



MARYSVILLE AND TRIANGLE COMMUNITY FOUNDATION Independent Auditor's Report

Scope

We have audited the financial report, being a special purpose financial report comprising the Statement of Financial Performance, Statement of Financial Position, Statement of Cash Flows and Notes to the Financial Statements of MARYSVILLE AND TRIANGLE COMMUNITY FOUNDATION for the year ended 30 June 2013. The trustees are responsible for the financial report and have determined that the accounting policies used and described in Note 1 to the financial statements, which form part of the financial report, are consistent with the financial reporting requirements of the trust and are appropriate to meet the needs of the trustees. We have conducted an independent audit of the financial report in order to express an opinion on it to the trustees. No opinion is expressed as to whether the accounting policies used are appropriate to the needs of the trustees.

We disclaim any assumption of responsibility for any reliance on this report or on the financial report to which it relates to any person other than the trustees, or for any purpose other than that for which it was prepared.

Our audit has been conducted in accordance with Australian Auditing Standards. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial statements, and the evaluation of significant accounting estimates. These procedures have been undertaken to form an opinion as to whether, in all material respects, the financial report is presented fairly in accordance with the accounting policies described in Note 1 to the financial statements. These policies do not require the application of all Accounting Standards and other mandatory professional reporting requirements in Australia.

As part of our audit an assessment of compliance of the Trustee during the 2013 financial year with the Trust Deed and in carrying out its fiduciary duties was undertaken (*Clause 8.3 (a)*). The following comments are made:

Clause 4.6 – Advertising the purposes

Under *clause 4.6* of the Trust Deed, the Trustee must take reasonable steps to seek applications from individuals, funds, authorities, and institutions for payments of income and capital of the Trust Fund in each Accounting Period.

Whilst the Trust Deed is dated 13 November 2012, the Settlement Sum of \$10 was not received from VBAF until 2 May 2013. In addition, the funding from the Department of Human Services (\$1,000,000) never materialised until 21 May 2013.

Given the above facts, in our opinion it was impractical for the Trustee to comply with *clause 4.6* of the Trust Deed for the year ended 30 June 2013.

Clause 5.1 – Investment

Under *clause 5.1* of the Trust Deed, the Trustee must invest money of the Trust Fund only in interest bearing deposits with any of the following:

- Australia and New Zealand Banking Group Limited;
- Bendigo and Adelaide Bank Limited;

- Commonwealth Bank of Australia;
- National Australia Bank; and
- Westpac Banking Corporation.

The Trustee has opened two (2) bank accounts with the Bendigo and Adelaide Bank. In keeping with the ethos of a "community foundation" it was determined by the Trustee that of the five (5) financial institutions listed above, the Bendigo and Adelaide Bank had similar community values.

In our opinion, the Trustee has complied with *clause 5.1* of the Trust Deed.

Clause 8.5 – Information to be publicly available

Under *clause 8.5* of the Trust Deed,

(a) The Trustee must, no later than 28 February each year, make available to the public the following information:

1. The total capital of the Trust at the beginning of the immediately preceding Accounting Period;
2. The total capital of the Trust at the end of the immediately preceding Accounting Period;
3. Details, including the name of each recipient, of all payments made under *clause 4.1* during that Accounting Period; and
4. Details of all other expenditure made during that Accounting Period.

(b) The above information must be made available either on the website of the Trust or in another form reasonably decided by the Trustee to any person seeking it.

A hard copy of the Financial Statements for the year ended 30 June 2013 were available for review from the Foundation's office at Lot 5 Murchison Street, Marysville. An electronic copy in pdf format which can be emailed to persons requesting such information was also available.

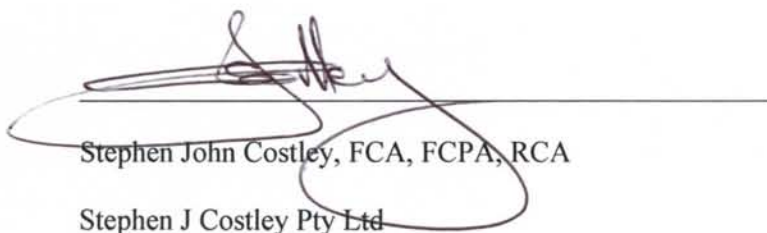
We understand that the Foundation is in the process of establishing a website where such documents can be placed for public viewing.

The audit opinion expressed in this report has been formed on the above basis.

Audit opinion

In our opinion, the financial report presents fairly, in accordance with the accounting policies described in Note 1 to the financial statements, the financial position of MARYSVILLE AND TRIANGLE COMMUNITY FOUNDATION as at 30 June 2013 and the results of its operations for the year then ended.

Signed on 27 March, 2014:



Stephen John Costley, FCA, FCPA, RCA

Stephen J Costley Pty Ltd

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