



ANNUAL REPORT 2020

MGSM Alumni Association



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CHAIRMAN'S REPORT

Report by Rebecca Murray

On behalf of the MGSM Alumni Association Board, I'm pleased to report a solid year of progress in strengthening your alumni community and the association.

“All of our many achievements this year are a result of the exceptional efforts put in by our alumni and lecturer volunteers”.

In the 2019/20 financial year we focussed on growing the association, so that the benefits of membership are spread more widely, and alumni can take advantage of deeper networking to provide personal and professional growth opportunities.

Our **membership database** doubled from under one thousand alumni to around 2,000 at financial year end, and then doubled again by the time of writing this report to close to 4,000 alumni. Of these, almost 300 are now valued Foundation Members who have committed funding and effort to assist the association to grow and develop.

Our planned live **events program** for 2020 was put on hold due to the pandemic - but we regrouped and discovered the advantage of Zoom events. Thanks are due to the events team board directors Randal Tame, Piers Morgan and Alan Macdonald, and alumni volunteers Melinda Stevenson and Jennifer Zhang for a great range of online events this year. Over the calendar year we will have held 12 zoom events including our online AGM, and one hybrid face-to-face/online event. Thanks also to our list of great speakers, both alumni and lecturers, including:

Rich Curtis , CEO Interbrand	Prof Eric Knight , Executive Dean of MQBS & Professor of Strategic Management
Dr David Lamond , PhD, ex-MGSM lecturer, Founder and MD at smartaed	Prof Robin Kramar , Dean of MGSM dates, various current academic & director roles
Dr Stan Glaser , ex-MGSM professor of marketing throughout the 1990s, marketing partner Blaser Pty Ltd.	Emeritus Prof Russell Lansbury AO , ex-MGSM professor, various current academic & director roles
Babette Bensoussan , MBA 1992, Director, Mindshifts, executive coach.	Glenn O'Rourke , MBA, design strategist

Stephen Lennard , MBA 1982, Managing Partner, Lennard Partners Board and Executive Search	Randal Tame , MBA 1993, Founder & MD, Influence Consulting
Andrew Wheatley , MBA 2016, Head of Communications & Public Affairs, Johnson & Johnson Japan	Wayne Wigham , Black Dog Institute
Alan Macdonald , MBA 2009, Director, Duncrahill Marketing	Rebecca Murray , MBA 1994, Chair MGSM Alumni Association
Emeritus Professor Ed Davis , Professor of Management at MGSM 1990 - 2002	Dr Seven Segal , Associate Professor, Macquarie Business School

These events have proven very popular with alumni and have the advantage of being able to include global alumni based in Asia, the United States, Europe and South America.

We completed an **in-depth qualitative research process**, with research conducted by alumni Adam Faulkner, MBA 2012 of blueegg on a pro bono basis. The results were strongly supportive of building our network to support the MGSM alumni community. Other findings were that:

- Alumni chose MGSM because of its links to industry and the value of the network they hoped to gain.
- But once the alumni completed their post graduate qualifications, they typically lost their networks due to the pressure of family and jobs. This is particularly the case for alumni before the era of WhatsApp.
- The structural changes at MGSM were a disappointment to many alumni, as are any declines in rankings performance. To most alumni, however, **the loss of the MGSM brand name was a cause of deep concern** given the significant financial and emotional investment alumni have made in the MGSM brand. Furthermore, the decision to downgrade or retire the MGSM brand did not appear to make good business sense.
- Alumni want to help us reconnect the alumni to optimise the latent network they know is there for them. They want to find their cohorts again, to keep up to date with their

skills and industry knowledge, and to find business opportunities that come from having a powerful network including senior members of the business community.

- They also want to give back and help each other and younger cohorts, as they are grateful for their education which helped them succeed.
- Alumni are also open to ongoing education if it is specifically designed for MGSM alumni.

“An important outcome of this research was the tightening up of our Alumni Value Proposition, which is now guiding development of alumni services”.



The MGSM Alumni Association is an independent incorporated association representing **the community of MGSM Alumni** working together to **reconnect with fellow alumni & industry** in order to realise the **value of their MGSM investment**

www.mgsmalumni.com

The Board set up an **Advisory Council of business leaders and academics** to advise the MGSM Board on a non-fiduciary basis. The Council has already proven itself as a useful strategic sounding board, with Council Members including:

- **Professor Bruce McKern**, Founding Dean of MGSM from 1974 - 1989, Dean Monash-Mount Eliza, Professor at Stanford, Carnegie Mellon, CEIBS
- **Mr Bill Beerworth**, MBA 1997, previous director MGSM Alumni Association, MD Beerworth and Partners Ltd.
- **Professor Gayle Avery**, Macquarie Business School/MGSM

- **Professor Norma Harrison**, Macquarie Business School/MGSM, and past Acting Dean from 2016 -2017
- **Mr Robert Easton**, MBA 1995, Chairman and Senior Managing Director, Accenture ANZ
- **Mr Karl Qin**, MA 2009, serial entrepreneur
- **Mr Stephen Lennard**, MBA 1982, Managing Partner & Founding Principal, Lennard Partners Board and Executive Search
- **Mr Graham Millett**, MBA, company director and previous CEO of Western Sydney Airport

Last year I reported that the Board's focus had evolved from pushing back against the changes at MGSM as it was folded into what is now Macquarie Business School (MQBS) towards building our alumni network, expanding services for alumni, and advocacy regarding the future of the MGSM brand name and the quality of the MBA level offerings from MQBS.

Over the financial year, we worked on building bridges with the alumni group at Macquarie Business School. With the recent arrival of the new Executive Dean, Professor Eric Knight, however, we are hopeful of a breakthrough regarding both the quality of future executive and MBA level educational offerings and the future of the MGSM brand name. **Initial meetings with Professor Knight have been positive and we trust that the MGSM brand may still survive and thrive within Eric's bold vision for MQBS.** As we confirmed from our research, the future of the MGSM brand is of significant interest to alumni, and **we will keep alumni updated as developments occur.**

We would not have been able to achieve so much this year without the help of our **valued sponsors**, who have been providing us with pro bono professional services. Our current sponsors include:

1. **Blueegg**: Experience Design "UX" agency, headed up by Adam Faulkner, MBA 2012
2. **Indago Digital**: Digital marketing agency, headed up by Tom Samuel, MBA 2018
3. **Duncrahill**: Marketing communications agency, headed by Alan McDonald, MBA 2009
4. **Aurelian Group**: Digital platform development and support, headed up by Matt Koopmans.

In the new calendar year, we will be looking for additional sponsors, for both financial and in-kind sponsorships.

We have commenced creating **board sub-committees** to support the growth of the MGSMAA, working under the supervision of board directors and consisting of Foundation Members. Current board-subcommittees include Entrepreneurship, Reconnecting Alumni, and Education - with more currently being formed. Sub-committee work for the MGSMAA is a delightful opportunity to work with fellow alumni for a common purpose, hopefully reminding us of some great MBA syndicate group experiences! Apart from the benefits of reconnecting with fellow alumni, the benefits to alumni of joining a committee include increasing the diversity of inputs into the planning and execution of alumni services, reducing the workload on directors, and identifying and training future board directors.

It is pleasing to report that the MGSMAA is in good financial shape, with our balance sheet having grown as shown in the financial statements. However, we are not yet in the position to hire the one or two staff we need to run the association and relieve the administrative demands on volunteer alumni. Our plans for the new financial year include building a sustainable revenue base including sponsorships and annual membership fees.

I would like to take this opportunity to **thank the passionate and hard-working board directors** of the MGSM Alumni Association, who contribute to your association on a voluntary basis. Current directors are:

- **Mr Lindsay Munns**, MBA 2003, Deputy Chair, Finance and Membership
- **Ms Karen Ganschow**, MBA 1990, Chapters
- **Mr Randal Tame**, MBA 1993, Public Affairs and Events
- **Mr Alan McDonald**, MBA 2009, Marketing Communications
- **Ms Maryjane Aviles**, MBA 2005, Membership Growth
- **Mr Andrew Bissett**, MBA 2002, Education
- **Ms Rebecca Murray**, MBA 1994, Chair

And special thanks are due, as always, to **Pat McDonald, Company Secretary**, who has in-depth knowledge of so many alumni and is the glue that helps hold us all together. Pat also assists many alumni who need introductions to further their careers within our network.

We were disappointed to lose two directors this year, Rich Curtis and Piers Morgan, due to work commitments. It's a fact of life in volunteer organisations that workload changes can result in a director role becoming unmanageable, but thanks are due to Rich and Piers for their significant contributions.

“It has been an honour to lead the MGSM Alumni Association over the last year during this time of significant growth”.

None of this would have been possible without the hard work and passion of the many MGSM alumni and lecturers who have contributed to building the association for the benefit of our alumni community. I look forward to another big year ahead as we focus on developing new member services, sustainability, and strengthening of stakeholder relationships.

Rebecca Murray

MGSM Alumni Association Chairman

17 November 2020

FINANCIAL REPORT

Report by Lindsay Munns

“I’m pleased to report that our association has ended its second year of operation strongly having built up its bank balance to \$15,802”.

Total revenue for the 2019/2020 financial year was \$11,609 - down from our previous year, with COVID limiting our revenue generating Global Event Series to only one event in the first half of the year before we switched our focus to free online events to maintain momentum.

Foundation Membership contributions of \$10,950 was our main income source - this has been a key funding strategy for us in this establishment phase until we are ready to move to an annual membership package and to be able to source sponsorship fees.

Our total expenses for the year were \$5,208 - approximately 45% of our net income. Key expenses during this time were \$1,380 for the member planning workshop in July 2019 and the member Xmas drinks after last year’s AGM.

Our web, technology and hosting services essential to providing our core functions to our membership base were the largest expense for the year at \$2,614 but this was a reduction of 23% from the previous year with savings gained through various platform efficiencies.

We continue to run the organization on a very lean expense base due to the valued contribution of our voluntary board and support team. We are also grateful for the contribution of Sri Accounting and Business Services who assisted us in the preparation of our financial reports on a voluntary basis once again.

The current year has already started strongly in terms of contributions from Foundation Members and we look forward to continuing to use and manage our financial resources wisely as we grow the organization and work to fulfil our mission.

Lindsay Munns

MGSM Alumni Association Treasurer

17 November 2020

FINANCIAL STATEMENTS

Statements Prepared by Sri Accounting and Business Services

The following 2020 report pack includes:

- A. Detailed Profit & Loss Statement**
- B. Detailed Balance Sheet**
- C. Notes to the Financial Statements**
- D. Trustee's Declaration**
- E. Compilation Report**

MGSM ALUMNI ASSOCIATION

ABN 63 674 708 189

Financial Statements
For the year ended 30 June 2020

Sri Accounting & Business Services
Suite. 3 / 12-16 Toongabbie Road,
Toongabbie, NSW 2146

Phone: (02) 9631 1077 Fax: (02) 9631 1266
Email: info@sriaccounting.com.au
Website: sriaccounting.com.au

MGSM ALUMNI ASSOCIATION

ABN 63 674 708 189

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MGSM ALUMNI ASSOCIATION

ABN 63 674 708 189

Detailed Profit and Loss Statement

For the year ended 30 June 2020

	2020	2019
	\$	\$
Income		
Membership Contribution	10,950	12,881
Event Ticket Sales	4,640	3,371
Less: Direct Event expenses	(3,981)	(2,639)
Total income	11,609	13,613
Expenses		
Advertising & promotion	611	-
Bank fees & charges	408	223
Flowers & Gifts	-	242
Members Workshop	1,380	106
AGM & Xmas Expenses	183	-
Postage, Printing, Stationery & others	12	207
IT, Website, Internet & Software Expenses	2,614	3,434
Total expenses	5,208	4,211
Net Profit from Ordinary Activities before income tax	6,400	9,402

These financial statements are unaudited. They must be read in conjunction with the attached Accountant's Compilation Report and Notes which form part of these financial statements.

MGSM ALUMNI ASSOCIATION

ABN 63 674 708 189

Detailed Balance Sheet as at 30 June 2020

	Note	2020 \$	2019 \$
<hr/>			
Current Assets			
Cash Assets			
Cash at bank - NAB xx9839		15,802	9,402
		<u>15,802</u>	<u>9,402</u>
Total Current Assets		<u>15,802</u>	<u>9,402</u>
Total Assets		<u>15,802</u>	<u>9,402</u>
Net Assets		<u>15,802</u>	<u>9,402</u>
Equity			
Undistributed income		15,802	9,402
Total Equity		<u>15,802</u>	<u>9,402</u>

These financial statements are unaudited. They must be read in conjunction with the attached Accountant's Compilation Report and Notes which form part of these financial statements.

MGSM ALUMNI ASSOCIATION

ABN 63 674 708 189

Notes to the Financial StatementsFor the year ended 30 June 2020

Note 1: Summary of Significant Accounting Policies

The directors of the trustee company have prepared the financial statements of the trust on the basis that the trust is a non-reporting entity because there are no users dependent on general purpose financial statements. The financial statements are therefore special purpose financial statements that have been prepared in order to meet the requirements of the trust deed, the information needs of the stakeholders and for the basis of preparation of the income tax return.

The financial statements have been prepared in accordance with the significant accounting policies disclosed below, which the directors of the trustee company have determined are appropriate to meet the purposes of preparation. Such accounting policies are consistent with the previous period unless stated otherwise.

The financial statements have been prepared on an accrual basis and are based on historical costs unless otherwise stated in the notes. The amounts presented in the financial statements have been rounded to the nearest dollar. The accounting policies that have been adopted in the preparation of the statements are as follows:

(a) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

(b) Revenue and Other Income

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. For this purpose, deferred consideration is not discounted to present values when recognising revenue.

Interest revenue is recognised using the effective interest rate method, which, for floating rate financial assets, is the rate inherent in the instrument. Dividend revenue is recognised when the right to receive a dividend has been established.

Revenue recognised related to the provision of services is determined with reference to the stage of completion of the transaction at the reporting date and where outcome of the contract can be estimated reliably. Stage of completion is determined with reference to the services performed to date as a percentage of total anticipated services to be performed. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent that related expenditure is recoverable.

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

(c) Goods and Services Tax (GST)

The Association is not registered for GST as the turnover of the Association is under the GST threshold.

MGSM ALUMNI ASSOCIATION

ABN 63 674 708 189

Trustee's Declaration

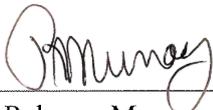
The directors of MGSM ALUMNI ASSOCIATION declare that the trust is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements

The directors of the trustee company declare that:

- (i) the financial statements and notes, present fairly the trust's financial position as at 30 June 2020 and its performance for the year ended on that date in accordance with the accounting policies described in Note 1 to the financial statements; and
- (ii) in the directors' opinion there are reasonable grounds to believe that the trust will be able to pay its debts as and when they become due and payable.

The directors are responsible for the reliability, accuracy and completeness of the accounting records and the disclosure of all material and relevant information.

The declaration is made in accordance with a resolution of the Board of Directors of the trustee company.



Rebecca Murray (Board Chair) , (Director)



Lindsay Munns , (Director)

14 October 2020

Date

MGSM ALUMNI ASSOCIATION

ABN 63 674 708 189

Compilation Report to MGSM ALUMNI ASSOCIATION

We have compiled the accompanying special purpose financial statements of MGSM ALUMNI ASSOCIATION, which comprise the balance sheet as at 30 June 2020, the Statement of Profit and Loss for the year then ended, a summary of significant accounting policies and other explanatory notes. The specific purpose for which the special purpose financial report has been prepared is set out in Note 1. The extent to which Australian Accounting Standards and other mandatory professional reporting requirements have or have not been adopted in the preparation of the special purpose financial report is set out in Note 1.

The Responsibility of the Directors of the Trustee Company

The directors of the trustee company are solely responsible for the information contained in the special purpose financial statements, the reliability, accuracy and completeness of the information and for the determination that the significant accounting policies used are appropriate to meet their needs and for the purpose that the financial statements were prepared.

Our Responsibility

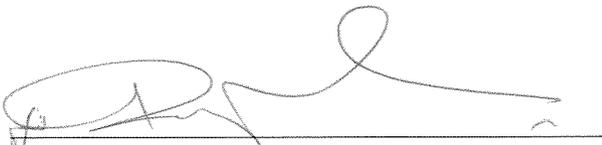
On the basis of information provided by the directors of the trustee company, we have compiled the accompanying special purpose financial statements in accordance with the significant accounting policies as described in Note 1 to the financial statements and APES 315 Compilation of Financial Information.

We have applied our expertise in accounting and financial reporting to compile these financial statements in accordance with the significant accounting policies described in Note 1 to the financial statements. We have complied with the relevant ethical requirements of APES 110 Code of Ethics for Professional Accountants (including Independence Standards).

Assurance Disclaimer

Since a compilation engagement is not an assurance engagement, we are not required to verify the reliability, accuracy or completeness of the information provided to us by management to compile these financial statements. Accordingly, we do not express an audit opinion or a review conclusion on these financial statements.

The special purpose financial statements were compiled exclusively for the benefit of the directors of the trustee company who are responsible for the reliability, accuracy and completeness of the information used to compile them. Accordingly, these special purpose financial statements may not be suitable for other purposes. We do not accept responsibility for the contents of the special purpose financial statements.



Sri Accounting & Business Services
Suite. 3 / 12-16 Toongabbie Road,
Toongabbie, NSW

13 October, 2020