

**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 2021

CULTURAL DEVELOPMENT NETWORK LIMITED AND CREATING AUSTRALIA LIMITED

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**ANNUAL REPORT TO BE ATTACHED TO
THE FINANCIAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021**

DIRECTOR'S REPORT

The Board members and Directors present this report of the Cultural Development Network Ltd (CDN) and Creating Australia Ltd for the financial year ended 31st of December 2021. Cultural Development Network Ltd is the single member of Creating Australia Ltd and appoints its Board as the Board of Creating Australia.

CDN Board of Directors

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

The Company Constitution allows for up to nine members.

During the 2021 CDN Annual General Meeting, board nominations for Non-executive Directors were received. Paul Holton was elected as Chair, Nick Hill 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, Lindy Allen and Michelle Zemancheff were elected to the Boards.

Company Secretary

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

John Smithies, Executive Officer, CDN.

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 and advocate for all governments to take a role in assisting local communities to make and express their own culture. CDN's wider advocacy for arts, libraries and heritage in all sectors is directed towards the goal of 'a culturally rich and vibrant Australian society'.

CA Board of Directors

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

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

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

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.

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 2021, 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 2021, CDN was funded by contracts with State Government (Creative Victoria) and the Commonwealth Government (Australia Council for the Arts) and a range of contracts with councils, arts 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 2021, the Australia Council for the Arts supported the operations of CDN's support and services delivered to the arts sector to build culturally rich and vibrant communities. These services were delivered through:

- Support to governments and arts producers for evidenced based and outcome focussed planning,
- The roll-out of the *Takso outcomes planning platform* to connect the Australian arts, cultural and creative industries.

Creative Victoria

In 2021, 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

There was a small carry over of Commonwealth Government support to CDN as a result of COVID -19 impacts

Operating Results

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

- Rebranding of the of the WhiteBox platform to Takso outcomes planning platform and development of a design strategy and landing page.
- Continued development of the Takso platform with reduced committed users due to the ongoing pandemic and with many returning towards the end of 2021.
- Takso version 1.2, Festivals and Multi-Activity Program functionality commenced for beta-testing. This was tested with the City of Parramatta, City of Brimbank, and Regional Arts WA through contracted service using Takso.

- Strengthening the use of Takso for cultural producers and extended the pilot sites to three Indigenous Language Centres as part of a trial with the Indigenous Language and Arts (ILA) Program.
- Preparing a new course for RMIT University Master of Arts on cultural planning and conducting a trial of the proposed planning course with a manager from the City of Mandurah, WA.

Review of Operations

For the majority of 2021, CDN continued to operate from 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:

- March:** approve annual report on previous year
- May:** report on performance and program review from previous year
- October:** four-year strategic planning with the Board
- December:** approve Business Plan for the forthcoming 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. In 2021, an additional meeting was held in November.

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 2021, Paul Holton was re-elected as Chair of both CDN and CA, Nick Hill was elected 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 April, Sarah Firth resigned from the board of both CDN and CA. In 2021, there remained two Board vacancies.

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 2021, 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).

Contractors contributing to CDN over 2021 were Julie Marlow and Simon Wellington who engaged in consultancy work with CDN to support consultancies throughout the year. 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 Eric Townsend Co Pty Ltd.

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. The ongoing pandemic continued to disrupt this process in 2021 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 2021 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 2021, 11 editions were distributed to approximately 1,300 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 2021, the CDN website received 18,834 unique visitors, an increase of 4995 compared to 2020. Of the 2021 visitors 84% were new to the site. The largest group of users came from Australia with 4,772 (4,723 new) users visiting the site, a small increase from last's year's figure of 4580. Key sources of visitors from outside Australia were the USA with 2,912 visitors, the Philippines with 1,581, and India 1,466.

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 majority of visitors to the site were the result of an organic search at 60%. Of the remaining 27% of visitors came directly to the site and 12% were referrals from other sites.

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

Program Report

In 2021, CDN organised its business by responding to the CDN Strategic Plan 2021-2024. 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 2021 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.

Takso: Outcomes Planning Platform

The Takso platform (previously known as *WhiteBox*) emerged from a very disruptive year of the initial wave of pandemic restrictions in Australia in 2020. As an online 'Service as a Software' (SAAS) product for planning, evaluating and reporting on activities, our pilot sites were consistently disrupted by sudden lock-downs and restrictions impacting on the delivery of cultural activities.

Local governments such as City of Perth (WA), City of Melbourne, City of Brimbank, Nillumbik Shire, and Bass Coast Shire (VIC) City of Parramatta (NSW), and arts producers Western Edge Youth Arts (VIC), Beyond Empathy (NSW), remained active in the pilots in 2021 to trial new functionality for bringing grants programs and grantee activities into the same schema for planning and evaluation. In 2021 the Create NSW arts agency joined in the pilot contracting CDN to use Takso in its evaluation of the Regional Cultural Fund (RCF) over 2021-2023.

Development of the Takso platform is contracted to a software development company *Beta Launch* who specialise in building platforms for start-up SAAS businesses for B2B and B2C sectors.

www.culturaldevelopment.net.au/takso/

Planning and evaluation framework

The planning framework that underpins the Takso outcomes planning platform, has been adopted by many councils and some arts producers 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 international peak body, United Cities and Local Governments (UCLG). In 2021 the RMIT University endorsed the framework by including it as an elective course for Master of Arts (Arts Management) for enrolled higher degrees students, and professional development course students. A trial of the course content and structure was conducted with one student from the City of Mandurah. It is anticipated that the new course will be available in second semester 2022.

www.culturaldevelopment.net.au/planning/

Creating Australia - Research Fund

Creating Australia Ltd 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 2021, CDN commenced a pilot of Takso with the Australian Government's Indigenous Languages and Arts Program (ILA Program). The pilot will run to 2023 and be located in three Indigenous languages and arts centres in western NSW, north Queensland, and the Kimberley region WA. The aim of the pilot is to gauge the suitability of Takso for use by Indigenous communities over the UN Decade of Indigenous Languages, and to measure outcomes that contribute to the New Agreement on Closing the Gap policy of the Commonwealth Government.

International and academic engagement

In 2021 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 and 2021.

Communications have remained through videoconferencing but any advance on the international partnerships is postponed until 2022. In 2021, CDN was invited to apply for

membership of a panel of suppliers that would contract evaluation services to the British Council, and CDN Takso was included in several European proposals for cultural programs in 2022 in Europe. The results of these opportunities will be known in 2022.

Key program funding

In 2021, CDN base funding was provided by the final years of multiple year funding from the Australia Council for the Arts and Creative Victoria.

Contracted consulting

At the same time CDN experienced a rapid increase in contracting of services for cultural development planning and evaluation of cultural programs.

CDN's emerging consulting and evaluation business was impacted by the COVID-19 lock-downs and restrictions in 2020 and 2021. Coming out of the pandemic in 2021, CDN contracted for \$150,000 of planning and evaluation services, which was double the rate of 2020 and continued a trend of diversified income with a greater proportion from contracted services.

After Balance Date Events

The ongoing impact of the COVID-19 pandemic will continue into 2022. 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 Takso 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 2021 and the number of meetings attended by each member/director was:

Board Member & Director	CDN Meetings Number eligible to attend	CDN Meetings Number attended	CA Meetings Number eligible to attend	CA Meetings Number attended
Paul Holton	5	5	5	5
Sarah Firth	1	0	1	0
Rod Fyffe	5	3	5	3
Greg Box	5	5	5	4
Nick Hill	5	3	5	3
Hanut Singh Dodd	5	3	5	2
Lindy Allen	5	5	5	5
Michelle Zemancheff	5	2	5	1
John Smithies	-	-	5	5

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 government and the non-profit sector.

Paul Holton, Non-executive Director, 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, Non-executive Director, Deputy Chair

Joined CDN in 2018 to fill Deputy Chair position; joined CA in 2018; resigned April 30, 2021

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.

In 2012 she was awarded the Talking Difference Fellowship at the Immigration Museum, and her animated documentary Face to Face won The People's Choice Award in the Australian Shorts section of the Human Rights Arts and Film Festival. This led to a two-month long collaboration with the Arquetopia Foundation and the Imagina Museum in Mexico.

Cr Rod Fyffe, Non-executive Director, Treasurer

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

Rod Fyffe has served as a Councillor for Greater Bendigo since 1996. In this time he has served four terms as Mayor (2003/2004, 2004/2005, 2010/2011 and 2015/2016) and is the first person to serve as Deputy Mayor. In 2013 Cr Fyffe was awarded an Order of Australia in the Queen's Birthday Honours List for his services to Local Government. He currently Chairs the City of Greater Bendigo Arts and Creative Industry Advisory Committee, the Easter Festival Advisory Committee and Chairs the North Central Library Group, among other committees.

Dr. Nicholas Hill, Non-executive Director (Deputy Chair from April 2021)

Joined CDN in 2007 | Joined CA in 2016

Nick graduated from the University of Surrey in Arts/Commerce with Honours and Membership of the Chartered Institute of Marketing working in commercial marketing communication roles in London, after a graduate rotation in the Royal Navy.

Transitioning into tertiary education to develop foundational arts and cultural management programmes, he became involved with international scholarships through the Erasmus programme in Europe and exchange as Visiting Professor at UCV, Caracas. He undertook a Masters in Arts Policy at City University, followed by a PhD in Cultural Patronage, carrying out fieldwork in India, funded by an ESRC scholarship and the Gresham College.

As well as Deputy Chair of the Cultural Development Network and Creating Australia, Nick is Chair of the James Morrison Academy and Director of Upbeat Arts, a mental health charity focussing on choirs and creative arts practice to effect transformation.

Nick is a Fellow of the Royal Asiatic Society and Member of the Royal Over-Seas League in London. He is an advocate for the soft power value of international exchange in education and collaborative research.

Hanut Singh Dodd, Non-executive 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 and as a Project Manager with the Department of Environment, Land, Water, and Planning.

Hanut currently works for Forest Fire Management Victoria writing policy and strategy for emergency training.

Hanut Singh Dodd, Non-executive Director

Joined CDN in 2011 | Joined CA in 2016

Greg is currently the Director Cultural & Community Assets at Bass Coast Shire Council and was formally Manager of Creative Communities at Yarra Ranges Council. He has worked as an arts practitioner and administrator with many different communities from a diverse range of social and cultural backgrounds. Much of Greg's work has focussed on building community partnerships and cultural development projects at Greater Dandenong and Yarra Ranges. In particular he has a strong background in creating public art in local government and helped establish SITE: RMIT Public Art within the school of art at RMIT.

Lindy Allen, Non-executive Director

Joined CDN in 2016: Joined CA in 2014

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 Wurrinbeena, 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.

Professional qualifications include Bachelor of Arts (University of Melbourne), Graduate Diploma Arts Management (University of South Australia), Photojournalism major, Bachelor of Creative Arts, Latrobe Uni Bendigo and Graduate Australian Institute of Company Directors (GAICD)

Michelle Zemancheff, Non-executive Director

Joined CDN in 2018: Joined CA in 2018

Michelle Zemancheff is a 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; subsequent to 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 coordinated Arts & Culture teams at both Nillumbik and Manningham Councils. More recently, Michelle is the Manager Economic & Community Wellbeing at Manningham Council, with a broad portfolio that includes Arts & Culture, comprising cultural planning, policy development, strategic direction, and a spectrum of cultural development.

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 as a result of contract or dealing with the companies.

CULTURAL DEVELOPMENT NETWORK LIMITED AND CREATING AUSTRALIA LIMITED

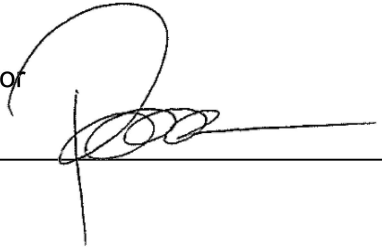
Auditors' Independence Declaration

A copy of the auditor's independence has been received and is set out in page 16.

Signed in accordance with a resolution of the directors:

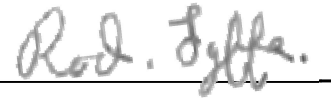
Dates this4th March 2022

Director



A handwritten signature in black ink, consisting of a large, stylized 'P' followed by several loops and a long horizontal stroke, positioned above a solid horizontal line.

Director



A handwritten signature in black ink that reads "Rod. Jylfa." in a cursive style, positioned above a solid horizontal line.

CULTURAL DEVELOPMENT NETWORK LIMITED AND CREATING AUSTRALIA LIMITED

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 2021 there have been no:

- (i) 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
- (ii) 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.....22/04/2022.....

CULTURAL DEVELOPMENT NETWORK LIMITED AND CREATING AUSTRALIA LIMITED

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31st DECEMBER 2021

	Note	Consolidated Group		Cultural Development Network Ltd	
		2021	2020	2021	2020
		\$	\$	\$	\$
Revenue	2	482,683	484,358	482,414	483,331
Expenditure					
Auditors' remuneration	3	5,264	5,264	5,264	5,264
Depreciation		1,256	1,330	1,256	1,330
Employee benefits expenses		248,948	250,846	248,948	250,846
Administration Transfer		98,500	0	0	0
Infrastructure and Office Costs		31,846	27,473	31,846	27,473
Marketing and Publications		608		608	432
Programs and Projects	4	237,052	195,227	237,052	195,227
Total expenditure		623,474	480,572	524,974	480,572
Surplus (Deficit) before income tax		(140,791)	3,786	(42,560)	2,759
Income Tax		0	0	0	0
Surplus (Deficit) after income tax		(140,791)	3,786	(42,560)	2,759
Other Comprehensive Income		0	0	0	0
Surplus (Deficit) attributable to members of the entity		(140,791)	3,786	(42,560)	2,759

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

CULTURAL DEVELOPMENT NETWORK LIMITED AND CREATING AUSTRALIA LIMITED

STATEMENT OF FINANCIAL POSITION FOR THE YEAR ENDED 31st DECEMBER 2021

	Note	Consolidated Group		Cultural Development Network Ltd	
		2021 \$	2020 \$	2021 \$	2020 \$
CURRENT ASSETS					
Cash and cash equivalents	5	87,905	291,097	87,320	192,281
Trade and other receivables	6	25,017	29,614	25,017	29,614
Other current assets	7	7,451	3,672	7,451	3,672
TOTAL CURRENT ASSETS		120,373	324,383	119,788	225,567
NON-CURRENT ASSETS					
Property, plant and equipment	8	846	2,102	846	2,102
Financial Assets	9	0	0	0	0
TOTAL NON-CURRENT ASSETS		846	2,102	846	2,102
TOTAL ASSETS		121,219	326,485	120,634	227,669
CURRENT LIABILITIES					
Trade and other payables	10	37,876	35,943	37,875	35,942
Provisions	11	36,554	28,352	36,554	28,352
Income Rec' in Adv/Contract Liability		0	0	0	0
Grants in Advance/ Contract Liability		0	74,610	0	74,610
TOTAL CURRENT LIABILITIES		74,430	138,905	74,429	138,904
NON-CURRENT LIABILITIES					
Provisions	11	0	0	0	0
TOTAL NON-CURRENT LIABILITIES		0	0	0	0
TOTAL LIABILITIES		74,430	138,905	74,429	138,904
NET ASSETS (LIABILITIES)		46,789	187,580	46,205	88,765
EQUITY					
Retained Earnings	13	46,789	187,580	46,205	88,765
TOTAL EQUITY		46,789	187,580	46,205	88,765

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

CULTURAL DEVELOPMENT NETWORK LIMITED AND CREATING AUSTRALIA LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st DECEMBER 2021

	Notes	Retained Earnings \$	Total \$
Consolidated Group			
Balance at the end of 31 st December 2019	13	183,794	183,794
Surplus (Deficit) for the year ended 31 st December 2020		3,786	3,786
Balance at the end of the 31 st December 2020	13	187,580	187,580
Surplus (Deficit) for the year ended 31 st December 2021		(140,791)	(140,791)
Balance at the 31 st December 2021		46,789	46,789
	Notes	Retained Earnings \$	Total \$
Cultural Development Network Limited			
Balance at the end of 31 st December 2020	13	86,006	86,006
Surplus (Deficit) for the year ended 31 st December 2020		2,759	2,759
Balance at the end of the 31 st December 2020	13	88,765	88,765
(Surplus (Deficit) for the year ended 31 st December 2021		(42,560)	(42,560)
Balance at the 31 st December 2021		46,205	46,205

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

CULTURAL DEVELOPMENT NETWORK LIMITED AND CREATING AUSTRALIA LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st DECEMBER 2021

	Note	Consolidated Group		Cultural Development Network Limited	
		2021	2020	2021	2020
		\$	\$	\$	\$
CASH FLOW FROM OPERATING ACTIVITIES					
Operating Grant Receipts Inc GST		209,220	245,898	209,200	245,898
Interest Received		574	501	305	274
Other Revenue Inc GST		150,592	76,355	150,592	75,475
Administration Revenue		98,500	0	98,500	75,475
Covid Relief Income		19,200	115,400	19,200	115,400
(Less) Payments to suppliers and employees		(681,278)	(401,383)	(372,836)	(400,503)
Finance costs		0	0	0	0
Net cash provided by (used in) operating activities	15	(203,192)	36,771	104,961	36,544
CASH FLOWS FROM INVESTING ACTIVITIES					
Proceeds from Sale of property, plant & equipment		0	0	0	0
Purchase of property, plant & equipment		0	0	0	0
Net cash provided by (used in) investing activities		0	0	0	0
CASH FLOWS FROM FINANCING ACTIVITIES					
Net cash provided by (used in) financing activities					
Net Increase (decrease) in cash held		(203,192)	36,771	104,961	36,544
Cash at the beginning of the financial year		291,097	254,326	192,281	155,737
Cash at the end of the financial year	5	87,905	291,097	87,320	192,281

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

CULTURAL DEVELOPMENT NETWORK LIMITED AND CONTROLLED ENTITY CREATING AUSTRALIA LIMITED

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 companys' 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, recognize 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).

CULTURAL DEVELOPMENT NETWORK LIMITED AND CONTROLLED ENTITY CREATING AUSTRALIA LIMITED

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 of 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).

CULTURAL DEVELOPMENT NETWORK LIMITED AND CONTROLLED ENTITY CREATING AUSTRALIA LIMITED

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 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

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:

Class of Fixed Assets	Depreciation Rate
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.

CULTURAL DEVELOPMENT NETWORK LIMITED AND CONTROLLED ENTITY CREATING AUSTRALIA LIMITED

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.

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

	Consolidated Group		Cultural Development Network Limited	
	2021	2020	2021	2020
2 Revenue				
Grant income				
Australian Council - NSDI	0	0	0	0
Australian Council - CORE	149,220	216,364	149,220	216,364
Creative Victoria	60,000	60,000	60,000	60,000
Creative Victoria Strategic Fund	0	22,679	0	22,679
Grants Brought Forward	0	0	0	0
Less transfer to Grants carried fwd	0	0	0	0
Total Grant funding income	209,220	299,043	209,220	299,043
Other Revenue				
Conference	0	0	0	0
Reimbursements and Book Sales	0	0	0	0
Consulting Contracts	154,436	0	154,436	0
Other contracts	0	68,595	0	68,595
Service Subscription Fees	750	0	750	0
Sundry Income	3	819	3	19
Total Other Revenue	155,189	69,414	155,189	68,614
Interest received	574	501	305	274
Other Income				
Creating Australia Reserve	98,500	0	98,500	0
Business Support Fund	0	20,000	0	20,000
ATO Cash Flow Boost	0	46,800	0	46,800
ATO Job Keeper	19,200	48,600	19,200	48,600
Total Other Income	117,700	115,400	117,700	115,400
TOTAL REVENUE	482,683	484,358	482,414	483,331
3 Auditors' Remuneration				
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	1,964	1,964	1,964
	5,264	5,264	5,264	5,264
4 Other Expenses				
Bad and doubtful debts				
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

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

		Consolidated Group		Cultural Development Network Limited	
		2021	2020	2021	2020
5	Cash and Cash Equivalents				
	Reconciliation of cash				
	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:				
	Current Assets				
	Cash at Bank	6,753	25,187	6,168	11,154
	Cash at Bank Investment Accounts	81,152	265,910	81,152	181,127
		87,905	291,097	87,320	192,281
6	Trade and Other Receivables				
	Current				
	Trade Debtors	20,197	4,057	20,197	4,057
	Less: Provision for Impairment	0	0	0	0
	Other receivables	4,820	25,557	4,820	25,557
	Total Trade and other receivable	25,017	29,614	25,017	29,614
		Consolidated Group		Cultural Development Network Limited	
		2021	2020	2021	2020
7	Other Current Assets				
	Current				
	Prepayments	7,451	3,672	7,451	3,672
8	Property, Plant and Equipment				
	Office Equipment at cost	16,404	16,404	16,404	16,404
	Less: Accumulated depreciation	(15,558)	(14,302)	(15,558)	(14,302)
	Total Office Equipment	846	2,102	846	2,102
	Total Property, Plant and Equipment	846	2,102	846	2,102

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

Movements in Carrying Amounts

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

Consolidated Group

	Office Equipment	Total
Carrying amount at 30/06/2019	3,432	3,432
2020		
Additions at cost	0	0
Disposals	0	0
Depreciation Expense	<u>(1,330)</u>	<u>(1,330)</u>
Carrying amount at end year 2020	2,102	2,102
2021		
Additions at cost	0	0
Disposals	0	0
Depreciation Expense	<u>(1,256)</u>	<u>(1,256)</u>
Carrying amount at end year 2021	846	846

Cultural Development Network Limited	Office & Equipment	Total
Carrying value at end of year	3,432	3,432
2020		
Additions at cost	0	0
Disposals	0	0
Depreciation Expense	<u>(1,330)</u>	<u>(1,330)</u>
Carrying amount at end year 2020	2,102	2,102
2021		
Additions at cost	0	0
Disposals	0	0
Depreciation Expense	<u>(1,256)</u>	<u>(1,256)</u>
Carrying amount at end year 2021	846	846

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

		Consolidated Group		Cultural Development	
		2021	2020	2021	2020
9	Financial Assets				
	Creating Australia Network is a Company Limited by Guarantee				
	Unlisted investments at cost				
	Shares in subsidiary company	0	0	0	0
10	Trade and Other Payables				
	Current – Unsecured Liabilities				
	Trade payables	17,141	18,172	17,140	17,140
	Sundry Creditors	20,735	17,771	20,735	17,771
		<u>37,876</u>	<u>35,943</u>	<u>37,875</u>	<u>35,942</u>
11	Provisions				
	Employee Benefits				
	Current Provisions				
	Annual Leave	32,359	26,620	32,359	26,620
	Long Service Leave	4,195	1,732	4,195	1,732
	Total Current at 31st December 2021	<u>36,554</u>	<u>28,352</u>	<u>36,554</u>	<u>28,352</u>
	Provisions Non - Current				
	Long Service Leave	0	0	0	0
	TOTAL PROVISIONS	<u>36,554</u>	<u>28,352</u>	<u>36,554</u>	<u>28,352</u>
12	Right Of Use Office Benefit				

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.

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

13 Equity and Members guarantee

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	
	2021	2020	2021	2020
14 Retained Earnings				
Retained earnings (Accumulated losses) at the beginning of the financial year	187,580	183,794	88,765	86,006
Net profit (Net loss) attributable to members of the entity	(140,791)	3,786	(42,560)	2,759
Retained Earnings (Accumulated losses) at the end of the financial year	46,789	187,580	46,205	88,765

15 Cash Flow Information

Reconciliation of Cash Flow from Operations with Profit/(Loss) after Income Tax

Surplus (Deficit) after tax	(140,791)	3,786	(42,560)	2,759
Non-cash flows in profit after tax				
Depreciation	1,256	1,330	1,256	1,330
Increase (Decrease) in Provisions	8,202	12,768	8,202	12,768
Changes in assets and liabilities				
(Increase) Decrease in Prepayments	(3,779)	(23)	(3,779)	(23)
Decrease/(Increase) in receivables	4,597	75,499	4,597	75,499
Increase / (Decrease) in payables	1,933	(14,217)	1,933	(13,417)
Increase / (Decrease) in Grants in advance	(74,610)	(33,572)	(74,610)	(33,572)
(Decrease)/Increase in Income in Advance	0	(8,800)	0	(8,800)
Cash flow from operations	(203,192)	36,771	104,961	36,544

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

16 Key Management Personnel Compensation

	Consolidated Group		CDN LTD	
	2021	2020	2021	2020
Short Term Employee Benefits	148,538	129,427	148,538	129,427
Post Employment Benefits	14,111	12,296	14,111	12,296
Total Key Management	162,649	141,723	162,649	141,723

	Consolidated Group		Cultural Development Network Limited	
	2021	2020	2021	2020

17 Capital and Leasing Commitments

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
- greater than 5 years	0	0	0	0

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

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.

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

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

Consolidated Group

	Within 1 Year		1 to 5 Years	
	2021	2020	2021	2020
Financial Assets	\$	\$	\$	\$
Cash & Cash equivalents	87,905	291,097	0	0
Receivables	25,017	29,614	0	0
Other Current Assets	7,451	3,672	0	0
Total Financial Assets	120,373	324,383	0	0

Consolidated Group

	Within 1 Year		1 to 5 Years	
	2021	2020	2021	2020
Financial Liabilities	\$	\$	\$	\$
Grants in Adv/Contract Liabilities	0	74,610	0	0
Income in Adv/Contract Liabilities	0	0	0	0
Trade and other payables	37,876	35,943	0	0
Total Financial Liabilities	37,876	110,553	0	0

Cultural Development Network Ltd

Financial asset and Financial liability maturity analysis

	Within 1 Year		1 to 5 Years	
	2021	2020	2021	2020
Financial Assets	\$	\$	\$	\$
Cash & Cash equivalents	87,320	192,281	0	0
Receivables	25,017	29,614	0	0
Other Current Assets	7,451	3,672	0	0
Total Financial Assets	119,788	225,567	0	0

Cultural Development Network Ltd

	Within 1 Year		1 to 5 Years	
	2021	2020	2020	2020
Financial Liabilities	\$	\$	\$	\$
Grants in Adv/Contract Liabilities	0	74,610	0	0
Inc' in Adv/Contract Liabilities	0	0	0	0
Trade and other payables	37,873	35,942	0	0
Total Financial Liabilities	37,875	110,552	0	0

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

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 \$
Year ended 31 st December 2020				
+ or – 2% in interest rates	+/- 5,822	+/- 5,822	+/- 3,846	+/- 3,846
+ or – 10% in listed investments	0	0	0	0
Year ended 31 st December 2021				
+ or – 2% in interest rates	+/- 1,758	+/- 1,758	+/- 1,758	+/- 1,758
+ 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

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

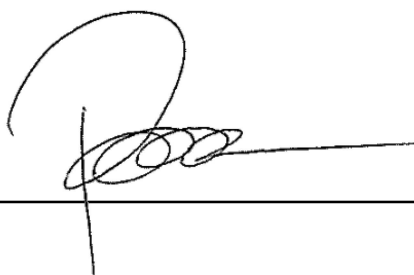
**DIRECTORS' DECLARATION PER SECTION 60.15 OF THE AUSTRALIAN
CHARITIES AND NOT-FOR-PROFITS COMMISSION REGULATION 2013 AND
THE CORPORATIONS ACT 2001**

The directors' of the group declares that:

1. The financial statements and notes, as set out on pages 1 to 31, 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 2021 and of the performance for the year period ended on that date of the group.
2. 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.....4 March 2022



Director



Director

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

**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 2021, 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 31st December 2021 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.

CULTURAL DEVELOPMENT NETWORK LIMITED AND CONTROLLED ENTITY CREATING AUSTRALIA LIMITED

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.

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

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.....22/04/2022.....