



Food &
Agribusiness
Network

Sunshine Coast
Noosa
Gympie
Moreton Bay

Annual Report 2019



Run by the
Industry.
For the
Industry.

*"Alone we can do so
little; together we
can do so much"*
Helen Keller

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GLOSSARY

FAN – Food and Agribusiness Network
NFP – Not for Profit
FIAL – Food Innovation Australia Limited

ACKNOWLEDGEMENT OF COUNTRY

FAN acknowledges the Traditional Custodians of the land on which we live and work and recognises their continuing connection to land, water and community. We wish to pay respect to local Indigenous Elders past, present and emerging and recognise the strength, resilience and capacity of all Aboriginal and Torres Strait Islander people.



Reports

Chair's Report

The 2019 fiscal year has been a year of significant growth for FAN, highlighted by receiving funding under Food Innovation Australia Ltd's (FIAL) inaugural Cluster Programme. Revenue increased 216% to \$690,269 and sponsorship increased 78% to \$95,640.

FAN was honoured to win the Social Enterprise Award (small business) in the 2018 Sunshine Coast Business Awards and accepted the award on behalf of our members. FAN's strength is the supportive ecosystem where members have access to knowledge, resources, connections and opportunities that alone would not be possible. It was pleasing to see membership continue to grow from 208 to 280, a 34% increase in 2018 compared to 27% the previous year.

Over the course of FY19, FAN has successfully transitioned into a mid-size NFP. The team increased from 3 part-time contractors and a 'hands on' board of directors to 3.6 FTE employees plus contractors empowered to 'run' the day-to-day operations lead by General Manager, Emma Greenhatch. The voluntary board have been able to step back from operational activities and focus on NFP governance, the longer-term vision for food & agribusinesses in our greater region and the strategic role that FAN can play.

In addition to growing the FAN team, the FIAL funding (matched \$1 for industry \$1) enabled the implementation of new member programs and delivering more impactful events. The 'Meet the Makers' event attracted over 400 guests this year and the sustainable packaging workshop transferred valuable knowledge to members. On behalf of the board, I'd like to express gratitude to FIAL for backing FAN's vision and accelerating growth and collaboration in our greater region.

New challenges emerged in FY19 as FAN experienced growing pains. The board and management demonstrated their ability to be adaptive and to adopt a growth mindset. A good example of this has been the export program pivot from a focus on China. This

was proving to be a very challenging market to achieve outcomes, so the program was adapted to appeal to a broader membership base.

The period of transition has required the board to increase their capacity and knowledge in NFP governance. The directors, along with management have been given opportunities for learning through the AICD. A heightened focus on policy, procedure, goal setting, culture and strategy has ensued, reflecting a new level of organisational maturity.

Each of FAN's seven voluntary directors, Lauren Brisbane, Ann Ross, Sean McGowan, Tony Sowden, Jacqui Price, Kylie Watson and myself, collectively offer diversity, experience and skills and have made a significant contribution to FAN's evolution. On behalf of the board, I would like to thank our members, sponsors, partners and the management team on growing the FAN community and delivering benefits to members. Finally, congratulations to General Manager Emma Greenhatch for her leadership during this heightened period of growth and transition.

As an elected director, co-founder and chair, it's with mixed emotions that I am retiring at this year's AGM, the end of my 2nd term. Being a part of the formation and development of FAN has been a personal highlight in my career, sparking a passion for connecting regional communities and purpose-led organisations. However, succession and board rotation are embedded in our constitution and I believe are key to securing a bright and prosperous future for FAN's members.

I wish the FY20 board of directors and the management team the very best.

Yours in collaboration

Jacqui Wilson-Smith
Chair & Co-Founder

Being a part of the formation and development of FAN has been a personal highlight in my career, sparking a passion for connecting regional communities and purpose-led organisations.



Reports

General Manager's Report

As an industry-led network, it has been wonderful to see the number of industry members grow by 39% over the past 12 months. By building a strong business ecosystem and pathways for growth, our food and agribusinesses have a greater chance of achieving success. This is evident when you consider that more than 80% of start-ups do not survive beyond five years, yet out of FAN's 280 members, only two have closed their doors since FAN launched four years ago. To each and every member that has looked beyond their own business to connect to, support, learn from and work with other FAN members, you have contributed to this and I thank you.

Like the majority of our members FAN is also a small business. Receiving the matched industry funding from FIAL this year has been a huge opportunity that has enabled us to grow our team so we can deliver more for our members. We have created two new programs to support members to access market opportunities both within Australia and internationally. We have demonstrated how our members come first, evolving the export program from a focus on China to expanding it to other markets and making it more accessible. We have added new events to our program such as FAN Huddles to encourage member knowledge sharing, and the success of 'Meet the Makers' will see this become an annual pillar event.

Our members love hearing about each other's successes and we love sharing them. This year FAN created a comprehensive list of industry awards for members and we have seen an increase in the number of members winning awards, a fantastic endorsement of the collaboration, creativity and innovation that is happening in our regions. Accepting the Social Enterprise award on behalf of members at the 2018 Sunshine Coast Business Awards was a special moment, as was sharing the stage with other FAN member winners.

For the FAN team to deliver timely and relevant activities for our members, we rely on hearing about what's happening in their businesses so we can help to unlock opportunities or respond to challenges. We are grateful to members for taking the time to do our surveys and encourage all members to connect with us to share an idea, seek assistance or simply to have a chat!

Throughout this report, all the statistics point to FAN's continuing growth – 214% increase in revenue, 34% more members, sponsorship up 78%, 70% increase in event attendance and FAN's team doubling in size. Over the past 12 months, to sustainably manage this growth it has been important for us to spend time on improving our business systems and processes and developing policies and procedures to ensure good governance and to meet legal requirements.

I'd like to thank FAN's board of directors, who volunteer their time to represent our members and provide their skills and experience to guide FAN towards a sustainable future. To our members, sponsors, partners and ambassadors, thank you for believing in a world where there is strength in helping each other and working together.

To FAN's team – Sam, Nicole, Adele, Tanya and Rebecca. You have taken us to new heights this year and I'm very grateful for the energy and commitment you bring everyday.

Finally, I'd like to acknowledge the incredible contribution that FAN's Chair Jacqui Wilson-Smith has made to FAN and our food and agribusiness industry across the Greater Sunshine Coast. After four years, Jacqui is retiring at our 2019 AGM. Jacqui was one of FAN's co-founders and has been instrumental in evolving the organisation into a strong NFP. I thank Jacqui for her leadership and wish her all the best for the exciting new career that she's embarking on.



Emma Greenhatch
General Manager

About FAN

Established by the industry for the industry, FAN is a not-for-profit food industry cluster that was founded on the basis of larger food companies 'giving back' by sharing their knowledge, experience and resources with small businesses. Since its launch in late 2015, FAN has attracted over 280 members from across the Greater Sunshine Coast region (Gympie, Noosa, Sunshine Coast & Moreton Bay) with new members joining on a weekly basis. By fostering a culture of co-opetition, FAN is empowering its members and facilitating growth opportunities through its values of collaboration, sharing, leadership and integrity.

FAN delivers a wide range of activities including networking events, business skills workshops, formal and informal mentoring, and structured programs and services that are designed to address capability and capacity gaps. Importantly, the culture of working together to grow together leads to a high level of trust that underpins members feeling supported. In turn, this leads to a strong 'give back' ethos and a dynamic and engaged membership. FAN also seeks collaboration opportunities with key partners and sponsors and has an unwavering focus on ensuring that the activities being delivered are aligned to members' needs.

Membership of FAN is made up of input suppliers, primary producers, food manufacturers, retailers, restaurants and exporters, as well as many supporting services across the region. Through FAN, many of these members have connected to share knowledge, address shared challenges and create innovative products and solutions. Through its marketing channels and connections, FAN plays an important role promoting members' stories and capabilities in local, national and international markets.

FAN also continues to support members by providing a representative voice to advocate for the development of local food and agribusiness opportunities and has worked closely with local councils and other groups and businesses to maximise both the regions' exposure and pathways for growth.

With FAN's industry-led focus, and demonstrated support from partners, sponsors, government, research and innovation groups, FAN is working hard to create a best-practice, sustainable food and agribusiness cluster that delivers growth opportunities for both its members and the broader economy.

Purpose

To connect and grow the region's food and agribusinesses by creating a culture of collaboration, accelerating innovation and promoting trade locally and globally.

Vision

To be Australia's leading food and agribusiness network and to actively contribute to doubling the regions industry value by 2030.

Values

- | Collaboration
- | Sharing
- | Leadership
- | Integrity

Strategic Objectives



Membership

To have a compelling value proposition that ensures a well-represented member network that connects the value chain from production to consumption.



Knowledge Sharing

To be the conduit for communication, collaboration and cooperation, promoting knowledge acquisition and sharing amongst FAN members and the broader industry.



Advocacy

To be recognized as the representative voice for the region, successfully advocating for the development of the food and agribusiness sector.



Organisational Model

To achieve sustainable funding and governance models to ensure the ongoing viability of the organisation, aligning industry, research and government.



Regional Awareness

To put the region on the map as a destination for high quality, innovative and sustainable products, processes and practices in the food and agribusiness sector.

About FAN

Region

The Greater Sunshine Coast region is steeped in a rich history grown out of agriculture. The region's first industry was that of timber, before later being replaced by sugar cane, ginger, pineapples and dairy.

In fact, for more than a century, it was the sugar cane industry that brought people and prosperity to the area, not the beautiful beaches and lush hinterlands that are synonymous with the region today.

Fast-forward to 2019 and the Greater Sunshine Coast is carving a new niche in the food and agribusiness sector with large and small operators taking their place on both the national and world stage.

Many small business owners have identified niche markets and forged their own paths and for larger corporations it simply makes sense to base their head office in a region that benefits from supportive local governments, a connected and collaborative business community and good access to local, national and international markets.

These days most of the sugar cane has gone, and the region is now renowned for its diverse range of fresh produce such as fruit

FAN represents the Greater Sunshine Coast encompassing four council regions.

and nuts, dairy, meat and seafood. The region has a reputation for producing high-quality, fresh produce in a clean environment using sustainable farming practices. The region is also home to a growing value-add sector, encompassing a wide range of artisan food and beverages. A burgeoning number of microbreweries and farm gate operators are tapping into the growing food tourism market and food events, tours, farmers markets and hospitality provide diverse pathways for producers to supply the local market.

The expansion of the Sunshine Coast Airport will open up new trade opportunities both domestically and internationally, and with a strong local market and growing global demand for healthy and sustainably produced food, it is an exciting time to be considering starting or expanding a food business in the Greater Sunshine Coast region.

FAN's office is located at the iconic Big Pineapple and has become a hub for members to come together to connect, learn and explore collaboration opportunities. A major upgrade to the Big Pineapple will occur early 2020, re-establishing the site as a key tourism destination.



Sunshine Coast



Noosa



Gympie



Moreton Bay

300 days of
Sunshine per year

11 million people visit for holidays or
business travel each year

\$750 million Food &
Agribusiness industry



400 food trail listings

Supportive infrastructure & business community

Organisational Structure

Board

FAN is governed by a board whose role is to represent industry members and to ensure that all operations are in adherence to both the Corporations Act (2001) and the FAN Constitution. The board is also responsible for determining FAN's strategic direction and providing general oversight of FAN's operations. This includes the establishment of policies and procedures, financial management practices and ensuring that FAN remains solvent.

Seven volunteer directors make up the FAN Board. Four of these are Elected Directors and three are Appointed Directors, as detailed in the FAN Constitution. Elected for a two-year term at the Annual General Meeting, an Elected Director must be a FAN Industry Member, whose role it is to represent the industry as a whole. Appointed Directors also serve a two-year term and are 'appointed' by the Elected Directors following each AGM. These directors generally bring specific skills to ensure that governance and oversight duties can be appropriately carried out by the FAN Board.

All Directors may re-nominate at the end of their term.

FAN's Directors generously give their time and expertise to ensure FAN is able to provide consistently high levels of service and opportunities to its members. With Board meetings generally scheduled bi-monthly, the role of the Board includes:

- | Maintaining accountability to stakeholders and members
- | Monitoring the performance of the General Manager
- | Raising awareness of the organisation both within the region and more broadly
- | Ensuring compliance with statutory, financial and social governance responsibilities
- | Providing strategic direction and developing, assessing and approving strategies, policies, plans and budgets
- | Monitoring risk and ensuring adequate risk management controls and reporting procedures
- | Ensuring FAN acts legally, ethically and responsibly



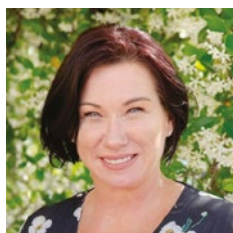
Jacqui Wilson Smith, Chair and Co-Founder (2015 - 2019)

A founding member of FAN, Jacqui is an experienced global innovation strategist and agri-food industry leader with a growing portfolio of non-executive directorships and advisory roles. Jacqui was the 2017 Qld recipient of the AgriFuture's Rural Women's Award. Jacqui has extensive international experience and is currently the Global Innovation Strategist for McCormick & Co. Formerly, Jacqui held senior roles internationally with Accolade Wines, Mondelez and locally with Gourmet Garden, Nutworks & Buderim Ginger. Jacqui has been an instrumental innovation lead in several globally successful launches including Echo Falls Wines & Gourmet Garden's Lightly Dried herbs. Jacqui's career mission is to transform agri-food businesses so that they are more sustainable, agile & prosperous. She does this by connecting people, ideas and 'dots' and embracing new technologies. Jacqui holds a B.Com (UQ), GAICD and is an Approved Board Advisor.



Tony Sowden, Secretary (2015 - 2019)

Tony is a well-known Sunshine Coast lawyer having owned and managed commercial law firms in the region since 1992. Tony's expertise in organisations law, governance, corporate advisory, not-for-profit and agribusiness ensures FAN's commitment to integrity through the provision of a transparent and best practice organisation. Tony was born and bred in rural North Queensland and understands the importance of regional institutions and their governance. He has held numerous roles including director, company secretary and/or general counsel for many Sunshine Coast public and private corporations and institutions.



Kylie Watson (2018 - 2019)

Kylie has extensive experience in senior management in the food and agriculture sector. As CEO of one of Queensland's largest macadamia processors, Kylie's experience in food manufacturing is vast, extending from strategic goal setting to new market and export development. A Certified Practising Accountant, Kylie also brings a wealth of financial experience from small to medium sized companies. As part of Kylie's role as CEO of Nutworks, she has a strong understanding of the macadamia industry and has spent considerable time working closely with the local macadamia growing community. This has provided her with deep insights into the current and future challenges impacting both the macadamia and other agricultural sectors.



Jacqui Price (2017 - 2019)

Jacqui is a passionate marketer with extensive experience in marketing, brand strategy, and new product commercialisation. Jacqui has worked with a diverse range of large, well-respected companies covering retail, food service, manufacturing, and business to business and now runs her own marketing consultancy, JP Marketing. In addition to working with local food clients on marketing projects, Jacqui holds the positions of Program Manager for the GrowCoastal Food Accelerator and Program Facilitator for Sunshine Coast Startup Onramp. Jacqui also supports the iconic local tourist attraction, The Ginger Factory, with marketing initiatives to help grow their international visitation.

Organisational Structure

Board (continued)



Sean McGowan, (2017 – 2019)

Sean has a keen eye for identifying and building on strategic collaborative partnerships and enjoys networking. Experience in restaurant and venue management, boutique wine retail sales, area management abroad, and sales and marketing management have gifted him broad experiences to assist forecasting business development opportunities. Sean's recent expertise is the wholesale sales and marketing of Speciality Fairtrade Organic Certified Coffee. He revels in his role in the management team at Montville Coffee where he is passionate about sourcing and roasting specialty coffee, client acquisition and relationship management, marketing and training. Sean holds a BA of Business in Marketing/Music Industry Management.



Lauren Brisbane (2017 – 2019)

Lauren Brisbane is the Director of QCamel and has worked in agriculture in Queensland for the past 20 years. Lauren and husband Peter funded a study on the development of Queensland's camel industry in 2009, and are founding members of the Australian Camel Industry Association. Lauren has worked with State and Federal Governments and NGO's throughout Australia to develop the camel industry and was the only industry member on the National Feral Camel Management Project (NFCMP) from 2010 - 2014. Lauren was also a Board Member of Australian Women in Agriculture from 2010 - 2012. QCamel was the first camel dairy to produce pasteurised camel milk in Australia and the operation has now expanded to produce a number of innovative camel milk products, many of which have been developed with other Sunshine Coast businesses. QCamel also promotes the Sunshine Coast through its tourism operation - Camel Cuddles Tours and is an equal opportunity employer.



Ann Ross (2018 – 2019)

Ann is a regionally renowned urban beekeeper based on the Sunshine Coast. Ann's company, Hive Haven, specialises in producing award-winning products from both Australian stingless bees and European honeybees. Ann attributes much of Hive Haven's success to the support and encouragement received from the FAN community and has been an active supporter of FAN since its inception. Ann has been recognised in the 'Top 50 Australian Business Leaders of 2018' by the Australian Small Business Magazine and the company has won several awards including a Queensland Regional Award for 'Innovative Agriculture'. Ann has a passion for agricultural innovation and smart farming technology. Ann's vision is to support FAN members to produce high value quality products with real export potential. Ann is also a member of the AgriFutures Emerging Industry Advisory Panel and Treasurer of the recently formed Australian Native Bee Association. Ann is a Graduate of the Australian Institute of Company Directors (GAICD) and holds a Bachelor of Business (Accounting).

Team

The FAN Board delegates responsibility for implementing approved strategies and the daily management of FAN to General Manager, Emma Greenhatch. The General Manager is responsible for all aspects of FAN's operations, as well as reporting to the board. Prior to being awarded funding from FIAL in August 2018, FAN's team consisted of three part-time contractors who were responsible for delivering all FAN's activities and reporting to the board. A key

benefit of the FIAL funding has been the opportunity to increase the capacity of the team. The new roles created have resulted in a stronger business platform and the ability to increase value to FAN's members by offering more services. With a year of business building, planning and strategising behind them, the team are very excited to move into 2020 with a focus on engaging with members and empowering their growth along with the industry as a whole.



Emma Greenhatch, General Manager

Emma has had more than 20 year's experience working in the food and agribusiness industry for the public, private and not-for-profit sectors. Renowned for her strong networks and leadership skills, Emma is a translator of ideas into strategies and actions that deliver positive and sustainable outcomes. Before moving to the Sunshine Coast in 2015, Emma spent the previous nine years working with Victoria's food industry in a range of senior roles with the Victorian Government. These included creating Australia's largest and most successful inbound trade mission that resulted in \$100 million in new food and beverage exports for Victoria. Emma has been the General Manager of FAN since 2016. Under Emma's leadership, membership has doubled to 280; she has generated more than \$1 million in new funding; and driven the creation of new member programs and services. With a passion for partnerships and collaboration, Emma has evolved FAN into an organisation that delivers genuine growth opportunities for the food and agribusiness industry in the Greater Sunshine Coast region.

Team (continued)



Sam McKerrow, Business Manager

With a Degree in Engineering, Graduate Diploma in Applied Finance & Investment and Graduate Certificate in Sustainability, Sam brings a wide variety of skills and experience to FAN. After starting her career as a Geotechnical Engineer in Sydney, Sam moved into the finance sector in an Analyst role with NSW Treasury Corporation (TCorp). Building on this experience, Sam spent five years with Goldman Sachs JBWere initially as a Risk Analyst and then as the Business Manager for the trading group. Sam's key skills include analysis and problem solving, research and report writing as well as business management. Sam has a keen interest in sustainability and has worked on a number of research projects for various United Nations entities.



Nicole McNaughton, Marketing & Events Manager

With over 20 years of local and international marketing communication experience, Nicole has developed and implemented internal and external marketing communication strategies for companies in the tourism, FMCG, banking and investment industries. She has also worked on leveraging and delivering local, national and international lifestyle, music and sporting events. Nicole joined FAN in October 2018 from the Sunshine Coast Council, where she worked in a marketing communication role with the Major Events Unit for three years. Nicole is well known and actively connected with local and regional media and is highly regarded by FAN's key stakeholders.



Tanya Arnold, Grants, Awards & Strategy

Tanya is a hospitality and project management professional with experience working for both the private and public sectors. Tanya commenced her career working in the hotel and tourism industries, gaining international experience in London at the world-class Great Eastern Hotel and closer to home at Ramada's Pelican Waters Golf Resort & Spa as Assistant Manager. In addition, Tanya has managed professional development programs for Queensland's Department of Education and Training and the Department of Premier and Cabinet. Tanya holds a BA of International Hotel and Tourism Management and has completed an Export & Global Capability Program. Tanya's love of food and interest in nutrition has also resulted in her own business where she is an international award-winning author and public speaker.



Adele Laughton, National Relationship Manager

Adele has more than a decade of experience in sales, negotiations and market strategy at a management level. With a background in writing and marketing and a strong knowledge of the food and beverage industry and brand development, she has extensive experience with start-ups right through to national growth and distribution. Adele has the business development skill set necessary to assist both small and large businesses with scale and growth across all market segments and verticals. Adele joined FAN in October 2018 after completing a research piece on behalf of FAN and the Sunshine Coast Council to understand the specific challenges to growth, supply chains and pathways to market that challenge food and beverage businesses in the region.



Rebecca Gillingham, Member Liaison

Rebecca is a Human Resources professional with over 18 years of local and international experience. Calling the Sunshine Coast home and graduating from USC with a Bachelor of Arts in Communications, Rebecca began her career locally at Australia Zoo. After building on her HR experience in the tourism, education and finance sectors in Brisbane and Sydney, Rebecca made the move to Dubai where she joined The Boston Consulting Group (BCG). In her time with BCG, Rebecca's HR focus was in Learning & Development and Performance Management. Rebecca is very happy to be back on the Sunshine Coast and is thrilled to be a part of Australia's leading food and agribusiness cluster.

Workforce Planning and Performance

Workforce planning is undertaken annually. FAN is committed to ensuring that fair and effective procedures and processes are implemented and adhered to for selection and employment of people to meet organisational needs. This includes defining in advance the roles and work required. A written position description and relevant KPI's (if applicable) are prepared prior to advertising,

interviewing and the selection process.

By promoting a healthy work-life balance and offering flexible work arrangements for employees, FAN is well positioned to attract and retain experienced talent.

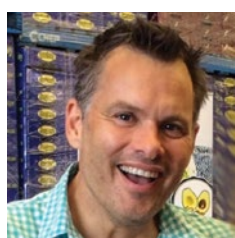
FAN is an equal opportunity employer offering a workplace free from harassment and discrimination.

Organisational Structure

Ambassadors

FAN's Ambassadors 'spread the word' about the latest FAN news, as well as highlighting the work of its members through their respective networks. They are important advocates for FAN and have strong connections across the food and agribusiness industry

in the Greater Sunshine Coast region. FAN currently has two Ambassadors and is grateful to Martin and Petra for their ongoing support.



Martin Duncan

Martin is 'Sunshine Coast Foodie' with a passion for social media and events. As an ambassador for FAN he helps to spread the word and drive membership. He is also a chef, former restaurateur and connector of people. Martin's passion is "Sconetime" - a wonderful opportunity for older people, along with their carers, companions and family to establish a regular monthly social event where people from the community and business come together over Scones! In addition to being actively involved with FAN, Martin is president of Country Noosa & the Cooroy Chamber of Commerce and works closely with Tourism Noosa, Mary Valley Country Harvest Cooperative and Gympie Gold Regional Produce. Annually, Martin assists the Ginger Flower & Food Festival, The Curated Plate and Noosa Eat and Drink Festival (formerly Noosa Food & Wine Festival).



Petra Hughes

Petra Hughes is the creative and collative mind behind 'Local Harvest', the Sunshine Coast and Surrounds Regional Food Directory. She is also an award-winning creative designer, photographer, product developer, author, publisher, reviewer, web designer, small business consultant, 'major ideas person' and self-proclaimed dreamer and entrepreneur. Petra has spent the last 15 years scouring markets and developing initiatives to generate more interest in the Sunshine Coast regional food movement with the hope of making a tangible difference to the local food industry. This collecting and collating of 'foodie' information and contacts developed into the Local Harvest food directory. Consequently, Petra's skillset and local knowledge make her an invaluable ambassador for FAN.

Advisory Panels

Over the past financial year, two advisory panels have provided support to the FAN Board and management. Both the Strategy Advisory Panel and the Events Advisory Panel are made up of FAN Directors, staff and members, with the aim of ensuring that FAN connects with the different membership groups and maintains an industry-led focus on strategic direction and event delivery. FAN is grateful to these panel members, who volunteer their time and provide their experience and expertise for the benefit of all FAN's members.

Strategic Advisory Panel

The Strategic Advisory Panel (SAP) provides guidance to FAN's Board of Directors about the food and agribusiness industry's position in relation to medium and long-term strategy development and implementation. FAN Director, Sean McGowan, was elected to the role of SAP Chair and delivered a number of productive and forward-thinking meetings with a panel made up of members and industry experts. In the 2018-19 fiscal year, meetings were held in October, December and March.

Members 2018 – 2019

- | Sean McGowan, Montville Coffee (Chair)
- | Madalene Bettega
- | Norman Scott, Maleny Food Co.
- | Tomi Hamalainen, Innovation Centre Sunshine Coast & Jamix
- | Dave Jarrett, Sustainable Soil Solutions & Chemical Free Farmers Association
- | Brent Chambers, Sunfresh Marketing Co-op

- | Jono Emblin, Sunshine Coast Organic Meats
- | Andrew Terlich, At One Foods
- | Bernard Parker, Parker Food
- | Bianca Cairns, Horticulture Innovation Australia Ltd
- | Tim Scott, The Kandanga Farm Store, BOS Rural Supplier
- | Megan Brabant, McCormick & Co.
- | Wolfgang Schulte, Eco-Farms

Events Advisory Panel

The purpose of the Events Advisory Panel is to contribute to the development and delivery of FAN's program of events and to support the goal of assisting members to connect, collaborate and grow. The panel members, who regularly attend FAN's events, also provide valuable feedback and observations that assist FAN to adjust the program to meet the evolving needs of its members. The Events Advisory Panel has also identified opportunities for event partnerships that leverage non-FAN events and benefit FAN members. Meetings were held in February and June 2019, along with informal discussions throughout the year.

Members 2018 – 2019

- | Petra Hughes, Local Harvest
- | Martin Duncan, Sunshine Coast Foodie
- | Jess Fleming, Birdwood Nursery
- | Jennepher Bucher, Maleny Cheese
- | Sally Hookey, Hinterland Feijoas

Activities & Performance

Marketing and Communications

With the appointment of a dedicated Marketing and Events team member, there has been an increased focus on internal communication with FAN Members and external promotion of members and the network.

Via FAN's channels, members are kept up-to-date with FAN events, programs and opportunities, as well as relevant industry news. Sharing and celebrating success is also a key focus of internal communication, as well as facilitating member engagement and connections.

The delivery of a consistent message with considered content - whether by the monthly FANmail newsletter, social media, targeted EDM's or personal emails and phone calls - provides members with knowledge and insights and encourages member-to-member connections and collaboration.

FAN as an organisation and its members are achieving many great things and these newsworthy stories continue to be featured in mainstream media channels. FAN is recognised as a strong voice across the region and is now actively approached for media comment. There is also a proactive relationship with local media, with newsworthy stories, facts and updates regularly pitched. Members' news generates significant interest, from hearing the 'backstory' to celebrating awards, achievements and collaborations. FAN is pleased to have been able to facilitate publicity for members and act as a conduit for mainstream media. Members are also generous in referencing FAN in their stories and successes and helping FAN to increase its profile across the industry and broader community.

Stakeholder Communication and Industry Positioning

FAN's members, sponsors, partners and supporters continue to be strong social media advocates and are proving to be a strong communication channel. Over the past year FAN has proactively developed a number of new relationships with key stakeholders and undertaken cross-promotional activities with the objective of profiling FAN, its members and the region.

Department of Innovation, Tourism and Industry Development's Trade Investment Lunch / Opening of the Sunshine Coast Convention Centre

Following connections and impressions made at 'Meet the Makers', FAN was invited to stage a pop-up networking lounge - featuring members' products - at this high-profile event in May. FAN's involvement in this event directly resulted in a number of members supplying products to the Sunshine Coast Convention Centre. Through this event, FAN also forged deeper connections with this Queensland Government department.

Taste and Trade Event - as part of Queensland Small Business Week

FAN hosted a display table at this industry connection event, which was the closing event of Queensland Small Business Week. The event was modelled on 'Meet the Makers' and FAN's input sought to inform its development. FAN also secured the attendance of six members, resulting in the Greater Sunshine Coast having the only regional presence at this event. Connections were made between

"FAN has been instrumental in establishing my business network, with collaborations and introductions of great future working relationships. Thank you"

Zoe Wombwell, Black Lemonade Bakery



FAN members and five key state buyers that attended. Post this event, FAN was invited to provide input into the Queensland Government's new Artisan Producers Action Statement.

#EATQLD launch of Queensland Strawberry Season

FAN's assistance was sought to source members to participate in the media launch of Queensland Strawberry Season as part of the #EATQLD campaign. FAN hosted a display stand, provided members' products for the tasting table, and was interviewed by media. Through this event FAN raised the profile of the industry and established new connections with the Department of Agriculture and Fisheries.

32

local, regional and national media stories

33%

increase in social media followers

42%

average email open rate

Activities & Performance

Membership

Over the past 12 months FAN's membership has increased from 208 to 280 as at 30 June 2019. This represents an increase of 34% compared to 27% in 2017-18. The continued growth of the membership base not only increases FAN's reach and influence, but also the opportunities it can provide to members in the form of events, workshops, programs and other offerings. By maintaining a keen belief in the benefits of an industry-led model and a value-chain approach, FAN's growing reputation is attracting interest from other industry groups and governments across Australia.

34%

increase in FAN's membership

Membership of FAN provides many opportunities to build and grow businesses, whether through shared connections or access to new knowledge and skills. With networking events, workshops, programs and trade show opportunities, FAN aims to provide something for all business types and sizes across its membership. Going forward, the FAN team will continue to work to ensure that all members can actively engage and access the benefits that FAN can provide. An important part of FAN membership is the opportunity to actively contribute to the growth and future direction of the food and agribusiness industry for the Greater Sunshine Coast region. FAN believes that by acting as a conduit for communication and collaboration, the most successful outcomes for the future can be achieved.

Industry Members	30-Jun-18	30-Jun-19
Food & Beverage Manufacturers	63	88
Primary Producers	31	43
Agricultural Supplies & Services	8	11
Food Service	13	21
Wholesale and Distribution	6	6
Food Science	10	14
Food Publications	3	1
Food Retailers	10	14
Food Markets & Co-Ops	3	2
TOTAL	147	200

Affiliate Members	30-Jun-18	30-Jun-19
Other	0	3
Marketing & IT Consultants	13	14
Financial Institutions	10	12
HR Consultants	5	6
Business Consultants	7	10
Transport & Logistics	6	8
Government & Associations	6	9
Legal Firms	0	1
Education & Research	8	9
Tourism	6	8
TOTAL	61	80

Events

Each year FAN provides a collection of events that aim to deliver value for members through facilitating new connections, knowledge sharing, skills development and accessing opportunities. Events are also important for bringing the food and agribusiness community together and provide a valuable opportunity for members to connect with 'like-minded' businesses who often share similar challenges. With input from members, FAN developed and delivered a number of new event concepts this year, to create more opportunities to connect and grow the food and agribusiness industry in the region. The event strategy sought to ensure a balanced mix between networking events, information sessions and capability building workshops.

1375

people attended FAN-run events

Year	Events Held	Numbers
2018-2019	23	1,375
2017-2018	21	807

The event space across the Greater Sunshine Coast region is becoming increasingly competitive and FAN recognises that the majority of its members are small businesses with limited time and resources. Therefore, FAN's events over the past 12 months, including those delivered with key partners, have been focused on topics directly related to the food industry such as sustainable packaging, barcodes, grant writing, food tourism and water efficiency on farm. It has also been pleasing to see members sharing their experience and useful resources via their own events and on the members' Facebook Group.

Event Highlights

Meet the Makers: FAN's second 'Meet the Makers' was a resounding success with 67 members exhibiting and more than 400 people attending. A key highlight was the attendance of 120 buyers, chefs, restaurant owners and key industry stakeholders. The event achieved considerable social media exposure with a total reach of 108,000 and 5,000 interactions. A number of direct new distribution channels, buyer relationships and sourcing opportunities resulted from this event. FAN would like to acknowledge the 2019 sponsors



"The energy in the room was electrifying not to mention the great connections between companies on developing new products."

"We love being a member of FAN group on the Sunny Coast meeting all the wonderful suppliers and producers. It helps us connect with locals and allows us to showcase all of these products on our menu and wine list at Harry's on Buderim"

"The event was well structured and the broad array of fabulous local businesses was amazing to see. The atmosphere was buzzing with energy and the sense of what's possible which was just great!"

400+

guests attended
Meet the Makers

- Big Pineapple, Sunshine Coast Council, Mask Events, Birdwood Nursery and Ceccato Hall & Associates. 'Meet the Makers' will be a signature FAN annual event.

Coffee Connections: Proudly supported by Montville Coffee, the first quarterly event was held in November 2018 with over 65 attendees. This event has been well received by members, providing an opportunity to catch-up in an informal setting and encouraging new connections and collaboration. It has also led to between 3-5 new members joining FAN after each event. FAN is grateful to the Montville Coffee team for their passionate support of both this event and FAN.

Hearing from Leaders: Thanks to Gourmet Garden for the opportunity to hear from two leaders in their respective fields - Brodee Myers-Cooke, Editor-in-chief of taste.com.au and Dr Michael Okoroaor, Global Leader in Packaging for McCormick & Co. During their visit to Gourmet Garden, Brodee and Michael kindly offered their time to deliver events for FAN members on food trends and sustainable packaging respectively. Having access to their wealth of experience and insights was greatly valued by the FAN members that attended.



Activities & Performance

Programs & Services

Testament to the strong and connected food and agribusiness community that FAN has fostered over the past three years, members are increasingly putting forward ideas for collaborative initiatives that address industry challenges and opportunities. Over 2018-19, FAN has been able to expand its programs and services through the support of a number of key partners. In particular, FAN would like to acknowledge Food Innovation Australia Ltd, the Innovation Centre Sunshine Coast and Sunshine Coast Council for the partnership opportunities that have benefited both FAN as an organisation and its members.

GrowCoastal Accelerator Program

FAN was delighted to again partner with the Innovation Centre to deliver the GrowCoastal program for 2019. Competition for a position in this year's program was fierce due to its increasing reputation within the industry. Thirteen innovative food and beverage businesses from across the Greater Sunshine Coast region were selected to take part in this unique food accelerator program.

Funded by Advance Queensland, the competitive 16-week program focuses on developing skills that enable businesses to progress rapidly from start-up to scale-up phases, to become investment ready and achieve key milestones in their growth strategies. The program is also a valuable opportunity to establish new connections, build relationships and promote collaboration.

Now in its third year, GrowCoastal has assisted 37 local businesses and 52 co-founders, which include some of Australia's leading food and beverage innovators. The program has been a catalyst for their success with the three year aggregated economic metrics for the three cohorts (2017-19) demonstrating 51 new jobs generated (147% growth), \$2,935,000 in new capital invested, revenue growth of 21% and customer growth of 121%. The 2019 GrowCoastal Demo Day was the biggest ever with record media and customer interest.

Thank you to the Innovation Centre's CEO Mark Paddenburg and team; GrowCoastal's Program Manager and FAN Director Jacqui Price; and all partners, sponsors and mentors. The program was a huge success due to the exceptional commitment and dedication by all involved.

"The program is invaluable for helping the cohort explore the process of scaling up production, accessing new markets and how to refine their business model."

Jacqui Price, GrowCoastal Program Manager

51
new jobs
created
amongst the 36
GrowCoastal
participants

National Express Program

In early 2018 FAN, in partnership with Sunshine Coast Council, undertook a research project to identify the specific challenges facing small artisan food businesses in expanding their markets. The following barriers were identified:

- | Limited understanding of the pathways to market
- | Limited resources to undertake a strategic approach to market entry
- | Lack of skills, particularly around sales and negotiation techniques.

As a result of this work, FAN created the National Express Program for its members to support them to increase their capabilities and capacity to unlock new market opportunities, both locally and nationally. The program commenced in November 2018 and is being delivered by National Relationship Manager, Adele Laughton. It is being partially funded by FIAL with a 12-month investment by each participant of \$5,000. After an initial period of onboarding, the program is achieving solid results. As at 30 June 2019, the nine participants had achieved aggregated new sales of \$160,000.

"FAN's National Program allowed us to significantly increase our distribution footprint. More importantly, this was achieved with distributors and retail outlets that enhance and support our brand identity, ensuring availability and visibility to our key customer profiles."

Daniel Joyce, Mighty Bean Tempeh

Trade Shows

During 2018-19, FAN facilitated 12 members to exhibit their products at national trade events – Fine Food in Melbourne in September 2018 and Naturally Good in Sydney in June 2019. FAN facilitating group stands at trade events provides an important entry point for businesses that may otherwise not be able to afford to or have the confidence to participate on their own.

FAN's National Relationship Manager, Adele Laughton, negotiated space at a discounted rate for members, coordinated stand fit out and arranged for added promotion through the organisers on behalf of participants. FAN also ran information sessions to assist the business to prepare for exhibiting, understand bumping in and out logistics and how to best manage lead generation/conversion pre and post event.

It was fantastic to see businesses supporting each other by sharing their previous experience, co-shipping and even sharing accommodation. At the events, members benefited from being on a group stand through referrals from other members, covering each other's counters, assisting each other to set-up and pack-down and through facilitated networking provided by FAN.

"Attending Fine Food Australia 2018 with FAN was an invaluable experience for our business at the start of our journey into the wholesale market. It allowed us to canvass many within the industry to pinpoint what products, flavours and trends were most worth pursuing."

Julie Walters, Chocolate Country

Pathway to China Export Program

The Pathway to China Export Program commenced in November 2018, with three FAN members co-investing in a shared resource to assist them to access new export opportunities in China. Individual strategies were developed for the participating businesses and FAN facilitated regular catch-ups to share feedback, insights and learnings.

FAN undertook a mid-term review of the pilot program, during which participants acknowledged that China is a complex market and requires a long-term strategy and commensurate investment to achieve sustainable outcomes. Due to this, the participating companies decided to discontinue with the China program to focus on markets where a ROI is more likely within a shorter time frame.

Due to growing inquiries and interest from FAN members to explore export opportunities, FAN has commenced consultations with industry members and stakeholders to create a program that is accessible to a wide range of FAN's members and has the flexibility to provide different levels of support at an individual business level, as well as being available when the business needs it. This will commence in the new FY. FAN will continue to work with partners and stakeholders including FIAL, Trade and Investment Queensland and Austrade to leverage their activities and provide opportunities for FAN's members.

Grants and Funding

FAN signed the funding agreement with FIAL late August 2018. Subject to achieving matched industry funding, the programme provides FAN with \$900,000 over a three-year period to support the delivery of a range of new programs and initiatives that will assist members and also the future sustainability of the organisation. FAN is one of only four food clusters nationally to receive this funding.

This level of funding has provided FAN with the unique opportunity to deliver two new member programs to help members access new market opportunities. The funding of \$300,000 per annum for three years is provided on the basis that FAN contributes equivalent industry funds in what is referred to as a 'matched funding' agreement. The benefit of this grant is that members are able to invest in these pilot programs at a subsidised rate, while still providing additional revenue to FAN to invest in other initiatives that deliver benefits for the broader membership and contribute to FAN's sustainability.

One of FAN's strategic objectives is to achieve sustainable funding and governance models to ensure the ongoing viability of the organisation, aligning industry, research and government. FAN would like to acknowledge the opportunity that the funding from FIAL has provided, to deliver greater benefits to members and enable FAN to work towards developing a sustainable business model that continues to meet the needs of the food and agribusiness industry, both now and into the future.

In the 2018-19 Financial Year, FIAL's funding has contributed to:

- | Appointing a National Relationship Manager who works with members' businesses to assist them to expand their local and national markets
- | Appointing an Export Ambassador and in-market partner in China to work alongside members' businesses to help them to grow their exports
- | Exploring the barriers and opportunities to create value from the regions' food waste streams
- | Engaging a grant service to support members to access grants and develop grant writing skills
- | Expanding funding of FAN's business skills workshops that are targeted to members' needs, tap into the skills and experience within the cluster and that align with future trends.

There has been a commensurate increase in FAN's workforce to deliver on these commitments and to support the organisation's future growth.

The Sunshine Coast Council has been a key partner since FAN's inception. FAN acknowledges their ongoing support in involving FAN in initiatives and discussions at a regional level and promoting FAN as the key industry group for food and agribusiness in the region. FAN is appreciative of the following grants received from Sunshine Coast Council in the 2018-19 Financial Year:

- | \$7,500 Major Economic Development Grant to support FAN's event's program
- | \$7,500 Community Partnership Grant to assist with operational costs.

FAN was successful in receiving two grants from the Queensland Government including:

- | 12,490.28 Community Benefit Fund to purchase office equipment for FAN's office
- | \$4,700 Small Business Week Grant to deliver a one-day workshop to provide participants with a greater knowledge and understanding of sustainable packaging solutions for small food businesses.

Awards

The hard work of organisation and its members has not gone unnoticed, with FAN being nominated for several local, state and national awards including:

- | Winner - 2019 Sunshine Coast Business Awards: Social Enterprise (small business)
- | Finalist - Small Business Champions Awards
- | Finalist - Women in Industry Awards (Emma Greenhatch)
- | Semi-finalist - Queensland Government Small Business Achievement Award.

Activities & Performance

Partners and Sponsors

FAN's partners and sponsors are vital to the organisation's ongoing sustainability and FAN is grateful for their support. When FAN was established, its founders made a conscious decision at the time to set relatively low membership fees, recognising that the food and agribusiness industry in the Greater Sunshine Coast region is largely made up of small businesses. They wanted to attract a diverse cross-section of businesses from across the food value chain, to encourage collaboration, knowledge sharing and innovation. Subsequently, FAN's sponsors are vital to the organisation's growth, with sponsorship accounting for 14% of total revenue in 2018-19 versus 6% for membership.

The continued support of many of FAN's sponsors and partners over the past three years, along with the new ones that have signed up, has meant that FAN has been able to increase its resources to deliver more initiatives that support members to connect, collaborate and grow. This directly benefits FAN's members and also the broader industry, economy and community.

Over the past 12 months, FAN has focused on delivering greater benefit to its key sponsors and partners through bespoke agreements that are aligned to the needs of FAN's industry members. For example, through FAN's partnership with Bentleys, members have been provided with monthly business tips via FANmail, along with what industry grants are available.

Through its partnerships, FAN also has the opportunity to demonstrate leadership. This year, thanks to the initiative of FAN Director Lauren Brisbane, FAN established a partnership with EPIC Assist to support more people with disability to find

9

people with disability employed by FAN members

78%

increase in sponsorship

meaningful employment in the food and agribusiness industry. FAN is delighted that five members have recruited nine new staff with disability, demonstrating disability inclusiveness within their businesses.

FAN's sponsors and partners are also delivering value to FAN and its members in other ways. In May 2019 FAN was fortunate to be invited to participate in ANZ's Opportunity Asia Mission to Vietnam and Singapore. This provided FAN with the opportunity to directly learn more about these markets; raise the profile of FAN, its members and the region; and showcase FAN members' products to buyers. Post mission FAN's General Manager Emma Greenhatch shared her experience and insights with more than 70 FAN members and industry stakeholders, and the leads generated have led to at least one new export order for a member who has not previously exported.

FAN is pleased to report an increase in cash sponsorship from \$53,649 in 2017-18 to \$95,640 in 2018-19, an increase of 78%.

FAN welcomed the following new Sponsors and Partners in 2018-19.

- | EPIC Assist
- | Bentleys Sunshine Coast
- | Sunshine Coast Airport



2018-19 Sponsors & Major Partners



Financial Report

Financial Statement

FAN experienced major growth in the 2018-19 fiscal year, which is evidenced by the significant increase in both revenue and associated expenses. This growth was largely a result of the Cluster Programme funding from FIAL, which enabled FAN to receive \$250,000 in matched industry funding between 1 September 2018 and 30 June 2019, the maximum available. This funding was 'matched' largely against revenue from FAN's two new programs, the National Express Program and the Pathway to China Export Program. While enabling FAN to run these two pilot programs, the funding has also resourced additional staff, with FAN moving from 3 part-time subcontractors to a staff of 3.6 Full Time Equivalent (FTE) plus 2.5 days per week (0.5 FTE) of subcontractors. This significant increase in personnel has been key to FAN's provision of services and opportunities to members and ensures FAN is well placed to continue to grow.

It is pleasing to report that FAN's membership revenue has increased 40% for the financial year and sponsorship 78%, representing combined additional revenue of \$53,632 on the prior year. This continued support for FAN from both existing and new members and sponsors is key to the network's ongoing success and demonstrates that FAN is delivering tangible benefits.

In terms of expenses, salaries and wages (including subcontractors) represent the largest operational overhead, increasing from \$90,402 last financial year to \$233,223 in FY2019, an increase of 158%. Consultant fees, general office expenses and marketing costs remained stable, however there was significant increases in accounting, insurance and legal costs as a result of the new programs and growth of the business.

FAN's total profit of \$8,681 reflects this period of both building and consolidating. Whilst FAN needs to continue to focus on its financial sustainability, after a year of incredible growth the organisation is well placed to take advantage of additional funding opportunities as they arise. This will enable continued growth for both FAN and the value proposition that is on offer to members.

FAN remains solvent at 30 June 2019, with \$25,671 in cash bank balances and total equity increasing from \$52,524 to \$61,205 over the period. There has been no material post financial year-end transactions that have impacted solvency at the date of this annual report.

Profit & Loss Summary	FY 2018	FY 2019
Revenue	218,641	690,269
Overheads	(205,011)	(681,587)
Surplus before income tax expense	13,630	8,681
Income tax expense	-	-
Surplus for the year	<u>13,630</u>	<u>8,681</u>
Balance Sheet Summary	FY 2018	FY 2019
Assets		
Current Assets		
Cash and cash equivalents	82,374	25,671
Trade and other receivables	8,609	131,077
Total Current Assets	<u>90,983</u>	<u>156,748</u>
Non-Current Assets		
Fixed Assets	1,406	17,292
Total Non-Current Assets	<u>1,406</u>	<u>17,292</u>
Total Assets	<u>92,389</u>	<u>174,040</u>
Liabilities		
Current Liabilities		
Trade and other payables	39,865	26,408
Revenue received in advance	-	75,750
Provision for Annual Leave	-	10,677
Total Current Liabilities	<u>39,865</u>	<u>112,835</u>
Total Liabilities	<u>39,865</u>	<u>112,835</u>
Net Assets	<u>52,524</u>	<u>61,205</u>
Equity		
Current Year Earnings	13,630	8,681
Retained surplus	38,894	52,524
Total Equity	<u>52,524</u>	<u>61,205</u>





Food & Agribusiness Network

Sunshine Coast

Noosa

Gympie

Moreton Bay

"FAN is a proven platform developed to help and promote our local primary producers who spend long hours growing and producing their products with such a sense of pride, but little time to tell the world about them. FAN is run by a small group of people who are personally invested in this organisation. They appreciate the work that goes into each finished product and want success for each member, and a desire to see them succeed. With help at everything from education on marketing, exporting, packaging and labelling to showcasing their product to the local market and beyond, they walk the walk."

Lee McCarthy, Women's HQ

"EPIC Assist is proud of our partnership with FAN. For the past year we have worked with FAN members to connect them with local job seekers with disability, injury, mental health conditions or health conditions. Over the past year, FAN members have provided 9 job seekers the opportunity to gain skills and employment. For many, this was their first job. We've been particularly impressed with the network's commitment to building the capacity of members to include disability inclusiveness into their operations. It is encouraging to see that FAN's commitment to developing a grass-roots movement that improves the economic growth of the region extends to job seekers who are overlooked when it comes to employment opportunities."

Bill Gamack, EPIC Assist

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