

# Helen Macpherson Smith Trust

## 2019 Annual Report CONCISE VERSION

*Our Annual Report is an online report. For the full report, please visit our website*



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# Our Vision

Helen Macpherson Smith Trust is an independent philanthropic trust established by Helen Macpherson Schutt (née Smith) in 1951. Since HMSTrust was established, \$125.6 million has been distributed in grants to a wide range of Victorian charitable institutions for a diverse range of projects every year.

## Our Vision

A strong, just and sustainable Victoria.

*Balit, noogee ba kangooeit biik.*

*We proudly feature our vision in Woiwurrung language as a sign of respect.*

## Our Mission

Help build fair, creative and resilient Victorian communities through initiatives that promote positive change.

## Our Values

Respect. Integrity. Stewardship. Collaboration. Accountability.

## Our Strategic Aims

Building. Enabling. Leading.

# Helen Macpherson Smith - Philanthropist



Helen Macpherson Smith was a very private woman who left few insights into the type of person she was. Her close friends and relatives described her as thoughtful, kind and caring, and there would be little doubt that this spirit of generosity was central to her interest in philanthropy.

While the founding of the Helen Macpherson Smith Trust in 1951 remains her towering philanthropic achievement, she had been a generous supporter of many causes throughout her life. She was one of the first Life Members of the Lost Dogs Home and gave financial support to the Royal District Nursing Service for 28 years.

Helen Macpherson Smith was born in Scotland on 17 April 1874 and moved to Melbourne with her family when she was aged six months. Her extended family prospered in Australia; the Macphersons in grazing and the Smiths as timber merchants. Her grandfather, John Macpherson, was one of the pioneers of the Canberra district, but his property, 'Springbank', now lies largely under the waters of Lake Burley Griffin. Her uncle, John Macpherson, was briefly the Premier of Victoria in 1869.

In 1901, at the age of 27, Helen married barrister William John Schutt, but there were no children from the marriage. Schutt was a successful lawyer and was appointed to the bench of the Victorian Supreme Court in 1919. Helen left Australia for Europe in 1923 and never returned. William remained in Melbourne but made several trips to Europe over the following decade and travelled extensively with Helen. On a return voyage in 1933 he suffered a fatal fall and was given a ship's burial in the Red Sea.

After William's death Helen divided her time between Switzerland and southern France. She died from pneumonia on 19 April 1951, at the Hotel Majestic in Cannes, aged 77. Despite being a woman of means, inexplicably she was buried in a pauper's grave in Marseilles. Her body was later cremated and her ashes scattered to the winds of the Mediterranean coast, as was her wish. In 2001 an obelisk was erected in the family plot at the Melbourne General Cemetery as a permanent memorial.

On her passing Helen left £275,000, the majority of her wealth, to establish a perpetual philanthropic trust to benefit Victorian charitable institutions. Launched as the Helen M. Schutt Trust, the name was changed to the Helen Macpherson Smith Trust in 2001 to acknowledge the Macpherson and Smith families as the prime source of her legacy.

Wisely, Helen's will instructed her trustees to accumulate the major portion of HMSTrust's income for the first 21 years. By 1972, her original bequest had grown to \$3.9 million, providing a much stronger base from which larger and more effective grants could be made in the future.

In 2019, 68 years after her death, the value of HMSTrust's corpus is \$126 million and \$126 million of grants have been approved. Though she lived a very private life, the legacy of Helen Macpherson Smith's spirit of generosity will echo through the State of Victoria forever.

# Our Team

The HMSTrust management structure is centred around the Board of Trustees, who are responsible for overarching governance and decision-making across the Trust's three key areas of operations: grantmaking, investment, and finance and compliance. In addition to attendance at Trustees' Meetings, Trustees elect to sit on the Investment Committee and the Grants Advisory Committee.

Each area of the Trust's operations are staffed with skilled professionals who are responsible for delivering on HMSTrust's vision, mission and strategic aims.



Our Trustees. L-R (top) Phil Moors, Alex Gartmann, Claire Higgins, Rod Kemp, (lower) Winsome McCaughey, Bruce Parncutt, Keith Smith, Cathy Walter



Our staff. L-R: Glen Thomson, Sarah Bartak, Lin Bender, Michelle Springall, Lea-Anne Bradley and our four-legged member of staff, Ryley.

## Trustees

Dr Philip Moors AO *Chairman*  
Alexandra Gartmann  
Claire Higgins  
The Hon Rod Kemp  
Winsome McCaughey AO (*retired 20 November 2018*)  
Bruce Parncutt AO  
Keith Smith (UK-based)  
Catherine Walter AM

## Staff

Lin Bender AM *Chief Executive*  
Glen Thomson *Finance Executive*  
Lea-Anne Bradley *Grants Manager*  
Sarah Bartak *Grants and Communications Officer*  
Michelle Springall *Grants Support and Executive Assistant*

## Grants Advisory Committee

Dr Philip Moors AO *Committee Chair (to 2 April 2019)*  
Claire Higgins *Committee Chair (from 2 April 2019)*  
Alexandra Gartmann  
Winsome McCaughey AO (*to 20 November 2018*)  
Keith Smith  
Lin Bender AM

## Investment Committee

Catherine Walter AM *Committee Chair*  
Dr Philip Moors AO  
The Hon Rod Kemp  
Bruce Parncutt AO  
Lin Bender AM  
Glen Thomson

# From the Chairman & Chief Executive



Working in a sector that is continuously impacted by political, economic, environmental and social forces requires us to be responsive and flexible while staying true to our strategic aims and the vision of our benefactress.

## Investment and finance

In March 2019, the significant decision was made to move from the Trust's long-standing tradition of internal active management of our Australian equity investments to an internal passive model. In coming to this decision, careful consideration was given to risk, return, flexibility, cost and resources required to achieve our income and capital growth objectives, while maintaining the Trust's commitment to negative screening. We commend the work of the Investment Committee and external advisors, and Glen Thomson, our Finance Executive, who deftly navigated us through this major shift while delivering our investment objectives.

We're pleased to report that the value of our Capital Account is at an all-time year-end high of \$126.1m, having increased by 8.3% over the past year, and the total return on the corpus for FY19 was 13.6%. Our operating expense ratio sits at 15.5%, with \$1.3m expended on the cost of delivering on the Trust's objectives.

We are also pleased to have made our second impact investment. In addition to our investment in the Murray-Darling Basin Balanced Water Fund in 2017, we committed \$250,000 to the COMPASS social impact bond, a comprehensive program delivered by VincentCare and Anglicare, supporting 200 young people leaving out-of-home care.

## Grantmaking

In FY19 we approved 55 grants for a total of \$4.6m across four grant levels. The full listing of grants is in the Grants section of this Annual Report, along with thirteen case studies that showcase the breadth of the year's grants across programs and grant levels. Every one of the 55 grants represents a trusting relationship with a grantee that is based on a shared vision for fairer, more creative and more resilient Victorian communities. We know that the work we do matters - from our smallest grant of \$9,000 to the Wyndham Little Buddies Toy Library to expand their toy collection, to our largest grant of \$450,000 to People and Parks Environment Trust in their support of the First People of the Millewa Mallee to restore their ancient burial sites.

Over the past few years, there has been an increasing shift in our grantmaking towards early-stage support. In FY19, 25% of grants were for scoping and planning, 60% for implementation of initiatives and pilots, and 15% for scaling-up projects. We make these grants on the understanding that they may not all lead to large-scale sector change of practice, just as we know that the impact of these initiatives may not be apparent until long after the grant itself is acquitted. However, we are confident that every grant will inform our grantmaking and contribute to the learnings and knowledge base of the five sectors we support.

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## From the Chairman & Chief Executive *continued*

Our commitment to rural and regional Victoria remains strong, with 36% of grants benefiting communities in regional areas. The grant of \$200,000 to The Bridge Youth Service is a direct outcome of a capacity-building grant round that we ran in Shepparton in 2015, when four Shepparton service providers came together to form the cohort 'Shepparton Community Share'. The cohort has developed into a unique collective impact model delivering outstanding outcomes for the four organisations and for the communities they serve. We are excited to follow their progress with this new grant to The Bridge Youth Service, the lead organisation for the development of a Community of Practice around continuous quality improvement.

Site visits are always a highlight for staff and Trustees. They provide an opportunity to meet the people on the ground, and importantly, the communities that directly benefit from our contribution. One particular site visit to the River Nile School reinforced the importance of supporting capacity-building. Our grant of \$20,760 in 2017 enabled the River Nile Learning Centre to prepare for and attain registration as a stand-alone school eligible for Commonwealth and State Government funding. It is now a successful school offering free VCAL education and childcare and welfare support to young refugee and asylum-seeker women aged 18-21. We listened to the stories and aspirations of the women, observed the whole-hearted commitment of the teaching staff, and saw first-hand the far-reaching impact of a small grant.

### Our people

Although the rhythm of Trustee tenures is predictable, it is always sad when terms end and we farewell colleagues who have contributed so much of their time, wisdom and guidance over the years.

In November 2019, Keith Smith retired after almost 13 years as a Trustee. Keith has provided a direct link with the Smith family, being a descendant of Helen Macpherson Smith's great-grandfather - Helen herself was an only child and had no children of her own. Based in the UK, Keith has many years' experience of the philanthropic sector there, and this deep expertise has been most beneficial for the Trust. Despite the distance, Keith has been thoroughly engaged with the Trust's activities and meetings, and we thank him for his enthusiasm, knowledge and stewardship.

As we look back and celebrate the year that was, we thank all our Trustees and staff for their commitment to, and continued support of, Helen's legacy and we look forward to another year of inspiring grantmaking.

**Dr Philip Moors AO**      **&**      **Lin Bender AM**  
*Chairman*                                      *Chief Executive*



## Learnings...



We exist in a constantly changing world and our challenge as a funder is to continuously adjust to those changes over which we have no control.

Einstein had a knack of capturing the essence of life in a few words – *“I can’t change the direction of the wind, but I can adjust my sails to always reach my destination.”* Keeping the metaphor going, HMSTrust has been tacking into the wind this past year, as we adjusted our Investment Policy following the untimely passing of our Investment Executive, Peter Wetherall, in September 2018, and started the reflective work of reviewing our grants strategy.

A key component of the strategic review is the alignment of our evaluation framework, which will enable us to validate the effectiveness of our strategy, and make sure we capture, record and report on the data that matters to us and the sectors we support. Although we’re not sure where we will land with our review (due to be completed in October 2020), we know that our commitment to equity and to rural and regional Victoria will remain strong, as will our overarching objectives and programs.

### How much data is too much?

As we move across to a new grants data management system, key questions that we are asking of ourselves are: How much data do we need in order to be a better funder? What does success look like for HMSTrust? How do we measure it?

Our remit, our size and capacity, our areas of interest, and our guiding principles define us along with our commitment to collaboration, transparency and flexibility. These attributes are the building blocks of our framework, and our grant applications provide the data that enable us to connect the dots, see patterns, spot gaps and be strategic in our funding choices.

The process of looking under the bonnet of our grants management system has caused us to think about the decision-making process, and what data we need to guide staff assessments and Trustees’ decisions. Ultimately, HMSTrust’s success will be measured against our vision for a strong, just and sustainable Victoria.

### Learning from others in the field...

Philanthropy is a highly connected global sector where information and learnings are generously shared. HMSTrust is one of 7,000 members of the US-based Grantmakers for Effective Organisations (GEO). I attended their Learning Conference in Chicago in 2017, we use their tools, and we participate in their online discussions and blogs. Our staff are also members of PEAK Grantmaking, the US-based network for grants management professionals, which is a go-to resource for the Grants Team.

*Continued...*



## Learnings... *continued*

Their white paper, [Courage in Practice: 5 Principles for Peak Grantmaking](#) is a beneficial read. While the scale of American philanthropy can be overwhelming, the principles of smart grantmaking practices apply equally to a medium-sized funder on the other side of the world.

We are, of course, an active member of our own peak body, Philanthropy Australia (PA) who provide opportunities to listen to, learn from and engage with our peers. We have been especially pleased that so many of our Trustees have attended PA conferences and roundtable discussions over the year. These opportunities cause us to think more deeply about how we can improve our own practice.



## Learning from our grantees...

Our most important learnings are from the extraordinary people who work in the social purpose sector. They inspire us with their caring commitment to drive social change. They are tenacious and courageous in how they manage their organisations. They are driven by purpose and are closely connected with the communities they serve and have a deep understanding of their community's needs, strengths and aspirations. They share with us their frustrations about the real impact that declining and unpredictable funding has on their operations, in the face of growing demand for their services.

As a medium sized funder with limited resources, we are unable to support every good organisation doing good work. However, our open door policy gives us a high level view of the issues impacting on the sectors we support. The patterns and gaps we see enable us to connect aligned organisations with each other and with other funding sources.

A key learning from our grantees is that our work requires courage, trust, patience and flexibility.

**Lin Bender AM**

*Chief Executive*

# Grant's Team Review



Making and taking the time to have conversations has been a key feature of our work in FY19. At HMSTrust we continually strive to build our grantmaking practice and this requires that we maintain our knowledge of the challenges and opportunities that arise within our funding focus areas.

## Open door vs open applications

Conversations with those working at the coal face are a vital contribution to our practice development. Commencing in July 2018, we introduced a new system for all prospective applicants to speak with a member of the Grants Team prior to starting an application. While we have had this process in place for our large Impact grants round since 2014, it is now a requirement across all rounds. This has proved to be a valuable amendment that has streamlined processes for the Grants Team, Grants Advisory Committee, Trustees and, most importantly, for our potential applicants. The impact of this new process was dramatic. Of the 278 enquiries we received, 94 proceeded to application (down from 135 in the previous year) from which 55 were able to be funded from the year's budget allocation. This is an approval rating of 59% for FY19, up 19% from last year.

Introducing a new process is a risk. In our role as facilitators and advisors, it is always pleasing to receive unsolicited feedback as it provides valuable insights into our own performance, like the following response from a grantseeker who did not proceed to application:

*"I wanted to take a moment to thank you for having a process in place to review the suitability of grants at an early stage. Being asked to provide you with an overview and then having a frank conversation about how its fits and what the Trust is looking for has been very helpful. As a very time-poor CEO in a small organisation, it is greatly appreciated not to have invested my time in writing a grant that seemed a fit from my end, but was really a square peg squeezing into a round hole." (Jenny Davidson, CEO, Council of Single Mothers and their Children.)*

These conversations are also an important two-way learning process. Taking the time to speak with all grantseekers prior to application enables us to build our knowledge of current promising practices, what is in development across the sector and where we can best leverage our support to contribute to positive change across our areas of interest. We also get to explain what we look for in an application, explore if there is alignment with their work and our interests, share insights from past grantees, identify potential duplication, facilitate connections, act as sounding boards, and provide advice.

*"Thanks for your time last week, and your patience with my as yet, very unpolished explanations of our work. I was conscious that it was a conversation that was far more helpful for us than you, at this stage, and I really appreciated it... NFPs and the sector benefit enormously from the expertise and advice of trust and foundation professionals in these other non-financial ways, and probably don't tell you often enough unless it results in a grant, so thank you." (Barb Taylor, Development Director, Heide)*

*Continued...*

## Grant's Team Review *continued*

The reduction in the number of applications received has enabled us to engage more deeply with grantseekers and with our sector colleagues. We now have additional time to participate further in discussion groups relevant to the areas we fund, and in conversations with our peers in philanthropy. As a result, we are better informed of current trends, whether it be an important learning from fellow funders, emerging social issues, or changes in government policy and public funding affecting our grantees. Similarly we share our learnings with sector peers, applicants and grantees.

## Foundation Maps

With transparency and sharing knowledge a key aspect for the Trust, we were one of first 18 Australian funders to submit data for the inauguration of Foundation Maps Australia. It is great to see that the number of grantmakers on the site has now grown to 47. The value of this resource will continue to grow as more funders contribute their grant data. Foundation Maps is an international initiative that draws from a comprehensive giving database, enabling a drill down into grants by population, location, subject area and funder. As well as making HMSTrust's full history of granting available on our website via our Grantee Database, our grants data for the past six years is now available on Foundation Maps and will continue to be updated annually, as we continue our commitment to transparency.

In the coming year, we continue to look forward to many continued and new conversations as we work towards achieving HMSTrust's vision of "A strong, just and sustainable Victoria".

**Lea-Anne Bradley**  
*Grants Manager*

**Sarah Bartak**  
*Grants and  
Communications Officer*

**Michelle Springall**  
*Grants Support and  
Executive Assistant*

# 2019 Grants at a Glance



**Total grants: \$4,584,536 across our five Programs**

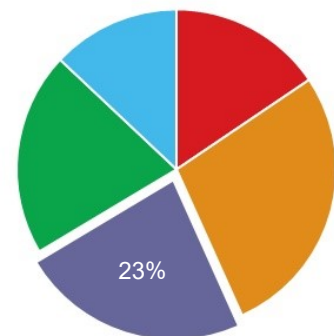
## Education

**GOAL:** To improve access to quality, relevant and supportive education through initiatives that provide disadvantaged Victorians with the opportunity to reach their full potential.

Focus areas:

- **Engaging and retaining P-12 students**  
*Initiatives that target students at risk of disengaging from school.*
- **Creating vocational pathways**  
*Certified education and training pathways that lead to meaningful work.*
- **Transitioning migrants and refugees**  
*Education and training opportunities that will enable migrants and refugees to transition into Victoria's culturally diverse communities.*

**Education**  
15 grants: \$1,060,582



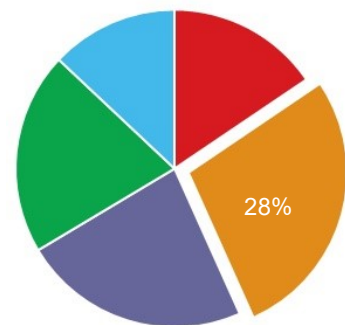
## Community

**GOAL:** To improve the outcomes of all Victorians by building their capabilities and resilience.

Focus areas:

- **Strengthening family cohesion**  
*Programs and services that build parenting skills and improve long-term outcomes for children.*
- **Advancing early childhood development**  
*Initiatives that focus on the social, emotional and cognitive development of disadvantaged pre-school children.*
- **Building financial resilience**  
*Programs that improve the financial knowledge and behaviour of Victorians exposed to risk.*

**Community**  
13 grants: \$1,272,199



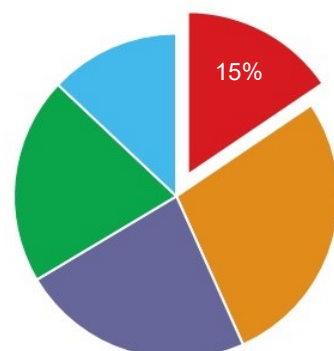
## Arts and Culture

**GOAL:** To increase local participation, encourage public engagement and develop a sense of place through the arts.

Focus areas:

- **Building social inclusion and access**  
*Arts projects that facilitate diverse representation, participation and engagement to build understanding and respect.*
- **Developing digital capability**  
*Strategic adoption of digital solutions, resources and tools that enable arts organisations to be more effective and sustainable.*
- **Supporting arts workers and artists**  
*Supporting organisations to build the business skills and financial independence of Victorian arts workers and artists to support viable careers.*

**Arts and Culture**  
16 grants: \$712,334



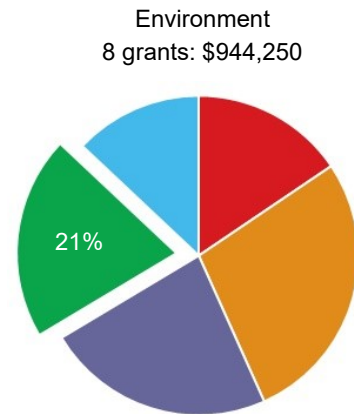
## Grants at a Glance *continued*

### Environment

**GOAL:** To protect and improve Victoria's natural environments through responsible conservation projects that advance cooperative and sustainable practices.

Focus areas:

- **Conserving and restoring biodiversity**  
*Projects that benefit at-risk habitats and species indigenous to Victoria.*
- **Protecting natural systems**  
*Projects that protect and improve land and water systems to meet the environmental and economic needs of current and future generations.*
- **Nurturing sustainable landscapes**  
*Initiatives that encourage sustainable land practices and improve connectivity across landscapes.*



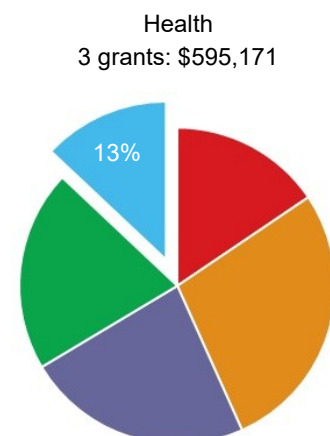
### Health

**GOAL:** To improve affordable access to quality health services in rural and regional Victoria.

Focus area:

- **Improving access to mental health services in rural and regional Victoria**  
*Projects that provide affordable access to a full range of reliable, quality mental health services for Victorians living in rural and regional Victoria.*

*This grants program is ONLY available at the Impact Grants level and has one specific focus area.*



# 2019 Grants



## Education

### **Banksia Gardens Community Services**

\$90,000

Project REAL / Northern Centre for Excellence in Trauma Informed Practice (NCETIP)

*To enhance support structures to increase attendance at the referring schools and maximise the chances of successful re-engagement: increased face to face support, revamped communication protocols, onsite creative engagement (OUP).*

[www.banksiagardens.org.au](http://www.banksiagardens.org.au)

### **Berry Street Victoria**

\$90,000

Berry Street Education Collective Leadership Program: Effective leadership strategies in trauma-informed education - implementation pilot project

*To develop, pilot and evaluate the Berry Street Education Collective Leadership Program for schools/ communities which recognise the Berry Street Education Model's value and strive for greater impact for disadvantaged/ all students.*

[www.berrystreet.org.au](http://www.berrystreet.org.au)

### **Culture is Life Limited**

\$30,000

The Boonwurrung Cross Sector Schools Project - bringing Boonwurrung culture to life in bayside schools

*To support the roll-out and refinement of the curriculum framework and content into 5 local bayside cross-sector primary schools*

[www.cultureislife.org](http://www.cultureislife.org)

### **Foundation for Young Australians**

\$27,000

YLab strategy and business plan

*To test and develop a strategy and business plan for the Foundation for Young Australians' social enterprise, Ylab, to increase its financial sustainability and social impact.*

[ylab.global](http://ylab.global)

### **Give Where You Live Inc**

\$30,000

Grow Our Own: Colac

collaboration and capacity for our local workforce

*To build capacity of local employers to understand skill-based training needs, workforce development and planning, and inclusive employment practices that will support sustainable employment of long term local job seekers.*

[givewhereyoulive.com.au/](http://givewhereyoulive.com.au/)

### **Good Cycles Limited**

\$60,000

City Services & Impact Evaluation Approach

*To fund a Project Manager role, responsible for designing and implementing participant training plans and an accompanying evaluation framework for Good Cycles' expanding City Services enterprise.*

[goodcycles.org](http://goodcycles.org)

### **Righteous Pups Australia Inc**

\$24,500

Em-Power

*To lay electricity, internet and fans, to the learning environments used by over 100 at-risk young Victorians to improve conditions for engagement, growth, learning for life and future educational pathways.*

[www.righteouspups.org.au](http://www.righteouspups.org.au)

### **Springvale Learning and Activities Centre**

\$90,000

CoCO's - Community Creating Opportunities Social Enterprise

*To develop and implement: detailed Financial Model; innovative business and partnership building strategies; and Work Readiness skills training program for CoCO's Social Enterprise.*

[www.springvalelac.org.au](http://www.springvalelac.org.au)

### **Stephanie Alexander Kitchen Garden Foundation**

\$30,000

Victorian Learning Areas Map: Kitchen and Garden Task Ideas for Years F-6

*To develop and publish a downloadable educational resource that shows Victorian Primary School teachers how to use a kitchen garden program to enhance Victorian curriculum teaching.*

[www.kitchengardenfoundation.org.au](http://www.kitchengardenfoundation.org.au)

### **The First Step Program Limited**

\$89,978

First Step and the Future of Mental Health in Victoria

*To (a) coherently explain First Step's social impact in order to attract sustainable funding partners AND to (b) test the efficacy of the business model in order to scale it.*

[www.firststep.org.au](http://www.firststep.org.au)

### **The Royal Children's Hospital Foundation**

\$49,104

Building capacity of primary schools as a universal platform to address children's mental health issues

*Scope and develop an innovative program to address rising child mental health issues using primary schools as a universal platform, co-designed with the Victorian Government (DET and DHHS).*

[www.rchfoundation.org.au](http://www.rchfoundation.org.au)

### **WEstjustice**

\$300,000

WEstjustice Youth Employment Justice Program - Poverty is not Destiny (the YEJ Program)

*To trial and evaluate the impact of targeted legal interventions for vulnerable young people through our Youth Law Program to increase both short and long term employability and improve systems.*

[www.westjustice.org.au](http://www.westjustice.org.au)

*Continued...*



## Education *continued*

### **Womens Health Grampians Incorporated**

\$90,000

CoRE Hi Vis

*Develop and implement a project to support organisations to attract and retain women into non-traditional workforce roles, with a particular focus on trades and manufacturing, across the Central Highlands region.*

[www.whg.org.au](http://www.whg.org.au)

### **Youthrive Victoria**

\$30,000

MSRF Transition to Independence: Brand Redevelopment

*A new name and brand identity for Macpherson Smith Rural Foundation that honours the legacy of Helen Macpherson Smith and acknowledges the transition to independence.*

[www.youthrivevictoria.org.au](http://www.youthrivevictoria.org.au)

### **Zoe College Limited**

\$30,000

Fit for Purpose: College Modifications for Registration  
*To complete the building modifications required for VRQA registration.*

[www.zoecollege.com.au](http://www.zoecollege.com.au)



## Community

### **BeyondHousing**

\$196,440

Keeping Home

*To develop and deliver housing focused programs on budgeting, living skills and tenancy legislation to people at risk of homelessness, building capacity to remain housed on a low income.*

[www.beyondhousing.org.au](http://www.beyondhousing.org.au)

### **Birth for Humankind**

\$25,933

Settling in to parenting: Best-practice skills building for new mothers experiencing disadvantage  
*To deliver a pilot parenting support program to support socially isolated mothers in Melbourne, while developing resources (material, human resources) and working partnerships (community, local government) for scalable implementation.*

[www.birthforhumankind.org](http://www.birthforhumankind.org)

### **Cire Services Incorporated**

\$89,100

Using the power and pleasure of rhymes/story/music/song to strengthen Upper Yarra families and foster resilience.

*Deliver an evidence-based program to vulnerable young families in the Upper Yarra that strengthens attachment and interaction between parents/carers and their young children during the crucial early years/ build resilience.*

[www.cire.org.au](http://www.cire.org.au)

### **Guide Dogs Victoria**

\$90,000

Specialist early intervention for babies and children living with low vision or blindness in Victoria.  
*To pilot an early childhood intervention service to provide holistic support for babies/young children (ages 0 - 6) living with low vision or blindness and their families in Victoria.*

[www.guidedogsvictoria.com.au](http://www.guidedogsvictoria.com.au)

### **Kidsafe Vic Inc**

\$23,050

Development of an online educational tool for community organisations working with vulnerable or disadvantaged families  
*To develop an injury prevention education tool for workforces of community organisations (COs) with the aim of developing capacity to reach vulnerable families with critical safety information.*

[www.kidsafevic.com.au/](http://www.kidsafevic.com.au/)

### **McAuley Community Services for Women**

\$90,000

Court Support 4 Kids

*To continue operating Court Support 4 Kids in Sunshine Magistrates' Court for a further 18 months and collate additional data to support case for government funding.*

[www.mcauleycsw.org.au](http://www.mcauleycsw.org.au)

### **Mercy Hospitals Victoria Ltd**

\$90,000

Improving Family Outcomes for the Sudanese & South Sudanese Communities of Wyndham  
*To co-design culturally responsive maternity, allied health and parenting education service models that support Sudanese and South Sudanese communities in Wyndham and improve health and wellbeing outcomes for families*

[www.mercyhealth.com.au](http://www.mercyhealth.com.au)

### **Murdoch Childrens Research Institute**

\$199,916

The Healthier Wealthier Families program: addressing child poverty through better healthcare systems  
*To test the feasibility and potential impact of providing financial and income maximisation advice to families experiencing or at-risk of poverty, building on Victorian universal Maternal and Child Health services.*

[www.mcric.edu.au/](http://www.mcric.edu.au/)

### **Prevention United**

\$90,000

Partners in Parenting: evaluating the real-world use and impact of a depression prevention parenting program.  
*To promote and deliver the evidence-based Partners in Parenting program and evaluate its real-world impact in supporting parenting practices that reduce the risk of teenage depression*

[preventionunited.org.au](http://preventionunited.org.au)

*Continued...*



## Community *continued*

### Royal Flying Doctor Service of Australia (Victorian Section)

\$90,000

Flying Doctor Speech Therapy  
*Extension of pilot program to address gaps in regional health service delivery and extend access to speech pathology for developmentally vulnerable children in the Mallee, improving critical life skills*  
[www.flyingdoctor.org.au/vic/](http://www.flyingdoctor.org.au/vic/)

### Shepparton Community Share: The Bridge Youth Service Inc.

\$200,000

Making Quality Happen: enhancing services for families by building organisational capacity for continuous quality improvement  
*To develop a replicable, sustainable and collective model of continuous quality improvement which primarily enhances programs, services, quality and outcomes for families, and secondly, meets compliance demands*  
[www.thebridge.org.au](http://www.thebridge.org.au)

### Tweddle Foundation Limited

\$78,760

Working Out Dads: A Roadmap For Sustainability, Reach & Impact  
*To deliver a Business Plan, project delivery and further research to establish the sustainability of the early intervention Working Out Dads program, addressing a gap in support services for fathers*  
[www.tweddle.org.au](http://www.tweddle.org.au)

### Wyndham Little Buddies Toy Library

\$9,000

Learn Through Play - Toys for Wyndham's Children  
*To expand the toy collection of Little Buddies Toy Library so that we can service more families*  
[www.littlebuddiestoylibrary.com.au](http://www.littlebuddiestoylibrary.com.au)



## Arts and Culture

### Ausdance Victoria

\$30,000

Leading and teaching Dance to Ageing Populations - Dance Professionals and Mature Movers  
*To develop a new workforce via an accredited training program for dance professionals.*  
[www.ausdancevic.org.au](http://www.ausdancevic.org.au)

### Australian Centre for Contemporary Art

\$90,000

Australia Contemporary  
*To establish the Australia Contemporary series showcasing diverse Australian artists over a three-year period.*  
[acca.melbourne](http://acca.melbourne)

### Burrinja

\$25,480

Burrinja Studio Artist Enterprise Development  
*To develop a program that enables sustainable careers and creative practices for artists by increasing resource capacity to support artistic enterprise through an activated studios program in the Dandenong Ranges.*  
[www.burrinja.org.au/](http://www.burrinja.org.au/)

### Chamber Made Opera

\$31,228

Hi-Viz: a professional development and networking program for women and non-binary artists  
*To deliver a sector and professional development program including live events and ongoing online engagement that will provide networking, skills development, and collaboration opportunities for Victorian artists.*  
[chambermade.org/](http://chambermade.org/)

### Circus Oz

\$30,000

BLAKflip Community Engagement Coordinator  
*To trial a part-time BLAKflip Community Engagement Coordinator to support the development and delivery of Indigenous community circus workshop programs in Victoria, encompassing new and existing programs.*  
[circusoz.com](http://circusoz.com)

### Climarte

\$15,000

ART+CLIMATE=CHANGE  
2019: Rewriting the Score by Mandy Martin, Alexander Boynes and Tristen Parr.  
*To provide artist fees, materials and associated costs to create a large-scale installation at Latrobe Regional Gallery, Morwell.*  
[www.climarte.org](http://www.climarte.org)

### Community Music Victoria

\$29,512

Building Victorian Community Music Leadership (stage 1)  
*To undertake the necessary research and planning for a large scale program commencing in 2020 to increase Victoria's community music leadership capacity.*  
[cmvic.org.au](http://cmvic.org.au)

### Geelong Art Gallery Inc

\$85,000

The Museum as Muse: Geelong Gallery's digital asset management strategies for the future  
*To implement a 21st century upgrade of our digital asset management system and to introduce an accessible child, family, youth focused digital interpretive framework for Geelong Gallery's permanent collection.*  
[www.geelonggallery.org.au](http://www.geelonggallery.org.au)

### Kaiela Arts

\$21,114

Working Towards Achieving Twenty- Twenty Digital Vision  
*We will purchase camera, data and sound equipment, laptop computers, LED display, a dock, cash draw and accessories that allow the flexibility of workspaces and enable digital point-of-sale services.*  
[kaielaarts.org.au](http://kaielaarts.org.au)

## Arts and Culture *continued*

### Linden New Art Inc.

\$80,000

Linden Projects Arts Industry Placement Program

*To develop a robust evaluation process to measure the program outcomes and inform the development of a model for applying within the arts sector.*

[www.lindenarts.org](http://www.lindenarts.org)

### Melbourne Fringe

\$30,000

Melbourne Fringe at Trades Hall: Space to Create

*To purchase performance infrastructure to fit-out a new year-round venue at Trades Hall, operated as an additional income stream for Melbourne Fringe, significantly increasing capacity to support Melbourne's independent artists.*

[www.melbournefringe.com.au](http://www.melbournefringe.com.au)

### Melbourne Symphony Orchestra

\$30,000

Acknowledging Victoria's Indigenous Countries with MSO (working title)

*To create 11 musical Acknowledgments of Country developed collaboratively with, and featuring Victoria's 11 indigenous language groups, to be shared for ongoing local community use.*

[www.mso.com.au](http://www.mso.com.au)

### Progressive Broadcasting Service Co-operative Limited

\$90,000

PBS' State-of-the art Performance Studio & Control Room at the Collingwood Arts Precinct  
*To design and construct a state-of-the-art Performance Studio (Studio 5) and control room at PBS' new home at the Collingwood Arts Precinct (CAP).*

[www.pbsfm.org.au](http://www.pbsfm.org.au)

### Punctum Inc.

\$15,000

The Pavilion Project - Phase 2

*To create a new artistic and architectural response to how we might collectively welcome and celebrate the cultural contribution of newly arrived members of three multicultural communities into our region.*

[www.punctum.com.au](http://www.punctum.com.au)

### Speak Percussion

\$90,000

Bespoke Business Program

*To deliver a professional development program for artists and arts workers targeting career sustainability and the development of business, financial and leadership skills*

[www.speakpercussion.com](http://www.speakpercussion.com)

### West Space

\$20,000

West Space Re-location Project

*To engage specialist project management services to oversee the planning and build of West Space's new gallery and to employ a casual Marketing & Development assistant to manage sponsorship and rebranding activities associated with the move.*

[westspace.org.au](http://westspace.org.au)



## Environment

### Cardinia Environment Coalition Inc.

\$30,000

Relocate CEC Community Nursery from Tynong to Deep Creek.

*To vacate the current temporary Nursery at Tynong and move to a new purpose built facility at Deep Creek*

[cecinc.net.au](http://cecinc.net.au)

### Environmental Justice Australia Ltd

\$90,000

River laws program

*To further develop a program of work directed to improving legal and policy protections for Victorian waterways, in collaboration with community organisations.*

[www.envirojustice.org.au/](http://www.envirojustice.org.au/)

### Invasive Species Council

\$30,000

Determining the distribution of the invasive smooth newt (*Lissotriton vulgaris*) to enable potential eradication.

*To map the distribution of invasive smooth newts in Victoria to determine whether eradication is feasible and inform decisions about future management.*

[invasives.org.au](http://invasives.org.au)

### Monash University

\$29,250

Designing genetic rescue - a cost effective solution to save Victoria's only endemic bird

*To DNA-sequence the genomes of Helmeted honeyeaters and their relatives, for designing a genetic rescue strategy to save from extinction the last remaining population of Victoria's bird emblem.*

[www.monash.edu](http://www.monash.edu)

### People and Parks Environment Trust

\$450,000

Resting Places - Healing Country Together

*To support Traditional Owners to scale up and sustain the Resting Places program, enabling them to rebury their Ancestors' exposed remains, and repair and maintain the landscape that protects them.*

[www.peopleandparks.org](http://www.peopleandparks.org)

*Continued...*

## Environment *continued*

### Royal Botanic Gardens Foundation Victoria

\$195,000

Landscape Succession Planning and Biodiversity Conservation in Victoria's city and regional Botanic Garden Network

*To integrate findings from RBGV's Landscape Succession Strategy into the Care for the Rare biodiversity conservation project within Victoria's city and regional botanic gardens.*

[www.rbg.vic.gov.au](http://www.rbg.vic.gov.au)

### The Tree Project Inc

\$30,000

TreeProject website redevelopment.

*To seek help from a design agency to redevelop our website and make it easier for people to get involved in our revegetation program and improve staff efficiency.*

[www.treeproject.org.au](http://www.treeproject.org.au)

### University of Melbourne

\$90,000

Indigenous Plants - Journey from Paddock to Plate: A New Model for Sustainable Agriculture  
*Collaborating with the local Bunurong/BoonWurrung people and community, to develop a model for the inclusion of Indigenous plants in peri-urban agriculture for sale to restaurants/retailers - which promotes sustainable-agricultural practices*

[www.unimelb.edu.au](http://www.unimelb.edu.au)



## Health

### Bolton Clarke

\$199,760

Delivering a free low intensity mental health program to Gippsland Primary Health Network area.

*To implement the evidence based, non-clinical, low intensity mental health program; NewAccess, free of charge to rural and regional communities within the Gippsland Primary Health Network (PHN).*

[www.boltonclarke.com.au](http://www.boltonclarke.com.au)

### Monash University

\$196,142

An innovative holistic approach to women's mental health in rural and regional Victoria

*To establish a sustainable video-consultation service to enable better access for women in rural and regional Victoria suffering mental illness and her treating GP to specialised mental health treatment.*

[www.monash.edu](http://www.monash.edu)

### Swinburne University of Technology

\$199,269

Community Collective Impact: A best-practice, community-based approach to accessing rural mental health services.

*To implement, with health services, an established community development process that uses best-practice evidence and enables communities to develop optimal local accessible mental health services through services and citizen collaboration.*

[www.swinburne.edu.au/](http://www.swinburne.edu.au/)

# HMSTrust Governance



The governing rules of HMSTrust consist of Helen's Will executed in 1936 (and varied by the Supreme Court of Victoria in 1992 and 2015) and the 2009 Administrative Scheme.

HMSTrust is regulated by the Australian Charities and Not-for-profits Commission (ACNC) and is governed by a Board of Trustees which meets regularly throughout the year to consider the three core activities of HMSTrust: grantmaking, investment management, and finance / compliance.

HMSTrust has implemented a risk management plan (reviewed annually by the Board of Trustees) and maintains comprehensive insurance policies. The assets of HMSTrust are held in the name of the custodian trustee, HMS Nominees Ltd. HMS Nominees Ltd is a company limited by guarantee and all HMSTrust Trustees are directors and members of HMS Nominees Ltd.

In accordance with the terms of Helen's Will, HMSTrust maintains both a Capital Account (representing HMSTrust's corpus) and an Income Account (representing the income earned on HMSTrust's corpus and out of which grants and operating expenses are paid). The Trustees have the power to transfer up to 15% of the Income Account's operating surplus each financial year to the Capital Account.

HMSTrust undertakes a comprehensive annual budget process with approval by the Board of Trustees. Quarterly actual results are reported against budget and revised forecasts for the year are prepared regularly.

HMSTrust is not a reporting entity. Accordingly, special purpose annual financial statements are prepared to satisfy its reporting obligations under its governing rules and the ACNC Act. These annual financial statements are audited by an external auditor. The key financial summary presented here is an extract of the audited annual financial statements which are available for download from the ACNC website.

Trustees have delegated management of the Trust's investments to an Investment Committee made up of three Trustees, the Chief Executive Officer and the Finance Executive. The Committee has engaged Frontier Advisors, one of Australia's leading investment consultants, to provide investment advice. Guiding the Committee's activities is a detailed Investment Policy Statement which sets out the asset allocation for the portfolio and various risk control measures.

# 2019 Investment and Finance Review



The Helen Macpherson Smith Trust is a perpetual charitable trust whose principal activity is to hold Helen's residuary estate (corpus) in trust, to invest the corpus to grow its real value, to earn income from the corpus and to distribute that income to charitable institutions and purposes situated in Victoria.

## Investment Review

The objectives of HMSTrust's investment mission are twofold: first to achieve long-term appreciation of the value of the corpus, ahead of inflation, and secondly to generate sufficient income to fund the annual grant giving program and operating expenses. Long-term growth in the value of the corpus is essential if HMSTrust is to serve Victoria's communities in the future as well as it has done in the past.

During FY19, two major review exercises were performed. Firstly, a strategy review was undertaken on HMSTrust's investment strategy and Investment Policy Statement. The outcome of this strategy review was that the overall investment objective was explicitly stated as aiming to achieve a total investment return of CPI+5.5% over rolling 20-year periods. Of the total expected annual investment return, long term capital returns are targeted at CPI+1.0% p.a. and income returns are targeted at 4.5% p.a. for grant-ing and operating expenses.

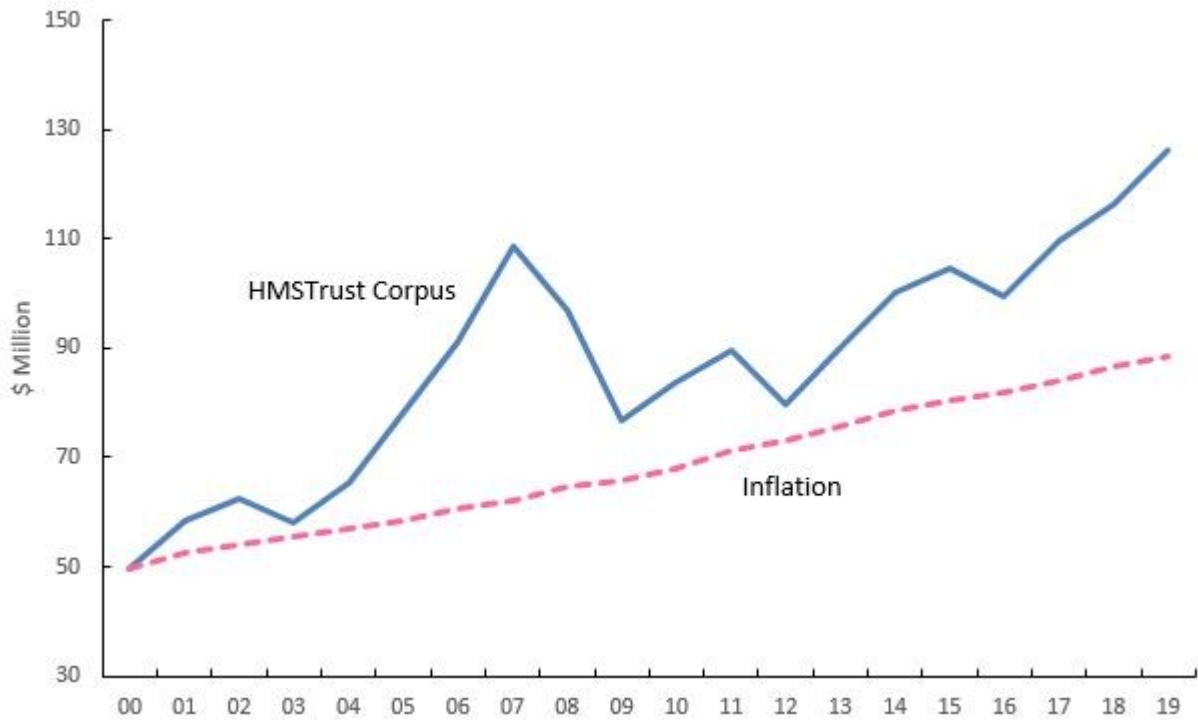
Secondly, HMSTrust's internal active management of its Australian equities portfolio was reviewed. Whilst active management had served HMSTrust well over the years, the Board of Trustees decided to change the management of the Australian equities portfolio to an internal passive basis tracking the S&P/ASX50 Franking Credit Adjusted Daily Total Return (Tax Exempt) Index. The main reason for this change was to retain the management of Australian equities in-house. This allows HMSTrust to take advantage of its tax-exempt status (e.g. when it comes to franking credits and participation in off-market shares buy-backs) and also gives us the flexibility to screen out stocks not in-line with HMSTrust's vision, mission and granting strategy.

In addition to managing Australian equities internally, investment operations are also undertaken internally to maximise control and minimise costs. During FY19, the total investment costs were 0.32% of assets, including management fees paid to external managers of international shares and unlisted infrastructure funds.

The following chart shows how the value of the corpus has changed since 2000, and compares that with the increase in the Consumer Price Index (CPI), a measure of inflation. Over that period the corpus has consistently remained ahead of inflation, achieving our primary investment objective. At June 2019 the corpus reached an all-time year-end high of \$126m, a margin of \$37m (or 42%) above the CPI.

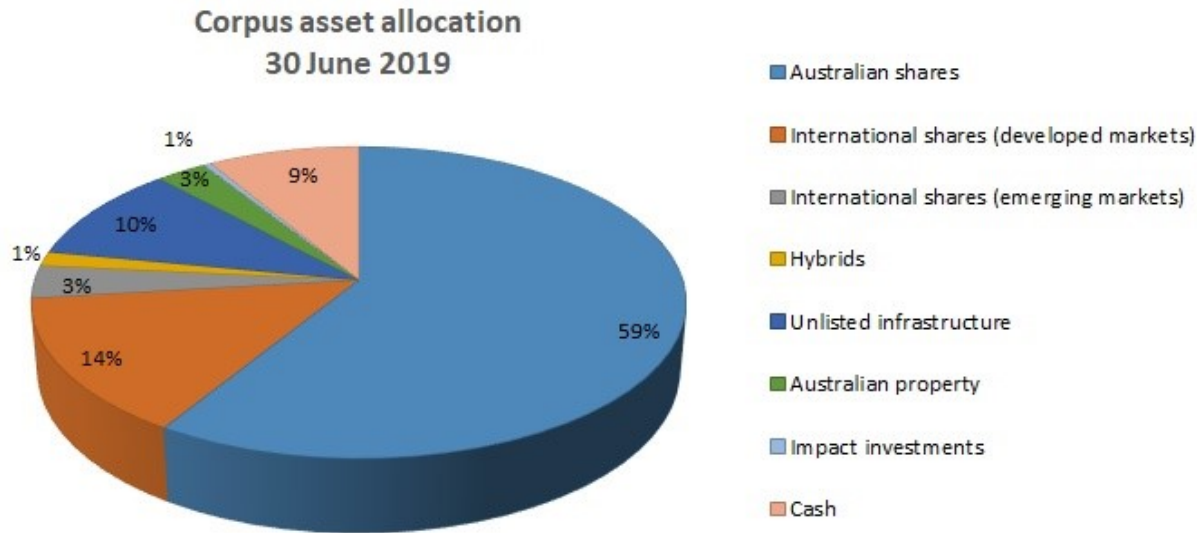
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2019 Investment and Finance Review *continued*



FY19 was the third year in row of strong investment returns, with the corpus generating a total return of 13.6%. This strong return reflects a high exposure to both Australian and international shares, and a strong performance from our unlisted infrastructure exposure.

The chart below illustrates the asset allocation of the corpus at the end of June 2019:

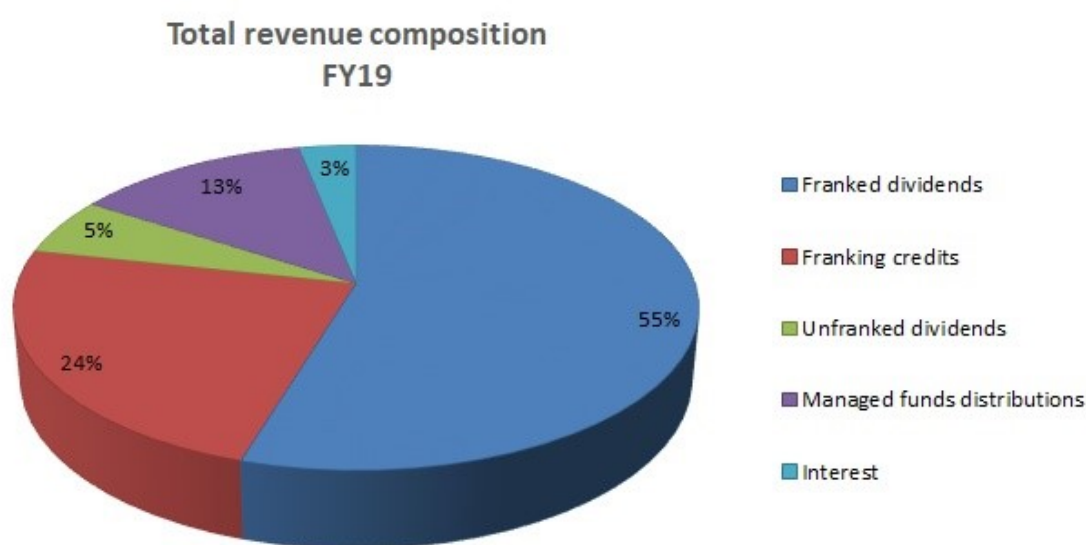




## Finance review

Revenue (excluding realised and unrealised gains on investments) of \$10.9m was earned on the corpus during FY19 and was 71% higher than the \$6.4m earned in FY18. Capital Account revenue increased by \$3.7m from \$0.9m in FY18 to \$4.6m in FY19 as a result of three off-market share buy-backs during FY19 (totalling \$3.9m). Income Account revenue increased by \$0.8m due to the increased dividends accrued during FY19 from BHP and other companies.

The chart below shows the composition of total revenue:



Operating expenses of \$1.3m were incurred during FY19 in administering HMSTrust to achieve its objectives and were in line with those incurred in FY18.

An operating surplus of \$9.6m was generated in FY19, an 89% increase over the \$5.1m generated in FY18. \$4.5m of the operating surplus was capital in nature and remains in the Capital Account. The operating surplus on the Income Account of \$5.1m allowed for a total of \$4.5m net grants to be approved during FY19. This resulted in a \$0.6m surplus on the Income Account which was used to transfer \$0.7m to the Capital Account through the Trustees' exercise of the power of accumulation. The balance on the Income Account of \$3.7m at 30 June 2019 will be used to maintain HMSTrust's granting capacity during this continued period of low income returns.

### Glen Thomson

*Finance Executive*



# Helen Macpherson Smith Trust

## Financial Summary

### Statement of surplus or deficit and other comprehensive income for the year ended 30 June 2019

		2019 \$	2018 \$
<b>REVENUE</b>			
	Franked dividends	5,953,900	2,755,906
	Unfranked dividends	616,204	558,022
	Managed fund distributions	1,397,085	1,477,353
	Imputation credits	2,577,049	1,225,703
	Interest income	338,565	313,824
	Other income	45,000	45,000
		<b>10,927,803</b>	<b>6,375,808</b>
<b>EXPENSES</b>			
	Depreciation and amortisation	(79,029)	(82,055)
	Employee benefits	(783,142)	(818,696)
	Legal expenses	(16,531)	(4,707)
	Loss on scrapping of plant and equipment	(8,119)	-
	Other operating expenses	(264,697)	(252,662)
	Trustees' commission	(126,089)	(109,725)
		<b>(1,277,607)</b>	<b>(1,267,845)</b>
<b>OPERATING SURPLUS</b>		<b>9,650,196</b>	<b>5,107,963</b>
	Net grants approved during year <sup>1</sup>	(4,481,536)	(3,744,114)
<b>SURPLUS FOR THE YEAR</b>		<b>5,168,660</b>	<b>1,363,849</b>
Other comprehensive income	Change in fair value of investments		5,335,909
<b>TOTAL COMPREHENSIVE INCOME</b>		<b>5,168,660</b>	<b>6,699,758</b>
	Attributable to Capital Account	8,866,339	6,216,226
	Attributable to Income Account	683,685	483,532
		<b>9,550,024</b>	<b>6,699,758</b>

<sup>1</sup> Net of withdrawn grants amounting to \$103,000 (2018: \$12,442).

# Helen Macpherson Smith Trust

## Statement of financial position as at 30 June 2019

		2019 \$	2018 \$
<b>CURRENT ASSETS</b>	Cash and cash equivalents	12,583,213	9,394,260
	Trade and other receivables	3,703,096	3,148,385
		<b>16,286,309</b>	<b>12,542,645</b>
<b>NON-CURRENT ASSETS</b>	Investments in financial assets	114,055,685	106,999,615
	Property plant and equipment	2,622,880	2,686,707
	Intangibles	788	5,951
		<b>116,679,353</b>	<b>109,692,273</b>
<b>TOTAL ASSETS</b>		<b>132,965,662</b>	<b>122,234,918</b>
<b>CURRENT LIABILITIES</b>	Trade and other payables	57,156	44,526
	Grants approved but unpaid	2,761,005	2,023,400
	Employee benefits	58,386	43,749
		<b>2,876,547</b>	<b>2,111,675</b>
<b>NON-CURRENT LIABILITIES</b>	Employee benefits	70,368	48,938
	Grants approved but unpaid	1,239,205	844,787
		<b>1,309,573</b>	<b>893,725</b>
<b>TOTAL LIABILITIES</b>		<b>4,186,120</b>	<b>3,005,400</b>
<b>NET ASSETS</b>		<b>128,779,542</b>	<b>119,229,518</b>
<b>ATTRIBUTABLE TO:</b>			
<b>CAPITAL ACCOUNT<sup>2</sup></b>	Capital reserve	108,110,295	99,655,967
	Investments revaluation reserve	16,978,799	15,846,788
		<b>125,089,094</b>	<b>115,502,755</b>
<b>INCOME ACCOUNT</b>	Retained surplus	3,608,356	3,679,381
	Investments revaluation reserve	82,092	47,382
		<b>3,690,448</b>	<b>3,726,763</b>
<b>TOTAL ACCUMULATED FUNDS</b>		<b>128,779,542</b>	<b>119,229,518</b>

<sup>2</sup> The Capital Account value, including the land and building at market value, as at 30 June 2019 is \$126,132,254 (2018: \$116,501,801).