



# **Leadership Report and Financial Statements**

Year ending 30 June 2019

**Development Circle Inc.**

**ABN: 58174696182**

**Association registration number: A0059791Y**

**Prepared by:**

Martin Pritchard, Convenor (President)

Ju-Lin Lee, Vice President

Rachael Wilken, Secretary

Megan Jones, Treasurer

**Financial Statements Approved:** 17 October 2019

**Date of final report:** 17 October 2019

**AGM date:** 12 November 2019

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## COMMITTEE REPORT

## LEADERSHIP REPORT

**July 2018 - June 2019**

It has been an action packed financial year of 2018-19 for the Melbourne Development Circle (MDC). Building on the previous year's momentum, the MDC Leadership team has further evolved and grown, bringing a diverse range of skills, experience and knowledge for the foundations of a strong, well-rounded team.

A key achievement for MDC is the establishment of its lighthouse statement:

*"To connect and energise like-minded people, in an inclusive space, to build a thriving community in Melbourne that is dedicated to achieving the Sustainable Development Goals."*

This provides a clear purpose for MDC Leadership team members to plan and deliver actions over the short and longer term, culminating in the MDC Theory of Change. Officially launched at the first event for 2019, the MDC Theory of Change paves the way to share the work of MDC to indeed build a thriving and engaged MDC community. The goal of the MDC complements the lighthouse statement:

*"An effective and thriving development community in Melbourne that is dedicated to achieving the Sustainable Development Goals"*

A summary of other progress and achievements made during the year include:

- Creation of the MDC Lighthouse statement
- Launch of the MDC Theory of Change
- Delivering three successful events that comprise the game changer series. This makes it the third consecutive year of MDC organising this popular program.
- MDC presentation by Vanessa Miller at an ACFID Member Information Forum in Melbourne on March 28
- Initial development of strategic activities such as exploration of a partnerships role
- New MDC general members stepped up and took on lead roles to organise MDC events
- Exploration of more efficient and effective data sharing processes/IT platforms which saw a greater use of Google Hangouts, the establishment of an Intranet using Google Sites and the refinement of the MDC Google Drive configuration
- Transition from Eventbrite to the Humanitix ticketing platform
- The MDC held its 2017-2018 Financial Year AGM on Thursday November 14th 2018.

**Team contributions and changes**

A great team of people make up the Melbourne Development Circle Leadership team. Last year's AGM saw some changes in key positions with Kelly Rae stepping down as Vice President and Ju-Lin Lee stepping up to fill this vacancy. Alexandra

(Lexi) Randall-L'Estrange stepped down as treasurer and Megan Jones stepped up into this vacant position.

**Contributing members:**

Martin Pritchard (President and Convenor) Ju-Lin Lee (Vice-President) Megan Jones (Treasurer), Rachael Wilken (Secretary), Vanessa Miller (Event Manager), Imogen Abandowitz, Jessica Plummer and Sian Kilgour (Communications and Engagement Managers), Lauren Goldsworthy and Harry Quealy.

**New members joining through the year:**

Harry Quealy, Vanessa Miller, Imogen Abandowitz

**Members who transitioned out of the team:**

Since the 2018 AGM, members Bianca Monteiro and Sian Kilgour have retired from the Leadership Team.

**Volunteer Acknowledgement:**

We are also thankful for the volunteers who have been involved in event support roles.

## EVENTS

In 2018-19 financial year, Melbourne Development Circle delivered five successful events attracting 279 attendees. Key sectors and themes explored included technology innovation, scaling collaboration, mobilising for change and co-design. A summary of events delivered are documented in Table 1 below.

Table 1. Summary of events delivered

#	Title	Venue	Presenters, MC, Panelist, Event leads	Attendees
1	Blockchain Technologies for the Development Sector (July 2018)	City of Melbourne Bowls club	Ellie Rennie, School of Media and Communication at RMIT; Jason Potts, Blockchain Innovation Hub; Nick Byrne, TypeHuman; Amanda Robinson, Australian Red Cross. MDC Event Leads - Bianca Monteiro & Lexi L'Strange	70
2	Adapting NGO business practices through collaboration to scale impact (Sept 2018)	City of Melbourne Bowls club	Zeah Behrend, Save the Children; Saba Mebrahtu Habte, Monash Sustainable Development Institute; Geoff Sharp, Collaboration for Impact MDC Event Lead - Ju-Lin Lee	36
3	Professional networking event (Nov 2018)	Evie's Disco Diner, Gertrude Street, Fitzroy	Kirsty Albion, Australian Progress MDC Event Lead - Rachael Wilken	30
4	Professional networking event (Feb 2019)	Slate Restaurant Bar	MDC Event Lead - Vanessa Miller and Martin Pritchard	40
5	Speaking Truth to Power: Reaching for the Change We Need (April 2019)	Melbourne City Bowls Club	Jarrold McKenna, Love Makes a Way; Fatima Kidwai, Nyah Shahab, Emma Demarchi, School Strike 4 Climate; Bronwyn Morkham, Young People in Nursing Homes  MDC Event Lead - Harry Quealy and Rachael Wilken	20
6	Co-Design: An evolution of community development (June 2019)	Melbourne City Bowls Club	José Ramos, Action Foresight; Lucy Fraser, TACSI; Christine Thong, Design Factory Melbourne; Eleanor Loudon, Engineers Without Borders  MDC Event Lead - Ju-Lin Lee & Megan Jones	83

Events one concluded the 2018 Game Changer Series, whilst events five and six were the first two of three Game Changer events for 2019.

MDC also made a concerted effort to cross-promote and support sector events through social media posts, collation of sector news in our national newsletter and as well as attending and speaking at an event run by Women in Development (WID), 'Women in Development Overseas Volunteering'.

### **Evaluation of MDC events**

This year saw a more streamlined process for post-event feedback collection through post-event mail outs. Whilst only 20 survey responses were received covering four events, this feedback combined with Internal MDC post-event reflections helped the MDC to adapt and improve its event delivery over the course of the financial year.

A summary of findings from the financial year include:

A mix of attendees representing both business, consulting and the not-for-profit sector. There was also representation from people who were not working, studying or volunteering. Generally speaking there were more women than men attending events

A large proportion of people attending MDC events are attending an MDC event for only the first or second time. This indicates that event promotion and marketing is effective at attracting new attendees. Further research is needed to determine why there are not more past MDC attendees returning to attend future events given that almost all verbal and written feedback received on the quality / usefulness of events is high.

The majority of feedback indicated that the event promotion was an accurate reflection of the content discussed at the actual event, however, two attendees at the co-design event disagreed, noting no discussion of "Community development" as highlighted in the event promotion.

Nearly all feedback reflected the view that presenters at MDCs events are very knowledgeable and engaging and people felt there was sufficient opportunity to ask questions following presentations.

The venues selected to host MDC events were thought to be suitable, however, a couple of respondents felt unsafe walking from the Melbourne Bowling Club to the street at night. Another thought the bowling club was dark and echoed sound.

Overall 19 out of 20 respondents would recommend MDC events to others which is an overall positive reflection on the quality of events delivered during the financial year. Networking with others was clearly one of the aspects of the MDC events that attendees found most beneficial.

Solicited and unsolicited feedback provided orally by attendees supports many of the above findings with most people reporting high levels of satisfaction with the event delivered.

Data was also collected concerning suggested topics and speakers for future events. These suggestions will be fed into planning processes for the next financial year.

**Venue partnership**

MDC continued to use the City of Melbourne Bowls Club as our 'informal home' for events in 2019. The events manager and others did research in trying to find accessible (disability friendly and affordable) spaces that share our commitment to the Sustainable Development Goals but was unable to find one in the Melbourne CBD. While we did explore the possibility of events outside of the Melbourne CBD, results from an earlier survey found that there was a preference for venues located in the Melbourne CBD area as it was more accessible for most of our survey respondents.

Due to current capacity of MDC members it is likely that MDC events will continue to be held in the City of Melbourne Bowls Club in 2020 with consideration given to other venues if they come up. This will allow more time to be invested in the organising of events and on other priorities that MDC has.



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## COMMUNICATIONS

Melbourne Development Circle uses communications to undertake event promotions, share sector news and opportunities with our network, and engage with new and existing audiences. The role of Communications and Engagement Manager was vacant for approximately six months until May 2019 while the incumbent took Parental Leave. As a result, some strategic communications activities (such as those outlined in the Theory of Change) have stalled while communications activities to promote events have taken priority.

### Website

The MDC component of The Development Circle website was updated regularly during the year. Updates included publishing the new Theory of Change and adding new Member biographies. The website links to the MDC social media channels and our Humanitix page, where upcoming events are listed.

### EDMs and Mailing list

The MDC segment of the mailing list has grown to 1663, an increase of 154 subscribers from 2017-18. The mailing list is a valuable marketing tool, allowing for direct communication with our state-specific audience. As such, MDC made full use of its Mail Chimp subscription in 2018-19 to promote events and communicate with our network. General update EDMs had an average 32% open rate while event-specific campaigns recorded an average 24.4% open rate which compare very favourably with the Mail Chimp average of 20.81%.<sup>1</sup>

Consistent and strategic EDMs distributed in the lead-up to the June Game-changer event were well received by both MDC members and recipients and this schedule of communications will be replicated where possible for future events. The open rates demonstrate there is appetite for general communications from MDC and as such, regular updates should be scheduled throughout the year during breaks in event promotions.

### Social media

The Development Circle's social media channels (Facebook, LinkedIn and Twitter) were primarily used for event promotions and the MDC is the greatest contributor of content, being the most active of the Development Circles based in other states.

Facebook - Facebook followers totalled 2,170 at the end of the 2018-19 Financial Year, a gain of 174 on the previous year. Women made up three-quarters of supporters (74%) and the majority are based in Melbourne, followed by Brisbane and Sydney.

The majority of content posted was to promote MDC-run events, followed by other general events which may be of interest to members. Creating Facebook events (with a link to the Humanitix platform) was an effective way of promoting events to MDC audiences and allowing speakers or other interested parties to share the details quickly and effectively. Followers are also able to connect directly and quickly with

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<sup>1</sup> The average open rate for EDMs across all industries using the MailChimp platform is 20.81%.

MDC members via the Messenger app, with inquiries fielded about tickets and volunteer opportunities.

Twitter – Twitter followers grew by just over 10 per cent on 2017-18 to 598. The gains were primarily made during the period leading up to events, when Twitter was used heavily for promotions. Active tweets during events by the MDC using #meldevcircle facilitated the generation of post-event Twitter moments that were shared with attendees and the newsletter subscribers.

LinkedIn – The Development Circle LinkedIn company page has 124 followers, the majority of whom are based in Melbourne (63). Engagement on posts is limited given the small number of followers. Greater emphasis could be placed on using this channel to engage with the sector given the platform's use as a professional network.

While social media channels are a vehicle to aggregate and share development sector news (a key activity as outlined in the Theory of Change) they remain underutilised by the MDC for this purpose, mainly due to a lack of resources. Members have discussed the possibility of recruiting a general member who would be responsible for gathering and sharing relevant content as a way of increasing our digital activity and engagement and it is recommended that this is pursued in 2019-20.

Producing national Development Circle communications (e.g. an EDM) should also be considered as a strategic activity for 2019-20 to present a unified front and grow the brand. While consideration could be given towards whether MDC should create its own channels, the preference should be towards strengthening the overall brand which would have positive flow-on effects for MDC regardless.

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#### CONTRIBUTIONS TO NATIONAL DEVELOPMENT CIRCLE MOVEMENT

The level of engagement with the National movement was minimal during the year beyond continued cooperation around shared national communications infrastructure; Eventbrite, mailchimp and wordpress (website). The Brisbane Development Circle was not viewed as active. The Sydney Development Circle (SDC) continues to host events and the Perth Development Circle continued to host regular book club events. A less formal (unincorporated) structure of the SDC combined with a smaller organising committee makes timely communication with the SDC more challenging. An issue that requires future attention is the financial contribution of the various development circles to use the shared paid services such as MailChimp and the Development Circle Website.

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**CLOSING COMMENTS**

The 2018-2019 financial year saw the MDC perform well on solid footings of a strong team, documented processes and familiar activities that contribute towards achieving the organisation's goal. The challenge for the upcoming year is to reorganise the way the Leadership team works to ensure there is sufficient time invested into pursuing the organisation's strategic objectives whilst delegating other operational tasks to other General Members and Volunteers through focused Action Groups. This will free up Leadership energy to explore longer-term activities such as partnerships and sponsorship.

The next Financial year brings exciting opportunities for the team to further progress priority activities outlined in the Theory of Change and to pilot the proposed changes to the way the Leadership team operates.

We thank all the members for their support, commitment and friendship that makes working within the MDC rewarding and enjoyable.



Martin Pritchard,  
Convener/President



Ju-Lin Lee,  
Vice President

and

Melbourne Development Circle

## FINANCIAL STATEMENT

## FINANCE SUMMARY

The following summary will be submitted to Consumer Affairs Victoria as per our reporting requirements.

Gross revenue	\$ 5,469
Gross expenditure	\$ 5,173
Mortgages, charges, securities	\$0
Gross value of liabilities owed by the association	\$0
Gross value of assets held by the association	\$1,670

## INCOME STATEMENT

For the Period 1 July 2018 to 30 June 2019

	Note	2019 \$	2018 \$
<b>Income</b>			
Event revenue		5,469	4,404
<b>Expenses</b>			
Administration expenses		563	171
Finance expenses		-	-
Depreciation and amortisation expenses		-	-
Advertising and promotion expenses		101	-
Event venue hire		1,180	1,130
Event catering and supplies		3,329	2,386
<b>Surplus / (Deficit) for Year</b>		<b>296</b>	<b>717</b>

The accompanying notes form part of these financial statements.

## BALANCE SHEET

## As at Period Ended 30 June 2019

	Note	2019 \$	2018 \$
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and Cash Equivalents	2	1,670	1,374
Accounts Receivable and Other Debtors		-	-
<b>Total Current Assets</b>		<b>1,670</b>	<b>1,374</b>
<b>Non-Current Assets</b>			
Property, Plant & Equipment		-	-
<b>Total Non-Current Assets</b>		<b>-</b>	<b>-</b>
<b>TOTAL ASSETS</b>		<b>1,670</b>	<b>1,374</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade Creditors and Other Payables		-	-
Short-Term Borrowings		-	-
<b>Total Current Liabilities</b>		<b>-</b>	<b>-</b>
<b>Non-Current Liabilities</b>			
Long-Term Borrowings		-	-
<b>Total Non-Current Liabilities</b>		<b>-</b>	<b>-</b>
<b>TOTAL LIABILITIES</b>		<b>-</b>	<b>-</b>
<b>NET ASSETS</b>		<b>1,670</b>	<b>1,374</b>
<b>ASSOCIATION FUNDS</b>			
Accumulated Surpluses		1,670	1,374
<b>TOTAL ASSOCIATION FUNDS</b>		<b>1,670</b>	<b>1,374</b>

The accompanying notes form part of these financial statements.

## STATEMENT OF CHANGES IN EQUITY

For the Period 1 July 2018 to 30 June 2019

	Note	2019 \$	2018 \$
Opening Accumulated Surplus		1,374	657
Surplus (Deficit) from ordinary activities		296	717
<b>Balance at June 30 2018</b>		<b>1,670</b>	<b>1,374</b>

The accompanying notes form part of these financial statements.

## STATEMENT OF CASH FLOWS

For the Period ended 30 June 2019

	Note	2019 \$	2018 \$
<b>Cash from operating activities:</b>			
Receipts from customers		5,469	4,404
Payments to suppliers and employees		(4,610)	(3,516)
Other operating expenses paid		(563)	(171)
<b>Net cash provided by (used in) operating activities</b>	3a	<b>296</b>	<b>717</b>
<b>Cash flows from investing activities:</b>			
Net purchases of property, plant and equipment		-	-
<b>Net cash provided by (used in) investing activities</b>		<b>-</b>	<b>-</b>
<b>Cash flows from financing activities</b>			
Proceeds from borrowings		-	-
Repayments of borrowings		-	-
<b>Net cash provided by (used in) financing activities</b>		<b>-</b>	<b>-</b>
<b>Net increase (decreases) in cash held</b>		<b>296</b>	<b>717</b>
Cash and cash equivalents at beginning of year		1,374	657
<b>Cash at end of financial year</b>		<b>1,670</b>	<b>1,374</b>

The accompanying notes form part of these financial statements.



## NOTES TO THE FINANCIAL STATEMENTS

**NOTES TO THE FINANCIAL STATEMENTS****For The Period 1 July 2018 to 30 June 2019****Note 1 Accounting policies****1a Statement of compliance**

The financial report is a special purpose financial report prepared to satisfy the financial reporting preparation requirements of the *Associations Incorporation Reform Act 2012*. The committee has determined that the association is not a reporting entity. Development Circle Inc is an association domiciled in Victoria and became incorporated on 15 August 2013.

These financial statements have been prepared in accordance with the following Australian Accounting Standards:

AASB 101: Presentation of Financial Statements

AASB 107: Cash Flow Statements

AASB 108: Accounting Policies, Changes in Accounting Estimates and Errors

AASB 118: Revenue

AASB 1031: Materiality

**1b Basis of measurement**

The financial report has been prepared on an accruals basis and is based on historical costs and do not take into account changing money values except where specifically stated.

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

**1c Comparative Figures**

Comparative figures have been adjusted to conform to changes in presentation for the current financial year where required by accounting standards or as a result of a change in accounting policy.

**NOTES TO THE FINANCIAL STATEMENTS****For The Period 1 July 2018 to 30 June 2019****Note 1 Accounting policies continued****1d Property, plant and equipment****Plant and equipment**

Plant and equipment are carried at cost less, where applicable, any accumulated depreciation.

**Depreciation**

The depreciable amount of all fixed assets is depreciated on a straight-line basis over their useful lives to the association commencing from the time the asset is held ready for use.

Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

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

**Class of Fixed Asset**

Office Equipment 20%

Computer Equipment 40%

Leasehold improvements 20%

**1e Cash and Cash Equivalents**

Cash and cash equivalents include cash on hand, bank overdrafts, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less.

**1f Impairment**

At each reporting date, the association reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.

**1g Income taxes**

No current or deferred income tax assets or liabilities have been raised by the association as it is exempt from income tax under Division 50 of the Income Tax Assessment Act as a community service organization.

**NOTES TO THE FINANCIAL STATEMENTS****For The Period 1 July 2018 to 30 June 2019****Note 1 Accounting policies continued****1h Revenue**

Revenue is measured at the fair value of the consideration received or receivable. Donation income is recognised when the entity obtains control over the funds, which is generally at the time of receipt.

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

All revenue is stated net of the amount of any payable or claimable goods and services tax (GST). The association was not registered for GST during the period.

**1i Leases**

Lease payments for operating leases, where substantially all of the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

**1j 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 Taxation 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.

**NOTES TO THE FINANCIAL STATEMENTS****For The Period 1 July 2018 to 30 June 2019****Note 2 Cash and Cash Equivalents**

Cash on hand	-	-
Cash at bank	1,670	1,374
<b>Total cash and cash equivalents</b>	<b>1,670</b>	<b>1,374</b>

**Note 3 Cash Flow Information****3a Reconciliation of cash flow from operations with surplus for the year**

	<b>2019</b>	<b>2018</b>
	<b>\$</b>	<b>\$</b>
Net surplus/(deficit) for the period	296	717
Cash flows excluded from surplus attributable to operating activities		
Non-cash flows in surplus		
- Depreciation	-	-
Changes in assets and liabilities		
- (Increase)/decrease in trade and term receivables	-	-
- Increase/(decrease) in trade payables and accruals	-	-
- Increase/(decrease) in provisions	-	-
<b>Total</b>	<b>296</b>	<b>717</b>

**Note 4 Association Details**

The office of the association is: Development Circle Inc

Flat 5, 34 Denbigh Road Armadale 3143

COMMITTEE'S DECLARATION

The committee has determined that the Association is not a reporting entity.

The committee has determined that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the accounts.

In the opinion of the committee the financial report as set out on pages 7 to 16:

Presents a true and fair view of the financial position of Development Circle Inc as at 30 June 2019 and of the results of its operations and cash flows for the period ended on that date.

At the date of this statement, there are reasonable grounds to believe that Development Circle Inc. will be able to pay its debts as and when they fall due.

This statement is made in accordance with a resolution of the Committee and is signed for and on behalf of the Committee by:

Treasurer: *[Signature]*

Date: *17/10/2019*