



20 21 ANNUAL REPORT

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01 Introduction

Welcome the 2020–2021 annual report of the Queensland Social Enterprise Council (QSEC). This report summarises the year's activity from 1 July 2020 until 30 June 2021, including the audited financial statements.

Thank you to auditors McConachie Steadman and the QSEC Management Committee Board of Directors and volunteers for their advice and support.

QSEC is excited about the direction of the organisation as well as the growth of the sector and the increasing awareness of social enterprise as a business model.





President's Report

Dear friends,

Our movement toward a future, where enterprise creates net positive social, cultural and environmental impact, is needed now more than ever. The challenges we face in gaining traction can at times seem insurmountable and even a cause for despair. We want a world where everyone has meaningful work, where businesses are not only carbon neutral but regenerative and where all cultures, especially those who are Indigenous, are respected and accorded their rightful place.

This may seem a far off dream—but what I love about this movement is that there are pockets throughout Queensland where individuals and communities are making this dream, their reality. We need to learn from them and work together to amplify the impact they are achieving and this is exactly why we formed QSEC eight years ago—the first member-based peak in Australia.

And what a year it has been for QSEC! Alongside members and sector leaders, we have secured the first funded policy for social enterprise in Queensland—the 8 million dollar Social Enterprise Jobs Fund (SEJF). Since that time we have been actively working with Hon Di Farmer MP and her department to ensure the diverse sector needs are reflected in this rollout. We acknowledge the historic support of the State Government and will continue to work with them to make the SEJF a success. We were also heartened to see the inclusion of the sector by Mr David Janetzki MP in his budget reply, indicating bipartisan support, which is critical to us being a movement for all Queenslanders.

This year we were honoured to work alongside fellow peaks and intermediaries in supporting sector development, including but not limited to: Social Traders, Social Scaffolding, Yunus Centre, Whitebox, English Family Foundation, Impact BOOM, Social Enterprise Finance Australia, ImpaQt, CQUniversity, QCOSS, CCIQ and a host of others. This is a collaborative movement with an eye on impact and its success is directly linked with the ability of players to

see their differences as a benefit rather than a barrier. A broad movement that maintains a diversity of actors, is a rich, innovative and healthy one.

Thanks of course to the people who have been central to much of the collective work QSEC has progressed over this past year: Elise Parups our CEO and Leanne Butterworth our Membership Engagement Officer. I think everyone would agree, their ability to connect and engage people from all parts of the sector and support members in their development is central to the significant growth we have seen in membership this year, as well as the success of our many projects. A big thank you to them for their hard work and dedication.

Finally two more thank yous. Firstly, to fellow board members and advisors who have been on the journey with us, contributing a significant number of voluntary hours to QSEC and the sector. Paul Garcia, Anne-Marie Walton, Andrew Taylor, Emma-Kate Rose, Tony Sharp, David Toohey, Terri Waller, Gaala Watson and Crystal Williams a big, big THANK YOU!

Finally to our growing membership base (more than 200 now). It's your working on the key social, cultural and environmental challenges of our times, that offers hope for the future. We appreciate your effort and willingness to collaborate with other members, to progress your own agendas as well as the sectors and deepening of our collective impact. The lifeblood of QSEC is your engagement.

We can achieve so much more when we work together, but we also need good support to enable that to happen and this is why QSEC will remain a key player in the sector into the future.

R Warner

Richa<u>rd Warner</u>





Chief Executive Officer Report

To our dear members,

It would be impossible to start a reflection for this period without a reference to the impacts of COVID-19. There is certainly no doubt that the lasting impacts of this "once in a generation" pandemic will bite hard for a number of years. However the legacy of this pandemic (without dismissing the profoundly negative economic, health and social impacts we have all borne witness to), is also one of great learning and the presentation of new opportunities.

As the Government's agenda shifted priorities towards business support packages and emergency relief, QSEC redoubled its efforts to listen to members and their needs. Together, we began codesigning a sector strategy with a united voice and built Queensland's first sector submission, outlining a vision and a roadmap to assist the development of social enterprises of all shapes, sizes, and maturity levels. This led to the pivotal announcement of a funding boost to develop the social enterprise sector in Queensland.

Toward the end of 2020, we embarked upon the Reset and Recovery program across three regional areas in Queensland (Darling Downs, Central and Far North). QSEC worked closely with partners: Central Queensland University, Social Scaffolding, Social Traders and a host of regional champions to uncover the most troubling elements of running an impact-led business in regional centres. We designed resources and information to suit the conditions, collaborated with partners across Australia to listen and share and dove into the challenges and opportunities across the state.

We established a new website and digital portal which transformed bespoke resources into critical learning points for the whole of the membership to utilise. Alongside the amazing social enterprise Green Fox Studio, we completed Australia's first social enterprise promotional campaign, reaching tens of thousands of people; Positive Action with Every Transaction.

Now as we plan the details for the rollout of the SEJF initiatives over the coming years, we are looking forward to not just seeing what impact this boost has on the social enterprise sector, but also what benefits this will bring to communities across the breadth of Queensland.

Let's continue to work together to make this funding count.

E Parups

Elise Parups CEO



Company Profile

OUR ORGANISATION

QSEC acknowledges that 'social enterprise' philosophy has been practiced through Indigenous endeavours on this land for millenia. The principles of exchange to generate broader community value are derived primarily from First-nations wisdom, from which we have much to learn. QSEC recognises the land on which we stand has never been ceded and we respectfully work with Aboriginal and Torres Strait Islander people across the state and the nation to learn and grow together.

Timeline



2004

Ingrid Burkett and Dave Langdon established an informal group of social impact leaders in South East Queensland (SEQ) with several established social enterprises including enterprises like Nundah Coop, SEED/Sandbag, Spiral, Speakout and Kyabra. This initial movement was called the New Mutualism Group and was intended to create a space for entrepreneurs to connect and network.

The first representative peak body in Australia (Queensland Social Enterprise Council) was formed as an Incorporated Associated to address the observed gaps in the sector's 'grassroots' representation.



2015 - 2016

Networks begin to emerge in regional areas. The original Impact Youth network initiated through QUT students.

Tom Allen (Impact Boom and QSEC Committee Member) leads a conversation for social enterprises to prepare a bid for the Social Enterprise World Forum (SEWF).



2018

QSEC advocates to the Queensland Government to form a Social Enterprise Roundtable. Social Traders establishes an outreach in Queensland.



2019

Queensland's first Social Enterprise Strategy is released Queensland Government commits \$1M to help develop the sector. QSEC hires its inaugural employees SEWF Bid consortium presents in Ethiopia.



2021

White Box Enterprises announced as the licence holders for SEWF in Brisbane 2022. QSEC consults with the Queensland Government to design a raft of support programs and initiatives for social enterprise. Representation panels established to support and advise the Government on funding direction. A raft of Social Enterprise grants released over a two year period. Social Procurement put on the Brisbane 2032 Olympic Games agenda alongside Social Traders.



2020

Major projects include the digital transformation of the QSEC site, Positive Action with Every Transaction campaign and Reset and Recovery in regional areas. QSEC consults with sector leaders to build a united submission for sector development. Queensland Government commits \$8m to develop the sector over two years

05 Structure





Operations

RACHEL WHITWORTH

Communications Support for QSEC and Founder of Hello Good World

ELISE PARUPS

Chief Executive Officer

LEANNE BUTTERWORTH

Membership Engagement Officer and Founder of Empathy First

STRATEGIC OVERSIGHT

QSEC is supported by a range of social enterprise members, many of whom volunteer to support the growth of the sector. Our members not only form the vision and direction of the organisation on the Management Committee, they help with events, volunteer services, share resources, and run networks across the state.

We remain truly grateful for all who lend a hand to support our sector as the social enterprise movement grows.

QSEC Board of Directors

Our management committee members are social entrepreneurs in their own right as well as balancing QSEC responsibilities. Their dedicated work to ensure the organisation remains representative of the social enterprise sector is to be commended.

Board Members (as of 30 June 2021).

President and Chair (Director)	Treasurer (Director)	Company Secretary (Non-Director)	Committee Members (Directors)
Richard Warner	David Toohey	Andrew Taylor	Gaala Watson (Vice Chair) Anne-Marie Walton
			Advisory: Emma- Kate Rose

RETIRED BOARD MEMBERS: Tony Sharp, Crystal Williams

QSEC also welcomed Terri Waller as a Casual Board Member in July 2021 as Gaala Watson retired, and Paul Garcia and Timothy Finn as Advisors to the Board.

STRATEGIC VISION



MISSION

QSEC is a state-wide peak body representing, empowering and supporting social enterprises to create long term social, cultural and environmental impact for Queensland.



MEMBER VALUE

We are growing a defined and sustainable value exchange for members and partners within the sector.



VISION

We are actively developing a legitimate and valued voice for authentic member and sector representation.



SECTOR DEVELOPMENT

We strive for a resilient and diverse social enterprise sector to provide impact for communities.



OUR MEMBERS

QSEC is comprised of two forms of membership:

Social Enterprises (those who "do") and Associate Members (those who support).

In the previous financial year period (2019 - 2020), membership grew from 82 social enterprises to 133.

From July to December in 2020, we saw a steady drop in memberships, due mostly to the ravages of COVID restrictions and an uncertain business landscape. With the completion of the new membership portal in November 2020 we were finally able to put some numbers on this. By December 2020, after accounting for the ups and downs of new memberships and the loss of social enterprise businesses, the balance was 132 social enterprise members.

However, perhaps as a testament to the resilience of social enterprises and also due to the excellent work of our QSEC team, since then we have seen a steady increase in memberships, with 183 social enterprises recorded at the end of June 2021.

OSEC IS COMPRISED OF TWO FORMS OF MEMBERSHIP:

Social Enterprises (those who "do") and Associate
Members (those who support)
as at October 2021.

2020

SOCIAL ENTERPRISE

83 > 133
(60% INCREASE)

ASSOCIATE MEMBERS
26 > 50
(92% INCREASE)

2021

SOCIAL ENTERPRISE

133 > 183
(37.5% INCREASE)

ASSOCIATE MEMBERS

ASSOCIATE MEMBERS

50 > 66

(32% INCREASE)



2020

133 > 183

2021

183 > 203

2021

In 2020, the number of social enterprises grew from 83 to 133, marking a 60.24% growth, while the number of associate members increased by 92% from 26 to 50.

In 2021, the number of social enterprise members grew by 37% from 133 to 183, with an increase in associate members by 32%, from 50 to 66.

By October 2021, there were
203 Social Enterprises. This is a
10.93% increase from July 2021
which indicates a rapid growth in a
reasonably short time frame (183 ->
203) as businesses get back on track,
and social enterprise becomes more
recognised as a model.



QSEC conducted an active call campaign in March 2021 to gauge the market potential. So far, we have uncovered a further 200 social enterprises in the Queensland marketplace (a total of more than 400). By identifying and gathering the data from all social enterprises, we can begin to develop credible information about the size and scale of impact delivered by the social enterprise sector in communities in Queensland.

07 Annual member survey

The Annual Member Survey closed Friday 26 August 2021. 71

Member profile

To help us provide strategic and proportional support and resources to all members, we have asked social enterprises to identify their level of maturity along the social enterprise developmental pipeline.





55.7% of participants indicated they are Start Ups (businesses who are in early phase development and have a turnover less than \$300K), which demonstrates a decrease from 63% in 2020.

Start Ups

100% 90% 80% 70%

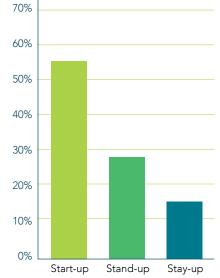


28.5% indicated a Stand Up level of maturity (businesses who may have been operating for a few years and have a turnover less than \$500K), a slight decrease from 30% 2020.

Stand Ups







Member feedback on what value QSEC can deliver (from most important)







10% in 2020.











Networks

Promotion

Customers

Advocacy

Impact Evaluation

Education

Access to space

Events



As QSEC membership value and programs increase, and the sector continues to develop, we expect to see a continuing increasing trend in Stand Up and Stay Up maturity status.

Participant responses indicated that 15.5% of QSEC members are certified social enterprises with Social Traders, currently Australia's only social enterprise certifier. Certifying as a social enterprise performs a legitimising role, especially for procurement purposes, and with Social Traders' offering free certification to QSEC members for the first year, we expect to see a rise in certified enterprises in coming years.

According to the survey, 25.7% of participants are Sole Traders, 50% employ 1-5 staff, 12.9% employ 6-15 staff, 7.1% employ 15- 50 and only 4.3% employ over 50 staff. Work Integrated Social Enterprises (WISE) is developing in the sector as distinctly jobs-focused in approach, and is gaining traction. QSEC is working with sector leaders in the space to help identify potential for jobs growth through this mechanism. As the impact measurement framework for the sector develops, we will be able to track the growth of both mainstream and marginalised jobs provision in the sector.

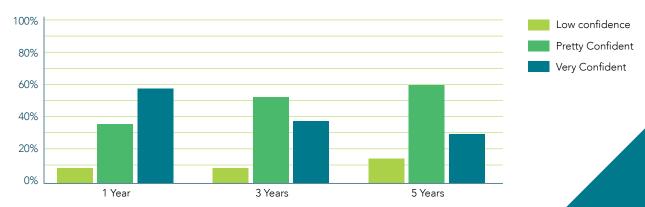
While the data collection is in an early phase of development, the survey results suggest that social enterprises employ 11 people per organisation on average. Understanding the nature of the employment landscape for our sector will become critical in demonstrating the impact social enterprise represents across the state.

Business Confidence

As COVID-19 challenges continue to cause concern to businesses across the globe, it is no surprise to see that a percentage of social enterprises have been impacted too. A small percentage of social enterprises are truly struggling (1%), and sadly we have seen some businesses close their doors during this past year. It is important to remember that behind every business closure is a deeply personal story. Social entrepreneurs pour their heart and soul into their business and it is always difficult to hear these stories.

QSEC is mindful that 84% of respondents are either 'surviving' or 'making a go of it' (31 and 53% respectively) and both groups needing support, there is more work to be done to support social enterprises and the communities they serve. It is also clear from the data collected, that regional areas have been disproportionately impacted with 56% of regional social enterprises indicating that they needed support to survive.

It is heartening to see that 14% of social enterprises are thriving, even in these challenging times. As many entrepreneurs will be aware, it takes an entire ecosystem to be successful in social enterprise, and we are grateful for our communities' continuing support.



Overall, a fairly low percentage (8%) of social enterprises have low business confidence in the next year, with this figure increasing to 12% having a lack of business confidence in the longer term outlook (next 5-year period).

35% are pretty confident in the next year's business conditions, with this figure growing to 59% feeling pretty confident in business conditions over a 5-year period. This demonstrates that there is a level of confidence in this group that things will improve in the longer term.

The largest group (57%) are very confident in the next year outlook however, reduces to 29% feeling very confident over a 5-year period. This demonstrates that long term business confidence is less buoyant in this group.

Aggregated results demonstrate that business confidence overall remains fairly buoyant (90% feeling pretty or very confident) over the mid term (3 years), and slightly less confident (87%) over the longer term (5 year period).



From most important for their business to thrive:



Customer/ sales



Promotion and awareness



Grants and funding



Supportive networks



Impact evaluation



Reliable staffing



Social Procurement



Affordable spaces



Investment dollars



Education



Legal recognition



Legal, HR/IR support



QSEC satisfaction

Satisfaction in the operations and performance of QSEC remains high with 97% of respondents either Satisfied or Very Satisfied (60% and 37% respectively) and 3% suggesting they were Dissatisfied. QSEC will continue to improve in the areas highlighted by members for improvement and focus on the priority areas indicated by members.

Average turnover per member: \$750K

Average employment rate 11/ social enterprise member.



Outreach and Communication

Social Media Outreach

Social media has elevated the accessibility of communication and information for social enterprises since the COVID-19 pandemic. Last year QSEC witnessed a significant growth in followers.

QSEC utilises Facebook, Instagram, and LinkedIn as their primary platforms for social media. On a month-to-month basis, Facebook consistently has higher levels of engagement, as high as 250% comparable to Instagram and LinkedIn (Average impressions over Jul-Aug 2021: Facebook 6920, Instagram 2880, LinkedIn 2708.) Social media outreach across these three platforms has enabled QSEC to reach an average of 12,500 users each month.

The number of Facebook followers grew by 2% (2202 to 2235) and has an average monthly page reach of 6920 users per month. The demographic for Facebook users particularly caters towards women (35-44yo, 70.35% gender skew), making up one third of the follower base, with half based locally. This aligns with trends of this demographic being more engaged with Facebook and actively engaging with business posts. QSEC's posts are reaching an engaged and tech-savvy audience who are actively seeking further information about QSEC's products and services. QSEC's accessibility to this market is the key to increased attrition and engagement with the brand.

This can also explain why QSEC consistently performs better for email opens at 58% while the NFP-industry average sits at 20%. The latest newsletter update

received a 60% click through rate, indicating a highly engaged member base.

Instagram has a slightly more geographically dispersed userbase and a lower average age range skew, likely due to the accessibility and popularity of the app to lower age ranges. It is of note that while the age demographic for Instagram is not the usual QSEC audience, the number of impressions is consistently slightly higher than Facebook and LinkedIn (av. 2880 per month) despite its significantly lower number of followers (Insta: 526; FB: 2235). This is consistent with QSEC's communications strategy to utilise Instagram to elevate B2C social enterprises and serve as a marketplace for social enterprise.

QSEC will be developing opportunities to increase reach and viewership by leveraging off a high growth in users during the earlier stages of the pandemic, as well as satisfying a strong theme of favouring social trends[1]. Hybrid social enterprises with digital marketing strategies have thrived through the pandemic are particularly leveraging off social media to increase impact and raise awareness [2].

[1] Field, A. (2020). 6 Trends in Social Enterprise and Impact Investing in 2020. Forbes. https://www.forbes.com/sites/annefield/2021/12/30/6-trends-in-social-enterprise-and-impact-investing-in-2020/?sh=443cbd034b3b

[2] El-Den, J., Adhikari, P., Azam, S. (2017). Social Media in the Service of Social Entrepreneurship: Identifying Factors for Better Services. https://researchers.cdu.edu.au/en/publications/social-media-in-the-service-of-social-entrepreneurship-identifying



Website update

Last year's annual report recorded poor performance and low engagement compared to industry standards for website engagement, however since 2020 the website has increased by roughly 70% in both web sessions and page views from May to June 2020. The website currently receives almost 1000 visitors monthly, with visitor ratios consistently reporting 70/30 new to returning customers. Other than the home page, the member directory is the most accessed page representing 9% of all website traffic.

When accessing QSEC, 49% of people accessing the website search directly, whereas an additional 40% are reliant on an organic search to find QSEC. This highlights strong communication in accessibility as well as awareness of the brand. QSEC will be looking for ways to leverage search engine optimisation to increase traffic to the site, in particular to the member directory, to create more awareness of social enterprises in Queensland.

Representations

Official representations are largely undertaken by the President, a Board member or the CEO. This year QSEC began developing a representation system and strategic feedback loop to ensure the representations are coherent with the values of the organisation and are linked directly to the values of the membership. We envisage the number of representations will increase and we encourage participation broadly from members to help advocate for the diversity of social enterprises, regional and marginalised groups. The Social Enterprise Roundtable, a group formed to establish the Queensland Government's strategic vision for social enterprise was disbanded in 2021, and QSEC has developed a series of working groups to address some of the emerging issues.

PANEL	MEMBER REPRESENTATION	OUTCOMES
Social Enterprise Round table (2019– and disbanded in2021)	Emma-Kate Rose Elise Parups Luke Terry Richard Warner Tom Allen Terri Waller	 Reported on the outcomes of the strategic plan Provided research and feedback on the Qld Treasury Social Finance Report Collaborated to develop the Social Enterprise Sector Submission to articulate the areas of priority to develop the sector December 2020 Qld Govt announces the \$8m Social Enterprise Jobs Fund
Old Government Department of Small Business, Employment and Training Small Business Industry Roundtable Small Business Economic Recovery Group (2020)	Elise Parups Richard Warner Elise Parups Richard Warner Emma- Kate Rose	Providing advice and support on Grants panel
Small Business Commissioner	Elise Parups	Advice on COVID response and support for social enterprises
Alliance of Social Enterprise Networks Australia (ASENA)	Richard Warner Elise Parups	 Official Submission to the National Impact Investment Taskforce Advisory on a National Social Enterprise Strategy Contributor on a national brand discussion for Social Enterprise
Brisbane City Council Lord Mayor's Business Awards	Emma-Kate Rose	Awards Judging Panel for Outstanding Small Business category.
Impact Investment Scrum	Elise Parups Rob Pekin	Advocacy and support for the growth Impact Investment in Qld Representation for the Federal Government Impact Investment Taskforce
Arts Queensland Social Impact Arts Grants	Gaala Watson Crystal Williams Elise Parups	Assessment for social impact arts grants

Robert Pekin (CHAIR) Industry Contributors: Industry Contributors: Industry Aliance) Hanna Ebeling (SEFA) Robert Pekin (CHAIR) Richard Warner Elise Parups Nina Yousefpour Angharad Lubbock Luke Terry Lisa Siganto Allan English Susan Black Andrew Hamilton Ingrid Burkett Tim Hui Riannah Burns Tom Allen Terri Waller Job Focused Enterprise Action group Industry Contributors: Sarai Tiuuga John Perry Sarain Grigalunias Helen Black Joe Wallace Damien Tiracey Tanya O'Shea Emma-Kate Rose Natalia Muszkat Harry Sillet Shannon Price Geoff Smith Tomy Sharp Chlobe Fischart Social Enterprise World Forum (SEWF) Richard Warner Contributors: Cocial Enterprise World Forum (SEWF) Richard Warner Contributors: Cocial Enterprise World Forum (SEWF) Richard Warner Contributors: Collated industry experience of Skilling Olders for Work and other WISE initiatives. Formulated surmary for SQW leaders. Collated industry experience of Skilling Olders for Work and other WISE initiatives. Formulated surmary for SQW leaders. Collated Impact measurement mechanisms for Contributors: Allan English Beland Morrisy Allan English Beland Morr	PANEL	MEMBER REPRESENTATION	OUTCOMES
Industry Contributors: Steve Williams Sarai Tuuga John Perry Ruth Knight Alex Hooke Alex	Industry Contributors: Tara Castle (Qld Community Fund) Belinda Drew (Community Service Industry Alliance)	Robert Pekin (CHAIR) Richard Warner Elise Parups Nina Yousefpour Angharad Lubbock Luke Terry Lisa Siganto Allan English Susan Black Andrew Hamilton Ingrid Burkett Tim Hui Riannah Burns Tom Allen	solve the "Missing Middle" presented to Dept of Small
Steering Committee Industry Contributors: Industry Contributors: Dom Bird Elise Parups Elise Parups Allan English Belinda Morrissy Ainsley Pope Michael Grogan Adrian Appo Amber O'Meara Mark Daniels	Industry Contributors: Steve Williams Tim O'Brian Ruth Knight	Elise Parups Sarai Tuuga John Perry Angharad Lubbock Cade Dawkins Yasmin Grigalunias Helen Black Joe Wallace Damien Tracey Tanya O'Shea Emma-Kate Rose Natalia Muszkat Harry Sillet Shannon Price Geoff Smith Tony Sharp	and other WISE initiatives. Formulated summary for SQW leaders. Collated Impact measurement mechanisms for consideration with "Making it Count" project to create a sector-relevant impact measurement framework Initiated Procurement Network to bring together Property services and construction consortia with Sarai
Roslynn Black	Steering Committee Industry Contributors: Alex Hannant Allan English Belinda Morrissy Ainsley Pope Michael Grogan Adrian Appo Amber O'Meara	Luke Terry Dom Bird	Contributing to the direction of the SEWF in 2022



Regional Activity Report

Networks and community connections forge the energy and ecosystem required to help the social enterprise sector flourish. Despite COVID-19's impacts, we continued to work with local champions in the regions to help bring social enterprise into the light across the state, albeit confined in localised COVID-aware zones. It is heartening to see the activity in each area, and we are so grateful to the volunteers who help make this possible. It is also wonderful to have CQUni operating so extensively in the regional areas, and witness the growth of Griffith University's HomeBase, established in Logan to support the growth of local social enterprises.

Far North Queensland (FNQ)

The Social Enterprise Network of the Tropics (SENT) is centred around the activities at James Cook University (JCU) and the Cairns Institute. Through the Reset and Recovery program the QSEC and CQUni team supported several emerging social enterprises in establishing ideas and looking to grow and scale their operations. SENT has once again partnered with QSEC and Impact North (NT) to create the Social Enterprise Summit for Northern Australia (SESNA) which will be held again in November 2021. The rich and diverse stories of the north bring a unique remote, rural and regional perspective to impact-led organisations. SENT was very much a part of the Reset and Recovery project with over 25 businesses involved in Reset workshops and two local social enterprise initiatives receiving additional support through the ideation process.

Regional Champion: Narayan Gopalkrishnan

North Queensland

North Queensland has a new regional champion, based in Townsville with recent interest growing in Mt Isa and Cloncurry. Through the iActivate program run in Townsville by the Central Qld University (CQUni), the North Queensland group is starting to form a network and we look forward to supporting the growing movement. The group has held several network meetings to date, with growing numbers, and have also been involved with the SESNA conference this year.

Regional Champion: Ricky Esterquest

Central Queensland

Yeppoon was the host town for the highly successful Crowd Round Unconference in 2021, with a meeting of innovators, socially motivated entrepreneurs and regional stakeholders (Pictured). The Central Old region is represented by members of the Central

and Western Old Social Enterprise Group from Rockhampton, Gladstone and Central Highlands. Many of the CQ&W group and several other social enterprises were engaged through the Reset and Recovery program held in Rockhampton in November 2021. CQUni has since run a series of ideation sessions with new enterprise opportunities in the region. Since May 2021, the Recovery program has been engaged by Rockhampton Regional Council to design an Upcycle Village in consultation with social enterprise outcomes.

Thanks to the continued work of CQUni, the Central Highlands has formed a network, Which formed in September and launched in November 2021. Gladstone members are also forming ideas for a social enterprise hub.

Regional Champion: Matthew Doyle

Wide Bay Burnett

The Wide Bay and Burnett region has a concentration of impact businesses in Hervey Bay and Bundaberg represented by a Regional Champion based at Impact Community Services. Impact Community Services actively participated in the Reset and Recovery program, with tender and grant writing guru Nathan Spruce providing great insights to help social enterprises get their best approach to tender writing together. This riveting presentation was turned into a resource for the membership in the learning centre and has been very well received.

Regional Champion: Nathan Spruce

Sunshine Coast

The Sunshine Coast has welcomed a new Champion Terri Waller (QSEC Board Director and Founder of SevGen). With a new direction, we are hoping that the solid start to this region can be continued. There is an opportunity for strong connected networks to be forged around local industry and special interest areas. Some new faces were welcomed through Impact Boom's successful accelerator program, supported by the Sunshine Coast Regional Council.

Regional Champion: Terri Waller

Moreton Bay Region

With new champion Samford Commons now in place, we hope to see more activity emerge in the Moreton Bay Region. The small business and community development links are strong in the area and as the third largest local government area in Australia, there is a good indication of potential growth for social enterprise. Moreton Bay has several districts primed for small, medium and large scale trade, business and industry, providing fertile ground for social capacity building particularly as population booms in the region.

Regional Champion: Leah Hudson

Redlands

The Cage Youth Foundation is the regional champion for social enterprise and is actively involved in business networks in the area to help build an awareness of social enterprise. There is a small group of purposeful organisations emerging, with strong ties to the bayside suburbs of Brisbane and also Logan to the south. A network has started to meet and we look forward to working with the organisations on the ground to establish links in council and support a push for better procurement opportunities.

Regional Champion; Linda Grieve



Logan

Logan welcomed the Yunus' Centres Home Base in 2020, which launched in 2021. Home Base offers a massive opportunity to tap into the diverse cultural representative groups and provide linkages to sustainable, impact-led avenues for business and trade. The Social Enterprise Network–Logan (SEN-L) is a support, advocacy and knowledge sharing organisation for Logan-based social enterprises and Not for Profits, based at long-term QSEC member Substation33. With the increase in accelerator activity, we are looking forward to working together to help to forge new friendships and deepen network connections.

Regional Champion: Tony Sharp

Gold Coast

The Regional Champion Candice Oliver has been enthusiastically growing the network of social impact leaders on the coast. The group has met regularly online as well as at the Karma Collab Hub, with local QSEC members The Gold Coast Tool Library running a series of repair cafe events and activities. Several of the Gold Coast group have been part of the Home Base activities and have also made strong connections with the other SEQ networks.

Regional Champion: Candice Oliver

Ipswich & West Moreton

Board Director and Ipswich & West Moreton champion Anne-Marie Walton has taken an active role in liaising with community, business, council, state and federal members in the region. She is supporting conversations with Social Traders and Ipswich City Council to expand opportunities for social procurement. Anne-Marie works as Entrepreneurship Facilitator for YEP Ipswich (Your Entrepreneur Project) providing free business mentoring, training, workshops and networking events to the Ipswich & West Moreton Region under an Australian Government initiative, and is the Founder of KidsWantU, a parent-education social enterprise.

Regional Champion: Anne-Marie Walton

Darling Downs and Western Queensland

The Darling Downs and Western Queensland regional areas are assisted by Regional Champion Harry Sillett from Vanguard Laundry. As a thriving rural and agribusiness community the region is also home to many newly arrived and settled migrants. Major infrastructure opportunities in the area include the Wellcamp Quarantine Centre and Inland Rail Project. There are also many challenges and opportunities highlighted through the Reset and Recovery Project which included identifying meaningful work streams for migrant workers, housing and low socio-economic solutions, transportation and connectivity issues.

Regional Champion: Harry Sillett

"We don't employ people to make coffee, we make coffee to employ people"

Espresso Train, Nundah



Brisbane City And Surrounds

With the announcement of the Social Enterprise World Forum coming to Brisbane in September 2022, social enterprise activities will be gearing up to showcase the variety and depth of market in all of Queensland. SEWF 2022 licence holder, White Box Enterprises is taking a deep dive into the social enterprise themes, aims and objectives to help bring the best of social enterprise to the fore, and help guide the conversations to progress the growth of the movement.

There are multiple networks organising around specific interest areas including circular economies, indigenous businesses, women's housing initiatives, youth entrepreneurs and industry linkages. This is based around a central group led by Tom Allen of Impact Boom, which meets at the Brisbane Business Hub. With the support from Brisbane City Council, the Brisbane Business Hub, located on the Queen Street Mall, is the home of social enterprise providing desk space for around 15 social enterprises in a co-working space and as well as a "drop-in" space for regionally based QSEC members. As restrictions ease, Impact Boom will host more networking sessions with QSEC.

Regional Champion: Tom Allen

Major Events 2020–2021

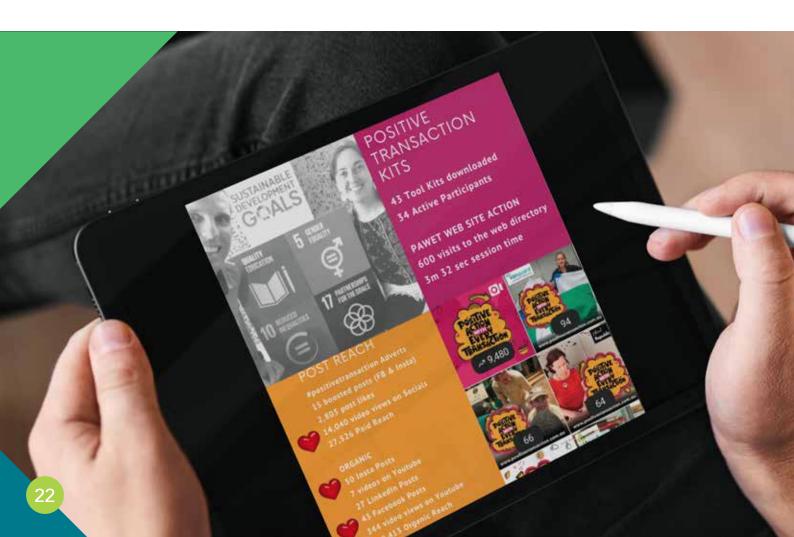
Reset and Recovery

The Reset and Recovery with Impact project was funded by the Old Government in 2020. The funding enabled QSEC to research some of the pressing concerns of regional social enterprises in three areas: Darling Downs & Western Queensland, Central Queensland and Far North Queensland. QSEC built resources to address these concerns and worked with three local activators to deliver the Reset Business workshops over a two day period in each location with facilitators and leading experts in the region and across the state. The Recovery sessions began in January 2021, with CQUni delivering three ideation sessions with six organisations to design solutions to emerging issues. One of these opportunities was with the Rockhampton Regional Council's upcycle project. We were delighted to work with delivery partners: CQUni, Social Scaffolding, Social Traders and the Griffith University's Yunus Centre. This project is due for completion in October 2021.

Digital Project

From the information gained through the Reset and Recovery project, QSEC redesigned a member website and created public resources to help guide social enterprises through their maturity stages: from start up, to stand up and to stay up. The website also collated information from members about their size and the Sustainable Develop Goals they are working towards. We mapped the enterprises to help the public locate social enterprises in their local area and to help social enterprises to locate each other for support and resource sharing.

We also established volunteer local champions in each regional area to assist the growth and development of the regional networks and communications. By identifying the champions in each region, we hope to bring greater visibility to the activities and events in each region. We anticipate the digital portal will grow and adapt over time to respond to the changing member needs.



Positive Action with Every Transaction

The Positive Action with Every Transaction social media campaign was run from September to December 2020. Reaching over 17,000 people across Australia with results also being shared in the US and UK, this was the first substantial social enterprise campaign embarked upon in Australia.

Key highlights included:

- Green Fox Studio engaged their designers-in-training in the prison system to build the custom-made animated video and social media resources for the tool kits.
- 600 new visits to the social enterprise directory through the website.
- The creation of 13 social enterprise video stories with digital storytellers included in the campaign.
- A dynamic set of social media tools for social enterprises to use on their own feeds.
- Thanks to Digital Story Tellers a DIY storytelling program launched on the QSEC member portal.

The Sector Submission

In 2019, the Queensland Government handed down Queensland's first Social Enterprise Strategic Plan. QSEC set about trying to understand the gaps presented through the plan, and identify the priority areas for development. By providing a united front, QSEC and sector leaders designed a cohesive strategic action plan to help advocate for the necessary funds to address those gaps in market development. In 2020, the Sector Submission was formed through sector consultation and advocated for funds in these key areas, and engaged members of the ecosystem to present their solutions and costs.

The Social Enterprise \$8 million Jobs Fund

Based on the success of the Sector Submission, the Queensland Government announced an \$8 million jobs fund in December 2020. The fund has been co-designed by the sector leaders to help leverage the growth and development of social enterprises in Queensland. The fund represents the largest commitment to develop the social enterprise sector anywhere in Australia to date.

The fund represents:

- \$3 M Grants
- \$2.5 M Social Finance programs
- \$1.2 M Market Development and social procurement
- \$1.3 M Research and Evaluation

12 Supporting partners

QSEC would like to acknowledge the following organisations and recognise their support for the development of the social enterprise sector in Queensland.

QSEC would like to especially thank the Queensland Government for their ongoing support for the sector and for QSEC.

Brisbane City Council, Social Traders, Griffith University (Yunus Centre), English Family Foundation, Impact Boom, White Box Enterprises, Social Enterprise World Forum, Central Queensland University, James Cook University, QUT, UQ.

Sector Submission Initiatives



Access to Space



Social Procurement



Innovative Funding for Job Creation



Social Enterprise Grants



Ecosystem Support



Advocacy and Representation

Future planning

Social Enterprise World Forum

This year, we are delighted to be working with White Box Enterprises, the successful licence holder for the Social Enterprise World Forum, coming to Brisbane in 2022. White Box Enterprises has been consulting across the nation to pull together the very best of social enterprise practice, themes and systems thinking in preparation of the September event. The event represents a major pivotal moment in the development of social enterprise in Queensland and Australia and is a NOT TO BE MISSED milestone in the progression of the sector. Regional Activation: QSEC recognises the enormous opportunity to activate social enterprise solutions throughout regional Queensland. Through the Reset and Recovery process, it was evidenced that there is great need for accelerator programs, training and capacity building in the regions. QSEC is strengthening the case for local, place-based responses to emerging issues.

Promotion campaigns: From the member survey and the results from the Positive Action Campaign, QSEC is advocating for support to build a state-wide campaign for social enterprise, to raise awareness of local enterprises and ensure their stories are heard.

Social Finance: Based on the highly engaging provation series, highlighting "The Missing Middle" by Griffith University Yunus Center luminaries Professor Ingrid Burkett and Assoc Professor of Practice Alex Hannant it is evident there is a long way to go to try to meet the gap between funders and fundees for impact investment. Research conducted by Queensland Treasury of the investment sector in Queensland in 2019 revealed that there is a lack of maturity in the sector. QSEC has been instrumental in holding space for ecosystem investment experts to help negotiate a pathway to assist the growth of social finance in this state.

National Strategy: Working with the Australian Social Enterprise Network Alliance (ASENA), the Social Enterprise National Strategy (SENS) has been initiated with the assistance of the English Family Foundation. QSEC will continue to advocate for grassroots consultation to ensure the voice of social entrepreneurs is evident in the national movement.





The Social Enterprise World Forum Australia 26 – 30 September 2022 Brisbane Convention & Exhibition Centre



Net positive Social Impact Olympics 2032

Australia hosting the Olympics in Brisbane and South-East Queensland in 2032 is a crucial opportunity for the Queensland Government to build an inclusive economy through social procurement.

The Olympics represent a significant opportunity to create lasting social impact across the state and is a real call to action for social enterprise in Queensland to make the 2032 games the 'social impact games' through social procurement.

The Queensland Social Enterprise Council (QSEC) and Social Traders have been productively working with all levels of government to help unleash the potential of social enterprise procurement across the state to make sure social enterprises have a front row seat for the 2032 Olympic games.

Y4Y

The Youth for Youth (Y4Y) group was formed in August 2021 through the hard work of many young impactled students. The movement was reignited from a very successful Impact Youth program run several years ago, which disbanded as the young people leading the movement got busy and moved on to other things. As custodian for the group, QSEC was asked that the remaining funds be used to advance the impact youth movement. In the lead up to the Social Enterprise World Forum in 2022, QSEC has invested in a project to bring together young people on a mission to change the world through enterprise. Y4Y was designed by the youth, for the youth. The leadership group (a team of young people) will meet alongside mentors to gather a momentum across Queensland.

14 Financial Report

In 2020 QSEC received a commitment from the Queensland Government through the Department of Small Business, Employment and Training (DESBT) for operational funding over two years, which will conclude in June 2023. Additional funding was leveraged to complete the Digital Hub, the Positive Action Campaign, and also deliverables for the Reset and Recovery program for regional Queensland which is now due for completion in the 2021-22 financial year.

EXPENDITURE

Income Statement for the year ended 30 June 2021

INCOME	2021	2020
Membership Income	\$19,381	\$7,849
Grants Received	\$319,349	\$239,417
Sponsorship & Donations	-	\$39,000
Other Operational Funding	\$19,759	-
TOTAL INCOME	\$358,489	\$286,266

EXPENDITURE		
Admin & Office Expenses	\$3381	\$3,674
Amortisation & Depreciation	\$300	\$300
Audit Expenses	\$1900	\$1,200
Bank and Merchant Fees	\$364	\$133
Bursaries Awarded	-	\$34,448
Contractor Expenses	\$169,321	\$20,500
Event Expenses	\$11,598	\$2,874
Impact Conference Expenses	-	\$582
Insurance	\$2,846	\$2,791
Interest expense	0.01	-
Marketing & Advertising	\$1,835	\$2,336
Miscellaneous Expense	-	\$1,410
Printing & Stationary	\$6,410	-
Project Management & Expenses	\$8,450	\$52,882
Seminars and conferences	-	\$74
SE Stand Up Project Expense	\$7,112	\$22,051
Subscriptions & Memberships		\$510
Salaries & Wages	\$118,965	\$88,495
Provision for Annual Leave Expenses	(\$3,029)	(\$873)
Website Expenses	\$5,761	\$330
Telephone and Internet	\$177	\$281
TOTAL EXPENDITURE	\$336,346	\$234,009
NET SURPLUS/(DEFICIT)	\$22,144	\$24,073

Statement of Financial position as at 30 June 2021

2021	2020
\$270,656	\$218,607
-	\$10,000
\$1636	-
\$16,976	-
\$289,268	\$228,607
\$4,190	\$4,190
\$2,854	-
(\$3589)	(\$3290)
\$3,454	\$ 900
	\$270,656 - \$1636 \$16,976 \$289,268 \$4,190 \$2,854

TOTAL ASSETS	\$292,722	\$229,507
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CURRENT LIABILITIES		
Creditors	\$9,395	\$1,700
GST	\$9,744	\$2,041
PAYG Withholding Payable	\$15,164	\$7,056
Wages Payable	\$3,299	-
Provision for leave	\$5,894	\$5,340
Sunshine Coast Funds held	\$2,863	\$2,863
Unexpended funding	\$165,569	\$152,227
TOTAL LIABILITIES	\$214,550	\$173,479
NET ASSETS	\$78,172	\$56,028
Equity		
Opening Balance	\$56,028	\$31,955
Current Year Surplus/(Deficit)	\$22,144	\$24,073
TOTAL EQUITY	\$78,172	\$56,028

Statement by the Committee

FOR THE YEAR ENDED 30 JUNE 2021

In the opinion of the members of the Committee:

the accompanying financial statements and notes give a true and fair view of the financial position of the Association as at 30 June 2021 and of its performance for the financial year ended on that date;

a) 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;

b) there are no mortgages, charges or securities of any description held over any of the property of the Association as at 30 June 2021; and

c) the financial statements and notes satisfy the reporting requirements of the Australian Charities and Not-for-profits Commission Act 2012.

Signed at 3/155 Queen St this 3 day of November 2021.

R Warner

President

Richard Warner

D Toohey

Treasurer

David Toohey

McConachie Stedman

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AUDITOR'S INDEPENDENCE DECLARATION TO THE COMMITTEE OF QUEENSLAND SOCIAL ENTERPRISE COUNCIL INC

In accordance with the requirements of section 60-40 of the Australian Charities and Not-for-profits Commission Act 2012, as lead auditor for the audit of Queensland Social Enterprise Council Inc for the year ended 30 June 2021, I declare that, to the best of my knowledge and belief, there have been:

- (a) No contraventions of the auditor independence requirements as set out in section 60-40 of the Australian Charities and Not-for-profits Commission Act 2012 in relation to the audit; and,
- (b) No contraventions of any applicable code of professional conduct in relation to the audit.

Mr Benjamin Horner Chartered Accountant; Registered Company Auditor Director McConachie Stedman Audit and Assurance Pty Ltd 619 Ruthven Street Toowoomba Qld 4350

2 December 2021

Queensland Social Enterprise Council Inc

Responsibilities of the Committee for the Financial Report

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

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

Auditor's Responsibilities for the Audit of the Financial Report

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

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- a) Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Association's internal control.
- c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Committee.
- d) Conclude on the appropriateness of the Committee's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Association to cease to continue as a going concern.
- e) Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Mr Benjamin Horner Chartered Accountant; Registered Company Auditor Director McConachie Stedman Audit and Assurance Pty Ltd 619 Ruthven Street Toowoomba Qld 4350

1 December 2021



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