

Queensland Social Enterprise Council



# 2017 Annual Report

*Working for the development of a vibrant, innovative and capable social enterprise sector in Queensland that is sufficiently resourced and supported to achieve high social, cultural and environmental impact.*



## Chair's Report

It's been another great year in the ever evolving social enterprise sector. Two significant changes in the policy and legislative environment include considerable developments in the Queensland Governments 2017 Procurement Policy. New policy prioritises social and local procurement at a greater scale than ever before. Another significant development is the draft legislation for equity based crowd funding at the federal level, which could significantly benefit privately owned social enterprises.

In my time as Chair I've focused on positioning QSEC where we can have opportunities for input into government policy and legislation. The goal has been to best represent our members and to create the best outcomes for Queensland Social Enterprises. In this time, QSEC has played a key role partnering in a number of initiatives with the Queensland Government to develop social enterprises across the state. This has involved countless meetings and conversations, but particularly notable are:

- The Social Procurement Industry Reference Group
- The Qld Plan Ambassadors Secretariat
- Co Design processes with the Qld Department of Corrections
- Social Procurement Market Days Steering Group in Cairns and Brisbane
- The Qld Regional Working Together Strategy in Central Qld and Logan
- The Qld Mental Health Commission Report
- The Brisbane City Council Social Enterprise Consultation and Research project partnering with KPMG

QSEC has focused on Social Procurement Policy development as our core area for advocacy and i think we've witnessed excellent development in this area. We welcome the development of the Qld Governments Social Procurement Strategy and a role dedicated to the area, currently held by Frank Dinneen.

I would personally like to thank MP and Minister Leanne Enoch for her contribution and support of Social Enterprise, as well as our many champions within The Department of Housing and Public Works. Thank you!

QSEC still maintains that a social procurement target of 1 % of Qld government business would be a welcomed outcome. This is particularly considering the potential to create sustainable employment for some of Queensland's most disadvantaged people. By our calculation 1% of the Qld Government's Annual spend would result in 3 million new jobs for vulnerable Queenslanders.

We've also continued to develop our focus on education, running workshops, events and partnering with High Schools and Universities as they respond to the increasing interest in the sector. In particular, Brisbane State High, CQUniversity, Griffith University, the University of Qld and QUT.

Our engagements and speaking opportunities have cut across Schools of Arts, Social Work, Social Policy and Schools of Business in all of the major Universities.

It's amazing to think that five years ago QSEC was just in the process of setting up. Sparked by a coffee between myself and Steve Williams, our former Chair, and a decision to gather the former New Mutualism group to explore the potential of starting a Peak Body for Social Enterprise in Qld, we began the process of working through our structure and purpose with five social enterprises and their representatives.

This core team included Richard Warner of Nundah Enterprise Coop, Steve Williams, then of SEED, Saba Abrahams of Mu'ooz Cafe and Restaurant, James Boreham then of Human Ventures, and Marc Sims of Entekom and Grant Williams. It's been a privilege to work closely with these talented people.

Since our foundation Robin Dick, Tony Sharpe, Claire Stewart, Jennifer Williams have made fantastic contributions to our Board. Another huge thank you to Jerome Walker for his long term voluntary support as Communications Coordinator for QSEC.

Since then our membership of social enterprises has grown to 110 social enterprises across Queensland and our total membership has grown to more than 200 including our Associates.

It was my great pleasure to receive a number of nominations for the QSEC Board from many talented social entrepreneurs in the last few weeks. I feel like QSEC has a strong future.

*Amelia Salmon*  
*Chairperson*

## Secretary's Report

I'm happy to be reporting on another positive year for QSEC in terms of growth of membership and capacity to reach out into the sector. Whilst we are true 'grass roots' community organisation - run entirely by voluntary labour and time taken out of our own enterprise - we continue to have impact and a growing presence around the State. It is worth noting that we are the *first* and *only* state based body representing the voice of social enterprise in Australia and have had interest this year from others across Australia wanting to replicate the model.

### New Member Snapshot

Welcome! Some great new Social Enterprise members have joined the fold this year including Windsor Group, Toowoomba Family Vets, Pyxis Australia, Seven Positive / Impact boom, Sunshine Butterflies, Marist 180 Painting Services and the Share Shed.

Associate Members are critical to QSEC in terms of support and reach into academic, and corporate domains as well as regional areas, and we are proud to welcome the following supporters into the fold: Central Queensland University, Griffith University, Social Scaffolding and John Hine from Develop QLD.

### Other Partnerships

In the 2016/17 year we we're proud to have partnered with Housing and Public Works Queensland on social procurement forums in Cairns and to be invited to participate in an advisory capacity the development of the Queensland State Government's Social Procurement agenda.

The IMPACT Youth conference which QSEC auspices annually is another example of a partnership growing the capacity of Queenslanders to develop social enterprise. Kudos to the IMPACT Youth Team for another great conference this year supporting young entrepreneurs.

### Thank You!

Thanks to Chair Amelia Salmon and Vice Chair Marc Sims who are stepping down from the board this year. It's a big commitment to take on executive positions when you are running your own enterprise so we thank you! I would also like to thank fellow Board Member Jennifer Bishop for her work on a well attended events series this year, and Jerome Walker for his generous volunteering on a range of successful communications strategies for the board

**We need You!**

As a member based and voluntary organisation we need your help to organise and grow social enterprise and impact in your community. This is the distinct difference QSEC offers to other bodies promoting social enterprise and is worth growing. If you are a member and want to organise activities in your local area please contact us to discuss the many opportunities for involvement.

Thank-you again for your involvement and support of QSEC and we look forward to brighter and better 2018.

*Richard Warner*  
*Secretary*

## Events in 2017

### EVENTS REPORT

*QSEC Events sub-committee - Jennifer Bishop, Steve Williams and Jerome Walker*

In 2018, the events committee decided there was a great opportunity to increase the value of QSEC events while reducing the frequency, in order to keep up with a growing sector and other social impact events in Brisbane. To do this the team decided to (a) invite notable guest speakers to address a theme or topic at each event, (b) to vary the event locations around Brisbane along with the catering options, and (c) to charge ticket prices to cover added costs but also to help plan future events of profile.

Altogether across the year, the QSEC events saw over 300 people gather, many of whom are new to QSEC or not yet members. At each event, social enterprise catering was procured where possible and many new entrepreneurs were able to meet and discuss their ideas and start ups with business owners, veteran social entrepreneurs and with other interested parties.

Altogether, the event generated over \$..... in revenue for QSEC. Here is a brief summary of the calendar of social events for 2017.

#### ■ 22nd March – Founding stories in Social Enterprise

Venue: BOSC (Bar of Social Conscience), West End

Cost: Free

Speakers: Marc Sims, Entekcom and Luke Terry, Vanguard Laundry, Toowoomba.

Over 25 attendees



#### ■ 19th April – Design Thinking and Social Enterprise

Venue: Fishburners @ The Capital, Brisbane.

Cost: \$10 members, \$15 general admission (Sponsors: Fishburners and Good Beer Co.)

Speakers: Tom Allen (Impact Boom), Caroline Sanz (The Difference Incubator)

Over 65 attendees

■ 29th June – Introducing The Yunus Centre for Social Business

Venue: The Ship Inn, South Bank

Cost: \$10 members, \$15 general admission (Sponsor: Griffith University)

Speakers: Professor Evan Douglas (Griffith School of Business), Jared Turner, Impact Social Enterprise

Over 60 attendees



■ 31st August – Social Innovation, Enterprise & Technology

Venue: Rivercity Labs, The Precinct, Fortitude Valley

Cost: \$10 members, \$15 general admission (Sponsor: River City Labs)

Speaker: Panel including: William Stubbs (Spur Labs), Lauren Shuttleworth (Words With Heart), Alisha Geary (Faebella) and Geoff Suttor (Bondi Labs), moderated by Andrew Hamilton (Social Scaffolding). Over 50 attendees



■ **6th September – Social Enterprise Lunch with Alex Hannant, Akina Foundation**

Venue: Mu'ooz Eritrean Restaurant, West End.

Cost: \$30 members, \$40 general admission

Speaker: Alex Hannant (CEO, Akina Foundation NZ)

Attendees: 13



■ **26th October – Impact Investing: Economic and Social Returns**

Venue: Central Queensland University, Ann St, Brisbane

Cost: \$10 members, \$15 general admission (Profits donated to Seven Women and Fred Hyde Schools) (Sponsor: Central Queensland University)

Speakers: Robin Dick, CQU and Peter Ball, Impact Academy + 4 Impact Academy alumni

Attendees: 45+



■ **12th December – QSEC Annual General Meeting 2017**

Speaker: Ingrid Burkett (Australian Centre for Social Innovation), Frank Dineen (Social Procurement, Queensland Department of Housing and Public Works)

## Social Procurement work with Queensland Government



*Department of Housing and Public Works representatives at QSEC September board meeting*

If you've been keeping an eye on the movement toward social procurement around Australia, you may be aware of the recent release of the Queensland Government Procurement Policy, featuring social procurement at its core, and identifying QSEC as a key organisation and resource for Government buyers. The QSEC executive committee has had a series of consultations this year with Department of Housing and Public Works - Procurement around how QSEC can play a role in the new policy, and how it will provide opportunities for QSEC members.

Through the policy, in partnership with the Queensland Mental Health Commission, DPHW is seeking to increase the social value derived from government spending, including generating employment for disadvantaged people, building capacity and awareness about social procurement among government procurers, while supporting Queensland social enterprise as suppliers to government. An industry reference group has been established to provide expert input throughout the project, on which QSEC are represented.

Since QSEC was initiated, our major advocacy goal has been focused on getting social procurement practices more embedded in Queensland policy, with a lot of behind-the-scenes engagement from the our board. We celebrate this as a crucial achievement, and are continuing to work on partnering with Government and on supporting social enterprise with this policy.

## Get involved, get supported: become a QSEC member



The Queensland Social Enterprise Council is looking forward to working with your enterprise as part of developing a vibrant, innovative and capable social enterprise sector in Queensland with a strong social and environmental impact.

Groups, associations, individuals, universities and government bodies not strictly within the category of a “business with a social impact” are welcome to join as Associates.

Running through some of the benefits you have as one of our members:

### Social Enterprise Membership Benefits

- Business listing and promotion through QSEC’s directory, along with promotion of your work and services on social media
- Representation with council and state and federal Govt on issues of policy and procurement of social enterprise products and services
- Discounted tickets to QSEC events and workshops, including our bi-monthly networking Drinks
- Opportunities to consult experienced social enterprise managers on issues in your enterprise
- One free ticket to a QSEC or partner workshop to the value of \$99
- Exclusive invitation to trade shows and social enterprise forums as QSEC members
- Access to our online accelerator program (coming soon), featuring a library of digital workshops and seminars, including resources on starting and scaling up your social enterprise.

***To find out more and apply, head to [qsec.org.au/register](http://qsec.org.au/register) or email us at [online@qsec.org.au](mailto:online@qsec.org.au).***

**QUEENSLAND SOCIAL ENTERPRISE COUNCIL INC.**

**FINANCIAL STATEMENT**

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# QUEENSLAND SOCIAL ENTERPRISE COUNCIL INC.

## STATEMENT BY THE COMMITTEE For the year-ended 30 June 2017

As stated in Note 1(b) to the financial statements, in the committee members' opinion the Association is not a reporting entity because there are no users dependant on general purpose financial reports. This special purpose financial report has been prepared for distribution to the members for the purpose of fulfilling the committee members financial reporting requirements under the Association's Constitution and the Associations Incorporations Act (QLD) 1981.

The financial report has been prepared in accordance with applicable Australian Accounting Standards and other mandatory professional reporting requirements to the extent described in Note 1.

In the opinion of the Committee:-

- (a) The financial statements are drawn up as to give a true and fair view of the state of affairs of the Association having regard to the disclosures contained in Note 1(b) of the financial statements as at 30<sup>th</sup> June 2017 and the surplus for the year ended on that date; and
- (b) At the date of this statement there are reasonable grounds to believe that the Association will be able to pay its debts as and when they fall due.



G. WILLIAMS

Treasurer

Date: 11 December 2017

**QUEENSLAND SOCIAL ENTERPRISE COUNCIL INC.**

**STATEMENT OF COMPREHENSIVE INCOME**  
**For the year-ended 30 June 2017**

	<b>Notes</b>	<b>2017</b> <b>\$</b>	<b>2016</b> <b>\$</b>
<b>REVENUE</b>	2	34,563	30,077
<hr/>			
<b>EXPENSES</b>			
Amortisation	3	538	537
Event expenses		33,235	25,299
Fees		41	170
Other expenses		2,577	3479
		<hr/>	<hr/>
		36,391	29,485
		<hr/>	<hr/>
<b>NET (DEFICIT)/SURPLUS FOR THE YEAR</b>		<b>(1,828)</b>	<b>592</b>

*The above statement of comprehensive income should be read in conjunction with the accompanying notes.*

# QUEENSLAND SOCIAL ENTERPRISE COUNCIL INC.

## STATEMENT OF FINANCIAL POSITION As at 30 June 2017

	Notes	2017 \$	2016 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents		32,487	17,414
Trade and other receivables		-	-
<b>TOTAL CURRENT ASSETS</b>		<b>32,487</b>	<b>17,414</b>
<b>NON-CURRENT ASSETS</b>			
Intangible assets	3	493	1,031
<b>TOTAL NON-CURRENT ASSETS</b>		<b>493</b>	<b>1,031</b>
<b>TOTAL ASSETS</b>		<b>32,980</b>	<b>18,445</b>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	4	26,841	10,478
<b>TOTAL CURRENT LIABILITIES</b>		<b>26,841</b>	<b>10,478</b>
<b>TOTAL LIABILITIES</b>		<b>26,841</b>	<b>10,478</b>
<b>NET ASSETS</b>		<b>6,139</b>	<b>7,967</b>
<b>MEMBERS' FUNDS</b>		<b>6,139</b>	<b>7,967</b>

*The above statement of financial position should be read in conjunction with the accompanying notes.*

**QUEENSLAND SOCIAL ENTERPRISE COUNCIL INC.**  
**STATEMENT OF CHANGES IN MEMBERS' FUNDS**  
**For the year-ended 30 June 2017**

	Notes	\$
<b>Balance at 30 June 2015</b>		7,375
Surplus for the year		592
<b>Balance at 30 June 2016</b>		<hr/> 7,967
Surplus/(Deficiency) for the year		(1,828)
<b>Balance at 30 June 2017</b>		<hr/> 6,139 <hr/>

*The above Statement of changes in members' funds should be read in conjunction with the accompanying notes.*

# QUEENSLAND SOCIAL ENTERPRISE COUNCIL INC.

## NOTES TO THE FINANCIAL STATEMENTS For the year-ended 30 June 2017

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### (a) Corporate information

Queensland Social Enterprise Council Incorporated ('the Association') is an association that is incorporated and domiciled in Australia. Australian Business Number is 85 736 525 663.

The registered office of the Association is:

12 Gorham Street  
Tingalpa, QLD 4173

The principal activities of the association are to promote social enterprise, provide a forum for discussion between social enterprises, to carry out research into social enterprise, to publish and speak on social enterprise, to encourage the development of mechanisms for the advancement of social enterprise, to advocate on behalf of social enterprise and to liaise with other bodies interested in the development of social enterprise.

#### (b) Basis of Preparation

##### (i) Special purpose financial report

This special purpose financial report has been prepared for distribution to members to fulfil the Committee's financial reporting requirements under the Constitution and the Association's Incorporations Act (QLD) 1981.

The accounting policies used in the preparation of this report, as described below, are consistent with the financial reporting requirements of the Association's constitution. They have been prepared in accordance with the recognition and measurement principles of Australian Accounting Standards and other mandatory professional requirements in Australia. It contains only those disclosures considered necessary by the committee to meet the needs of the members.

The financial statements have been prepared on an accrual basis of accounting including the historical cost convention and the going concern assumption.

The financial report is presented in Australian dollars.

#### (c) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand.

#### (d) Trade and other receivables

Trade and other receivables are recognised and carried at the original invoice amount less any allowance for any uncollectible amounts.

An impairment provision is made when there is objective evidence that the Association will not be able to collect the debts. Bad debts are written-off when identified.

#### (g) Intangibles

Intangibles, including software acquired and web-site development, are stated at cost less accumulated amortisation and any impairment value.

# QUEENSLAND SOCIAL ENTERPRISE COUNCIL INC.

## NOTES TO THE FINANCIAL STATEMENTS For the year-ended 30 June 2017

### Amortisation

Amortisation is provided on a straight-line basis on all intangible assets at rates calculated to allocate the cost against revenue over the useful lives of the assets, which have presently been assessed at 5 years. The assets residual values, useful lives and amortisation methods are reviewed, and adjusted if appropriate, at the end of each financial year.

### (h) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Association and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

#### (i) Membership fees

Revenue is recognised at time of membership application where the fee income can be reliably measured.

#### (ii) Conference fees

Revenue is recognised at time of conference application where the fee income can be reliably measured.

#### (iii) Sponsorship

Revenue is recognised at time of sponsorship agreement following the issue of a Tax Invoice.

### (i) Income tax

The Association is exempt from Income Tax under the *Income Tax Assessment Act 1997*.

### (j) Goods and services tax

Revenues, expenses and assets and liabilities are recognised at the gross value including GST as the Association is not required to be registered for GST, GST on purchases are not recoverable from the taxation authority and GST is not charged on revenue.

## 2 REVENUE

	2017	2016
Notes	\$	\$
Ordinary membership fees	800	2,000
Associate membership fees	350	140
Event income	1,358	4,195
Other income	52	159
Impact Conference fees	1,404	10,783
Impact sponsorship	30,599	12,800
<b>Total Revenue</b>	<b>34,563</b>	<b>30,077</b>

# QUEENSLAND SOCIAL ENTERPRISE COUNCIL INC.

## NOTES TO THE FINANCIAL STATEMENTS For the year-ended 30 June 2017

	2017	2016
Notes	\$	\$
<b>3 INTANGIBLE ASSETS</b>		
<b>Web-site development costs</b>		
At cost	2,690	2,690
Accumulated amortisation	(2,197)	(1,659)
	493	1,031
<b>4 TRADE AND OTHER PAYABLES</b>		
Creditors	1,232	1,978
Accrued Impact conference expenses	25,609	8,499
	26,841	10,477

### 5 COMMITMENTS

The Association did not have any capital or other commitments as at 30 June 2017 other than those accrued in the accounts (2016: \$Nil).

### 6 CONTINGENT LIABILITIES

The Association did not have any contingent liabilities as at 30 June 2017 (2016: \$Nil).

**QUEENSLAND SOCIAL ENTERPRISE COUNCIL INC.**

**TRADING STATEMENT  
For the year-ended 30 June 2017**

	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>
<b>OPERATING REVENUE</b>		
Membership fees	1,150	2,140
Event income	1,358	4,195
Other income	52	159
	<hr/> 2,560	<hr/> 6,494
<b>OPERATING EXPENSES</b>		
Amortisation	538	538
Administrative expenses	177	1,083
Event expenses	1,232	1,716
Insurance	2,180	2,145
Fees	41	170
Printing and stationary	-	-
Subscriptions and membership	220	250
	<hr/> 4,388	<hr/> 5,902
<b>OPERATING (DEFICIT)/SURPLUS FOR THE YEAR</b>	<b>(1,828)</b>	<b>592</b>
<b><u>Impact Social Enterprise Conference</u></b>		
Conference fees	1,404	10,782
Sponsorship	30,599	12,800
	<hr/> 32,003	<hr/> 23,582
<i>Less: Conference expenses</i>	32,003	23,582
	<hr/>	<hr/>
<b>IMPACT (DEFICIT)/SURPLUS FOR THE YEAR</b>	<b>-</b>	<b>-</b>
	<hr/>	<hr/>
<b>NET (DEFICIT)/SURPLUS FOR THE YEAR</b>	<b>(1,828)</b>	<b>592</b>
	<hr/> <hr/>	<hr/> <hr/>

*The above Trading Statement should be read in conjunction with the financial statements.*