

The company has a fiduciary duty to its Members, to the many people who donate or attend events, and importantly to our sponsors and grant providers who support our running costs. *The audited accounts of the company and the two Trusts, for the financial year ending 30 June 2020 accompany this report.*

The Board, with the expert help of our Honorary Treasurer Allen Hertel, regularly assesses its financial position and is pleased to report that the Company has remained solvent throughout the year.

The Board has also resolved that there should be a minimum cap of \$50,000 for the creation and management of any new Trust or Sub-fund.

## The Investment Committee

Despite the COVID-19 pandemic, this committee, chaired by Avril Staniland has managed the Foundation's funds wisely, with an unexpectedly positive outcome in terms of the quantum available for grants in 2020.

All funds placed in the Trusts remain in trust in perpetuity and only the revenue generated is considered for grant distribution.

Previously, all capital growth on investments has been retained in the Trusts. Because of the adverse impact of the coronavirus on the community, The Board decided in July 2020 to access 10% of the realised capital gains over the past four years to better serve the people who are struggling as a result of the pandemic.

The 2020 record grants distribution of \$85,021.84 reflects the skill and diligence of the Investment Committee given the challenging economic environment. It is anticipated however, that the revenue will be adversely impacted during the current financial year.

In December 2019, the Investment Committee, after reviewing its processes, presented a Report with the following recommendations, which were approved by the Board:

- Move all investments from Morgans to Arch Financial Planners under the supervision of Jayne Graving
- Adopt an active investment management response
- Retain the current Investment Committee structure with its strategic, advisory and supervisory roles
- The Committee will provide a report to the Board quarterly

Avril Staniland will step down as a Director at this AGM after ten years of outstanding voluntary service to the Board. Her expertise and leadership skills have been instrumental in creating the secure financial position of the investment corpus and we shall miss her sage advice at Board level. On behalf of the Foundation community I acknowledge with gratitude

her great contribution.

Despite the current economic difficulties, the investment fund remains solid and the following table summarises the impressive increase in the corpus since the Foundation was established in 2004:

<u>30 June</u>	<u>Corpus (\$)</u>
2004	200
2005	13,600
2006	67,400
2007	180,100
2008	249,000
2009	256,600
2010	325,300
2011	435,000
2012	557,800
2013	750,820
2014	849,965
2015	1,202,517
2016	1,304,972
2017	1,461,488
2018	1,674,033
2019	2,064,108
2020	2,055,109

## **Operating Income and Sponsorship**

Sponsorship funding received from the Buderim Pharmacy, EdenLea on Buderim and Sunshine Toyota largely covers the Foundation's tightly controlled administration costs. These expenses have been reduced this year because of the decreased activity related to the pandemic but we expect they will continue to be a challenge as we expand our activities in the future.

The sponsorship policy allows the Board to allocate proceeds of events to help cover administration costs. Business support for specific functions has been much appreciated and the Board has the option of seeking an additional major sponsor if required. It must be emphasised that the sponsorship policy maintains the principle that donations and bequests are deposited in the Trusts in perpetuity unless the donor stipulates otherwise. The Foundation is most grateful for this philanthropic support.

The Foundation is also supported by the Sunshine Coast Council's Community Partnership Funding Programme.

The renewal of our aging electronic equipment in May 2019, courtesy of a grant from the Gambling Community Benefit Fund, has increased our admin efficiency.

Equally important are the many volunteers who freely provide their time and talent.

We have over 400 Ambassadors and partners and the Board is keen to increase this number even more. In addition, our supporter data-base facilitates the marketing of Foundation activities.

## **External relationships**

The Buderim Foundation is a member of Australian Community Philanthropy (ACP) and the fact that Simon Whittle is an ACP Director is a bonus for the Foundation.

The Board is also keen to foster relationships with the local business community. Geoff Sawyer is driving this agenda.

In addition, the Board intends to enhance our interaction with MPs and local Councillors.

## **The Foundation Board**

The Directors from October 2019 to September 2020 were:

- Dr Russell Stitz (Chair)
- Graham Tamblyn (Deputy Chair and Public Officer)
- Avril Staniland
- Geoff Sawyer
- Jan Nelson
- Keith Solomon
- Lloyd Edwards
- Margaret Thursby (since 7 February)
- Paul Kusy
- Rebecca Ramsay
- Simon Whittle

The Board meets monthly, maintains an overview of Foundation activities and decides on the strategic direction of the Foundation. Each Committee of the Board includes at least one Director and reports to each Board meeting. In addition to their operational workload, the Committees present prepared initiatives to the Board for consideration. As there is considerable overlap in Committee activities, coordination and collaboration are important components which remain challenged by the lack of in-house management. The Committee Chairs select their members from a large talent base in the list of ambassadors, directors and supporters.

The 2019/20 Committee Chairs are as follows:

- Ambassador – Jan Nelson
- Business relations – Geoff Sawyer
- Events – Lloyd Edwards
- Governance and Risk – Graham Tamblyn/Paul Kusy
- Grants – Rebecca Ramsay
- Investment – Avril Staniland
- Marketing – Margaret Thursby
- Philanthropy – Simon Whittle
- Youth in Philanthropy – Graham Tamblyn

Activities of the Health Group have been restricted by the pandemic but the Group is planning to run another medical seminar once preventive measures are eased.

In addition to the committee members, we need to thank specifically a number of people who altruistically assist the work of the Board. Allen Hertel, who is the Director of FocusPG Chartered Accountants, is the Honorary Treasurer and continues to be a great asset to the Foundation. He and his assistant Renee Veldstra, effectively manage and supervise the financial activities of the Company. Graham Tamblyn is the Public Officer for the Board and oversees all compliance matters. Sally Caddy, our part-time administration officer, continues to be a major asset. Much of her contribution is voluntary and unseen. The Board is again indebted to Alex Sweet with her graphics expertise and Michelle Smytheman and partner

Ryan who continue to provide expert media support. Marg Thursby tirelessly keeps the website current and Phil Illingworth does a great job as the newsletter editor. However, it is appropriate to thank all our volunteers and in particular the over 50 people who give their time generously to service our committees and working parties.

## **Strategic Plan**

In February 2020, the Board and Members met to develop its three year Strategic Plan (2020-2023) to govern the work of the Foundation over this period. Each Committee has been asked to develop its own plan to accommodate this strategic direction and the Board has introduced a process to measure our broad compliance with the Plan.

## **The BWMCA Relationship**

The relationship between these two closely aligned community organisations is clearly defined in our Constitution and continues to prosper. The importance of this relationship was emphasised at the Strategic Planning Meeting in February.

## **Philanthropy**

Since returning to the Board as a Director Simon Whittle has applied his great networking skills, his local knowledge and his industry to promoting the philanthropic activity of the Foundation. He is gathering around him a like-minded team. We should formally acknowledge in this Annual Report the magnificent donation of \$100,000 by Norm and Ellen de Chastel. They kindly agreed to allow marketing to promote them as philanthropic role models in the hope that this would encourage others to donate.

## **The Grants Programme**

The Grants Celebration is the major event on the Foundation's calendar and this year's function at the BWMCA hall on 13 September 2020 was a great success. Since 2008, the Foundation has distributed grants in excess of \$635,000 with a record distribution this year of \$85,021.84 to 20 recipient organisations.

In addition, at the beginning of each year the Foundation accesses and facilitates the distribution of Back to School Vouchers, each worth \$50, to needy families in the community. These highly valued vouchers are provided by the Foundation for Rural and Regional Renewal (FRRR). This year \$11,000 has been distributed, including \$4500 of matched funding as a result of the partnership with Lions and Rotary. Since its inception sixteen years ago, \$174,450 has been delivered via the scheme.

As a community charity we are acutely aware that many families will continue to struggle over the next twelve months as a result of the economic downturn related to the coronavirus. In this context, the Board decided to use 10% of the Realised Capital Gains over the past four years (as mentioned previously) and asked the Grants Committee to consider ways of supporting the needy outside the usual grants process. The Committee's clever solution to utilise the FRRR matched grant process is summarised in the Table below.

I acknowledge with gratitude the work of Rebecca Ramsay and her hard-working Grants Committee in managing this complex but rewarding process.



## 2020 Allocations Summary

2020 Allocations Summary	DGR Public	Non DGR Open	Totals
Grant Funds Available	\$62,524.48	\$23,360.14	\$85,884.62
Realised Capital Gains 10%	\$1,463.93	\$3,049.00	\$4,512.93
<b>Total Available</b>	<b>\$63,988.41</b>	<b>\$26,409.14</b>	<b>\$90,397.55</b>
Approved Grants to Applicants	\$58,612.89	\$26,408.95	\$85,021.84
FRRR match funds for 2021 Back to School vouchers	\$5,375.00		\$5,375.00
Unallocated Funds	\$0.52	\$0.19	\$0.71
Number of Grants	11	9	20
Number of applications	17	19	36

## Grant recipients for 2020

ORGANISATION	AMOUNT (\$)
Buderim Mountain State School	10,000.00
Buderim Scout Group	10,000.00
Lifeflight	9,060.81
Bloomhill Cancer Care	7,991.44
Compass Inc	7,000.00
Sunshine Coast Riding for the Disabled	6,363.64
Buderim Male Choir	2,500.00
4 Paws Animal Rescue	2,200.00
Beulah Community	2,200.00
EJ Foote War Memorial Sanctuary	749.00
Chancellor State College	548.00
Buderim Wanderer's Football Club	5,041.82
Buderim Craft Cottage	5,000.00
Buderim Lions Club	3,073.00
Sunshine Coast Hockey Association	3,035.14
Buderim Dementia Alliance	3,000.00
Maroochydore SES	2,534.00
Buderim Men's Shed	2,360.00
Buderim Horse and Pony Club	1,365.00
Buderim Billiards and Snooker Club	1,000.00

**ALLOCATED \$85,021.84**

**(2019 Distribution: \$82,557)**

## **Ambassadors**

The Ambassador Committee is chaired by Jan Nelson and is at the forefront of our engagement and networking activities. In collaboration with Marketing and Philanthropy Newsletters have continued to be distributed to our supporters. In addition, a free Buderim Foundation cookbook accompanied the latest Newsletter with much positive feedback. The successful initiative of asking grant recipients to speak at ambassador morning teas will be re-introduced as soon as practical.

## **Technology Development Working Party**

Convened by Jan Nelson and coordinated by John Barton this Working Party has been conducting a major review of the technological development of our supporter database and the associated electronic processes. It has already been recommended (and approved by the Board) that we retain our current Customer Relationship Management (CRM) system CiviCRM but considerable work is being undertaken to make our processes more effective and utilitarian. This work has been supported in part by a grant from Brent Mickelberg, State Member for Buderim.

## **Youth in Philanthropy**

The Board remains focussed on ways to engage youth particularly in the context of community philanthropy, and seeks to capitalise on the impressive 4556 educational precinct. The Committee, under Graham Tamblyn's leadership continues to be very active. Another successful Youth in Philanthropy seminar was staged at the University of the Sunshine Coast (USC) in February 2020, but because of the pandemic the student groups have been unable to conduct the usual philanthropic projects.

The planned Movie Night on the Buderim Mountain State School oval mid-year had to be cancelled because of the COVID restrictions.

The Youth Sub-Fund (initiated in late 2015) was formally established at the end of 2016 after donations and fundraising reached the required target of \$50,000. This now provides a vehicle for donors who wish to direct the benefits flowing from their donations to the youth of the Buderim community.

## **Events**

The Events team chaired by Lloyd Edwards started an optimistic events programme after the 2019 AGM with a well attended Fashion Show at the Uniting Church Hall on 2 November. Driven and coordinated by Jenny Cant, this event was a huge success and will be repeated in the future. Again, the Australia Day Parade in January was a great opportunity to increase the Foundation's exposure and promote community awareness. Sadly, the 2020 events have had to be cancelled or postponed because of the pandemic but the Events Committee has been busily planning for life after COVID-19.

## **Marketing and Communication**

Sadly, Marg Thursby has indicated that she wishes to step down as a Director although she has offered to continue in a supporting role until a suitable Chair of this important Committee is appointed. Fortunately, her marketing expertise will not be entirely lost as she has also offered to remain on the Committee. On behalf of the Board I would like to thank her for her great contribution over many years.

Her fellow Committee members continue to do a sterling job as alluded to earlier and



they use every avenue to market the Foundation's good works. Regrettably, the Buderim Chronicle and the Sunshine Coast Daily have been closed down, thus removing two valuable partners in the charitable space. FM 104.9 continues to provide great support and Marketing is fostering the relationship with My Weekly Preview. Grant recipients provide a ready-made marketing opportunity as well, with increased publicity related to grant outcomes.

We continue to be well supported by our Members of Parliament, Ted O'Brien and Brent Mickelberg and we are keen to explore collaborative opportunities with Councillors Ted Hungerford and Christian Dickson.

It is a privilege to chair this fine group of Directors and I thank all those volunteers who work tirelessly to make this community philanthropy such a success.



Russell Stitz,  
Chairman, Board of Directors  
Buderim Foundation Ltd.

30 September 2020