

**Cultural Development Network
Incorporated**

**Annual
Report**



THE CULTURAL DEVELOPMENT NETWORK INC

The Cultural Development Network is an independent non-profit group that links communities, artists, local government and related agencies and organisations. We are based in Melbourne, Australia.

We advocate the essential function of participatory arts and cultural expression in the growth of a healthier, more engaged and sustainable society.

We work for a society in which local communities, in all their diversity, have the resources and support they need to make and express their own culture.

We believe that local government can and should be a key partner in achieving this vision.

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Cultural Development Network gratefully acknowledges the support of:



The *Generations* Project received additional support from:



Generations is supported by the Victorian Government through the provision of a Victorian Community Support Grant from the Community Support Fund



The Regional Arts Fund is an Australian Government initiative supporting the arts in regional and remote Australia

Cover: Montage of *Expanding Cultures* dinner and performance by *Kita* at earlier conference session that day. Photos used in cover design: Timothy Burgess and Mark Fairbairn

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01. **3times**, *Expanding Cultures Conference*,
City of Stonnington, July 2007. Photo: Timothy Burgess

CHAIR'S REPORT

Interculturalism and cultural rights

In 2007, the Cultural Development Network continued to build its networks of local government workers, artists, academics and policy writers through forums and other arenas of debate. The main focus for this year was the preparation and delivery of the *Expanding Cultures: Arts and Local Government Conference* that was held in July, in the City of Stonnington, with seven other inner metropolitan councils.

The conference is reported in detail within this Annual Report but there are two pleasing aspects that I will would like to highlight in my report.

Conference keynote speaker Jude Bloomfield introduced the term 'interculturalism' to an Australian audience; and Jordi Pascual provided a global perspective on local government in his re-emphasis of the connection between human rights and cultural vitality within the concept of four pillars of sustainability.

The themes of interculturalism and of cultural rights will be recurring themes in cultural development for some time beyond the conference.

Jordi Pascual reported back to CDN in November that the 2nd United Cities and Local Governments World Congress in JeJu Korea had declared 'that cultural policies form part of the different dimensions of good local governance in the same way as economic and social development or environmental protection' in its commitment to promote all human rights and respect diversity in our cities and territories. The Board is keen to use the momentum of such a decision internationally in our work at state and local government level.

2007 was also the first full year of our *Generations* project that will run through to the end of 2009. All five councils participating in *Generations* reached their projected start-up phase milestones by the end of the year. The board is confident that the projects and associated research will provide valuable insight and recommendations for the future de-

velopment of policies for local government.

The financial position for CDN at the end of 2007 had moved a long way to addressing the deficit reported in 2006 due to the additional cost of managing *Generations* in that year. The Board is pleased to report that a modest surplus of \$4,300 has brought the organisation back in line to its pre-2006 financial position with equity of around \$50,000.

On behalf of the Board I thank the work of the Cultural Development Network Director, John Smithies and Manager, Kim Dunphy for their commitment and management of the organisation's programs, administration and future direction. The Board values the support of its funding bodies and is confident that the organisation provides a valuable addition to the publicly supported cultural activities in the State of Victoria, nationally and internationally.

new Board members joined in 2007. Helen Baker, Manager Cultural and Library Services, City of Yarra was elected to the Board at the 2007 AGM and Dr Nick Hill, Lecturer, Arts Management, University of Melbourne was co-opted to the Board to fill a vacancy during 2007.

Three Board members stepped down in 2007. Kaz Paton, Arts and Culture Co-ordinator, City of Greater Geelong and a founding Board member of CDN; Anne Kershaw, Manager Arts and Culture, City of Hume; and Daryl Taylor a local government based social planner.

I look forward to working with the Board, the staff and network members into 2008 and commend this Annual Report on behalf of the Board.

Sue Beal
Chair
Cultural Development Network



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I take this opportunity to thank the six other Board members who have supported the organisation with a commitment of time, experience and contribution to debate. Board members Paul Holton, Hanut Dodd and Angela Bailey continued through 2007 and helped to maintain consistency through the year. Two

02. **Jude Bloomfield and Jordi Pascual,**
Expanding Cultures Conference,
City of Stonnington, July 2007.
Photo: Timothy Burgess

DIRECTOR'S REPORT

Cultural development: the international, national and local perspective

This Annual Report describes the Cultural Development Network's achievements in a year that brought international perspectives on culture to Melbourne.

In 2007, CDN's major focus was the development and management of the *Expanding Cultures: Arts and Local Government* conference. This was a partnership with City of Stonnington and seven other inner metropolitan councils of Melbourne, who formed the conference committee. CDN worked closely with a smaller steering group to develop the program. This conference was successful in terms of attendance and delegates' evaluations – but more importantly it succeeded in bringing new experiences and voices from Europe and New Zealand into a single location and elevated the themes of culture, interculturalism and the rights to participate and experience one's own culture, in its many manifestations.

This partnership of councils with CDN was a successful formula and indicative of the way CDN regularly works with local government and the arts community. As CDN takes on the larger task of advocating for a greater recognition of arts in the culture of our communities, we will continue to support local government as our leading partners.

FACILITATING NETWORKING

In 2007, CDN developed and expanded our network relationships with important peak bodies including the Municipal Association of Victoria, Victorian Local Government Association and Local Government Professionals, and universities of Melbourne, La Trobe and RMIT.

We invested in an on-line membership registration and renewal system that streamlined the process for members and our administration. Importantly this means we can now gather additional demographic information about our Members and the new category of Subscribers.



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CDN contributed to increased connections between members, local government and cultural development workers generally through a range of activities including advice and referral, e-bulletin, and support for local networks.

INITIATING DISCOURSE AND DEBATE

CDN's major activity is the initiation of events in which artists, community leaders and local government workers and others can meet, discuss ideas and hear from experienced practitioners. In 2007, these took a variety of forms including half-day forums, full-day workshops and conferences. Our public program for the year was focused on the *Expanding Cultures* conference but several smaller events were held and attracted very good responses and evaluations. The 2007 Program Report on the following pages describes our 2007 program in more detail.

BUILDING PROJECTS AND PARTNERSHIPS

Cultural Development Network occasionally develops model projects that can contribute to the develop-

ment of policy, particularly through related research. In most instances, CDN initiates the project, often with a council, and develops a partnership to raise resources and provide a local government context for project delivery.

In 2007, CDN was involved in two major projects: *Generations* and *Home Lands*. Now in the second year of three, the *Generations* Project was set up to explore the contribution of participation in community based arts activities to wider civic engagement. A new project for 2007, *Home Lands* was developed to explore the importance of regular communications between dispersed refugee communities, for parties at both ends of the refugee path.

ONGOING ADVOCACY

CDN's role as an advocacy organisation is a finely tuned activity. CDN is not a political lobby group and maintains a neutral party political position with all spheres of government.

03 *International Context Forum*, December 2007, City of Melbourne.

Our advocacy is aimed at influencing public policy where it impacts on the rights of communities, and individuals of those communities, to practice and present their own artistic, creative and symbolic activities. Our advocacy role is inherent in projects such as *Generations* and *Home Lands* where communities are able to respond to key issues in partnership with all spheres of government and build projects that have a fair expectation of success and, where desired, are sustainable. Other advocacy activity during 2007 includes presentations at conferences and events initiated by others, representation on government and NGO panels and Boards.

FUNDING BODIES, SUPPORTERS AND CONTRACTORS

The Cultural Development Network is grateful for financial and other operational support provided by three spheres of government: Australia Council, Arts Victoria and the City of Melbourne.

CDN also acknowledges its relationship with the eight inner metropolitan councils, (Cities of Stonnington, Yarra, Melbourne, Moreland, Maribyrnong, Moonee Valley, Boroondara and Port Phillip) who were partners in the *Expanding Cultures* conference and the many other councils that allow and encourage their staff to attend CDN forms and events.

In the office, Manager Kim Dunphy jointly programs the forums, conferences and events with myself and runs the day to day operations. CDN employed project coordinators for funded conferences and events, which in 2007 included contractors Meme McDonald and Penny Morison for the *Generations* project and Elodie Hodgkins for *Expanding Cultures*.

CDN's Board plays a key role in the annual cycle of planning and accountability. The organisation values the support of Chair, Sue Beal and the Board for their generosity of time and ongoing support.

In 2007 the Cultural Development Network was fortunate to have the services of financial management contractors, Meredith Windust, of *Figures Are Us*, web-site manager, Kitka Hiltula of *Kitka Web Design* and Alan Reddick, *Reddick Design*. These

small businesses provided excellent timely services that keep CDN operating efficiently.

John Smithies
Director



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MAINTAINING THE VISION

The Cultural Development Network argues that the existence of a cultural artistic expression is more than simply an indicator and a record of a culture, and an end in itself. Our premise is that creative thought and expression is a necessary ingredient for economical, environmental and social sustainability and contribute to the health and well-being of communities and their ability to keep pace with change.

The Network is committed to broadening the understanding of the role that arts plays within community cultures. Art is a key indicator of those cultures and art can also be a potent influence.

A new brochure was published in 2006 to describe the philosophy of Cultural Development Network as an organisation that; *links communities, artists, local government and related organisations to advocate the essential functions of participatory arts and cultural expression in the growth of a healthier, more engaged and sustainable society.*

The Cultural Development Network maintains a long-held framework of objectives:

- to encourage the making of art as an everyday activity amongst communities
- that organisations working with communities value the making of art together
- that our work contributes to the connectedness and empowerment of communities
- that all spheres of government value the cultural vitality of communities and develop policy and resources to support this

04 *Wangaratta Ukelele Show Band*, Wangaratta Gallery, *Generations* project, November 2007.
Photo: Maz McGann

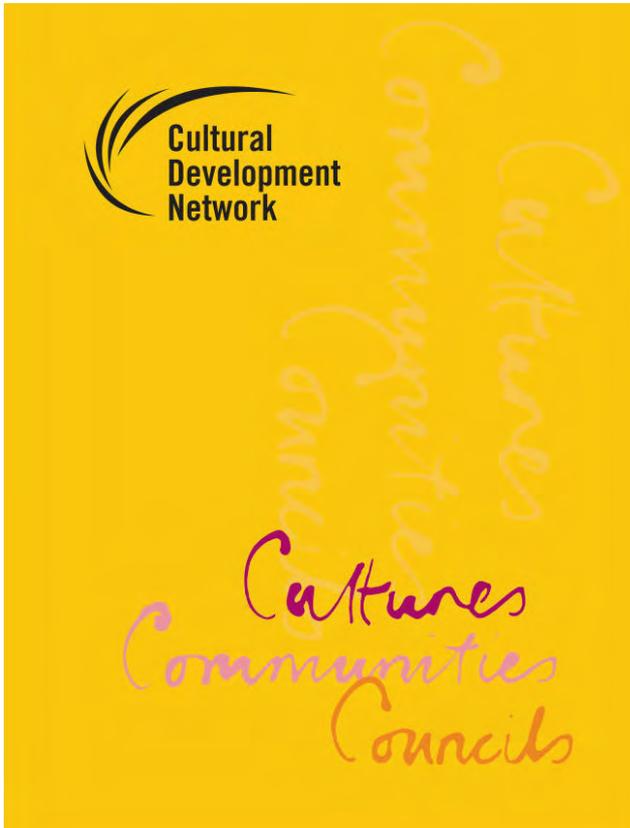
BUSINESS OBJECTIVES

The Cultural Development Network is an independent non-profit group that links communities, artists, local government through its membership and programs.

The 2007 year was the second year of a Business Plan developed for the triennium 2006-2008. This plan formed the basis for submissions to the Australia Council and Arts Victoria for ongoing funding.

The Board's mission:

To advocate the essential function of participatory arts and cultural expression in the growth of a healthier, more engaged and sustainable society in which local communities, in all their diversity, have the resources and support they need to make and express their own culture.



The Cultural Development Network operates in four **action** areas and **aspires** to impact on four outcomes;

ACTIONS

NETWORKING

Facilitating the growth of useful connections

DISCOURSE AND DEBATE

Stimulating interaction between diverse perspectives

PROJECTS AND PARTNERSHIPS

Demonstrating the value of community-based arts activities by example

ADVOCACY

Promoting the need for public support

ASPIRATIONS

The flourishing of diverse and authentic community cultures through:

ARTS PRACTICE

The making of art becomes an everyday activity among communities

COMMUNITY UNDERSTANDING

The value of making art together is embraced by agencies and organisations that work with communities

EFFECTIVE SERVICE

The Cultural Development Network responds to this growing enthusiasm with initiatives that connect and empower communities

GOVERNMENT COMMITMENT

All levels of government develop policy, support and resources that nurture independent community cultural activities

MANAGER'S REPORT

Expanded networks

The 2007 year was an exciting time for me as Manager of CDN. A highlight was our conference, particularly the opportunity to host international speakers Jordi Pascual, Jude Bloomfield and Nanaia Mahuta, each of whom made a unique contribution to the event and provided audiences with new ways of thinking about their work. It had been a pleasure meeting Jordi and Jude in Barcelona at the Agenda 21 for Culture meeting in 2006, and a privilege that they both accepted so gratefully our invitation to visit Australia. Having a Minister from New Zealand (along with her

husband) address delegates through the most powerful and poignant Maori song, was also an honour, a feeling that I am sure was shared by the whole audience. It was also a pleasure to work closely with so many councils as partners on this event and to have such excellent and consistent support from Stonnington, through Peter Redden and his Mayor, Claude Ullin, and Yarra, though Helen Baker, as well as the delightful supportive presence of Elodie Hodgkins as conference assistant and ever-patient John Smithies as Director.

PROGRAM REPORT

Cultural Development Network's programs are organised around its four activity areas; Networking, Discourse & Debate, Projects & Partnerships and Advocacy. We also respond to unscheduled opportunities as they arise.

All program details are posted on the Cultural Development Network website as they are announced and these are often accompanied by photos and reports after the event as an archive.

NETWORKING

CDN carries out a series of activities that assist with connectivity between individuals.

- Production of ten e-bulletins distributed widely through our members, subscribers and organisations across areas of interest. This publication includes event information, sector news and funding initiatives. The e-bulletin is also forwarded from CDN recipients onto secondary networks.
- The Cultural Development Network web-site is the primary repository of information about CDN programs, reports and publications. This information is freely available. In 2007 unique visits to the web-site increased by just over 20% up from 15,000 in 2006 to 18,000 in 2007

www.culturaldevelopment.net.au

- CDN supports new and existing local cultural development networks in metropolitan and regional Victoria. In 2007 a new network, South West Arts Network was established in the Port Fairy region. Other cultural development networks support the



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05 *Expanding Cultures Conference Committee, at Chapel Off Chapel, City of Stonnington, July 2007. (L-R) Peter Redden (Co-Chair), Elodie Hodgkins, Kim Dunphy, Anne-Maree Pfabe, Alice Park, Helen Baker (Co-Chair), John Smithies, Angela Bailey, Odilla O'Boyle. Photo: Timothy Burgess*

development and delivery of CDN's programs across Victoria.

DISCOURSE AND DEBATE

In 2007 the Cultural Development Network hosted eight public events, including a major conference, with a range of partner organisations. Two of these featured international presenters, and they were all well attended, received good evaluations and resulted in a range of positive outcomes. Forum papers, reports, photos, evaluation responses and outcomes are published on our website and distributed to participants and CDN members.

We attribute the ongoing success of our public programs to a number of factors:

- an established reputation for quality events over many years
- successful and diverse partnerships that bring new activities into focus for the first time
- well researched speakers and the publication of their papers on CDN website
- topics of relevance and interest to audiences as indicated by our collection of evaluation forms and comments
- access to partners venues and networks, and funding from Australia Council, Arts Victoria and City of Melbourne enables subsidised and free events to be accessible to a wider range of participants

Summary of Discourse and Debate Activity 2007

Workshop:

Cultural Planning and Cultural Indicators: how do we measure what we have planned?

16 February, VicHealth, Carlton

This theoretical and practical workshop was designed for those who plan for and measure cultural activity, especially local and state government arts and culture workers and social, community and urban planners. Presenters were Professor Mike Salvaris and Hayden Raysmith from RMIT University. A capacity audience of 40 gave feedback indicating that

the workshop was 'inspiring', 'valuable' and that there was a need for further work on this topic. Professor Mike Salvaris's report *Cultural Wellbeing Indicators in Programs and Policy-making* is available from CDN's website

www.culturaldevelopment.net.au/downloads/CulturalIndicatorsreport.pdf

Forum:

Rising Above It All: Vertical Communities and Cultures

June 21, Arts Centre

Presented in partnership with the City of Melbourne, this forum featured *Crowd Theory - Southbank* project (an activity of City of Melbourne's CCD Team and Footscray Community Arts Centre) as a catalyst for discussion about the experience of communities in new high rise developments. An audience of 80 from sectors as di-

Roundtable:

Cultural Indicators

July 26, City of Melbourne

This meeting was attended by a group of experts on cultural indicators including Professor John Wiseman, McCaughey Centre, University of Melbourne; Chris Hudson, Local Government and Shires Association NSW; Frank Panucci, Community Partnerships and Warren Woodward, Senior Research Officer, Australia Council; Hilary Crampton, University of Melbourne; Judy Morton and Sue Doyle, Arts Victoria; Susan Ball, VicHealth; Georgie Meyer and Melinda Viksne, Museum Victoria; Kevin Brennan, AMAG/AIC, John Smithies and Kim Dunphy, CDN.

Attendees reported on their current progress with cultural indicators and shared information, knowledge and resources. Overall the feeling was



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verse as developers, architects, body corporate, residents, service providers and urban planners, contributed to a lively discussion and exchange about the ways vertical living can rise above the ground-dwelling residential experience.

that the meeting was very useful. A further desirable outcome, yet to be achieved, would be a financial commitment for work on Cultural Indicators; information toolkit and resources that would be relevant at a local level

Conference:

Expanding Culture: Arts and Local Government conference

July 25-27, Chapel Off Chapel Arts and Leisure Complex, Prahran

Expanding Cultures was hosted by the City of Stonnington and supported by the Cities of Yarra, Melbourne, Moreland, Maribyrnong, Moonee Valley, Boroondara and Port Phillip and the Cultural Development Network. The conference focused on the contribution of arts and cultural development to the strength and well-being of local communities.

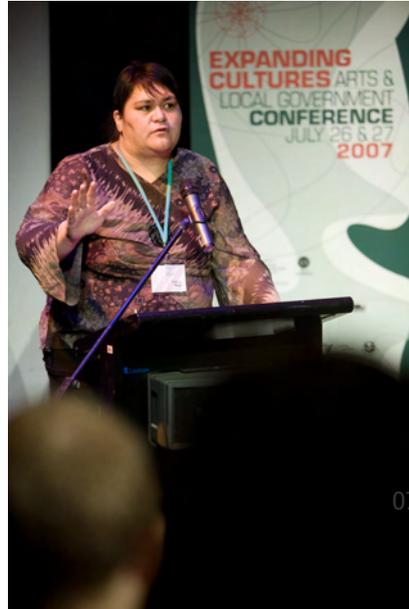
Conference themes explored included:

- the changing shape of community cultures and their impact on local government in Victoria, Australia and overseas
- arts as a vehicle for strengthening communities and facilitating social inclusion
- the impact of arts activities on health, education and economic development
- local government's engagement with Indigenous art and culture
- improving evaluation of arts activities and cultural development programs
- innovative partnerships

The conference audience was diverse, with attendees coming mostly from local government, especially



Expanding Cultures



07 **Hon. Nanaia Mahuta**, Minister for Youth Affairs, Associate Minister for Local Government, New Zealand. *Expanding Cultures Conference*, July 2007. City of Stonnington. Photo: Timothy Burgess

from the arts and culture sector. Others included artists and arts workers from non-government organisations, cultural facility workers, academics and federal and state government workers from a variety of sectors, from all levels, officers, managers, CEOs and elected representatives.

Over the three days, almost 300 people from all around Australia and New Zealand attended the conference and associated activities, including tours and visits to host councils and the conference dinner. A further forty, including local government CEOs, senior managers and councilors, state politicians and state government staff



08 **Jordi Pascual**, Coordinator, Working Group on Culture, United Cities and Local Governments, Barcelona, Spain. *Expanding Cultures Conference*, July 2007, City of Stonnington. Photo: Timothy Burgess

were addressed by keynote speaker Jordi Pascual about Agenda 21 for Culture in Local Government, at VIP sponsor function hosted by Stonnington Council.

Conference delegates listened to keynote speakers and panel presentations, participated in debates and discussions and enjoyed networking through formal and informal activities. The three international keynote speakers were well received; independent researcher from the UK Jude Bloomfield on *Intercultural Dialogue - creating the new*, Jordi Pascual, Coordinator of the Working Group on Culture, of United Cities for Local Governments on *Global Community and Local Government: Agenda 21 for Culture* and the Hon Nanaia Mahuta from New Zealand on *Cultural Well-Being: Linking local and central government to promote cultural wellbeing*.

The conference rated highly with delegates, with more than 80% of respondents commenting in the evaluation survey that the overall event quality was 'Excellent' or 'Very Good', and that presentations were 'Extremely useful' or 'Very useful' in prompting new thinking about their own work. Overall, our sense was the conference was well-received and valuable for those that participated. Possible areas of improvement, ideas and positive and critical feedback will be noted in planning of future activities.

Papers from conference presenters are available from the conference website

www.culturaldevelopment.net.au/expandingcultures/index.htm

A hardcopy version of these is under development due to be published in 2008.



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**Forum:
'Social Action Theatre' led by David Diamond**

October 2, DanceHouse, Carlton

This forum, presented in partnership with Good Shepherd Youth and Family Service, was an exploration of Theatre For Living methods and their application in communities, and the learnings of communities who engage in critical dialogue through theatre. The featured speaker was David Diamond, the award winning Director of Headlines Theatre, Vancouver, Canada and a panel of local practitioners; theatre worker Xris Reardon of Taking Up Space project, research and policy advisor, Dr. Kathy Land-

vogt from the Good Shepherd Youth and Family Service, family therapist and researcher, John Bamberg from the Centre for Adolescent Health and family worker, Jacqui Sundbery, from the Reconnect Program at Youth Substance Abuse Service.

The forum was attended by a diverse audience of theatre workers and other performers, as well as local government and NGO community workers, therapists, councillors, activists and academics. Lively discussion followed the presentations, on topics including therapeutic experiences through the arts versus 'arts therapy', quality of participation versus quality of outcomes and challenges of sustainable practice.

Forum report available from CDN Website:

www.culturaldevelopment.net.au/downloads/DavidDiamond_report.pdf

09 **Multi-Intra-Cultural Debate.**
Expanding Cultures Conference, July 2007, City of Stonnington.
Photo: Timothy Burgess

10 **David Diamond, Social Action Theatre** October 2007, Dance House.

Roundtable:

The Creative Use of Community Facilities, City of Melbourne,

November 16, CH2

Presented in partnership with City of Melbourne and the Community and Social Planners Network, this event was the best attended CASPN event for the year with 20 community and social planners from all over metro Melbourne hearing Anne Kershaw from Arts Vic/DPCD talk about her research into cultural facility planning and Sara Brain from the City of Melbourne talk about infrastructure planning at City of Melbourne. This event was hosted as a precursor to conferences on a similar topic to be hosted by CDN in 2008.

Artists Talk:

The International Perspective: Community Based Arts Initiatives Overseas

December 14, North Melbourne Town Hall

This informal afternoon featured artists and arts workers who had recently travelled overseas to develop their skills and understanding of arts practice in diverse communities; Kirsty Baird who spent four months in the UK and Cambodia visiting organisations working with communities using film/video and new media; Rosalie Hastwell who discussed her Asialink residency in India that led to a community engagement program with Adishakti Laboratory for Theatre Arts Research; Raelene Marshall who discussed her recent work and visit to the EcoMuseo in Cortemilia in northern Italy; and Anne Riggs and Jyoti Mukherjee who discussed their recent visit to India where they ran visual and performing arts workshops for socially disadvantaged children. Their paper 'Art Across India' is available from CDN's website at:

www.culturaldevelopment.net.au/downloads/ArtAcrossIndia.pdf

PROJECTS AND PARTNERSHIPS

Generations

The Generations project has been developed to explore the links between engagement in community based arts activities and active civic engagement.

Attendances for CDN events in 2007

Event	Paid Attendance				Free Entry				TOTAL
	Metropolitan	Regional	Interstate	International	Metropolitan	Regional	Interstate	International	
Workshop: <i>Cultural Planning</i>	24	16							40
Forum: <i>Rising Above it All</i>					80				80
Roundtable: <i>Cultural Indicators</i>						11	2		13
Conference: <i>Expanding Cultures</i>	152	77	24	8	15	8	6	4	294
Forum: <i>David Diamond</i>	40	4			4			1	49
Roundtable: <i>Community Facilities</i>					15	5			20
Artists' Talk <i>International Context</i>	44	8							52
	260	105	24	8	114	24	8	4	548

At the end of 2007 the Generations project was approaching the halfway mark in early 2008. The five participating councils, Dalrymple Shire (Queensland), Liverpool City (NSW), Rural City of Wangaratta (Victoria), City of Greater Geelong (Victoria) and Latrobe City (Victoria) have established community or council reference groups, appointed artists,

commenced their projects and participated in three of seven *Generations* project roundtables which are scheduled over the life of the project.

The Globalism Institute at RMIT has completed Stage One of the research program which primarily gathers the base-line information from each of the councils on their projects



The *Generations* project is supported by the five participating councils and these following funding bodies.



Supported by
State Government of Victoria

Generations is supported by the Victorian Government through the provision of a Victorian Community Support Grant from the Community Support Fund



An Australian Government Initiative



The Regional Arts Fund is an Australian Government initiative supporting the arts in regional and remote Australia



PROMOTING MENTAL HEALTH & WELLBEING



Living
the Arts

Generations has a component of **Regional Arts Funding** from the **Department of Communications, Information, Technology and the Arts**, which the Australia Council for the Arts manages on behalf of the Department.

and how they are set-up. The bulk of the research will happen throughout 2008 and early 2009.

During 2007 the Victoria, New South Wales and Queensland funding bodies completed and signed agreements with the participating councils in those states.

For the Cultural Development Network the first year has focussed on rejuvenating the council projects since the combined project stalled in 2005 during Australia Council restructure. An added complication was that many of the councils had changed key managers or CEOs since 2005. Fortunately, the five council arts and culture managers who were the original 'sponsors' of the project, within their councils, did remain in their positions.

Cultural Development Network Director, John Smithies and Generations Artistic Advisor, Meme McDonald, have made regular visits to each of the five council areas prior to each of the Generating Forums held in Melbourne (October 2006), Liverpool (April 2007) and Wangaratta (November 2007).

What we learn from *Generations* will inform policy on cultural development and its two-way relationship with arts policy across the three tiers of government in Australia.

The *Generations* Project is accessible through the Cultural Development Network Web-site:

www.culturaldevelopment.net.au/projects.htm



- 11 **Refill**, Artist Khaled Sabsabi with students at Miller Technical School as part of *Generations*, City of Liverpool, NSW, July 2007. Photo: Sally Atkins
- 12 **Identities**, Artists and council staff meet at mouth of the Barwon River in Victoria as part of *Generations*, City of Greater Geelong, Victoria. October 2007, Photo: Duncan Esler

Home Lands

A new project for 2007, *Home Lands* was developed to explore the importance of regular communications between dispersed refugee communities, for parties at both ends of the refugee path. There is evidence that regular communication between young refugees and home communities has a positive impact.

Home Lands is an Internet televi-



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sion program made with entry-level technical resources that allows young refugees to connect to their home lands and separated communities.

Home Lands is underpinned by the premise that refugee youth resettlement is more successful if identification, communication and engagement is maintained with home communities.

Low-cost digital media production tools and networks overcome the previous barriers of access to traditional media production facilities.

Evolving media technologies enable production storage, streaming, broadcast, mobile communication and therefore new forms of storytelling to give true global access to an audience.

The pilot project being undertaken in Melbourne, Australia will work with young refugees from Karen and Sudanese refugee communities and the corresponding refugee camps and home communities.

The program intends to:

- Create an Internet television program produced by young refugees that can contribute to a history of refugee settlement in Australia and a shared collection with the homeland nations
- Develop a reproducible program that can be implemented internationally
- Contribute to our knowledge and understanding of re-settlement

issues for seriously affected refugee youth and young adults

- Reinforce the importance of cultural identity and how local government community services, cultural programs and arts strategies can assist new refugees to have a positive resettlement in new lands
- Change the view of resettlement that puts the onus on refugees to reject their identity, history and homeland community

The City of Melbourne joined CDN to become co-producers of *Home Lands* in 2007, bringing resources and expertise in delivery of complex projects. This partnership allows CDN to focus on the policy implications and the way the project can be used to demonstrate the key principles to relevant government policymakers.

Home Lands is supported by the City of Melbourne, the Centre for Multicultural Youth Issues, Refugee Health Research Centre at La Trobe University and VicHealth



Living the Arts



PROMOTING MENTAL HEALTH & WELLBEING



12 Photograph supplied by Centre for Multicultural Youth Issues March, 2007

ADVOCACY

The concept of the rights of all citizens to an active cultural life in the community is an ongoing principle that underpins CDN's activities, writing and our program planning. To this end, staff activities included;

- Contributing to the 'Think Tank' meetings regarding the refresh of Arts Victoria's Creative Capacity Plus policy
- Representing CDN and the sector on the Board of RMIT's Global Cities Institute (Director John Smithies)
- Representing CDN and the sector on the Board of Arts Management Advisory Group, and the 'Disability and Arts' reference group convened by Paul Dunn, Department of Human Services (Manager Kim Dunphy)
- Presentation about early developments of Generations project, the relationship between participation in arts activities and community engagement, by key researcher Martin Mulligan and project advisor Meme McDonald at LG Pro conference, Melbourne Park, February
- Continued advocacy for adoption of *Agenda 21 for Culture*, through the organisation of an interstate speaking tour by *Expanding Cultures* conference keynote speaker, Jordi Pascual, (to Redlands Shire Council Qld and Local Government and Shires Assoc, NSW) and with inner metropolitan councils; presentation by Kim Dunphy to Regional Arts Tasmania conference, Latrobe, September, on 'Arts Networks', introducing *Agenda 21 for Culture* and *Fourth Pillar*
- CDN's key platform publication *Fourth Pillar of Sustainability* was translated and published in Latvian
- Guest editing of Issue 2 of the e-journal of the UNESCO Observatory Multi-Disciplinary Research in the Arts, titled *Creative Local Communities: Cultural Vitality and Human Rights* This will be published in mid 2008



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Event proceedings

Presentations, papers, reports and photos from all events noted in this report are available for download from CDN's web-site

www.culturaldevelopment.net.au

13 *Expanding Cultures Conference*, delegates gathering for welcome by City of Stonnington, July 2007. Photo: Timothy Burgess

OPERATIONS REPORT

The Cultural Development Network is a small Incorporated Association whose obligations include management of accounts to Australian Accounting Standards, servicing a Board and members under the Incorporated Associations Act and following all regulated employment processes associated with Australian Taxation Office and Australian Superannuation Guarantee.

CDN manages its own files and organisational data and archives on behalf of its members and maintain office processes that are responsible and scaled befitting a small publicly funded body. Achieving the best balance between these obligations and the program objectives is an ongoing challenge. In 2007, Cultural Development Network continued to contract out the accounting, payroll, web-management, archiving and design work, to enable the core team to focus on program and organisational development.

The following reports briefly describe these aspects of Cultural Development Network's activities in 2007.

MARKETING REPORT

Cultural Development Network markets itself and programs through a monthly e-bulletin distributed through arts networks and including Arts Hub, Info Exchange, VicHealth, peer and peak bodies. In 2007 CDN contracted a Publicity Manager to promote the *Expanding Cultures Conference* and this raised the profile of CDN nationally.

The new on-line membership and subscription module enables new members, subscribers and renewing members and easy way to keep their details up to date. It also encourages visitors to our web site where our events are publicised. Key indicators of growing support for CDN;

- steadily increasing membership (20% increase since 2006)
- increasing requests for advice and expertise from range of

organisations and individuals including funding bodies, local governments, arts workers

- requests for our publications from local, interstate and overseas. For example, a request from Housing NSW, wanting a copy of 'Public Art Public Housing' to assist with development for local artwork into playground area on housing estate in Toongabbie
- all events run in 2007 were well attended with nearly all at capacity
- evaluations undertaken at all events provided feedback generally rating quality of events 'Excellent' or 'Very good'

Details of attendance numbers and composition, advertising and promotional material, media articles and evaluation responses are collected for annual program review of all major activities.

SAMPLE COMMENTS FROM OUR EVENT EVALUATIONS AND WEB-SITE

Valuable and continuing forum... [with] interesting synergies between delegates. Well done! – Cultural Planning and Cultural Indicators workshop

Refreshing and inspiring... [we're] currently developing our Cultural Indicators so so so useful – Cultural Planning and Cultural Indicators workshop

I thought the Forum initiative was very worthwhile. As a developer, I found the community feedback experience extremely helpful and encouraging – Rising Above It All forum

Fantastic cross section of people representing different interests – all very good speakers – Rising Above It All forum

Very well aimed and inspiring – Expanding Cultures Conference

Very good ... thank you for the opportunity to participate. Excellent Conference – Expanding Cultures Conference

The overall presentation was top shelf and very diverse which provided a wide variety of interest - The international context: community-based arts initiatives overseas event

DISTRIBUTION OF RESOURCES IN 2007

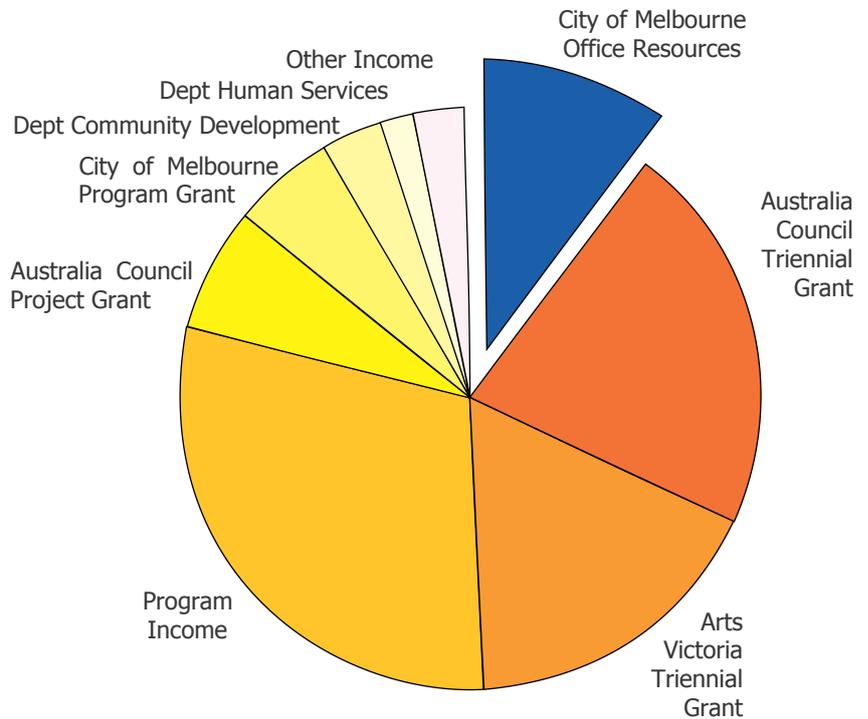
The Cultural Development Network is similar to many small arts organisations in that it has a fixed funding base with little opportunity for self-funding and has to adjust its resources to its priority areas of activity. In 2007 CDN's primary expenditure was on the core business of the organisation – its public programs. The organisation's business plan is set in December each year with the key program focus and budget approved by the Board. In 2007 there was a major focus on the Expanding Cultures conference. This program generated greater than usual program revenue with corresponding expenses.

The City of Melbourne provides office accommodation and resources for CDN to operate. This is valued separately as an in-kind contribution and included in the diagrams as non-cash component.

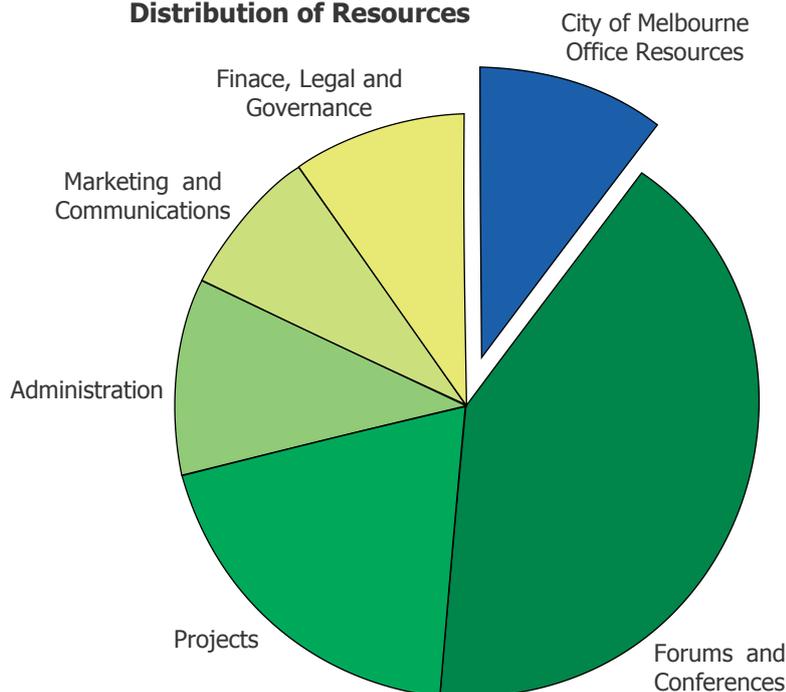
The two charts below provide an overview of the operating income sources and distribution of operating expense in 2007.

These charts do not include funds held and disbursed by CDN as an auspice organisation that receives, holds and disburses funds on behalf of other organisations.

Sources of Income



Distribution of Resources



GOVERNANCE

Cultural Development Network Board

The Cultural Development Network is a membership based Incorporated Association that is governed by a seven member Board.

The Board is appointed by members at the Annual General Meeting in May. Board members returned in 2007 were Sue Beal (Chair), Angela Bailey (Deputy Chair), Paul Holton (Treasurer) and Hanut Singh Dodd. New member elected at the AGM was Helen Baker and Dr Nick Hill joined as a seconded member in September. Retiring Board members were Kaz Paton, Anne Kershaw and Daryl Taylor.

All current Board members are active workers in the cultural field and bring to the organisation a wealth of expertise; with local government in regional and metropolitan areas, and

as artists with a diversity of art form experience.

Board Members

Sue Beal (Chair) is the Manager of Arts House with the City of Melbourne and is responsible for the programming at the North Melbourne Town Hall, and the Meat Market. Sue has a long and distinguished record in the arts and local government sectors. She has been the Assistant Federal Secretary for Actors Equity; member of the Australia Council's Theatre Board; Australian representative for Cirque Du Soleil, and General Manager of Sidetrack Theatre.

Angela Bailey (Deputy Chair) is a photographic artist with diverse experience in community-based work, including projects with housing estate tenants, textile workers, older adults, young people, asylum seekers and women prisoners. Her recent activities include Artist in Residency at Carlton Public Housing Estate, City of Melbourne and Photographic Coordinator Feltex Workers Exhibition - Textile Clothing and Footwear Union of Australia. Angela's photographic work is represented in major national and state collections.

Paul Holton (Treasurer) is Manager, Arts and Leisure for the Latrobe City Council. His role encompasses overall management of Latrobe City's cultural and leisure facilities and programs. He has worked in arts administration and cultural development for eighteen years and was part of the team that initiated the highly successful Wangaratta Festival of Jazz. Paul is a former member of the Australia Council's Community Cultural Development Board.

Hanut Singh Dodd is a highly experienced cultural, heritage and tourism manager with skills including 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 experience as a freelance curator and architectural conservator and in community and cultural development in local government.

Dr Nick Hill

Nick Hill is Lecturer, Arts Management and Media and Communications

at the University of Melbourne. His qualifications include BA (Hons); PG DipM and MA. He has recently 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 programme).

Thanks to Board Members stepping down in 2007:

Anne Kershaw served as a Board member from 2004. Her work in local government has focused on the engagement of communities from CALD backgrounds and initiatives aimed at building local cultural identity. Anne comes from a higher education/museum and gallery background, having lectured at Deakin and Manchester Universities.

Kaz Paton is Coordinator of the City of Greater Geelong's Arts and

Cultural Development Unit and was a member of the Board since 2002. She was responsible for establishing the Colac Otway Performing Arts and Cultural Centre when working for the Colac Otway Shire. Prior to Colac Otway, Kaz worked with the City of Port Phillip with a focus on people with special needs in the arts. Kaz has worked extensively in community theatre, spending several years as an actor, producer and drama teacher in Australia and overseas.

Daryl Taylor is a personal, organisational and community development coach and public health planner specialising in community engagement, community planning, community and township development, community health and health promotion policy and planning. Daryl also teaches in the Public Health program at La Trobe University.



Cultural Development Network Board - December 2007

Back row: Sue Beal (Chair), Helen Baker

Front row: Dr Nick Hill, Paul Holton (Treasurer), Angela Bailey (Deputy Chair)

Inset: Hanut Singh Dodd

Note: the Board had one vacancy at December 2007

Board Member Attendance	Sector	Meetings Eligible to Attend	Meetings Attended
Sue Beal, Chair	Local Government	4	2
Angela Bailey, Deputy Chair	Artist	4	4
Paul Holton, Treasurer	Local Government	4	2
Hanut Singh Dodd	Local Government	4	3
Helen Baker	Local Government	2	2
Dr Nicholas Hill	Academic	1	1
Members resigned in 2007			
Anne Kershaw	Local Government	2	1
Kaz Paton	Local Government	2	1
Daryl Taylor	Social Planner	2	0

The Board meets four times over an annual cycle following the AGM and Board Elections held in May.

August: Forward strategy and business planning with new Board

December: Approve Business Plan and forward financial year budget

February: Approve Annual Report for previous year

May: Performance and program review of previous year

CDN staff report to the Board on financial performance and program performance against the key indicators agreed to by the Board. The Board as a whole acts as the Finance Committee.

The Board's Recruitment and Remuneration Committee oversees the pay structure and terms of employment contracts for staff; and recruitment of its executive officer.

Management and Administration

In 2007, Cultural Development Network was managed by two staff (equivalent full-time 1.8 positions) plus short-term project-based employees. The organisation also contracted specialist services such as accounting, design, web-site management, publicity and project management as required. Postage, communications (telephone and data), vehicle pool, IT support and meeting rooms were provided through a resource agreement with the City of Melbourne and the organisation was associated, structurally, within in the Cultural Development Team of the Arts and

Culture Branch at the City of Melbourne.

CDN contracted *Figures R Us* as its accountants and bookkeepers, and the annual audit for 2007 was carried out by Eric Townsend Co Pty Ltd. Through the year CDN contracted *Kitka Design* to manage the web-site and *Reddick Design* to develop the first stage of the on-line membership and subscriber database. Lu Sexton was contracted to edit and write the monthly *e-Bulletin*. The organisation operates and reports on a calendar financial year. CDN maintains a cash balance suitable to cover cashflow,

some modest growth and sufficient funds in the event of a wind-up of the Association.

John Smithies, Director came to the Cultural Development Network with a background and career in arts and education. John was founding Director of Experimenta (previously Modern Image Makers Association) before moving to the State Film Centre of Victoria. Appointed Director of the Film Centre in 1991 he led the development and eventual opening of the Australian Centre for the Moving Image at Federation Square in March 2002. John has worked as a consultant for community organisations, and continues to work on creative development projects in media and as an artist.

Kim Dunphy joined the Network in 2004 after working as a community artist and arts educator in primary, secondary and tertiary sectors. She has been a dance critic for *The Age*, managed community centres in Hampton and Altona North and worked in community cultural development with the City of Melbourne and Hobsons Bay. Kim is also Director of *Kita* an Asian performing arts company, past-President of Ausdance Victoria and currently a Board member of Arts Management Advisory Group and the Dance Therapy Association of Australia.



Standing: Lu Sexton (freelance writer), Kitka Hiltula (*Kitka Design*), Kim Dunphy (CDN)

Sitting: John Smithies (CDN), Allan Reddick (*Reddick Design*), Meredith Windust (*Figures R Us*)

BOARD OF DIRECTORS' REPORT

The directors of Cultural Development Network are pleased to present their report on the Cultural Development Network Inc. for the twelve months ended 31 December 2007.

DIRECTORS

The names of directors in office at any time during the year are:

- Sue Beal, Chair
- Paul Holton, Treasurer
- Angela Bailey, Deputy Chair
- Hanut Singh Dodd
- Helen Baker (appointed May 2007)
- Dr Nicholas Hill (appointed November 2007)
- Anne Kershaw (until May 2007)
- Kaz Paton (until May 2007)
- Daryl Taylor (until May 2007)

PRINCIPAL ACTIVITIES

Cultural Development Network Incorporated is an incorporated association subject to the provisions of the *Associations Incorporation Act 1981*, Victoria. The Association's principle activity is to function (principally in Victoria) as a voice for community based arts and cultural development interests. Cultural Development Network Incorporated works towards a society in which local communities, in all their diversity, have the resources and support they need to make and express their own culture.

There are two main not for profit business operations of the Association.

The first is the running of conferences, forums, roundtables and publications where individual practitioners, producers, managers, professionals and academics are able to present their ideas. The objective is to enable a diverse range of voices to feed into public policies that impact on the cultural life of communities.

The second is the initiation and management of projects that provide

research data and opportunities to demonstrate the principles of cultural development through community arts based activities.

CDN's focus in 2007 has been to manage the *Generations* project across three states and to develop and manage the *Expanding Cultures: Local Government and Arts Conference*.

OPERATING RESULTS

The net result of the Cultural Development Network Inc. for the period of operation ending on 31 December 2007 was a surplus of \$ 4,301 (2006: \$(14,162) loss).

REVIEW OF OPERATIONS

After Balance Date Events

No 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 Inc., the results of those operations, or the state of affairs of Cultural Development Network Inc. in future financial years.

Significant Changes

The Association projected a modest surplus for 2007 and has achieved that outcome. There have been no significant changes to the operations of the Association in this period and as happens from time to time different funding partners join with the Cultural Development Network Inc. on projects in some years and not in other years.

In 2007 the Cultural Development Network Inc held up to \$300,000 of funds in auspice on behalf of councils receiving funds from Australia Council for the *Generations* project. These funds are identified in the 2007 annual accounts of the Association. The majority of these funds were disbursed to the councils, according to their contracted milestones, in 2007.

Environmental Issues

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

MEETINGS OF DIRECTORS

The number of meetings of the Association's board of directors and of each board committee held during the year ended 31 December 2007 and the numbers of meetings attended by each director are reported on page 17 of this Annual Report.

Indemnities and Insurance

The Cultural Development Network Inc. was covered by Overton Insurance to insure each of the directors against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of director of the Cultural Development Network Inc., other than conduct involving a wilful breach of duty in relation to the Cultural Development Network Inc.

In accordance with normal commercial practices under the terms of the insurance contracts, the nature of the liabilities insured against and the amount of the premiums are confidential.

Capital Expenditure

The Cultural Development Network Inc made no investment in capital works or purchases in 2007 and holds no significant realisable assets.

Likely Future Developments and Expected Results

In our opinion, all appropriate information concerning the possible developments in, and expected results of, the operations of the Cultural Development Network Inc are contained in this Annual Report.

Directors' Benefits

The Directors of Cultural Development Network Inc are voluntary appointments made under the rules of the Association. Neither during, nor since the financial year has any Director received or been entitled to receive a benefit or remuneration from the Association.

Directors' Interests in Contracts

No Director of the Association receives any pecuniary interest as a result of contracts or dealings of the Association.

Contractual Arrangements**Continuation of Existing Contracts**

2007 was the second year of triennial funding from both Australia Council and Arts Victoria which forms the base of Cultural Development Network Inc revenue. New triennial agreements will be negotiated in 2008 for triennial periods commencing in 2009.

In 2007 Cultural Development Network Inc re-signed an annual contract with the City of Melbourne which provides in-kind office-based and corporate resources to the Association as well as an annual grant to assist the Association's public programs.

2007 was the first full calendar year, and second financial year of the *Generations* contract with Australia Council that runs from July 2006 to November 2009.

New Contracts signed in 2007

During 2007 Cultural Development Network entered into three new contracts with a total value of \$56,000:

- 1 Victorian Department for Planning and Community Development, Community Support Fund, \$30,000 across 2007 (\$10,000), 2008 (\$10,000) and 2009 (\$10,000) for support to the *Generations* project.
- 2 Victorian Department of Human Services, Disability Services, \$20,000 for 2007-08 financial year to develop and manage three conferences and develop a new resource.

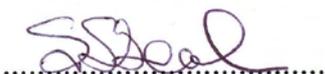
- 3 VicHealth – Conference support of \$6,000 for development and running of three one-day conferences in 2008

Endorsement of the Board

In the opinion of the Board the financial report for 2007

- 1 Presents fairly the financial position of the Cultural Development Network Inc. as at 31st December 2007 and its performance for the year ended on that date in accordance with Australian Accounting Standards, mandatory professional reporting requirements and other authoritative pronouncements of the Australian Accounting Standards Board.
- 2 At the date of the statement, there are reasonable grounds to believe that the Cultural Development Network Inc. will be able to pay its debts as and when they fall due.

This Directors' Report is made in accordance with a resolution of the committee and is signed for and on behalf of the committee by:



Sue Beal
Chair,
Cultural Development Network Inc

FINANCIAL STATEMENTS

INCOME STATEMENT For Year Ended 31 December 2007

REVENUES FROM ORDINARY ACTIVITIES	Note	2007 \$	2006 \$
Grants	2	389,776	211,385
Interest		9,299	6,846
Other Income	3	96,089	12,509
→ Total Revenues from ordinary activities		495,094	230,740
EXPENSES			
Depreciation Expense	6	-	-
Supplier Expense	4	(342,542)	(114,733)
Employee Expense	5	(148,250)	(130,169)
Assets Written Off	6	-	-
→ Net Profit/(Loss) from ordinary operations before Income Tax Expense		4,301	(14,162)
→ Net Profit/(Loss) from ordinary Operations	12	4,301	(14,162)
→ Total Changes in Member Funds		4,301	(14,162)

BALANCE SHEET As at 31 December 2007

CURRENT ASSETS	Note	2006 \$	2005 \$
Cash Assets	7	82,806	121,930
Receivables & Prepayments	8	173,459	23,250
GST Receivable	9	-	3,830
→ Total Current Assets		256,265	149,009
→ Total Assets		256,265	149,009
CURRENT LIABILITIES			
Payables	10	200,646	98,991
Provisions	11	7,152	5,852
→ Total Current Liabilities		207,798	104,843
→ Total Liabilities		207,798	104,843
→ NET ASSETS		48,467	44,166
Accumulated Funds			
Opening Member Funds	12	44,166	58,328
Net Profit/(Loss)		4,301	(14,162)
→ TOTAL EQUITY		48,467	44,166

The accompanying notes form part of these financial statements

FINANCIAL STATEMENTS

NOTES TO AND FORMING PART OF THE ACCOUNTS

For the Year Ended 31 December 2007

STATEMENT OF CASHFLOWS	2007	2006
	\$	\$
Income		
Funding		
City of Melbourne	-	17,000
Australia Council Triennial	62,853	61,380
Australia Council Generations	114,923	53,869
Department of Human Services	5,000	-
Arts Victoria Triennial	50,000	30,000
Department of Planning & Community Services	10,000	13,636
→ Total Grants	242,776	211,385
Other Income		
Book Sales	1,084	1,954
Membership	2,473	3,316
Registration Fees - Public Events	3,180	7,239
Interest	5,478	6,846
Conference	83,874	-
→ TOTAL CASH INCOME	338,865	230,740
Payments to Suppliers and Employees	377,989	188,622
NET CASH PROVIDED BY OPERATING ACTIVITIES	(39,124)	42,118
CASHFLOWS FROM INVESTING ACTIVITIES	-	-
NET CASH USED FROM FINANCIAL ACTIVITIES		
Net Increase (Decrease) in Cash Held	(39,124)	42,118
Cash at Beginning of Financial Year	121,930	79,812
Cash at the End of the Financial Year	82,806	121,930
RECONCILIATION OF CASH		
Cash at Bank	58,315	99,752
Investment Account	24,491	22,178
→ TOTAL CASH	82,806	121,930

STATEMENT OF CASHFLOWS	2007	2006
	\$	\$
RECONCILIATION OF NET CASH PROVIDED BY OPERATING ACTIVITIES TO OPERATING SURPLUS AFTER TAX INCOME		
Operating surplus after income tax	4,301	(14,162)
Changes in Assets & Liabilities		
Increase (Decrease) in current creditors & accruals	44,115	984
Increase (Decrease) in provisions	1,300	-
Decrease (Increase) in prepayments	464	(4,549)
Decrease (Increase) in receivables	(150,673)	2,533
Increase (Decrease) in GST collected/paid net	9,292	(4,683)
Increase (Decrease) in grants in advance	52,077	61,995
→ NET CASH PROVIDED BY OPERATING ACTIVITIES	(39,124)	42,118

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEARENDED 31 DECEMBER 2007**

	Retained Earnings	Total
Balance at 31 December 2005	58,328	58,328
Deficit attributable to equity members	14,162	14,162
Balance at 31 December 2006	44,166	44,166
Surplus attributable to equity members	4,301	4,301
Balance at 31 December 2007	48,467	48,467

NOTES TO THE FINANCIAL STATEMENTS

For the year ended
31 December 2007

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Preparation

This general purpose financial report has been prepared in accordance with Accounting Standards, other authoritative pronouncements of Australian Accounting Standards Board and the requirements of the Associations Incorporation Act.

The financial report is for an entity known as Cultural Development Network Inc. as an individual entity. The Association was incorporated in Victoria under the Associations Incorporation Act 1981.

The financial report complies with all Australian equivalents to International Financial Reporting Standards (AIFRS).

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

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 financial assets, financial liabilities and selected non-current assets for which the fair value basis of accounting has been applied.

(b) Segment reporting

A business segment is a group of assets and operations engaged in providing products or services that are subject to risks and returns that are different to those of other business segments. A geographical segment is engaged in providing products or services within a particular economic environment and is subject to risks and returns that are different from those of segments operating in other economic environments. The Association operates in one business segment Cultural Development and one geographical segment (Victoria).

(c) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Government Grant contributions are received on an annual or specified time period basis and are recognised as revenue in the period to which the contribution relates.

Government Grant contributions are recognised as deferred revenue in Current Liabilities due to the funding agreement being for a specific time.

Interest Revenue is recognised on a time proportion basis using the effective interest method.

All revenue is stated net of the amount of goods and services tax (GST).

(d) Income tax

Cultural Development Network Inc. is exempt from income tax under current legislation. As such, no provision for current or deferred income taxes has been made for the year ended 31st December 2007.

(e) Leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight-line basis over the period of the lease.

(f) Impairment of assets

Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets (cash generating units).

(g) Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

(h) Receivables

Receivables are recognised initially at fair value and subsequently measured at amortised cost, less provision for doubtful debts.

(i) Property, Plant and Equipment

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

Plant and Equipment

Plant and equipment are carried at either cost or at independent or association's valuation, less any accumulated depreciation or amortisation applicable. This is an acceptable method for the value in use of an asset for a Not for Profit entity. An annual impairment review is conducted for property.

NOTES TO FINANCIAL STATEMENTS

Depreciation

Property, plant and equipment, other than freehold land, are depreciated at rates calculated to allocate the cost less the estimated residual value over the estimated useful life of each asset.

The assets carrying values are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Profit and loss on disposal are determined by comparing proceeds with the carrying amount. These amounts are included in the income statement.

(g) Employee Benefits

Provision is made for the liability due to employee benefits arising from services rendered by employees to the reporting date. Employee benefits expected to be settled within one year together with benefits arising from wages and salaries, sick leave and annual leave which will be settled after one year, have been measured at their nominal amount. Other 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.

NOTE 2: GRANTS

	2007 \$	2006 \$
Australia Council Triennial	62,583	61,380
Australia Council - Generations Auspiced grant	244,923	53,869
Arts Victoria Triennial	50,000	30,000
City of Melbourne	17,000	17,000
Dept of Planning & Community Development - Generations	10,000	13,636
Department of Human Services	5,000	-
Other		35,500
Total	389,776	211,385

NOTE 3: OTHER INCOME

	2007 \$	2006 \$
Membership	2,473	3,315
Conference	83,874	-
Book Sales	1,084	1,954
Public Event Registrations	3,180	7,239
Other	5,478	-
Total	96,089	12,509

NOTE 4: SUPPLIERS

	2007 \$	2006 \$
Administration	(16,504)	(21,473)
Marketing	(9,145)	(4,554)
Public Events	(6,726)	(23,972)
Conference Expenses	(50,372)	-
Generations Project Expenses	(259,795)	(64,735)
Other	-	-
Total	389,776	(114,733)

NOTE 5: EMPLOYEE EXPENSES

	2007 \$	2006 \$
Salaries and Wages	(134,261)	(118,986)
Superannuation	(12,376)	(10,215)
Other	(1,613)	(968)
Total	(148,250)	(130,169)

NOTE 6: PROFIT FROM ORDINARY ACTIVITIES

Net surplus has been determined after:

(a) Expenses:	\$	\$
Depreciation of non-current assets plant and equipment	-	-
	-	-

Remuneration of the auditor during the financial year for:

- auditing or reviewing the financial report	2,500	2,500
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b) Net Gains (Losses)

Net loss on disposal of property, plant & equipment	-	-
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NOTES TO FINANCIAL STATEMENTS

NOTE 7: CASH ASSETS

	2007 \$	2006 \$
NAB Cheque Account	12,304	7,711
ING Business Account	46,010	92,041
Other	24,491	22,178
Total	82,806	121,930

NOTE 8: RECEIVABLES - CURRENT

	2007 \$	2006 \$
Trade Debtors	169,374	18,700
Prepayments	4,085	4,550
Total	173,459	23,250

NOTE 9: OTHER FINANCIAL ASSETS - CURRENT

	2007 \$	2006 \$
GST Receivable	-	3,830
Total	-	3,830

NOTE 10: PAYABLES

	2007 \$	2006 \$
GST	5,463	-
Sundry Creditors	52,663	8,989
PAYG Withholding	5,812	5,371
Superannuation payable	-	-
Unearned Revenue	136,708	84,631
Total	200,646	98,991

NOTE 11: PROVISIONS - CURRENT

	2007 \$	2006 \$
Employee Leave	7,152	5,852
Total	7,152	5,852

NOTE 12: RETAINED SURPLUS

	2007 \$	2006 \$
Opening Member Funds	44,166	58,328
Net surplus/(deficit) attributable to members	4,301	(14,162)
Total	48,467	44,166

NOTE 16: EVENTS AFTER THE BALANCE SHEET DATE

There were no material subsequent events that occurred and require reporting after the balance sheet date.

NOTE 17: RELATED PARTIES TRANSACTIONS

No committee members receive any remuneration from the Association or any related entities in connection with the management of the Association.

NOTE 18: CONTINGENT LIABILITIES AND CONTINGENT ASSETS

There were no material contingent liabilities or Contingent Assets of the Association.

NOTE 19: MORTGAGES, CHARGES OR OTHER SECURITIES AFFECTING THE ASSETS OF THE ASSOCIATION

There are no mortgages, charges or securities affecting the assets of the Association.

NOTE 20. ASSOCIATION DETAILS

The Association is incorporated under the Associations Incorporation Act 1981 of Victoria

INDEPENDENT AUDIT REPORT

To the Members of the Cultural Development Network Incorporated

SCOPE

The Financial Report and Committee's Responsibility

The Financial Report compares the balance sheet, income statement, statement of cash flows, statement of changes in equity, accompanying notes to the financial statements, and the statement by members of the committee for the Cultural Development Network Inc. (the Association), for the year ended 31 December 2007.

The Committee of the Association is responsible for the preparation and true and fair presentation of the financial report in accordance with the Associations Incorporations Act. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

Audit Approach

I conducted an independent audit in order to express an opinion to the members of the Association. My audit was conducted in accordance with Australian Auditing Standards in order to provide reasonable assurance as to whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgement, selective testing, the inherent limitations of internal control, and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

I performed procedures to assess whether in all material respects the financial report presents fairly, in accordance with the Associations Incorporations Act, including compliance with Australian Auditing Standards and other mandatory financial reporting requirements in Australia, a view which is consistent with my understanding of the association's financial position.

I formed my audit opinion on the basis of these procedures, which included:

- examining, on a test basis, information to provide evidence supporting the amounts and disclosures in the financial report, and
- assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the committee.

While I considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of my procedures, my audit was not designed to provide assurance on internal controls.

Independence

In conducting my audit, I followed applicable independence requirements of Australian professional ethical pronouncements.

AUDIT OPINION

In my opinion:

The financial report of the Cultural Development Network Incorporated is in accordance with the Associations Incorporation Act 1981 Victoria including:

- i giving a true and fair view of the Association's financial position as at 31st December 2007 and of their performance for the year ended on that date; and
- ii complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Associations Incorporation Act 1981 Victoria.



ERIC TOWNSEND

E TOWNSEND & CO.

**35 MEREWETHER AVE
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Dated this *17th* day of *March* 2008





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