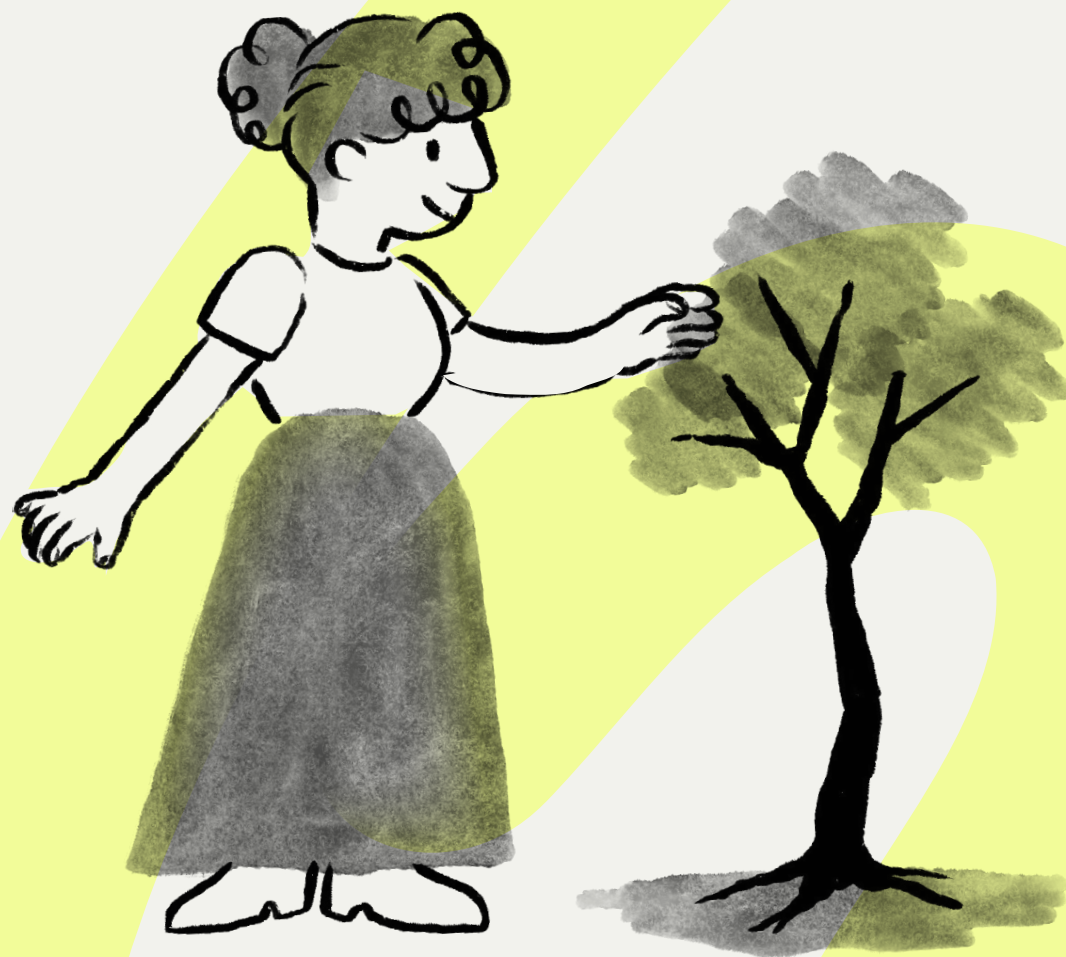


Annual Report 2025



Honouring our founder

For 74 years, Helen Macpherson Smith Trust has supported charitable initiatives across Victoria. The enduring legacy is made possible by the vision and generosity of its founder, the late Helen Macpherson Schutt (née Smith).

Helen was a pioneering philanthropist who defied the conventions of her time. In an era when women's contributions to philanthropy were typically through volunteerism and large financial gifts were the domain of men, Helen chartered a different course.

She was an early life member of The Lost Dogs' Home, with her name appearing in donor records from 1914 to 1935. Her support extended to a number of key organisations, including the Victorian Mission to Seamen, the RSPCA, the Royal District Nursing Service, the Royal Children's Hospital, and the Royal Victorian Institute for the Blind.

Upon her passing in 1951, Helen left a bequest of £275,000 (equivalent to \$550,000) to establish a charitable trust that would benefit Victorian charities in perpetuity. She placed few restrictions on her gift, entrusting the Trustees with the discretion to determine the causes most deserving of support.

Thanks to her foresight and generosity, the Trust has now distributed \$151.3 million to charitable causes across Victoria.



From the Chair & Chief Executive Officer

We are pleased to present the Annual Report for the financial year ending 30 June 2025. The year has been defined by a deepening of our strategic focus, continued engagement with sector leaders, and the strengthening of our relationships with our grantee organisations and funding partners.

Our work has centred on growing our knowledge in our two focus areas, community and education. Through structured learning engagements with experts and aligned funders, we have sought to better understand the systems and contexts in which we operate. Social Ventures Australia worked with us to undertake a comprehensive review of the education landscape, which has provided invaluable insights into the most pressing needs in education, the gaps in reform, and the areas where our efforts can be most effectively directed.

In April, we convened a strategy day at our offices at 90 Collins Street, bringing together sector experts and trusted colleagues for panel discussions to inform our strategic direction. The day served to not only deepen our knowledge in our focus areas, but introduced new opportunities and valued relationships. We are grateful to our sector colleagues for their contributions and shared wisdom.

Our offices have become a space for not-for-profit organisations and colleagues to gather, host board meetings, and collaborate, reflecting our commitment to accessibility and sector engagement.

We have continued to refine our granting approach, taking a longer-term view and committing to multi-year grants that are strategic in nature, foster relationships with peer funders, and create the most possible impact. The benefits of this approach are beginning to materialise, as demonstrated through our partnership with the Foundation for Rural and Regional Renewal's Investing in Rural Community Futures program, which is highlighted in this report. While the grant was committed last year, the first twelve months have seen a groundswell of activity across the state. Three communities, Colac, Maryborough and Swan Hill have now been selected to participate in dedicated capacity-building activity.

Our relationships with beneficiaries named in Helen's Will remain an important part of our work, and are a nod to her legacy. We continue to consider support for these organisations annually in accordance with the wishes of our founder and acknowledge the important contributions these organisations make to the Victorian community.

The Trust's investment performance remains strong with the corpus returning 13.9% for the year ended 30 June 2025. Over the ten years ended 30 June 2025, the corpus has returned 10.0% pa, outperforming the CPI+5.5% objective by 1.7% pa. The corpus finished the year at \$180m, another all-time year end high.



We thank each of our Trustees for their continued dedication to upholding the legacy of the Trust and guiding its strategic direction. Particular thanks are due to Andrew Sisson AO for his ongoing leadership as Chair of the Investment Committee. We also acknowledge the retirement of Janice Robins in November 2024 and extend our gratitude for her thoughtful contributions during her tenure.

We are grateful to the small HMST team, who work hard every day to make a meaningful difference to the lives of Victorians.

As we look ahead, we remain committed to learning, collaborating, and to making meaningful social impact. We extend our thanks to colleagues, grantees, and sector partners for their continued engagement and support.

Bruce Parncutt AO, *Chair*
Debra Morgan, *Chief Executive Officer*

Our Purpose

OUR VISION

**A strong, just and sustainable Victoria.
Balit, noogee ba kangooeit biik.**

Helen Macpherson Smith Trust acknowledges the traditional owners of the land on which we work, the Wurundjeri people of the Kulin Nation, and pays respect to elders past, present and emerging. As a mark of respect, the Trust's vision is also presented in Woiwurrung language.



OUR VALUES

The Trust's values embody its commitment to preserving its legacy, fostering ongoing learning, and recognising the significance of collaboration.

Respect & Integrity

Enabling the views of others to be heard and genuinely valued, making decisions based on robust evidence, and acknowledging our granting partners are experts in the field in which they work.

Stewardship

Prioritising, with care and diligence, long-term over short-term priorities, and acknowledging the legacy of the Trust is reflected through the work of our partners.

Collaboration

Partnering with others, acknowledging the challenges we face cannot be met alone.

Learning

An openness to learning from each other, our peers and our grantees, seeking best-practice, expert advice and learning opportunities together to inform our granting.

OUR APPROACH

The Trust provides grants to partner organisations working in Victoria. Guided by the organisation's values and the principles of trust-based philanthropy, the Trust fosters strong relationships between donors, not-for-profits, and communities.

The Trust works to rebalance power by listening to those with expertise, collaborate respectfully, and use its influence to support organisations beyond funding. The approach is transparent, informed by data, and open to learning from mistakes. Acknowledging one organisation cannot have all the answers, the Trust actively seeks to understand the systems and social contexts in which it operates.

Our areas of focus

Community

Strengthening Victoria's social capital through evidence-based initiatives that foster connections, develop capacity and strengthen capability.

Resilience and prosperity in Victorian communities are increasingly hampered by a range of complex challenges. Contributing factors include declining opportunities for leadership development and insufficient support for the operational capacity of community organisations. In response, Helen Macpherson Smith Trust is working to advance initiatives that build capability, foster meaningful connections, and support long-term community sustainability.

The Trust's strategic approach centres on two key pillars:

Enhancing the leadership capability and connections of individuals

Strengthening the capacity of community organisations

By investing in leadership development, the Trust aims to equip individuals with the skills and networks required to lead effectively within their communities. This includes fostering improved community-led decision making and problem solving; encouraging collaboration and trust; and promoting adaptability in dynamic and changing environments.

Alongside leadership development, the Trust supports community organisations to build their internal capacity and strategic capability. This includes enabling organisations to form and sustain partnerships; attract and retain critical resources; and improve governance and strategic decision making. These initiatives are led by, and responsive to, the communities these organisations serve.

Through these targeted efforts, the Trust seeks to foster a more connected, capable, and resilient Victoria. The impact of this work is measured not only by stronger leadership and organisational outcomes, but also by the broader benefits of increased collaboration, resource sustainability, and community-driven prosperity.



Participants in Leadership Victoria's flagship Williamson Community Leadership Program.

Our areas of focus

Education

Improving educational outcomes for school-aged children in Victoria.

Victoria is facing a worrying decline in educational outcomes, with the greatest burden falling on children from disadvantaged backgrounds. The Trust aims to improve outcomes for all school-aged children through targeted and systemic interventions that are grounded in evidence.

The Trust's strategic approach centres on two key pillars:

Strengthening targeted interventions in communities experiencing disadvantage that provide evidence to drive systemic change

Driving evidence-based interventions that have the potential for widespread implementation

In disadvantaged communities, the Trust's support is directed towards effective, locally-led programs that strengthen the evidence base of what works, scale proven practices, and encourage alignment between community initiatives and system-level decision-makers. This approach ensures interventions are impactful, sustainable, and tailored to local contexts.

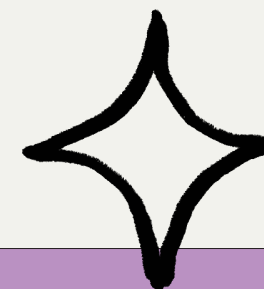
Across the system, we work to strengthen teacher effectiveness through evidence-based teaching practices, improve curriculum design and delivery, and broaden equitable learning opportunities. These efforts aim to ensure that policy reform drives innovation and responsiveness throughout schools.

The Trust's work is guided by key levers known to improve educational outcomes: curriculum, pedagogy, teacher quality, school leadership, student behaviour, student wellbeing, and family and community engagement. Impact is measured through indicators such as improved educational outcomes, increased community ownership and leadership, enhanced delivery and participation, and broader adoption of evidence-based approaches.



A primary school teacher from La Trobe's research partner school checking for students' understanding.

2025 Grants



Community

Australian Neighbourhood Houses and Centres Association

\$600,000 over three years

Supporting Stronger Communities grants program

A small grants program Supporting Stronger Communities, aimed at building the capacity of neighbourhood houses across Victoria.

\$50,000 over one year

Supporting Stronger Communities grants program evaluation

An evaluation of the Supporting Stronger Communities grants program, to be undertaken by Deakin University.

anhca.org

Community Foundations Australia

\$1,000,000 over three years

Capacity development for Community Foundations in Victoria

A contribution to the Field Catalyst Fund, an innovative program building the capacity of community philanthropy across Victoria.

cfaustralia.org.au

Leadership Victoria

\$1,098,000 over three years

Citizen Leadership for Resilient Victorian Communities

A program of work to ensure the ongoing quality, viability and effectiveness of community leadership programs across Victoria.

leadershipvictoria.org

Wilderness Collective

\$50,000 over one year

Micro-Village Pods

Support to build two 'pods' in the Micro-Village in Mallacoota, an initiative designed to empower local enterprise and community resilience.

wildernesscollective.org.au

Education

Grattan Institute

\$750,000 over three years

Grattan Institute Education Program - Boosting learning for Victorian children

Develop high-quality, evidence-based, public policy recommendations and advocacy aimed at improving educational outcomes for Victoria's children.

grattan.edu.au

La Trobe University

\$762,000 over three years

Nexus Schools Momentum Project

Expand the Momentum program, which helps Victorian schools implement explicit teaching methods through an employment-based teaching program in high-needs schools.

latrobe.edu.au

Mornington Peninsula Foundation

\$100,000 over one year

Young Elevate

Expand the Elevate program, a student re-engagement program conceived at Western Port Secondary College, to include primary-aged students.

mpf.org.au

Think Forward Educators

\$38,000 over one year

Victorian Local Branch Support

Expand the work of local network branches in Victoria to help educators build communities of interest and share best practice in science of learning approaches.

thinkforwardeducators.org

Western Chances

\$150,000 over one year

Western Chances Support

Scholarships and wrap-around support for young people in Melbourne's western suburbs and Geelong aimed at fulfilling their potential through education.

westernchances.org.au

2025 Grants

Helen was a dedicated philanthropist throughout her life, supporting a variety of charitable causes. She was among the first life members of The Lost Dogs’ Home, with her name listed as a donor from 1914 to 1935.

Records from the Victorian Missions to Seamen (now Mission to Seafarers) reveal that she was an honorary member of the Ladies’ Harbour Lights Guild, making donations as early as 1911 and continuing until at least 1927. Helen was also a life member of the Royal Society for the Prevention of Cruelty to Animals and a consistent donor to the Royal District Nursing Service.

In 1919, during Melbourne’s worst-ever influenza epidemic, Helen contributed funds to the Melbourne District Nursing Society.

In her Will, Helen named these organisations as potential beneficiaries for Trustees to consider supporting. In 2024/25, Trustees honoured Helen’s legacy by committing grants to the following named beneficiaries.



Legacy Gifts

Bolton Clarke

\$60,000

Connect Local Plus

A social prescribing trial aimed at reducing the negative impacts of loneliness and social isolation on the health and wellbeing of older Victorians.

boltonclarke.com.au

Mission to Seafarers
Victoria Inc

\$50,000

Rebuild our website

The redesign, rebuild, and modernisation of the organisation’s website to improve access to its welfare services.

missiontoseafarers.com.au

Royal Society for the
Prevention of Cruelty to
Animals Victoria

\$15,000

General Support

General support for the RSPCA Victoria.

rspcavic.org

The Lost Dogs Home

\$15,000

General Support

General support for The Lost Dogs Home.

dogshome.com

The Royal Children’s Hospital
Foundation

\$15,000

General Support

General support for the Royal Children’s Hospital.

rch.org.au

Vision Australia Limited

\$22,500

See Like Me Toolkit

Upgrade a virtual reality toolkit that highlights the impact of vision loss and improves the understanding of people in caring roles in Victoria.

visionaustralia.org

Australian Neighbourhood Houses and Centres Association

Neighbourhood Houses and Centres are vital community assets, providing social, educational and recreational activities for their communities.

The Australian Neighbourhood Houses and Centres Association (ANHCA) is the national peak body representing over 1,000 Neighbourhood Houses and Community Centres across Australia. These centres are locally driven spaces that foster connection, learning, and wellbeing. Victoria has a vibrant community of over 450 Neighbourhood Houses and Centres.

ANHCA supports the development of strong local infrastructure through its houses and centres. The organisation engages with local centres, providing resources, auspice services, funding opportunities and sector advocacy.

The Supporting Stronger Communities Grants Program enables centres to access funding for innovative projects seeking to promote equality and inclusion. The program builds social capital, responding to emerging needs in ways that create lasting and positive change for local communities. While the grant from the Trust will support a series of small grants, its real value lies in the connections, knowledge and insights the funded projects will provide to their communities.

Helen Macpherson Smith Trust has invested in the program alongside philanthropic partner and program founder the Sidney Myer Fund. The Trust's support has enabled an expanded investment in Victorian centres. In addition to support for the grants program, the Trust's support has enabled ANHCA to engage Deakin University to undertake an evaluation of the program. It is hoped the evaluation will support ANHCA to better understand community need and the impact of the small grants program.

PROJECT

Supporting Stronger Communities Grants Program and Evaluation

AMOUNT

\$650,000 over three years

(\$600,000 to support the small grants program, and \$50,000 to support an evaluation)



The Creative Enterprising Women program at Wellsprings for Women, offering workshops empowering migrant and refugee women to explore income-generation pathways through skills audits, business planning, and peer support.

"The Supporting Stronger Communities grant funding is helping us strengthen the connections, capability and collective voice of Neighbourhood and Community Houses across Victoria. It supports our shared vision for a strong, just and sustainable Victoria, where local community organisations are supported to lead, respond and collaborate in ways that build belonging and wellbeing. We're proud to partner with a foundation that recognises the power of place-based work to create lasting impact. We sincerely thank the Helen Macpherson Smith Trust for its generous support of ANCHA".

ELIZABETH BONNER, PRESIDENT

Community Foundations Australia

Community foundations are a powerful mechanism for enabling local communities to take charge of their future, mobilising resources, fostering collaboration and creating meaningful, place-based impact. First-hand knowledge of local issues allows community foundations to support, protect, and nurture the communities from which they've grown.

Community Foundations Australia is the national support organisation for community foundations. In response to the rapidly growing network of community philanthropy in Australia, Community Foundations Australia launched the 'Field Catalyst Fund'.

Established in early 2025, the Field Catalyst Fund provides the opportunity for diverse actors from within the wider field, including private and public funders, local leaders and change-makers, to pool funding, share learning, and coordinate collective action.

The Fund is grounded in the belief that community philanthropy is a powerful model for locally led development, one that strengthens community capacity and voice, builds trust, and mobilises local resources. By fostering local ownership, governance and accountability, community philanthropy has been shown to deliver deeper, more enduring outcomes.

The Field Catalyst Fund aims to invest in shared infrastructure, convene community partnerships, and facilitate knowledge exchange with the objective of accelerating the community foundation movement.

Funding from Helen Macpherson Smith Trust supports community foundations in Victoria, enabling long-term, place-based change through strategic investment in locally led development. By supporting the Field Catalyst Fund, the Trust is helping to create the conditions for a thriving community ecosystem. One that fosters collaboration, local leadership, and sustainable development.

PROJECT

Capacity development for Community Foundations in Victoria

AMOUNT

\$1,000,000 over three years



Victorian Community Foundation Network Gathering.

"What's most exciting is how Victorian community foundations are stepping into their collective strength, self-organising around shared priorities, experimenting with new collaborations, and building the capacity of communities to lead with confidence. Our partnership with Helen Macpherson Smith Trust has given this network the scaffolding to accelerate what was already emerging: a vibrant ecosystem of community philanthropy in Victoria that is connected locally, aligned across the state, and contributing to the global conversation about how communities govern their future."

IAN BIRD, CEO

Leadership Victoria

PROJECT Citizen Leadership for Resilient
Victorian Communities

AMOUNT \$1,098,000 over three years

Community leadership is the ability of individuals to inspire, mobilise and guide others to achieve a shared goal for positive change. Characterised by active participation, collaboration and a commitment to the wellbeing of the community, at its core, community leadership is about building networks and partnerships to affect positive change.

Leadership Victoria is committed to developing adaptive, community-focused leaders across Victoria. In partnership with the Regional Leadership Collective, the organisations have led a statewide initiative to strengthen community leadership through collaborative, place-based programs. This project seeks to transform the community leadership program network across the state by fostering a more unified and sustainable approach to community leadership. This will be achieved through the development of shared activity including a joint Alumni Program, targeted leadership development in peri-urban communities, and a robust evaluation framework. It is anticipated this will lead to a sustainable statewide model which preserves the unique strengths and attributes of each of the local programs.

Helen Macpherson Smith Trust is supporting the program alongside Menzies Leadership Foundation and The Hugh D.T. Williamson Foundation. By embedding collaboration, inclusivity and strategic resilience in the leadership ecosystem, the project aims to position Victoria as a model for community-led change across Australia.



Participants in Leadership Victoria's flagship Williamson Community Leadership Program.

"We deeply value this project for giving us the capacity and space to reimagine Victoria's leadership ecosystem, to strengthen collaboration and impact across the state. It also opens doors to vital leadership opportunities for Melbourne's peri-urban communities."

KATHERINE ELLIS, CEO

Wilderness Collective

PROJECT Micro-Village Pods

AMOUNT \$50,000 over one year

Wilderness Collective is a community-led social enterprise focused on facilitating long-term sustainability and community growth in far east Gippsland. Founded in Mallacoota after the 2019/20 Black Summer bushfires, the Wilderness Collective emerged from the vision and dedication of five women. The organisation empowers residents to work locally, launch small businesses, and acquire essential skills. The intergenerational approach to idea development fosters a vibrant and inclusive future for Mallacoota.

The Micro-Village directly addresses the challenges faced by small business owners in regional towns, such as high rents, limited retail options, and inflexible lease terms. Located in the heart of Mallacoota, pods in the Micro-Village provide adaptable, affordable commercial spaces that encourage year-round economic activity and strengthen social connections.

With support from Helen Macpherson Smith Trust, the Micro-Village can be further developed with two additional pods. This builds on the Trust's ongoing support for the Mallacoota community and helps to foster locally owned assets. The project will deliver enduring economic and social benefits through a community-led, sustainable development model.



Co-founders of the Wilderness Hub Bel Temby, Meg Allan, Dr Tricia Hiley, Rebecca Steenholdt and Paris Brooke. Photo: Sam Wells.

"Our work fosters a collaborative community-driven environment, where knowledge-sharing and enterprise development go hand in hand, building Mallacoota's economic viability well beyond the tourism season."

PARIS BROOKE, EXECUTIVE OFFICER

Grattan Institute

PROJECT

Grattan Institute Education Program -
Boosting learning for Victorian children

AMOUNT

\$750,000 over three years

Grattan Institute is a leading Australian public policy think tank known for its rigorous, evidence-based research and practical recommendations. Grattan's Education Program has a strong track record of influencing national education policy. Recent publications include reports on boosting reading and maths outcomes, curriculum planning and school system reform.

With over 15 years of policy research and engagement, Grattan's Education Program has positioned itself as a leading voice on school education policy, with a strong focus on disrupting complacency.

The program is led by Dr Jordana Hunter, a nationally recognised education policy expert. Through Grattan's Education Program, Dr Hunter focuses on high-impact reforms in teacher quality, curriculum design, and system governance.

A grant from Helen Macpherson Smith Trust supports targeted interventions in Victoria. The support reflects the Trust's commitment to evidence-based initiatives that address educational inequity and improve outcomes for children across Victoria.



The Grattan Institute Education Program team.

"Robust, real-world policy research that drives better school outcomes."

JORDANA HUNTER, EDUCATION PROGRAM DIRECTOR

La Trobe University

PROJECT Nexus Schools Momentum Project

AMOUNT \$762,000 over three years

La Trobe University's School of Education is highly regarded as a leader in delivering best practice initial teacher education and associated research. The School is led by Professor Joanna Barbousas, a transformational leader who has reshaped both teacher education and education policy in Australia.

With support from Helen Macpherson Smith Trust, La Trobe will implement the Momentum Schools Project into twenty schools that already host La Trobe's Nexus program.

The innovative Momentum Schools Project is designed to improve student learning outcomes by implementing and evaluating a comprehensive, school-wide instructional improvement model. It focuses on inclusive, evidence-based teaching practices and aims to identify the enablers and barriers to instructional change in vulnerable school settings. A key feature is the development of a customised instructional coaching program, which supports teachers in refining their practice and fosters a culture of continuous improvement.

The project is part of La Trobe's broader transformation in teacher education, which includes the Nexus program, an employment-based pathway that enables education support staff to gain teaching qualifications while working in schools.

Alongside the program, researchers will track changes in teaching practice, student achievement, and teacher retention, generating a robust evidence base to inform future policy and practice.



A primary school teacher from La Trobe's research partner school explicitly teaching a mathematical concept. Photo: La Trobe University.

"By supporting teachers in under-resourced schools through sustained, evidence-based coaching, the Momentum Schools Extension project advances educational equity and builds the capacity for inclusive, high-impact teaching that improves learning for all students."

ASSOCIATE PROFESSOR MELISSA BARNES, PRIMARY CHIEF INVESTIGATOR

Think Forward Educators

PROJECT Victorian Local Branch Support

AMOUNT \$38,000 over one year

Think Forward Educators is a grassroots professional membership organisation advancing excellence and equity in education. The organisation emphasises evidence-based professional learning opportunities, particularly focusing on the Science of Learning. By translating research into practice, Think Forward Educators empowers teachers and leaders with practical tools and peer learning opportunities.

Local network branches foster collaboration, showcase best practice and build stronger networks for effective teaching. With support from Helen Macpherson Smith Trust, Think Forward Educators will formalise its Victorian local branches. Branches are actively engaged in communities across Melbourne, Gippsland, and the Mallee, where they contribute to strengthening educational outcomes in areas with high potential for impact. A dedicated coordinator will support local educators, identifying and connecting schools experiencing disadvantage, and facilitating school visits and professional learning events.

By investing in local leadership and peer networks, the initiative is helping to build a more inclusive and effective education system from the bottom-up.



Think Forward Educators' in-person Maths Professional Learning event in Dandenong West showcasing explicit instruction and high-impact maths practice. Photo: Brett Scapin.

"Teachers are deeply committed to improving outcomes for their students, and when they're supported to learn and lead together, their impact grows. At Think Forward Educators, we have a large grassroots community of teachers working together to apply the science of learning to everyday classroom practice in ways that are practical, meaningful, and focused on equity. Our local Victorian branch is a powerful network because it not only showcases what evidence-based teaching looks like in practice, but also champions professional learning that is directly relevant and impactful for teachers. By building strong networks and shared learning opportunities, Think Forward Educators helps teachers feel energised, informed, and part of a larger movement to continuously improve teaching and learning for all students across Victoria."

JEANETTE BREEN, CEO

Western Chances

PROJECT Western Chances Support

AMOUNT \$150,000 over one year

Western Chances provides young people aged 12 – 25 years in Melbourne's west and Geelong, the opportunity to fulfil their potential and overcome barriers to succeeding in education. The organisation partners with government secondary schools to identify talented students and, importantly, supports them as they continue through their tertiary studies. Working with donors, grant partners, local organisations, and supporters, they provide resources and networks to help them thrive at every stage of their educational journey.

The organisation is expanding its impact in Geelong while strengthening its model of continuous support for all scholarship recipients, from high school through to tertiary education and employment. Helen Macpherson Smith has a long-standing partnership with Western Chances. By addressing systemic inequalities in Melbourne's west and Geelong, the organisation contributes to improving educational outcomes, increasing school retention, and creating stronger transitions to further education and employment.

Western Chances is building a resilient, inclusive education ecosystem that champions opportunity, equity, and lasting change.



The Western Chances STAR Committee (Scholarship Team for Advice & Review) pictured with the Hon. Julia Gillard at the 2024 Western Chances 21st Anniversary Gala.

"When I founded Western Chances, it was with the belief that a small, timely intervention could change the course of a young person's life. Years later, I have seen that belief affirmed many times over. Scholarships are just the beginning. What follows is increased confidence, stronger engagement in learning, and new pathways to education and meaningful work. Families feel supported. Schools are better equipped. Communities are enriched. I remain inspired by the resilience and ambition of the young people we support, and proud of the role Western Chances plays in helping them realise their full potential."

TERRY BRACKS AM, CHAIR

Foundation for Rural & Regional Renewal (FRRR)

In 2024 Helen Macpherson Smith Trust partnered with four Victorian philanthropic organisations to support a grass-roots program aiming to build the capacity of not-for-profit organisations.

Investing in Rural Community Futures Victoria (IRCF) aims to strengthen the capacity and resilience of three Victorian communities over five years. Building on the Foundation for Rural & Regional Renewal's IRCF program in New South Wales, Helen Macpherson Smith Trust committed \$1,500,000 for the Victorian implementation, alongside The Jack Brockhoff Foundation, The Ross Trust, and The William Buckland Foundation.

Since launching in 2024, the IRCF team has undertaken a thorough and considered selection process to determine the three communities most ready to take up the program opportunity. A range of demographic, environmental, and community sector indicators were considered in order to determine which communities would most benefit from the program. Five shortlisted communities were invited to participate in information sessions, submit expressions of interest, and engage in local workshops.

Colac, Maryborough and Swan Hill emerged as the selected communities. Not-for-profits in these communities now have fresh opportunities to build capacity, foster connections, and team up on initiatives geared towards long-term community strength and vibrancy.

Communities in Colac, Maryborough and Swan Hill have developed initial Community Roadmaps. Co-designed with FRRR, the roadmaps are live documents that will guide and shape actions over the coming years.

The development process provided an opportunity for locally led decision making and direction setting, enabling local people to determine their local priorities.

As the IRCF program develops, its capacity to create sustained impact within local communities grows. The program has proven to significantly enhance community outcomes by strengthening local networks, resources and adaptability.

Natalie Egleton, FRRR CEO, said the IRCF program has entered a pivotal phase in the Victorian communities of Colac, Maryborough and Swan Hill:

"This marks the beginning of a whole-of-community approach to building capability, one that strengthens the social and economic fabric of these regions and lays the groundwork for long-term impact.

"Grassroots NFPs are already stepping forward with renewed confidence and shared commitment to collaboration. We are seeing new energy and conversations emerge, as organisations place genuine and intentional focus on working strategically together for the greater good of their communities.

"These foundations are critical not only for immediate progress, but for building sustainable systems that will support vibrant, liveable communities well into the future. We're deeply grateful to our donors and partners for enabling this important work."

frrr.org.au

Investing in Rural Community Futures Victoria



A Maryborough community member contributing their perspective at the Community Roadmap session, May 2025.

2025 Grants

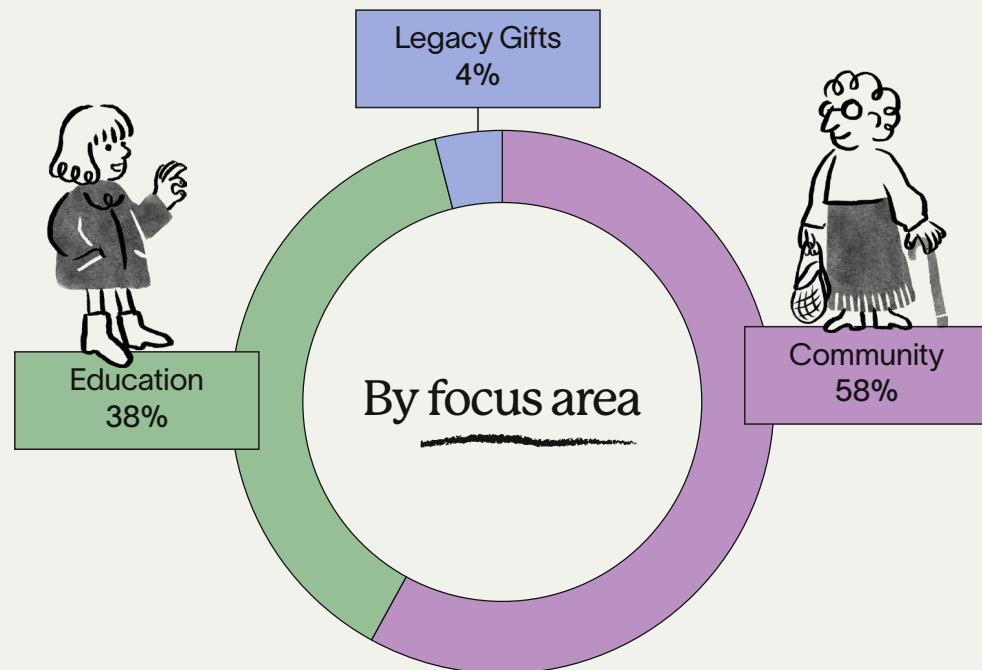
16 grants approved

\$4.8M granted

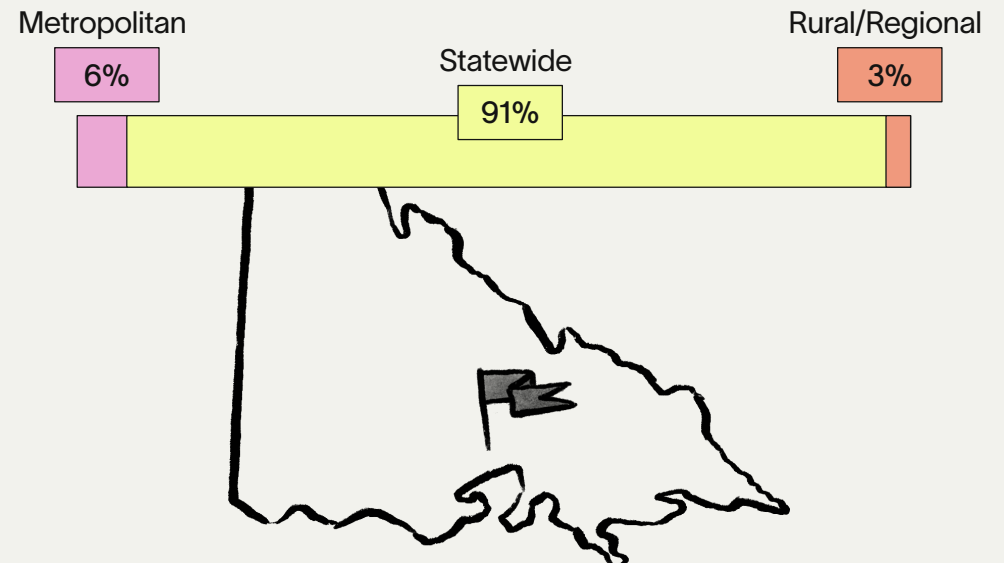
Since inception (1951)

4,981 grants approved

\$151.3M granted



By geography



Investment and finance

Helen Macpherson Smith Trust is a perpetual charitable trust whose principal activities are to hold Helen's residuary estate (corpus) in trust, to invest it to grow its real value, to earn income from the corpus and to distribute that income to charitable institutions situated in Victoria and charitable purposes in Victoria. The corpus has grown from an initial bequest of £275,000 (\$550,000) in 1951 to \$180m as at 30 June 2025. More information on this remarkable story of growth is available [here on the website](#).

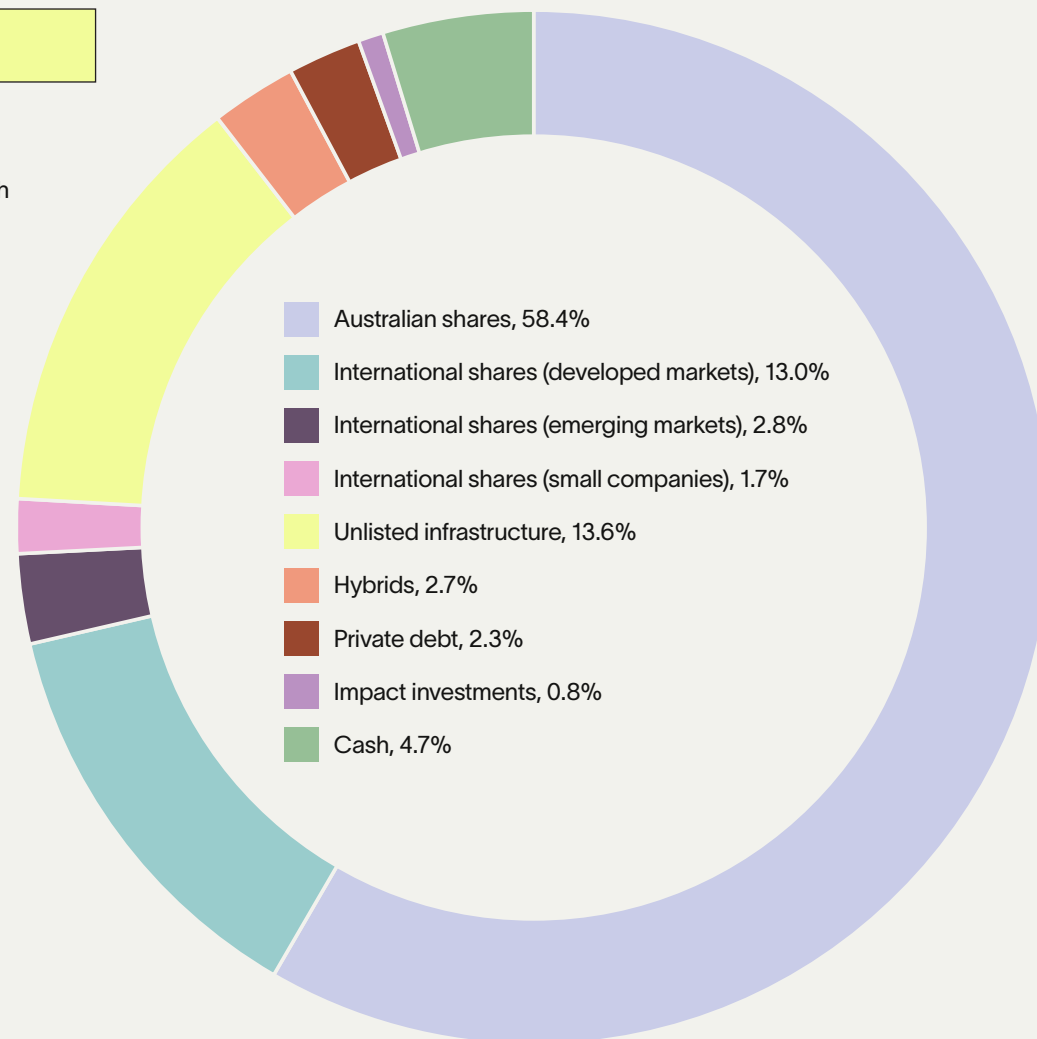
INVESTMENT OBJECTIVE

The Trust's investment mission has two main objectives: firstly, to achieve long-term growth in the value of the corpus, ahead of inflation, and secondly to generate sufficient income to fund the annual grant giving program and operating expenses.

The Trust's overarching investment objective is a total return of Consumer Price Index (CPI) + 5.5% p.a. over rolling 20-year periods. Of this total return, capital returns are targeted at CPI + 1.0% p.a. while income returns are targeted at 4.5% p.a. to cover granting and operating expenses.

ASSET ALLOCATION

The Trust operates in perpetuity and cannot grant out of capital. These two features allow the corpus to have a high allocation to growth assets (85.2% as at 30 June 2025). The Trust maintains a high allocation to Australian shares (58.4% as at 30 June 2025) due to the attractiveness of refundable franking credits.



Investment and finance

INVESTMENT PERFORMANCE

For the third consecutive year, the corpus delivered strong results, generating a total return (including franking credits) of 13.9% for FY25, outperforming our long-term objective of 7.6% (CPI+5.5% p.a.) by 6.3%.

The main contributors came from listed shares, with international shares returning 16.3% and Australian shares returning 14.7%. Additional support came from unlisted infrastructure (11.8%), private debt (12.5%) and hybrids (7.2%).

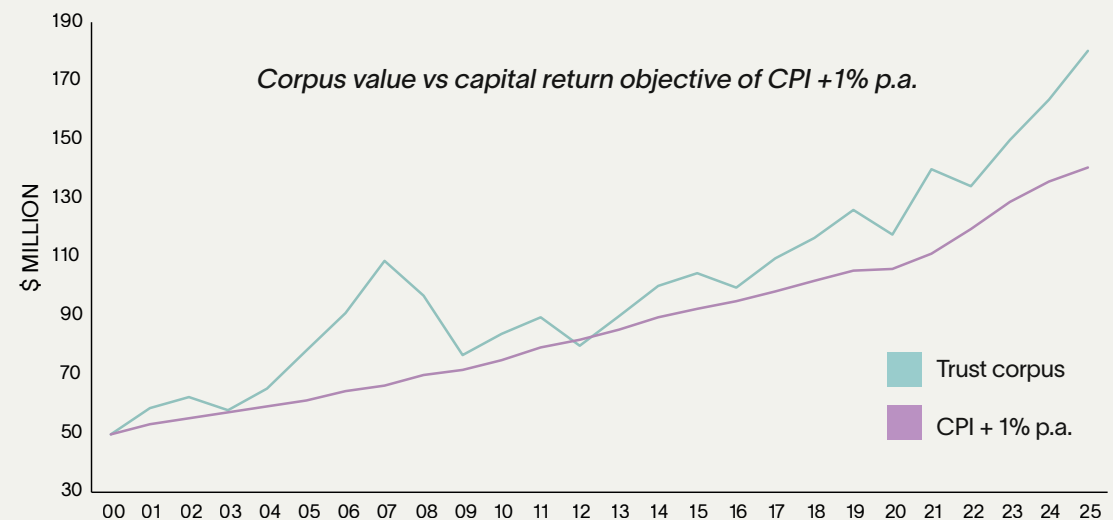
As at 30 June 2025	1 year	3 years	5 years	10 years	12 years
Corpus: total return % p.a. (including franking, net of fees)	13.9%	14.7%	13.1%	10.0%	10.6%
Objective: CPI+5.5% p.a.	7.6%	9.5%	9.9%	8.3%	8.2%
Over/(under) performance	6.3%	5.2%	3.2%	1.7%	2.4%

Note: 12 years is the longest time period available for total returns, with formal performance measurement commencing from 30 June 2013.

Since formal performance measurement began in 2013, the corpus has returned 10.6% p.a. over 12 years, outperforming the objective by 2.4% p.a. While the CPI + 5.5% p.a. target is ambitious, it is appropriate for a perpetual fund.

Excluding income returns, the value of the corpus continues to outpace inflation over the longer-term. The chart below shows how the value of the corpus (which excludes income earned) has changed since 2000 and compares that with the increase in CPI + 1% p.a. (our capital return objective).

The corpus finished the year at \$180m, which is an all-time year-end high.



Note: contributions to the corpus from income are included in both 'Trust corpus' and 'CPI + 1%' lines above.

Investment and finance

UNDERLYING INVESTMENTS AND RESPONSIBLE INVESTMENT

To avoid circumstances where the Trust's investment activities are inconsistent with the objectives of the Trust's granting activities, the Trust has a principles-based responsible investment policy that aims to balance responsible investment with the need to generate returns.

Since 2019, the Trust has managed its Australian shares portfolio internally on a passive basis, enabling us to take advantage of our tax-exempt status (particularly franking credits) and also giving us the flexibility to screen out stocks not in line with the Trust's vision and granting strategy. The Trust utilises the S&P/ASX50 Franking Credit Adjusted Daily Total Return (Tax Exempt) Index benchmark modified for negatively screened stocks. Current exclusions are Aristocrat Leisure (gambling), The Lottery Corporation (gambling) and Treasury Wine Estates (alcohol).

In late FY25, approximately 60% of the internally managed Australian shares portfolio was switched into an index tracking exchange traded fund (SPDR S&P/ASX 200 ETF) and listed investment companies (Australian Foundation Investment Company Ltd, Argo Investments Ltd, Australian United Investment Company Ltd and Diversified United Investment Ltd). The change was made to benefit from attractive discounts to net asset values and fully franked dividends offered by the listed investment companies, with the SPDR S&P/ASX 200 ETF used to facilitate the switches.

The Trust's international shares exposure includes:

- developed markets: Vanguard Ethically Conscious International Shares Index Fund (excludes companies with significant business activities involving fossil fuels, nuclear power, alcohol, tobacco, gambling, controversial weapons, adult entertainment and conduct-related controversies) and the iShares MSCI EAFE ETF.
- emerging markets: Skerryvore Global Emerging Markets All-Cap Equity Fund. This fund is a high conviction, bottom-up, fundamental and benchmark agnostic fund with ESG fully integrated into the investment process, together with negative screening of fossil fuels, tobacco, gambling, controversial weapons and adult entertainment.
- small companies: Vanguard International Small Companies Index Fund.

The Trust is invested in two unlisted infrastructure funds: the Utilities Trust of Australian (UTA) and the IFM International Wholesale Infrastructure Fund. Both funds are signatories to the UN Principles for Responsible Investment and have responsible investment strategies and climate change policies (net zero by 2050) which embed Environmental, Social and Governance (ESG) factors into their respective investment processes.

The Trust has a USD3.8m commitment to the Community Capital Credit Fund (CCCF), of which USD2.3m has been called. CCCF is a fund of funds that invests in global private debt with the added goal of supporting the growth of social purpose charities which have the potential and capability to create meaningful and measurable social impact in Australian communities. Each of the underlying managers of CCCF are UN Principles of Responsible Investors signatories with ESG fully integrated into their investment processes. CCCF is negatively screened at the underlying manager level with the following exclusions applied: fossil fuel explorers/miners/energy generators, gambling, tobacco, alcohol, pornography, live animal exports, nuclear and controversial weapons.

The Trust also holds five impact investments which aim to deliver both a market return and a measurable social or environmental outcome:

- Murray Darling Basin Balanced Water Fund: restoring threatened wetlands and ecosystems across the Southern Murray Darling Basin.
- COMPASS social impact bond (SIB): improving outcomes for young Victorians transitioning from out-of-home care to independent adult living.
- Living Learning SIB: provides support to 15-21 year olds persistently not engaged in education, employment or training and who have a mental health condition to facilitate higher levels of engagement in secondary education.
- Side by Side SIB: aims to help students (prioritising Aboriginal students) in Years 1 to 4 who are chronically absent from school.
- Arc SIB: seeks to improve social outcomes for people leaving prison in Victoria who are at the risk of homelessness.

Investment and finance

INVESTMENT MANAGEMENT EXPENSES

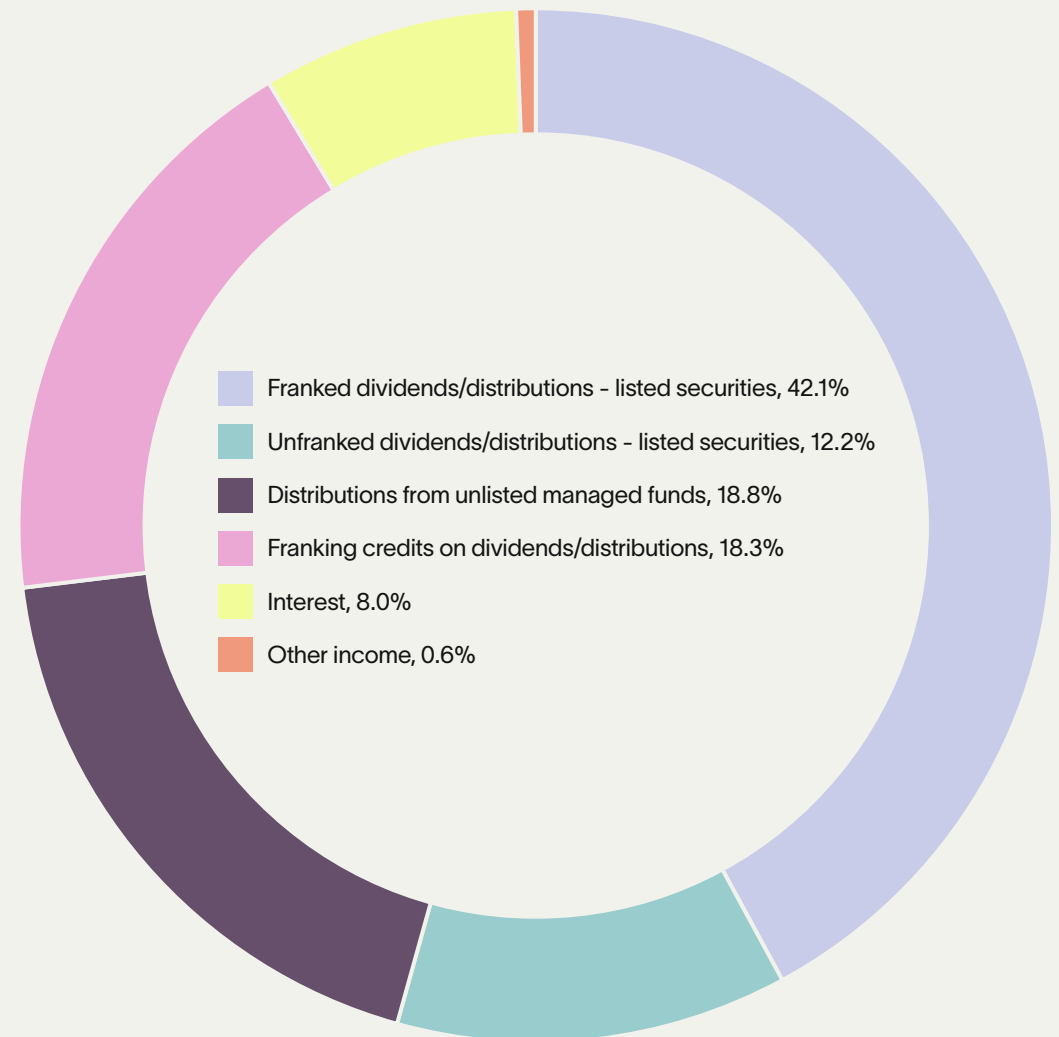
In addition to managing a portion of Australian shares internally, investment operations are undertaken internally to maximise control and minimise costs. During FY25, the total investment expenses amounted to 0.37% of the corpus. This figure includes internal direct investment costs, fees paid to investment consultants (Frontier Advisors) and investment management fees paid to external managers of international shares, unlisted infrastructure funds and private debt.

OPERATING RESULTS

Revenue (excluding realised and unrealised gains on investments but including franking credits) of \$7.9m was earned on the corpus during FY25, up 8% on the \$7.3m earned in FY24. Revenue attributable to the Income Account remained in line with FY24 at \$6.8m, while Capital Account revenue increased from \$0.5m in FY24 to \$1.1m in FY25.

Operating expenses of \$1.4m were incurred during FY25 in administering the Trust to achieve its objectives (in line with FY24).

An operating surplus of \$6.5m was generated in FY25 which is \$0.6m higher than the \$5.9m generated in FY24 due to the \$0.6m increase in Capital Account revenue earned. \$1.1m of the operating surplus was capital in nature and remains in the Capital Account. The operating surplus on the Income Account of \$5.4m enabled \$4.8m grants to be approved during FY25 and \$0.6m to be capitalised to the Capital Account. The balance on the Income Account of \$3.2m at 30 June 2025 is reserved for emergency granting and to maintain the Trust's granting capacity should income levels decline in future years.



Financial summary

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2025

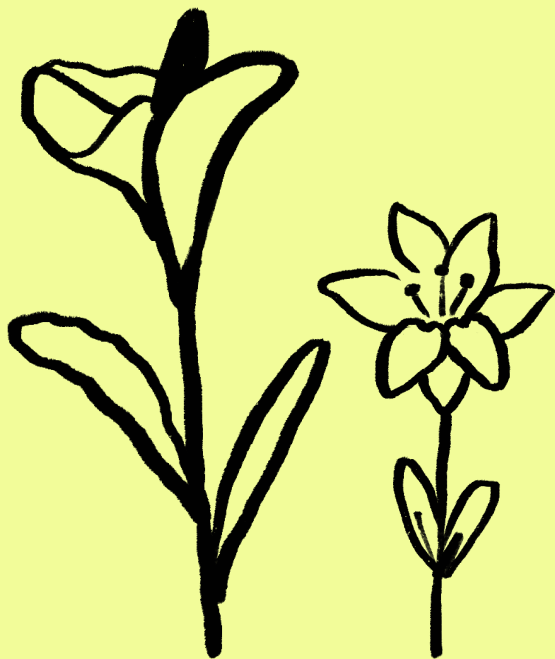
		2025	2024
		\$	\$
CURRENT ASSETS			
	Cash and cash equivalents	12,960,293	12,300,401
	Trade and other receivables	3,002,759	2,867,839
		15,963,052	15,168,240
NON-CURRENT ASSETS			
	Investments in financial assets	174,489,103	158,861,482
	Plant and equipment	107,677	127,275
	Right of use asset	383,837	511,781
	Intangibles	22,381	34,049
		175,002,998	159,534,587
TOTAL ASSETS		190,966,050	174,702,827
CURRENT LIABILITIES			
	Trade and other payables	76,949	78,955
	Grants approved but unpaid	3,745,500	3,712,183
	Lease liability	125,033	113,032
	Employee benefits	99,953	84,305
		4,047,435	3,988,475
NON-CURRENT LIABILITIES			
	Grants approved but unpaid	3,121,000	3,370,000
	Lease liability	289,247	414,282
	Employee benefits	13,452	5,006
		3,423,699	3,789,288
TOTAL LIABILITIES		7,471,134	7,777,763
NET ASSETS		183,494,916	166,925,064
ATTRIBUTABLE TO:			
CAPITAL ACCOUNT			
	Capital reserve	153,303,978	123,521,885
	Investments revaluation reserve	26,947,341	40,163,865
		180,251,319	163,685,750
INCOME ACCOUNT			
	Retained surplus	3,178,533	3,185,289
	Investments revaluation reserve	65,064	54,025
		3,243,597	3,239,314
TOTAL ACCUMULATED FUNDS		183,494,916	166,925,064

Financial summary

STATEMENT OF SURPLUS OR DEFICIT AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2025

		2025	2024
		\$	\$
REVENUE			
	Franked dividends/distributions	3,336,185	3,394,320
	Unfranked dividends/distributions	969,730	913,796
	Managed fund distributions	1,486,755	901,451
	Imputation credits	1,449,551	1,477,360
	Interest income	636,370	581,243
	Other income	48,000	45,000
		7,926,591	7,313,170
EXPENSES			
	Audit fees	(34,162)	(32,739)
	Depreciation and amortisation	(159,562)	(99,922)
	Employee benefits	(806,424)	(745,330)
	Finance costs	(20,482)	(16,308)
	Investment expenses	(161,783)	(162,623)
	Loss on scrapping of plant and equipment	(253)	-
	Other operating expenses	(213,850)	(290,375)
	Trustees' commission	(45,015)	(58,579)
		(1,441,531)	(1,405,876)
OPERATING SURPLUS		6,485,060	5,907,294
	Net grants approved during year	(4,775,500)	(4,730,000)
SURPLUS FROM OPERATING ACTIVITIES		1,709,560	1,177,294
	Change in fair value of investments	14,860,292	12,581,288
SURPLUS AFTER CHANGES TO THE FAIR VALUE OF FINANCIAL ASSETS		16,569,852	13,758,582
	Other comprehensive income	-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		16,569,852	13,758,582
	Attributable to Capital Account	15,965,569	13,021,894
	Attributable to Income Account	604,283	736,688
		16,569,852	13,758,582

Our people



TRUSTEES

Helen Macpherson Smith Trust is governed by a Board of Trustees responsible for governance of the Trust's grant making, investment and finance functions.



Bruce Parncutt AO
Chair



Natasha Bowness



John Daley AM



Alexandra Gartmann



Andrew Sisson AO

Janice Robins – *Retired November 2024*

INVESTMENT COMMITTEE

Andrew Sisson AO, *Chair*

John Daley, AM

Bruce Parncutt AO

Janice Robins – *Resigned November 2024*

Debra Morgan (*ex-officio member*)

Glen Thomson (*ex-officio member*)

STAFF

Debra Morgan, *Chief Executive Officer*

Glen Thomson, *Finance Executive*

Nick Doherty, *Executive Assistant and Office Manager*

Sharon Nathani, *Program Manager (to January 2025)*

Rosie Strickleton, *Program Manager (from January 2025)*



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