

**CULTURAL DEVELOPMENT NETWORK LIMITED  
AND CREATING AUSTRALIA LIMITED**

**ABN 57 399 480 298**

**ACN: 616 129 812**

**ANNUAL REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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## **DIRECTOR'S REPORT**

The Board members and Directors present this report of the Cultural Development Network Ltd (CDN) and Creating Australia Ltd (CA) for the financial year ended 31st of December 2020.

### **Board Members & Directors of CDN**

The names of the board members and Directors in office at CDN any time during or since the end of the year are:

- Paul Holton, Chair
- Sarah Firth, Deputy Chair
- Cr. Rod Fyffe, Treasurer
- Dr. Nicholas Hill
- Greg Box
- Hanut Singh Dodd
- Lindy Allen
- Michelle Zemancheff

The Company Constitution allow for up to nine members.

During the 2020 CDN Annual General Meeting, board nominations were held. Paul Holton was elected as Chair, Sarah Firth as Deputy Chair and Cr. Rod Fyffe as Treasurer. The Board delegated the role of Company Secretary to CDN's Executive Officer, John Smithies. Hanut Singh Dodd, Nicholas Hill, Greg Box and Lindy Allen were elected as ordinary members and Directors.

### **Company Secretary**

The following person held the delegated position of CDN Company Secretary during the financial year.

- John Smithies.

### **Principal Activities of Cultural Development Network and including Creating Australia.**

CDN is exempt from Income Tax as a Charitable Institution. The Company's principal activity is to function as a network for local government-based arts and cultural development interests. CDN supports local government to take a lead role in assisting local communities to make and express their own culture. CDN's advocacy for arts and support to local government and local communities is directed towards the goal of 'a culturally rich and vibrant Australian society'.

Creating Australia is an independent company limited by guarantee with Tax Concession Charity status and DGR-1 status through the Register of Cultural Organisations. CA was established in 2013 and in 2016 became a subsidiary of the Cultural Development Network (CDN). Since the merge, CA functions as a valuable research platform intended to build the evidence-base for the impacts of cultural practice.

### **Board Members & Directors of CA**

The single member in office at CA any time during or since the end of the year was: Cultural Development Network Ltd

The names of the board directors in office at CA any time during or since the end of the year are:

- Paul Holton, Chair
- Sarah Firth, Deputy Chair
- Cr. Rod Fyffe, Treasurer
- Dr. Nicholas Hill
- Greg Box
- Hanut Singh Dodd
- Lindy Allen
- Michelle Zemancheff
- John Smithies, Executive Director & Secretary

The Company Constitution allows for up to nine members. CA is a single member company. The member is Cultural Development Network Ltd.

The theory of change underpinning CA's research is that evidence-based evaluation of arts and cultural activities can inform and strengthen policy development, arm funders and decisions makers with reasons to invest, and raise the standards of public discourse. Therefore, CA's research activity contributes to addressing CDN's goal of a vibrant and rich culture.

In 2020, to address this goal CDN identified two measurable objectives for the participants in its activities:

- that ideas, knowledge and insight are gained, and
- their practice capability is increased.

In 2020, CDN was funded by contracts with the State Government (Creative Victoria) and the Commonwealth Government (Australia Council for the Arts) and a range contracts with councils, producers, and cultural organisations. The partnership with RMIT University was formalised as an adjunct to the college of Design and Social Context, which provides some operational support through access to office spaces, facilities, and services.

### **Australia Council for the Arts**

In 2020, the Australia Council for the Arts supported the operations of CDN's support and services delivered to local government to build culturally rich and vibrant municipalities.

These services were delivered through:

- Continuing the research and development initiated through the National Local Government Cultural Forum (2013-2018),
- Funding to develop *WhiteBox outcomes planning platform* to connect the national local government cultural sector (560+ councils) to its artists, community leadership and other governments.

### **Creative Victoria**

In 2020, Creative Victoria supported the operations of CDN by specifically focusing on support and services CDN could deliver to Victorian Councils to build culturally rich and vibrant municipalities.

### **Governments' support through the COVID-19 Pandemic**

At the outbreak of the pandemic in February 2020 and in the initial phases of lock-down and the growing consequences of the lockdowns, CDN projected in March 2020 that it had \$250,000 of forward committed contracts at risk. The National Government and the State Government of Victoria provided a range of financial supports to enable CDN to operate through the remainder of 2020 and a platform for emerging in 2021.

- The National Government brought in the Jobkeeper program and the ATO Cashflow boost which together underpinned CDN's cash position by \$95,000.
- The Victorian provided two rounds of small business cash grants to a total value of \$20,000.
- The Australia Council for the Arts committed to extend CDN's final year of four-year funding in 2020 for an additional 12 months of 2021 at \$150,000, which is 75% of the 2020 grant.
- Creative Victoria provided \$22,000 of strategic initiative funding to support CDN through the COVID-19 Restrictions.

### **Operating Results**

The main not-for-profit business operations in 2020 included:

- Continued development of the WhiteBox platform with reduced committed users due to the pandemic and with many returning by the second half of 2020.

- WhiteBox version 1.1, *Grants Companion* functionality commenced for beta-testing. This was tested with the City of Parramatta and the Regional Arts WA through contracted service using WhiteBox.
- Strengthening the use of WhiteBox for cultural producers and extended the pilot sites to the ACT (arts ACT) and New South Wales (Create NSW).
- The additional funding from Creative Victoria allowed CDN to work with two more councils, City of Brimbank and Nillumbik Shire to trial WhiteBox with their arts programs and in providing access to WhiteBox by their communities.
- The international interest in WhiteBox has continued with the publication of the *CDN Schema of measurable cultural outcomes* in the peer-reviewed journal *Evaluation* in October 2020.

## **Review of Operations**

From March 2020 until the end of the year, CDN moved its operation to the home-offices of its staff and maintained operational communications and contact with its clients through on-line videoconferencing applications. This was enabled to support the ongoing business needs to CDN clients in differing lockdown restrictions at different times during the year.

CDN does not have an office tenancy and therefore there was no direct cost to this change.

CDN is fortunate that it was able to maintain relationships and contract obligations online during the most disruptive periods of the pandemic restrictions.

## **Governance**

CDN is a company limited by guarantee. It is the sole member of Creating Australia Company Limited. The CDN Directors is the nominated Board of Directors of Creating Australia. Both companies are governed by up to nine Board Directors. The CDN and the CA Board is required to meet a minimum of four times over an annual cycle. These meetings are usually scheduled as follows:

- |                  |   |
|------------------|---|
| <b>March:</b>    | approve annual report on previous year                      |
| <b>May:</b>      | report on performance and program review from previous year |
| <b>October:</b>  | four-year strategic planning with the Board                 |
| <b>December:</b> | approve Business Plan for the commencing calendar year      |

For CDN, the Annual General Meeting is also held in conjunction with the May Board meeting each year.

Both Boards maintain an option for two other meetings for strategic discussion and reviews which are available if matters are not timed with the governance cycle.

CDN Management reports to both the CDN and the CA Board on financial performance and program performance against key indicators agreed to by the Boards in the CDN Business Plan. Both Boards act as Finance and Risk Management Committees. The CDN Board reviews the performance of the previous year of both companies and reports it in the May CDN Board meeting.

The CDN Recruitment and Remuneration Committee is made up of the Chair, Deputy Chair and Treasurer and consider the Management report against program objectives of the previous year and adjust the CDN salary scale, considering CPI, organisation performance and financial position of the company. The Recruitment and Remuneration Committee oversee the pay structure and terms of employment contracts for CDN staff and recruitment of its Executive Officer. There are no employees of CA and the operations of the company are the responsibility of CDN Management.

The CDN and CA Board deliberates and decides on the nomination of the new Board Directors according to skills, diversity of experience, and commitment to the CDN goal and objectives in the strategic plan. In 2020, Paul Holton was re-elected as Chair of both CDN

and CA, Sarah Firth as Deputy Chair of both CA and CDN and Cr. Rod Fyffe as Treasurer of both CA and CDN and CDN Executive Officer, John Smithies, was delegated power to act as Company Secretary of CDN, already acting in this role for CA. The remaining members of CDN were elected as Directors of CA and CDN. In 2020, there remained one Board vacancy.

### **Membership**

CDN has an emphasis on free subscriber membership where it engages with a larger community of over 1,700 subscribers through the website and regular e-bulletin newsletter.

The formal membership of the company is only applicable to Board Directors.

### **Management and Administration**

In 2020, CDN was managed by 2 staff (2.0 EFT). The operations of the Company were carried out by John Smithies, Executive Officer (permanent full-time) and Raji Uppal, Administration Officer (permanent full-time).

In 2020, a long-serving staff-member and consultant to CDN, Kim Dunphy, passed away though illness. It has been noted in other fora that Dr Dunphy's contribution to the core values and goals of CDN have been significant in providing CDN with its status and credentials in planning and evaluation. She is sadly missed by the staff and the Board of CDN.

Contractors contributing to CDN over 2020 are Julie Marlow, Deep Rock Consulting engaged in consultancy work with CDN to support consultancies throughout the year. Fraser Smith joined CDN for 4 months as an intern from University of Melbourne. The organisation also contracted specialist services such as accounting, design, website management, IT support and database development, as required. CDN contract Fame Group as its accountant and bookkeeper, and the annual audit will be completed by E Townsend & Co.

CDN has had an association with RMIT University since it was a partner in research from 2006 to 2009 and since 2012 a mix of formal and informal accommodation arrangements on the City campus. It is the intention of the School of Art, in the College of Design and Social Context, to complete an MOU with CDN outlining the formal relationship and the status given on the two CDN staff. This process was disrupted during the 2020 pandemic and has not been completed.

CDN aims to maintain a cash balance suitable to cover cash flow, some modest growth and sufficient funds in the event of a wind-up of the company. This was put under pressure in 2020 and adjustments were made to anticipated income and reduction of costs.

In our opinion, all appropriate information concerning the possible developments in and expected results of CDN are contained in this report.

### **Communications**

CDN communicates with its constituency and promotes its programs and industry news, through a monthly e-bulletin, the CDN website and through networks associated with event partners such as universities, councils, and the local government associations.

Key indicators of efficacy of our marketing are:

- Volume of requests for advice and expertise from a range of organisations and individuals including funding bodies, local governments, academics, and art workers,
- requests for publications from local, interstate, and overseas organisations,
- website visits, particularly to pages where CDN resources and tools are available.
- eBulletin subscriptions

The organisation's e-bulletin and the CDN website are the main communication channels used throughout the year.

## **eBulletin**

The CDN eBulletin includes policy updates, sector news, cultural development planning tips, new resources and publications, and promotion of funding and professional development and networking opportunities. In 2020, 11 editions were distributed to approximately 1,400 subscribers. Subscribers include a predominance of local government workers particularly from arts and culture departments but also include academics, policy experts, educators, individual practitioners, artists and arts professionals.

## **CDN Website**

The CDN website offers three platforms for visitors to engage with the online content. These platforms include calls to action that invite visitors to stay informed by using CDN's publications to support their work; use the CDN guide to create a cultural development plan; and measure outcomes using the schema of measurable cultural outcomes created by CDN. In 2020, the CDN website received 13,839 unique visitors, an increase of 2252 compared to 2019. Of the 2020 visitors 13,789 or 99% were new to the site. The largest group of users came from Australia with 4,580 (4,520 new) users visiting the site, a small increase from last's year's figure of 3399. Key sources of visitors from outside Australia were the USA with 2,537 visitors, the Philippines with 1,231, India 1,082 and the UK with 420.

These figures are based on Google Analytics which records visitors using a combination of JavaScript and Cookies that notify Google each time a webpage is visited. Google records each 30-minute segment as a separate visit. Google Analytics does not record visits by people who have disabled cookies or JavaScript or people who have opted out of Google Analytics.

The website also gathers statistics from AWstats which creates a log for each visitor to the site based on users IP address. While AWstats is considered better at detecting search engine bots that visit websites to learn about its content, the results retrieved for the CDN account did not separate human from non-human visitors and therefore, it was decided to use Google Analytics for this report. The results from AWstats recorded 28,171 visitors and 38,495 visits in 2020.

<http://www.culturaldevelopment.net.au>

## **Program Report**

In 2020, CDN organised its business by responding to the CDN Strategic Plan 2020-2023. The strategic plan identified the cultural objectives, intended outcomes, that assist CDN in reaching its goal of '*an Australia that has a vibrant and rich culture*.' The outcomes that define a vibrant and rich culture are what we expect to happen when people engage with our cultural activities and there is *creativity stimulated, aesthetic enrichment, personal insight, diversity of cultural expression and a shared cultural heritage*.

These objectives reflect the values of the organisation that recognised the roles of arts, libraries and heritage in cultural development with communities and the pivotal role that local government can make in successful cultural development.

An additional economic objective is for our sector's practice and professional capability to be increased. This impacts on local economies through more productive, better focused and responsive capability across the cultural development sector of arts, libraries and heritage.

Since releasing its schema of measurable cultural outcomes in 2016, there has been a growing demand on CDN for services and support in using the measures, across government tiers in Australia and internationally. This demand continued into 2020 with the endorsement through an MOU initiated by United Cities and Local Government (UCLG), the world peak body for sub-national governments. This MOU recognised the CDN planning and evaluation frameworks for use in all seven global sections of UCLG.

2020 also capped a five-year project to define, validate and publish the first schema of measurable intrinsic cultural outcomes of engagement in cultural activities. The journal article positing this schema was published in the peer-reviewed international journal *Evaluation*.

## **WhiteBox: Outcomes Planning Platform**

The WhiteBox project emerged from the proof-of-concept trials in 2017 and 2018, as an online Service as a Software (SAAS) product for planning, evaluating and reporting consistently on the achievements of cultural activities.

Local governments such as City of Perth, City of Melbourne, City of Parramatta (NSW), City of Adelaide (SA), and arts producers Western Edge Youth Arts (VIC), Beyond Empathy (NSW), Dionysus Events (ACT) remained active in the pilots in 2020 and were joined by City of Brimbank and Nillumbik Shire to trial new functionality for bringing grants programs and grantee activities into the same schema for planning and evaluation. Late in 2020, the ACT arts agency *artsACT* and NSW arts agency, *Create NSW*, joined in the pilot with new grants program and post-COVID programs in WhiteBox.

The development of WhiteBox has been sub-contracted to a software development company *Beta Launch* who specialise in building platforms for start-up SAAS businesses for B2B and B2C sectors.

The pilot sites for WhiteBox grew to 14 in 2020 and WhiteBox has moved from proof of concept, through to a product that now has paying users and the development of new features. The beta-testing of WhiteBox ran for the entire 2020 year.

[www.culturaldevelopment.net.au/whitebox/](http://www.culturaldevelopment.net.au/whitebox/)

## **Planning and evaluation framework**

The planning framework that sits over the WhiteBox Outcomes Evaluation Platform, was developed and endorsed in 2016 and has been adopted by many councils and starting to be adopted by some organisations as the best-practice planning. The framework was endorsed nationally by the National Local Government Cultural Forum (2013-2018) and the through the MOU with UCLG. In 2020 the RMIT University endorsed the planning framework by approving the development of the framework into an elective course for Masters students in Arts Management and other disciplines. It is anticipated that the new course will be available in 2021.

[www.culturaldevelopment.net.au/planning/](http://www.culturaldevelopment.net.au/planning/)

## **Creating Australia - Research Fund**

Creating Australia is a subsidiary of Cultural Development Network and has important status as a DGR tax deductible charity with an endowment fund for contributions by the philanthropic sector. Since taking on the responsibilities of Creating Australia Ltd in 2017, the focus has been on the development of CDN frameworks for use by Indigenous communities. In 2020, the Cultural Development Network made a joint submission with the Kimberly Aboriginal Law and Cultural Centre (KALACC) to the Productivity Commission's Indigenous Evaluation Strategy outlining the centrality of culture to the social, environmental, economic and governance outcomes of Indigenous communities. It is anticipated that this work will lead to trials in 2021, placing WhiteBox platform on country with indigenous communities as a pilot for making WhiteBox available to the most remote communities as well as the central governments.

## **International and academic engagement**

In 2020 the international engagement with CDN and its frameworks was set up in 2019 with several key international meetings and conferences. This came to a halt with the emergence of the COVID-19 pandemic and the closure of international borders and the suspensions of much of the research and development that was being proposed with international partners in 2020.

Communications have remained through videoconferencing but any advance on the international partnerships was postponed until 2021.

## **Key program funding**

In 2020, CDN core business was funded by multi-year agreements with Australia Council for the Arts and Creative Victoria. Both these arts funding agencies extended funding into 2021 in response to the pandemic.

The National Government Job-keeper, ATO Cashflow Boost and Victorian Government COVID-19 related business grants and arts grants were important programs for CDN being able to remain open and keep developing WhiteBox over 2020.

## **Contracted consulting**

CDN's growing consulting and evaluation business was also hit by the COVID-19 lockdowns and restrictions in 2020. CDN had \$250,000 of bookable contracts at the start of 2020 and by the end of March these had all been delayed or suspended. At the end of 2020 some of these contracts and new contracts emerged to bring CDN back to an operational level.

## **After Balance Date Events**

The ongoing impact of the COVID-19 pandemic will continue into 2021. No additional matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of Cultural Development Network Ltd, the results of those operations, or the situation of Cultural Development Network Ltd in future financial years.

## **Significant Changes**

The COVID-19 pandemic had a significant impact on the short-term operations of CDN and at the same time had a positive impact in allowing more development time of the WhiteBox product and the emergence of outcome measurement as a significant post-pandemic issue for economic and social recovery.

## **Environmental Issues**

The operations of the Cultural Development Network Ltd. are not subject to significant environmental regulations under a Commonwealth, State or Territory Law.

## **Meetings of CDN Board Directors**

The number of the meetings of the CDN Board Members and Directors held during the year ended December 2020 and the number of meetings attended by each member/director was:

<b>Board Member &amp; Director</b>	<b>CDN Meetings Number eligible to attend</b>	<b>CDN Meetings Number attended</b>	<b>CA Meetings Number eligible to attend</b>	<b>CA Meetings Number attended</b>
Paul Holton	4	4	3	3
Sarah Firth	4	1	3	0
Rod Fyffe	4	1	3	2
Greg Box	4	3	3	3
Nick Hill	4	4	3	3
Hanut Singh Dodd	4	4	3	2
Lindy Allen	4	3	3	2
Michelle Zemancheff	4	4	3	2
John Smithies	-	-	3	3

## **Information on CDN & CA Board Directors**

CDN and CA are managed by Boards of volunteers with expertise in arts practice and management, academia, local and state governments, and the non-profit sector.

### **Paul Holton, Chair**

**Joined CDN in 2003, appointed Chair 2015; joined CA in 2016, appointed Chair in 2016.**

Paul is Executive Director Community and Corporate with Snowy Valleys Council. He was formally Director Development with East Gippsland Shire Council where his role encompassed strategic management of Statutory Land Use Planning, Economic Development, Capital Projects and Council Enterprises across the East Gippsland Shire. He has worked in Local Government for over 20 years in areas such as arts facilities administration, cultural development, leisure facilities and events management. Paul was part of the team that initiated the highly successful Wangaratta Festival of Jazz. He is a former member of the Australia Council's Community Cultural Development Board.

### **Sarah Firth, Deputy Chair**

**Joined CDN in 2018 to fill Deputy Chair position; joined CA in 2018.**

Sarah is an award-winning comic artist, writer, and animator based in Melbourne. She also runs a small business, offering live illustration, graphic recording and strategic visualisation services for multiple clients across industries.

Some of her notable creative achievements have been, in 2006 Sarah was named one of Australia's top 25 artists aged under 25 and under in the 25/25 show by Art & Australia Magazine. She has received Australian and international commissions and residencies for her publications and a finalist in the Incinerator Social Change Art Award, and her graphic essay on complexity was listed in The Conversation's ten best literary comics in Australia.

She has a stack of self-published comics, a new illustrated book "Badass Mums" with Affirm Press, and comics in upcoming anthologies with Abrams Books, Picador and Allen & Unwin. She is currently working on her debut graphic novel thanks to the Creators Fund program.

### **Cr Rod Fyffe, Treasurer**

**Joined CDN in 2012, appointed Treasurer 2015; Joined CA in 2016, appointed Treasurer in 2016.**

Rod Fyffe has been a Councillor for the Greater Bendigo City Council since 1996 and Mayor in 2004, 2005 and 2011. He a member of the Board of the Municipal Association of Victoria (MAV) representing Rural North Central Victoria. He is also a member of the Insurance Committee, Chair of the Arts and Culture Committee and a member of the Professional Development Reference Group at MAV. Cr. Fyffe is a Member of the Ministerial Advisory Council on Libraries, a Member of the State Library Public Libraries Advisory Committee and a member of the Australian Packaging Covenant Council. He has been awarded the Victorian Councillor Service Award – 20 Years.

### **Dr. Nicholas Hill, Director**

**Joined CDN in 2007 | Joined CA in 2016**

Nick Hill is a lecturer and arts manager. His qualifications include BA (Hons); PG DipM and MA. He completed his PhD at South Bank University, England, on – "The Folk and the People: Patronage and Promotion in the Tamasha of Maharashtra". Previously he worked at South Bank University as Senior Lecturer in Arts Marketing and Course Director (Services Management program). His research interests include Arts & Patronage, South Asian Performing Arts (Folk – Popular – Traditional), Performing Arts Hybrids, Arts Marketing and Communications, Instrumental and Intrinsic Arts Benefits, Arts Ethnography, The lived experience and prism methodology. Nick currently works at International House, a residential college owned by the University of Melbourne.

**Hanut Singh Dodd, Director**

**Joined CDN 2006 | Joined CA 2016**

Hanut is a highly experienced cultural, heritage and tourism manager with skills in specialised areas such as museum management, cultural and environmental tourism, event management, exhibition development, public program management, architectural conservation, moveable cultural heritage and collection management. Hanut has more than ten years of experience working as a freelance curator and architectural conservator and has also worked for the NSW National Parks and Wildlife Service as Area Manager at the Hill End Historic Site, as Director of the National Wool Museum and for councils in Victoria including Cities of Melbourne, Port Phillip and Hume. Hanut has worked as a Project Manager with the Alpine Resorts Coordinating Council and currently works with the Department of Environment, Land, Water and Planning.

**Greg Box, Director**

**Joined CDN in 2011 | Joined CA in 2016**

For 25 years Greg Box has provided leadership and cultural expertise to multiple peri-urban and regional Councils. Greg is currently the General Manager Partnerships, Economy and Culture at Bass Coast Shire Council. For over a decade he developed cultural facilities and programming at Yarra Ranges Council in Melbourne's east. He has worked as an arts practitioner and administrator with many different communities from a diverse range of social and cultural backgrounds. He has a strong background in creating public art in local government and the university sector. Greg has led international award winning engagement programs and has presented extensively both in Australia and overseas. He is passionate about the essential role of Culture in all of our lives.

**Lindy Allen, Director**

**Joined CDN in 2016: Joined CA in 2014, appointed Deputy Chair in 2016**

Lindy is a highly experienced senior executive, currently operating Living-Proof Media, an independent consultancy to the arts offering services including documentation, evaluation, writing and editing for publication. Recent professional roles include Chief Executive Officer of Regional Arts Australia (2012-2014) and Chief Executive Officer of Regional Arts Victoria (2004-2012). During 2012-2013, Lindy was Executive Producer for the Centenary of Canberra's largest national community engagement program, One River, spanning four states and a territory.

Current board roles include Falls Creek Resort Management, Winton Wetlands Committee of Management, Creating Australia, and the Cultural Development Network. Former board roles include Lakes Entrance-based Aboriginal cultural organisation Wurinbeena, the Narrandera-based arts organisation CAD Factory, Regional Arts Australia, and Trustee of the Australian Children's Theatre Foundation. Other roles include judge and mentor for the Victorian Tourism Industry Commission Awards and Australia Day Ambassador.

**Michelle Zemancheff, Director**

**Joined CDN in 2018: Joined CA in 2018**

Michelle Zemancheff is a cultural industry and local government professional, building on a former career in Law. Michelle's formal qualifications include a Master of Arts (Arts Management) with Distinction (RMIT), with her dissertation having researched the nuances of measuring cultural value and social impact; after a Bachelor of Arts (Fine Art) with Distinction (RMIT), and an Advanced Diploma of Photography (PSC). Michelle has over ten years' experience in cultural development in local government, having worked at Yarra City Council, and coordinated Arts and Culture at Nillumbik Shire Council, Michelle is the Arts & Culture Lead at Manningham Council, with a portfolio that encompasses cultural planning, policy development and strategic direction, together with a spectrum of cultural development ranging from creative industries, public art, and community arts.

### **Indemnities and Insurance**

CDN is covered by Alliance Insurance to insure each of its Directors against liabilities for cost and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of Board Member and Director of CDN and CA other than conduct involving wilful breach of duty in relation to CDN and CA. In accordance with normal commercial practice under the terms of insurance contracts, the nature of the liability insured against the amount of the premium is confidential.

### **Board Director and Member Benefits**

The Board Members and Directors of CDN are voluntary appointments made under the rules of Company constitutions. There is no annual membership fee to join either company. Neither during, nor since, the financial year have any Board Members received or been entitled to receive a benefit or remuneration from either company.

### **Board Member and Directors Interests in Contracts**

No Board Members or Directors of either company receive any pecuniary interest because of contract or dealing with the companies.

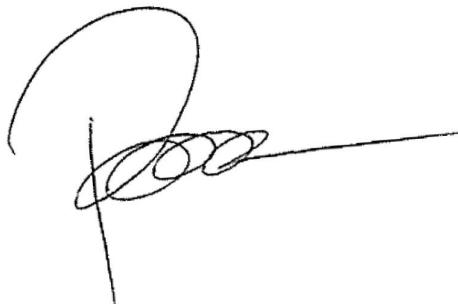
**AUDITOR'S INDEPENDENCE DECLARATION**

A copy of the auditor's independence has been received and is set out in page 14.

Signed in accordance with a resolution of the directors:

Dated: 19 March 2021

Director:

A handwritten signature in black ink, appearing to read "John".

AUDITORS' INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001 AND THE AUSTRALIAN CHARITIES AND NOT-FOR-PROFITS OF COMMISSION ACT 2012

TO THE DIRECTORS OF CULTURAL DEVELOPMENT NETWORK LIMITED AND CREATING AUSTRALIA LIMITED

We hereby declare, that to the best of our knowledge and belief, during the financial year 31st December 2020 there have been no:

contraventions of the auditor independence requirements as set out in the Corporations Act 2001 and the Australian Charities and Not-for-Profits Commission Act 2012 in relation to the audit; and

contraventions of any applicable code of professional conduct in relation to the audit.

Name of Firm: E Townsend & Co  
Chartered Accountant



Name of Partner: Eric Townsend

Address: 15 Taylor Street Ashburton  
Victoria 3147

Dated this 19<sup>th</sup> March 2021

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
 FOR THE YEAR ENDED 31 DECEMBER 2020

		Consolidated Group		Cultural Development Network Ltd	
		2020	2019	2020	2019
		\$	\$	\$	\$
Note					
Revenue	2	484,358	485,931	483,331	485,705
Expenditure					
Auditors' remuneration	3	5,264	4,932	5,264	4,812
Depreciation		1,330	1,541	1,330	1,477
Employee benefits expenses		250,846	235,083	250,846	235,083
Finance Costs		0	0	0	0
Infrastructure and Administrative		27,473	30,243	27,473	30,123
Marketing and Publications		432	7,472	432	7,472
Programs and Projects	4	195,227	203,410	195,227	203,410
Total expenditure		480,572	482,681	480,572	482,377
Surplus (Deficit) before income tax		3,786	3,250	2,759	3,328
Income Tax		0	0	0	0
Surplus (Deficit) after income tax		3,786	3,250	2,759	3,328
Other Comprehensive Income		0	0	0	0
Surplus (Deficit) attributable to		3,786	3,250	2,759	3,328

The above statement is to be read in conjunction with the attached Notes to the Financial Accounts

**STATEMENT OF FINANCIAL POSITION  
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Note	<b>Consolidated Group</b>		<b>Cultural Development Network Ltd</b>	
		<b>2020</b> \$	<b>2019</b> \$	<b>2020</b> \$	<b>2019</b> \$
<b>CURRENT ASSETS</b>					
Cash and cash equivalents	5	291,097	254,326	192,281	155,737
Trade and other receivables	6	29,614	105,113	29,614	105,113
Other current assets	7	3,672	3,649	3,672	3,649
<b>TOTAL CURRENT ASSETS</b>		<b>324,383</b>	<b>363,088</b>	<b>225,567</b>	<b>264,499</b>
<b>NON-CURRENT ASSETS</b>					
Property, plant, and equipment	8	2,102	3,432	2,102	3,432
Financial Assets	9	0	0	0	0
<b>TOTAL NON-CURRENT ASSETS</b>		<b>2,102</b>	<b>3,432</b>	<b>2,102</b>	<b>3,432</b>
<b>TOTAL ASSETS</b>		<b>326,485</b>	<b>366,520</b>	<b>227,669</b>	<b>267,931</b>
<b>CURRENT LIABILITIES</b>					
Trade and other payables	10	35,943	50,160	35,942	49,359
Provisions	11	28,352	16,205	28,352	16,205
Income Rec' in Adv/Contract Liability		0	8,800	0	8,800
Grants in Advance/ Contract Liability		74,610	108,182	74,610	108,182
<b>TOTAL CURRENT LIABILITIES</b>		<b>138,905</b>	<b>183,347</b>	<b>138,904</b>	<b>182,546</b>
<b>NON-CURRENT LIABILITIES</b>					
Provisions	11	0	(621)	0	(621)
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>0</b>	<b>(621)</b>	<b>0</b>	<b>(621)</b>
<b>TOTAL LIABILITIES</b>		<b>138,905</b>	<b>182,726</b>	<b>138,904</b>	<b>181,925</b>
<b>NET ASSETS (LIABILITIES)</b>		<b>187,580</b>	<b>183,794</b>	<b>88,765</b>	<b>86,006</b>
<b>EQUITY</b>					
Retained Earnings	13	187,580	183,794	88,765	86,006
<b>TOTAL EQUITY</b>		<b>187,580</b>	<b>183,794</b>	<b>88,765</b>	<b>86,006</b>

The above statement is to be read in conjunction with the attached Notes to the Financial Accounts

**STATEMENT OF CHANGES IN EQUITY**  
FOR THE YEAR ENDED 31 DECEMBER 2020

<b>Consolidated Group</b>	Notes	<b>Retained Earnings \$</b>	<b>Total \$</b>
Balance at the end of 31 December 2018	13	180,544	180,544
Surplus (Deficit) for the year ended 31st December 2019		3,250	3,250
<b>Balance at the end of the 31 December 2019</b>	<b>13</b>	<b>183,794</b>	<b>183,794</b>
Surplus (Deficit) for the year ended 31st December 2020		3,786	3,786
<b>Balance at the 31 December 2020</b>		<b>187,580</b>	<b>187,580</b>

<b>Cultural Development Network Limited</b>	Notes	<b>Retained Earnings \$</b>	<b>Total \$</b>
Balance at the end of 31 December 2018	13	82,678	82,678
Surplus (Deficit) for the year ended 31 December 2019		3,328	3,328
<b>Balance at the end of the 31 December 2019</b>	<b>13</b>	<b>86,006</b>	<b>86,006</b>
(Surplus (Deficit) for the year ended 31 December 2020)		2,759	2,759
<b>Balance at the 31 December 2020</b>		<b>88,765</b>	<b>88,765</b>

The above statement is to be read in conjunction with the attached Notes to the Financial Accounts

## CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2020

CASH FLOW FROM OPERATING ACTIVITIES	Consolidated Group		Cultural Development Network Limited		
	Note	2020 \$	2019 \$	2020 \$	2019 \$
Operating Grant Receipts Inc GST		245,898	270,339	245,898	270,339
Interest Received		501	1,193	274	967
Other Revenue Inc GST		76,355	160,934	75,475	160,934
Other Income		115,400	0	115,400	0
(Less) Payments to suppliers and employees		(401,383)	(541,308)	(400,503)	(540,563)
Finance costs		0	0	0	0
<b>Net cash provided by (used in) operating activities</b>	15	<b>36,771</b>	<b>(108,842)</b>	<b>36,544</b>	<b>(108,323)</b>

## CASH FLOWS FROM INVESTING ACTIVITIES

Proceeds from Sale of property, plant & equipment		0	0	0	0
Purchase of property, plant & equipment		0	(3,302)	0	(3,302)
Net cash provided by (used in) investing activities		0	(3,302)	0	(3,302)

## CASH FLOWS FROM FINANCING ACTIVITIES

### Net cash provided by (used in) financing activities

Net Increase (decrease) in cash held		36,771	(112,144)	36,544	(111,625)
Cash at the beginning of the financial year		254,326	366,470	155,737	267,362
<b>Cash at the end of the financial year</b>	5	<b>291,097</b>	<b>254,326</b>	<b>192,281</b>	<b>155,737</b>

The above statement is to be read in conjunction with the attached Notes to the Financial Accounts

## NOTES TO FINANCIAL STATEMENTS

### 1 Statement of Significant Accounting Policies

The financial report is a general purpose financial report that has been prepared in accordance with Accounting Standards, including Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001 and the Australian Charities and Not-for-profits Commission Act 2012.

The financial report covers Cultural Development Network Limited and controlled entity, Creating Australia Limited and are Not-For Profit companies incorporated and domiciled in Australia.

The following is a summary of the material accounting policies adopted by the group in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

#### Basis of Preparation

The accounting policies set out below have been consistently applied to all years presented.

#### Reporting basis and conventions

The financial report has been prepared on an accruals basis and is based on historical costs modified by the revaluation of selected non-current assets, financial assets and financial liabilities for which the fair value basis of accounting has been applied.

The parent and subsidiary company recognise revenue from contracts under AASB 15 where performance obligations exist. Otherwise, revenue is recognized under AASB 1058. The company has no material lease commitments.

### Accounting Policies

#### Principles of Consolidation

A controlled entity is an entity over which the parent company has the power to govern the financial and operating policies so as to obtain benefits from its activities. There is one controlled entity Creating Australia Limited. As at reporting date the assets and liabilities and income and expense of the controlled entities is added into the consolidated accounts for the period that the entity was controlled during the financial year. All inter-group transactions and balances are eliminated on consolidation.

#### Revenue

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

Revenue from the rendering of a service is recognised upon the delivery of the service to the customers.

Grant revenue is recognized as the Grant program is utilized or expended for programs that have designated performance requirements. The unused grant at the end of the year is now recognized in the balance sheet as a contract liability.

All revenue is stated net of the amount of Goods and Services Tax (GST).

#### Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the balance sheet are shown inclusive of GST.

Cash flows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

**Comparative Figures**

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

**Critical Accounting Estimates and Judgments**

The directors evaluate estimates and judgments incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the group.

**Key estimates – Impairment**

The group assesses impairment at each reporting date by evaluating conditions specific to the group that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Value-in-use calculations performed in assessing recoverable amounts incorporate a number a key estimates.

No impairment has been recognized in respect of this financial year.

**Income Taxation**

Cultural Development Network Limited and Creating Australia Limited are endorsed as Charitable Institutions and are exempt from income taxation. Creating Australia Limited is endorsed as a Deductible Gift Recipient. ( DGR).

**Employee Benefits**

Provision is made for the group's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

Long service leave is provided on a pro rata basis for all employees with in excess of 5 years of service.

**Property, Plant and Equipment**

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

**Property**

Nil

**Office equipment**

Office equipment is measured on the cost basis less depreciation and impairment losses.

The carrying amount of office equipment is reviewed annually by the directors to ensure it is not in excess of the recoverable amount from these assets.

### **Depreciation**

The depreciable amount of all fixed assets including office equipment, , is depreciated on a written down value (WDV) or a straight line basis over their useful lives to the group commencing from the time the asset is held ready for use.

The depreciation rates used for each class of depreciable assets are:

<b>Class of Fixed Assets</b>	<b>Depreciation Rate</b>
Office Equipment	10.00 - 33.33%      Straight Line

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

### **Financial Instruments**

#### **Recognition**

Financial instruments are initially measured at cost on trade date, which includes transaction costs, when the related contractual rights or obligations exist. Subsequent to initial recognition these instruments are measured as set out below.

#### **Loans and receivables**

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are stated at amortized cost using the effective interest rate method.

#### **Financial liabilities**

Non-derivative financial liabilities are recognised at amortized cost, comprising original debt less principal payments and amortization.

#### **Impairment of assets**

At each reporting date, the group assesses whether there is objective evidence that an asset has been impaired by comparing future cash flows from that asset with its carrying value. In the case of available-for-sale assets, a prolonged decline in the value of the asset is considered to determine whether impairment has arisen. Impairment losses are recognised in the income statement.

#### **Provisions**

Provisions are recognised when the group has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result, and that outflow can be reliably measured.

#### **Cash and Cash Equivalents**

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the balance sheet.

#### **Contract Liabilities**

Contract Liabilities represent Grant Funds and Other Revenue that has not been utilized or expended as per program requirements. In prior years this liability has been referred to as Grant Funds Carried Forward or Income in Advance in the balance sheet as a current liability.

	Consolidated Group		Cultural Development Network Limited	
	2020	2019	2020	2019
<b>2 Revenue</b>				
<b>Grant income</b>				
Australian Council - NSDI	0	0	0	0
Australian Council - CORE	216,364	214,222	216,364	214,222
Creative Victoria	60,000	60,000	60,000	60,000
Creative Victoria Strategic Investment	22,679	0	22,679	0
Grants Brought Forward	0	30,000	0	30,000
Less transfer to Grants carried fwd	0	0	0	0
<b>Total Grant funding income</b>	<b>299,043</b>	<b>304,222</b>	<b>299,043</b>	<b>304,222</b>
<b>Other Revenue</b>				
Conference	0	236	0	236
Reimbursements and Book Sales	0	2,753	0	2,753
Income Carried Forward	0	0	0	0
Other contracts	68,595	177,136	68,595	177,136
Sundry Income	819	391	19	391
<b>Total Other Revenue</b>	<b>69,414</b>	<b>180,516</b>	<b>68,614</b>	<b>180,516</b>
Interest received	501	1,193	274	967
<b>Other Income</b>				
Business Support Fund	20,000	0	20,000	0
ATO Cash Flow Boost	46,800	0	46,800	0
ATO Job Keeper	48,600	0	48,600	0
Total Other Income	115,400	0	115,400	0
<b>TOTAL REVENUE</b>	<b>484,358</b>	<b>485,931</b>	<b>483,331</b>	<b>485,705</b>
<b>3 Auditors' Remuneration</b>				
Auditor's Remuneration paid or payable or payable to E Townsend & Co				
Auditing the financial report	3,300	3,300	3,300	3,300
Other Services (Financial Accounts)	1,964	1,632	1,964	1,512
<b>Total Remuneration</b>	<b>5,264</b>	<b>4,932</b>	<b>5,264</b>	<b>4,812</b>
<b>4 Other Expenses</b>				
<b>Bad and doubtful debts</b>				
Trade Receivables	0	0	0	0
Total bad and doubtful debts	0	0	0	0
Rental expense on operating leases				
Operating Lease Minimum Lease				
Contingent Rentals on finance leases	0	0	0	0

	Consolidated Group		Cultural Development Network Limited	
	2020	2019	2020	2019
<b>5 Cash and Cash Equivalents</b>				
<b>Reconciliation of cash</b>				
Cash at the end of the financial period as shown in the cash flow statement is reconciled to the related items in the balance sheet as follows:				
<b>Current Assets</b>				
Cash at Bank	25,187	25,187	11,154	19,638
Cash at Bank Investment Accounts	265,910	229,139	181,127	136,099
	291,097	254,326	192,281	155,737

## 6 Trade and Other Receivables

### Current

	2020	2019	2020	2019
Trade Debtors	4,057	70,902	4,057	70,902
Less: Provision for Impairment	0	0	0	0
Other receivables	25,557	34,211	25,557	34,211
<b>Total Trade and other receivables</b>	<b>29,614</b>	<b>105,113</b>	<b>29,614</b>	<b>105,113</b>

## 7 Other Current Assets

### Current

	2020	2019	2020	2019
Prepayments	3,672	3,649	3,672	3,649

## 8 Property, Plant and Equipment

	2020	2019	2020	2019
Office Equipment at cost	16,404	16,404	16,404	16,404
Less: Accumulated depreciation	(14,302)	(12,972)	(14,302)	(12,972)
<b>Total Office Equipment</b>	<b>2,102</b>	<b>3,432</b>	<b>2,102</b>	<b>3,432</b>
<b>Total Property, Plant and Equipment</b>	<b>2,102</b>	<b>3,432</b>	<b>2,102</b>	<b>3,432</b>

**Movements in Carrying Amounts**

Movement in the carrying amounts for each class of property, plant and equipment

**Consolidated Group**

	Office Equipment	Total
<b>Carrying amount at 30/06/2018</b>	1,671	1,671
<b>2019</b>		
Additions at cost	3,302	3,302
Disposals	0	0
Depreciation Expense	(1,541)	(1,541)
<b>Carrying amount at end year 2019</b>	3,432	3,432
<b>2020</b>		
Additions at cost	0	0
Disposals	0	0
Depreciation Expense	0	0
<b>Carrying amount at end year 2020</b>	<b>0</b>	<b>0</b>

Cultural Development Network Limited	Office & Equipment	Total
Carrying value at end of year	1,607	1,607
<b>2019</b>		
Additions at cost	3,302	3,302
Disposals	0	0
Depreciation Expense	(1,477)	(1,477)
<b>Carrying amount at end year 2019</b>	<b>3,432</b>	<b>3,432</b>
<b>2020</b>		
Additions at cost	0	0
Disposals	0	0
Depreciation Expense	(1,330)	(1,330)
<b>Carrying amount at end year 2020</b>	<b>2,102</b>	<b>2,102</b>

	Consolidated Group		Cultural Development Network Ltd	
	2020	2019	2020	2019
<b>9 Financial Assets</b>				
Creating Australia Network is a Company Limited by Guarantee				
Unlisted investments at cost				
Shares in subsidiary company	0	0	0	0
<b>10 Trade and Other Payables</b>				
Current – Unsecured Liabilities				
Trade payables	18,171	19,809	18,171	19,809
Sundry Creditors	17,771	29,550	17,771	29,550
Total Trade and Other Payables	35,942	49,359	35,942	49,359
<b>11 Provisions</b>				
Employee Benefits				
Current Provisions				
Annual Leave	26,620	16,205	26,620	16,205
Long Service Leave	1,732	(621)	1,732	(621)
Total Current at 31st December 2020	28,352	15,584	28,352	15,584
<b>Provisions Non - Current</b>				
Long Service Leave	0	0	0	0
<b>TOTAL PROVISIONS</b>	<b>28,352</b>	<b>15,584</b>	<b>28,352</b>	<b>15,584</b>
<b>12 Right of Use Office Benefit</b>				
Cultural Development Network Limited receives a Right of Use Benefit of \$10,000 per annum in relation to its principal office at Level 1/ 168 La Trobe Street Melbourne Vic 3000. (RMIT University Building 37). For completeness there is no make good requirement.				
<b>13 Equity and Members guarantee</b>				
Cultural Development Network Limited and Controlled Entity is a company limited by guarantee.				
The members of the company have undertaken to contribute an amount not more than \$100.00 each to the property of the company if it is wound up whilst they are still members or within one year after they cease to be a member.				

	Consolidated Group		Cultural Development Network Limited	
	2020	2019	2020	2019
<b>14 Retained Earnings</b>				
Retained earnings (Accumulated losses)	183,794	180,544	86,006	82,678
Net profit (Net loss) attributable to	3,786	3,250	2,759	3,328
Retained Earnings (Accumulated losses) at the end of the financial year	<b>187,580</b>	<b>183,794</b>	<b>88,765</b>	<b>86,006</b>
<b>15 Cash Flow Information</b>				
Reconciliation of Cash Flow from Operations with				
Surplus (Deficit) after tax	3,786	3,250	2,759	3,328
Depreciation	1,330	1,541	1,330	1,477
Increase (Decrease) in Provisions	12,768	(9,873)	12,768	9,873
Changes in assets and liabilities				
(Increase) Decrease in Prepayments	(23)	1,680	(23)	1,680
Decrease/(Increase) in receivables	75,499	(92,671)	75,499	(92,671)
Increase / (Decrease) in payables	(14,217)	16,160	(13,417)	16,665
Increase / (Decrease) in Grants in	(33,572)	(37,729)	(33,572)	(37,729)
(Decrease)/Increase in Income in	(8,800)	8,800	(8,800)	8,800
Cash flow from operations	<b>36,771</b>	<b>(108,842)</b>	<b>36,544</b>	<b>(108,323)</b>
<b>16 Key Management Personnel Compensation</b>				
Short Term Employee Benefits	129,427	126,649	129,427	126,649
Post-Employment Benefits	12,296	12,032	12,296	12,032
Total Key Management	<b>141,723</b>	<b>138,681</b>	<b>141,723</b>	<b>138,681</b>
<b>17 Capital and Leasing Commitments</b>				
Operating Lease Commitments				
Non-cancellable operating leases contracted for but not capitalized in the financial statements:				
Payable – minimum lease payments				
- no longer than 1 year	0	0	0	0
- longer than 1 year but not longer than 5 years	0	0	0	0
- greater than 5 years	0	0	0	0

### **Capital Expenditure commitments**

Capital Expenditure commitments contracted for:

- Plant & Equipment purchases	0	0	0	0
- Capital Expenditure projects	0	0	0	0
Payable				
- no longer than 1 year	0	0	0	0
- longer than 1 year but not longer than 5 years	0	0	0	0
- grater than 5 years	0	0	0	0

### **18 Contingent Liabilities & Contingent Assets**

Estimates of the potential financial effect of contingent liabilities that may become payable are:

No contingent liabilities or assets exist.

### **19 Events During and after the Balance Sheet Date Covid 19 Pandemic**

The Covid 19 Pandemic severely restricted the company's activities both during the year and after balance date.

There have been no other material non-adjusting events after the reporting date, nor has any information been received about conditions at reporting date that have not been included in this report.

### **20 Financial Instruments**

#### **a. Financial Risk Management**

The entity financial instruments consist mainly of deposits with banks, short-term investments, accounts receivable and payable.

The entity does not have any derivative instruments at the end of the reporting period.

##### **i. Treasury Risk Management**

The Board considers currency and interest rate exposure and to evaluate treasury management strategies in the context of the most recent economic conditions and forecasts.

##### **ii. Financial Risks**

The main risks the entity is exposed to through its financial instruments are interest rate risk, liquidity risk and credit risk.

##### **Interest rate risk**

The company and the controlled entity is not exposed to any significant interest rate risk.

##### **Foreign currency risk**

The company and the controlled entity is not exposed to any significant foreign currency risk.

##### **Liquidity risk**

The entity manages liquidity risk by monitoring forecast cash flows and ensuring that sufficient liquid assets, mainly cash are available to pay debts as and when they become due and payable.

**Credit risk**

The company and the controlled entity are not exposed to any significant credit risk.

**Price risk**

The entity is not exposed to any material commodity price risk.

**b. Interest Rate Risk and Financial Asset and Liability Maturity Analysis**

The entity's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on those financial assets and financial liabilities, is as follows:

**Financial asset and Financial liability maturity analysis**

<b>Consolidated Group</b>	<b>Within 1 Year</b>		<b>1 to 5 Years</b>	
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
	\$	\$	\$	\$
Cash & Cash equivalents	291,097	254,326	0	0
Receivables	29,614	105,113	0	0
Other Current Assets	3,672	3,649	0	0
Total Financial Assets	324,383	363,088	0	0

<b>Consolidated Group</b>	<b>Within 1 Year</b>		<b>1 to 5 Years</b>	
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
	\$	\$	\$	\$
Grants in Adv/Contract Liabilities	74,610	108,182	0	0
Income in Adv/Contract Liabilities	0	8,800	0	0
Trade and other payables	35,943	50,160	0	0
Total Financial Liabilities	110,553	167,142	0	0

<b>Cultural Development Network Ltd</b>	<b>Within 1 Year</b>		<b>1 to 5 Years</b>	
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
	\$	\$	\$	\$
Cash & Cash equivalents	192,281	155,737	0	0
Receivables	29,614	105,113	0	0
Other Current Assets	3,672	3,649	0	0
Total Financial Assets	225,567	264,499	0	0

<b>Cultural Development Network Ltd</b>	<b>Within 1 Year</b>		<b>1 to 5 Years</b>	
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
	\$	\$	\$	\$
Grants in Adv/Contract Liabilities	74,610	108,182	0	0
Inc' in Adv/Contract Liabilities	0	8,800	0	0
Trade and other payables	35,942	49,359	0	0
Total Financial Liabilities	110,552	166,341	0	0

### c. Net Fair Values

The aggregate net fair values and carrying amounts of financial assets and financial liabilities are disclosed in the balance sheet and in the notes to the financial statements.

### Sensitivity analysis

The following table illustrates sensitivities to the entity's exposure in interest rates and equity prices (if equities held). The table indicates the impact on how profit and equity values reported at the end of the reporting period would have been affected by changes in the relevant risk variable that management considers to be reasonably possible. These sensitivities assume that the movement in any particular variable is independent of other variables.

	Consolidated		Cultural Development Network Ltd	
	Profit \$	Equity \$	Profit \$	Equity \$
<b>Year ended</b>				
<b>31st December 2019</b>				
+ or - 2% in interest rates	+/- 5,087	+/- 5,087	+/- 3,115	+/- 3,115
+ or - 10% in listed investments	0	0	0	0
<b>Year ended</b>				
<b>31st December 2020</b>				
+ or - 2% in interest rates	+/- 5,822	+/- 5,822	+/- 3,846	+/- 3,846
+ or - 10% in listed investments	0	0	0	0

### 21 Related Party Transactions

Transactions between related parties are on normal commercial terms and conditions no more favorable than those available to the other parties unless otherwise stated.

### 22 Group Details

The registered office of the group is:

Level 1  
 168 La Trobe Street  
 Melbourne Victoria Australia 3000

The principal place of business is at the registered office

## DIRECTORS' DECLARATION

DIRECTORS' DECLARATION PER SECTION 60.15 OF THE AUSTRALIAN CHARITIES AND NOT-FOR-PROFITS COMMISSION REGULATION 2013 AND THE CORPORATIONS ACT 2001

The directors of the group declare that:

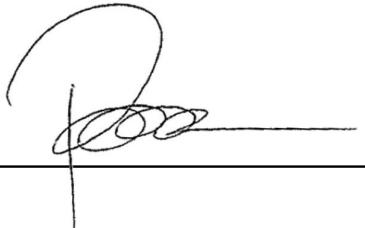
The financial statements and notes, as set out on pages 1 to 33, are in accordance with the Corporations Act 2001 and the Australian Charities and Not-for-profit Commission Act 2012 (ACNC Act):

- a. comply with Australian Accounting Standards and the Corporations Regulations 2001; and the Australian Charities and Not-for-profits Commission Act 2012 (ACNC Act)
- b. give a true and fair view of the financial position as at 31st December 2020 and of the performance for the year period ended on that date of the group.

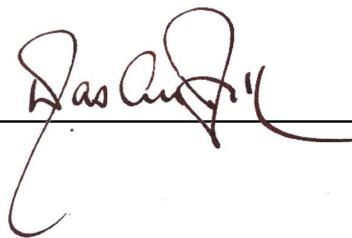
In the director's opinion there are reasonable grounds to believe that the group will be able to pay its debts as and when they become due and payable

Signed in accordance with subsection 60.15(2) of the Charities and Not-for-profits Commission Act 2012 (ACNC Act) and the Corporations Act 2001

Dated this 19<sup>th</sup> March 2021



Director



Director

## INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF CULTURAL DEVELOPMENT LIMITED AND  
CONTROLLED ENTITY CREATING AUSTRALIA NETWORK LIMITED

### Opinion

I have audited the financial report of the Cultural Development Limited and Controlled Entity Creating Australia Limited which comprises the Statement of Financial Position as at 31st December 2020, the Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity, and the Statement of Cash Flows for the year then ended, notes to the financial statements including a summary of significant accounting policies and the declaration by those charged with governance.

In my opinion, the accompanying financial report gives a true and fair view of the financial position of the Cultural Development Network Limited and Controlled group as at the 31<sup>st</sup> December 2020 and its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards, the Corporations Act 2001 and The Australian Charities and Not-for-Profits Commission Act 2012.

### Basis for Opinion.

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of my report. I am independent of the Entity in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

### Responsibilities of Management and Those Charged with Governance for the Financial Report

Management is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and for such internal control as management determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report management is responsible for assessing the Entity's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

### Auditor's responsibility for the Audit of the Financial Report

My objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

As part of an audit in accordance with the Australian Auditing Standards I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide the basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.

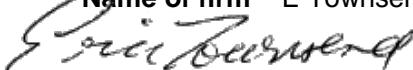
Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Entity to cease or continue as a going concern.

Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including deficiencies in internal control that I identify during my audit.

Name of firm E Townsend & Co



Eric Townsend

15 Taylor Street

Ashburton VIC 3147

Dated this ..... *19<sup>th</sup> March* ..... 2021