



# Community Broadcasting Association of Australia

## Annual Report 2011 - 2012



# Contents

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## COMMUNITY BROADCASTING ASSOCIATION OF AUSTRALIA LIMITED

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Company Details	1
Board & Committees	2
CBAA Staff	4
President's Report	5
Finance Director's Report	6
Corporate Information	7
Directors' Report	8
Auditor's Independence Declaration	12
Statement of Comprehensive Income	13
Statement of Financial Position	14
Statement of Changes in Funds	15
Statement of Cash Flow	16
Notes to the Financial Statements	17
Directors' Declaration	27
Independent Audit Report	28
Disclaimer	29
Detailed Division and Project Results	30
General Manager's Report	49
Technical Consultant's Report	52
CBAA Membership Listing	56

# Company Details

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## COMMUNITY BROADCASTING ASSOCIATION OF AUSTRALIA LIMITED

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<b>Name</b>	Community Broadcasting Association of Australia
<b>Status of organisation</b>	Company Limited by Guarantee
<b>Place of establishment</b>	Alexandria NSW Australia
<b>Founded</b>	1974
<b>Date of incorporation</b>	27th June 1986
<b>ACN Number</b>	003 108 030
<b>Address</b>	44-54 Botany Rd Alexandria NSW Australia 2015
<b>Telephone</b>	(02) 9310 2999
<b>Fax</b>	(02) 9319 4545
<b>Email</b>	office@cbaa.org.au
<b>Website</b>	<a href="http://www.cbaa.org.au">http://www.cbaa.org.au</a>

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## Community Broadcasting

The Community Broadcasting Association of Australia is the national peak body for community broadcasting licensees. In addition to its role in advocacy and representation and providing services for members, the CBAA also manages sector-wide national projects including Amrap, the Digital Radio Project and the CBOOnline Project.

Australia has a unique and highly developed community broadcasting sector with over 350 licensed community broadcasting stations and the involvement of over 20,000 volunteers. Licenses were first issued in 1972 to not-for-profit organisations to provide alternative and complementary broadcast services to those provided by the commercial and national sectors, and access to the community in generating local media content.

The sector is extremely diverse with licenses allocated both geographically and according to specific communities of interest. Approximately 70% of stations are located in regional and remote areas. In capital cities there are both metropolitan-wide services and sub-metropolitan services. Communities of interest include Indigenous,

ethnic & multicultural, educational, youth, religious, specialist music, print handicapped, and a broad range of general community radio services servicing local communities.

Stations operate primarily through fundraising, sponsorship, subscription, program access and limited Federal Government funding support provided through the Community Broadcasting Foundation.

Community broadcasting reflects a commitment to access and participation, training, and content relevant to local communities and specific communities of interest. 4.4m or 25% of the Australian community aged 15+ listen to community radio each week (McNair Ingenuity Research 2012).

# Board & Committees

(as at 30 June 2012)

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## COMMUNITY BROADCASTING ASSOCIATION OF AUSTRALIA LIMITED

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### CBAA Board

<b>Adrian Basso</b>	President	3PBS	Melbourne
<b>John MacInnes</b>	Vice President	3WAY	Melbourne
<b>Phillip Randall</b>	Finance Director	2CBA	Sydney
<b>Jonathan Brown</b>	Board Director	3SYN	Melbourne
<b>Peter Rohweder</b>	Board Director	4EB	Brisbane
<b>Melanie Withnall</b>	Board Director	2SER	Sydney
<b>Jean Rau</b>	Board Director	3NOW	Victoria
<b>Anna Wheildon</b>	Women's Representative	4BVR	Brisbane
<b>Bradley Duence</b>	Youth Representative	7EDG	Tasmania

### Finance Standing Committee

<b>Adrian Basso</b>	President, CBAA
<b>Phillip Randall</b>	Finance Director
<b>Kath Letch</b>	General Manager, CBAA

### Conference Sub-Committee

<b>Amy Moon</b>	Membership & Development Manager, CBAA
<b>Jonathan Brown</b>	CBAA Board Director
<b>Melanie Withnall</b>	CBAA Board Director
<b>Jean Rau</b>	CBAA Board Director
<b>Anna Wheildon</b>	Women's Representative

### Satellite Advisory Committee

<b>John MacInnes</b>	Chair; 3WAY
<b>Rob Meaton</b>	2BOB
<b>Bob Rau</b>	3NOW
<b>Shane Elson</b>	3GCR
<b>Russell Coghlan</b>	6SEN
<b>Roslyn Elliot</b>	2BAY
<b>Brian Warren</b>	2UUU
<b>Seth Jordan</b>	Content Services Manager, CBAA

# Board & Committees

(as at 30 June 2012)

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COMMUNITY BROADCASTING ASSOCIATION OF AUSTRALIA LIMITED

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## SECTOR PROJECT COMMITTEES

### Digital Radio Consultative Committee (DRCC)

Phillip Randall	Chair; CBAA
Melanie Withnall	Sydney DRC Representative; 2SER
Cameron Paine	Melbourne DRC Representative; 3MBS
Peter Rohweder	Brisbane DRC Representative; 4EB
Peter Luckett	Perth DRC Representative; 6RPH
Hans Reimer	Adelaide DRC Representative; 5RPH

### CBAA Advisers (DRCC)

Kath Letch	General Manager, CBAA
Philip Shine	Project Manager
Alex White	Project Assistant
David Sice	Technical Consultant, CBAA

### Observers (DRCC):

Ian Stanistreet	CBF Executive Director
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### Sector Projects Consultative Committee (SPCC)

Adrian Basso	Chair / President, CBAA
Kath Letch	CBAA General Manager
Peter Luckett	RPH Australia Chair
Tiga Bayles	AICA President
Russell Anderson	NEMBC Executive Officer
David Turrell	CMA CEO

### Observers:

Ian Stanistreet	CBF Executive Director
Judy Hiscox	DBCDE

# CBAA

# Staff

(as at 30 June 2012)

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## COMMUNITY BROADCASTING ASSOCIATION OF AUSTRALIA LIMITED

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### CBAA Staff

Kath Letch	General Manager
Rhonda Byrne	Administration & Operations Manager
Amy Moon	Membership & Development Manager
Robin Carter	Finance Coordinator
Danny Chifley	Administration Assistant
Christina Ward	Casual administration
Vacant	EA / Administrative Assistant

### CRN - Community Radio Network

Seth Jordan	Content Services Manager
Martin Walters	Satellite Operations Coordinator
Dan Callaghan	Production Coordinator

### Technical Development

David Sice	Technical Consultant
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## SECTOR PROJECTS

### AMRAP

Chris Johnson	Project Manager
Brooke Olsen	Distribution Coordinator
Vicki Ing	Communications Coordinator
Ben Briedis	IT Programmer
Ruben Thijssen	Software Developer

### CBOnline

Stephen Hahn	Project Manager
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### DRP – Digital Radio Project

Philip Shine	Project Manager
Alex White	DRP Operations Coordinator
David Sice	DRP Technical Consultant

# President's Report

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## COMMUNITY BROADCASTING ASSOCIATION OF AUSTRALIA LIMITED

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The 2012 National Listener Survey highlights the sector's reach and impact across Australia, with an impressive one in four radio listeners tuning in to community radio every week. That's a sizeable number in anyone's game! This is coupled with the 2011 biennial Station Census, which identified two main themes: (1) we are doing more for less; and (2) our regional and rural stations have done it toughest since the Global Financial Crisis. It is a reoccurring theme that we achieve an enormous amount with very little fuel.

Despite this the sector continues to struggle to receive full recognition for all the great work we do. We have been most alarmed that both Amrap and the Digital Radio Project have had their funding cut in 2012, totally and in part, respectively. These cuts are a backward step in supporting the distribution of Australian music to community stations and broadcasters, and put at serious risk the sector's long-held ambition to secure and maintain a place in the digital radio landscape. The reduction in support for the Digital Radio Project harms our ability to expand digital into the regions and maintain it in the cities.

So many changes are occurring in the consumption of media. Business models that sustain traditional media are collapsing (look at Fairfax and Channel 9). New global organisations are emerging (look at Facebook and Twitter). Maintaining the role community broadcasting plays in providing a platform for local voices has never been more important – for instance, some 30% of community stations are the only producers of local content in their broadcast area.

The past 12 months have seen the stabilisation of both operations and finance for the CBAA. We have posted a healthy surplus for the 2011-12 year, with plans in train to fund improvements for members and the organisation. CBAA Finance Director Phillip Randall provides a more detailed explanation of CBAA finances in his report.

During the financial year ending 30 June 2012, the CBAA contributed significant input to national policy, development and media issues on behalf of the sector. This included:

submissions to the Federal Government's Convergence Review;

- renegotiating a sector-wide APRA blanket copyright agreement to encompass multi-platform delivery, while making it both simpler to manage and understand for stations;
- management of national sector-wide projects Amrap, CBOonline and the Digital Radio Project to support sector development;

- consultation and review of the Community Radio Broadcasting Codes of Practice; and
- planning and advocacy for affordable access for all community radio stations to the digital radio platform, including regional and sub-metro stations.

The CBAA continues to maintain and develop member support and services through the role of our Membership & Development Manager. Core communications strategies of the CBAA website, enews and the CBX magazine that is mailed to all members have been maintained and developed in 2011-12. A number of stations have utilised the CBAA / IAMA Dispute Resolution Initiative for mediation services throughout the year, and many have accessed the advice and support provided on a day-to-day basis by the CBAA.

The CBAA remains committed to development of the Community Radio Network (CRN) and ongoing development of the associated Digital Delivery Network (DDN) for national program distribution. The Content Services Manager position was introduced in 2012 to oversee CRN and national program development and also support our partnership with Charles Sturt University for the National Radio News service.

The CBAA has developed a revised Strategic Plan for 2012-2015 that focuses on our national role in representation and advocacy of community broadcasting interests, and support and services to member stations. A copy of the Strategic Plan is available on the CBAA website. We're always keen to hear from members about anything that they think the CBAA should pursue or develop.

I would like to thank my fellow CBAA Board members, who freely give their time for the sector, and also thank outgoing Board members in 2011/12: Danae Gibson and Leenie Fabri.

I want to finish up by warmly thanking Kath Letch, who will be finishing up as General Manager in early 2013. For all of Kath's smarts, dedication and general fantastic stewardship of the CBAA, it has been a real pleasure working with her. Also, a special thanks to the wonderful staff Kath has led – thank you all.

**Adrian Basso**  
CBAA President

# Finance Director's Report

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## COMMUNITY BROADCASTING ASSOCIATION OF AUSTRALIA LIMITED

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A financially stable 12 months has resulted in the CBAA recording a healthy surplus in the 2011-2012 financial year of \$259,391.

Building on last year's financial recovery this is an excellent result, enabling the CBAA to retain reserve funds and to direct resources into staffing, critical infrastructure refurbishment and support for member services, lobbying and special campaigns.

Income for the core divisions is slightly down on last year due primarily to small reductions in business activities income, membership and CRN fees, however other income areas have held up well. The 2011 conference reported a small loss of \$2,342, which was anticipated due to lower sponsorship revenue.

Expenditure has again been tightly controlled in 2011-12 and is less than 2% up on last year. We are now seeing the benefits of a streamlined CBAA and the effective management structures and procedures that have been developed over the last few years.

The surplus has lifted net assets to \$638,913 and places the CBAA in a solid position to ensure an ongoing level of financial reserves, as well as the capacity to pursue development agendas in the future.

AMRAP and the Digital Radio Project however face significant challenges in the year ahead as a result of funding uncertainty. CBAA lobbying continues for the restoration of the Federal Government funding required to operate these projects, and the CBAA is determined to maintain national project infrastructure that benefits the full community radio sector.

Some major upgrades in IT and website developments, as well as re-establishing staffing levels in 2012-13, will mean that the CBAA will not continue to operate at substantial surplus levels. However, it has been essential to re-establish financial reserves and stability prior to increasing resource levels and undertaking planning in a volatile media and economic environment.

My thanks to Adrian Basso the CBAA President, the CBAA Board and the dedicated staff for all the work they have done this year. And special thanks to our outgoing General Manager Kath Letch. Kath's tireless efforts on behalf of the sector during her time as General Manager have placed the CBAA in very a strong position so that it is able to better serve its members interests.

**Phillip Randall**  
Finance Director

# Corporate Information

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## COMMUNITY BROADCASTING ASSOCIATION OF AUSTRALIA LIMITED

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**Directors**

A Basso  
J Brown  
J MacInnes  
P Randall  
J Rau  
P Rohweder  
M Withnall

**Company Secretary**

K Letch

**Registered Office and  
Principal Place of Business**

Level 3, 44-54 Botany Road, Alexandria NSW 2015

**Auditors**

Escott Aston  
Chartered Accountants

# Directors' Report

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## COMMUNITY BROADCASTING ASSOCIATION OF AUSTRALIA LIMITED

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Your directors present this report on the company for the financial year ended 30 June 2012.

### Directors

The names of the directors in office during the year and until the date of this report are:

	<b>Date appointed</b>	<b>Date of cessation</b>	<b>Board A B</b>
A Basso	25 Nov 07	Continuing	4 4
J Brown	23 Oct 10	Continuing	4 4
J MacInnes	28 Nov 04	Continuing	4 4
P Randall	15 Nov 08	Continuing	4 4
J Rau	19 Nov 11	Continuing	3 3
P Rohweder	26 Feb 11	Continuing	3 4
M Withnall	26 Aug 11	Continuing	4 4

**A** Number of meetings attended

**B** Number of meetings held during the time the director held office during the year

In addition, the following changes to directors have occurred during the financial year:

<b>Director name</b>	<b>Nature of change</b>	<b>Resignation date</b>	<b>Appointment date</b>
D Gibson	Resignation	19 Nov 2011	22 Nov 2009

### Principal activities

The principal activities of the company were that of a national association to represent and support community broadcasting.

# Directors' Report

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## COMMUNITY BROADCASTING ASSOCIATION OF AUSTRALIA LIMITED

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### CBAA Mission Statement

To represent, advocate and promote the Australian community broadcasting sector at a national level, and to support member stations to operate independent, diverse and accessible community media services that reflect the interests of their local communities.

### The CBAA's long term objectives are to:

- Effectively represent the interests of community broadcasting licensees from a whole of sector perspective at a national broadcast and media policy and planning level, and in all relevant legislative and regulatory media frameworks
- Support member stations and the ongoing development of a vibrant, creative, culturally diverse and sustainable community media sector that produces innovative and relevant local content
- Encourage stations to maintain active community engagement and participation, and promote strong communities through diverse and accessible broadcasting
- Develop the distribution of community media content across multiple delivery platforms
- Pursue and promote the public interest outcomes provided by the community broadcasting sector
- Advocate equitable and affordable access for community broadcasters to all broadcast platforms and technologies

# Directors' Report

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## COMMUNITY BROADCASTING ASSOCIATION OF AUSTRALIA LIMITED

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### The CBAA's short term objectives are to:

- Advance the interests of the sector through policy leadership, representation and advocacy
- Build station capacity by providing quality advice, support, information and services for members
- Promote the values of the sector and raise public awareness and knowledge of community broadcasting
- Support whole of sector development and collaboration, and develop associations with other relevant NFP organisations
- Encourage and support content development, aggregation and multi-platform distribution
- Increase CBAA organisational capacity to reflect best practice and facilitate member services, policy development, and sector representation

### To achieve the above objectives, the CBAA has adopted strategies including:

- Represent the interests of community broadcasting licensees to Government and regulatory bodies in relation to broadcast and media policy, planning, regulation and legislation.
- Seek increased funding to sustain the sector and support the growth, scale and diversity of community broadcasting stations.
- Maintain, develop, and promote membership services and information resources to support member stations.
- Assist members to meet regulatory and legislative requirements for community broadcasting licensees and maintain effective organisational structures and operations.
- Promote the value, significance and activities of community broadcasting services as broadly as possible.
- Support diversity and inclusion within the CBAA and at all levels of the sector.
- Support and encourage information and resource exchange between members and within the sector, facilitate and participate in sector forums, collaborate with other sector bodies, and represent and advocate a diverse whole of sector perspective.
- Maintain currency with emerging technologies and broadcast platforms and facilitate sector discussion and information dissemination.
- Seek to maintain parity with other broadcast sectors, and affordable access, to all available broadcast platforms for community broadcasters.

### Members' guarantee

In accordance with the company's constitution, each member is liable to contribute \$10 in the event that the company is wound up. The total amount members would contribute is \$2,600 (2011 – \$2,640).

# Directors' Report

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## COMMUNITY BROADCASTING ASSOCIATION OF AUSTRALIA LIMITED

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### Directors' qualifications, experience and special responsibilities

Name	Qualifications and Experience	Special responsibilities
<b>Adrian Basso</b>	Qualifications : Bachelor of Accounting Experience : 14 years in community broadcasting	President
<b>Jonathan Brown</b>	Qualifications : Bachelor of Media Experience : 7 years in community broadcasting	
<b>John MacInnes</b>	Qualifications : Diploma of Social Science Experience : 17 years in community broadcasting	Vice President
<b>Phillip Randall</b>	Experience: CEO of Hope Media Ltd. 35 years' experience in broadcasting including presentation, production, sales and management	Finance Director
<b>Peter Rohweder</b>	Qualifications : Associate Diploma, Business Accounting Experience : 18 years in community broadcasting	
<b>Melanie Withnall</b>	Qualifications: Master of Arts (International Studies), Bachelor of Arts in Communication, International Studies Graduate Diploma in Commercial Radio Broadcasting Experience: 16 years in community broadcasting	
<b>Jean Rau</b>	Experience: Professional volunteer 22 years' experience in community broadcasting	

### Auditor's independence

The auditor's independence declaration for the year ended 30 June 2012 has been received and can be found on page 8 of the directors' report.

Signed in accordance with a resolution of the Board of Directors.



**Adrian Basso**  
Director



**Phillip Randall**  
Director

Sydney  
Dated 30 / 10 / 2012

# Auditor's Independence Declaration

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## COMMUNITY BROADCASTING ASSOCIATION OF AUSTRALIA LIMITED

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We declare that, to the best of our knowledge and belief, during the year ended 30 June 2012 there have been:

- (i) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

### **Escott Aston**

Chartered Accountants



### **David G Aston**

Partner

(RIVERWOOD NSW 2210)

Dated 2/11/ 2012

# Statement of Comprehensive Income

for the year ended 30 June 2012

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COMMUNITY BROADCASTING ASSOCIATION OF AUSTRALIA LIMITED

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	Note	2012 \$	2011 \$
<b>REVENUE</b>	3	6,658,128	5,754,110
<b>EXPENSES</b>			
Membership services and sector projects		3,829,624	3,105,313
Employee and consultancy expenses		2,273,798	1,881,330
Depreciation and amortisation expense		37,034	50,115
Occupancy expense		107,124	105,131
Secretariat expenses		151,157	254,444
		-----	-----
Total expenses		6,398,737	5,396,333
		-----	-----
<b>NET SURPLUS</b>		259,391	357,777
		=====	=====

# Statement of Financial Position

for the year ended 30 June 2012

## COMMUNITY BROADCASTING ASSOCIATION OF AUSTRALIA LIMITED

	Note	2012 \$	2011 \$
<b>ASSETS</b>			
<b>Current assets</b>			
Cash assets	4	3,298,155	3,147,606
Receivables	5	163,735	73,821
Other	6	17,677	18,310
		-----	-----
Total current assets		3,479,567	3,239,737
		-----	-----
<b>Non-current assets</b>			
Plant & equipment	7	53,565	86,957
Intangibles	8	3,502	6,838
		-----	-----
Total non-current assets		57,067	93,795
		-----	-----
<b>TOTAL ASSETS</b>		3,536,634	3,333,532
		=====	=====
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Accounts payable	9	1,467,856	2,196,643
Government grants	10	1,186,209	584,037
Other current liabilities	11	131,642	93,339
Provisions	12	93,227	68,068
		-----	-----
Total current liabilities		2,878,934	2,942,087
		-----	-----
<b>Non-current liabilities</b>			
Provisions	12	18,787	11,923
		-----	-----
Total non-current liabilities		18,787	11,923
		-----	-----
<b>TOTAL LIABILITIES</b>		2,897,721	2,954,010
		=====	=====
<b>NET ASSETS</b>		638,913	379,522
		=====	=====
<b>FUNDS</b>			
General funds		638,913	379,522
		=====	=====

# Statement of Changes in Funds

for the year ended 30 June 2012

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COMMUNITY BROADCASTING ASSOCIATION OF AUSTRALIA LIMITED

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	<b>Total Funds \$</b>
<b>Balance at 30 June 2009</b>	21,210
Net surplus	535
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<b>Balance at 30 June 2010</b>	21,745
	=====
Net surplus	357,777
	-----
<b>Balance at 30 June 2011</b>	379,522
	=====
Net surplus	259,391
	-----
<b>Balance at 30 June 2012</b>	638,913
	=====

# Statement of Cash Flows

for the year ended 30 June 2012

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COMMUNITY BROADCASTING ASSOCIATION OF AUSTRALIA LIMITED

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	2012 \$	2011 \$
<b>Cash Flows from operating activities</b>		
Membership fees and activities	800,540	1,238,794
Interest received	92,430	58,875
Payment to suppliers and employees	(7,747,801)	(4,794,974)
	-----	-----
	(6,854,831)	(3,497,305)
<b>Cash Flows from Grants</b>		
Grants received	7,005,686	4,611,811
	-----	-----
Net cash provided by operating activities	150,855	1,114,506
	=====	=====
<b>Cash Flows from Investing Activities</b>		
Acquisitions of plant and equipment	(306)	(36,970)
Acquisitions of intangibles	-	(565)
Deposits	-	(2,121)
	-----	-----
Net cash flows from investing activities	(306)	(39,656)
	-----	-----
Net increase/(decrease) in cash held	150,549	1,074,850
	-----	-----
Cash at start of the financial year	3,147,606	2,072,756
	-----	-----
Cash at the end of the financial year	3,298,155	3,147,606
	=====	=====

# Notes to the Financial Statements

for the year ended 30 June 2012

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## COMMUNITY BROADCASTING ASSOCIATION OF AUSTRALIA LIMITED

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<b>Note</b>	<b>Contents</b>	<b>Page</b>
1	Corporate information	18
2	Summary of significant accounting policies	18
3	Revenue	22
	CURRENT ASSETS	
4	Cash and cash equivalents	23
5	Trade and other receivables	23
6	Other current assets	23
	NON-CURRENT ASSETS	
7	Plant and equipment	24
8	Intangibles	24
	CURRENT LIABILITIES	
9	Trade and other payables	25
10	Government grants	25
11	Other current liabilities	25
12	Provisions	25
	NON-CURRENT LIABILITIES	
13	Commitments for expenditure	26
14	Related parties and related party transactions	26
15	Contingent liabilities	26

# Notes to the Financial Statements

for the year ended 30 June 2012

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## COMMUNITY BROADCASTING ASSOCIATION OF AUSTRALIA LIMITED

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### 1 Corporate information

The financial statements of Community Broadcasting Association of Australia Limited for the year ended 30 June 2012 were authorised for issue in accordance with a resolution of the directors.

### 2 Summary of significant accounting policies

#### (a) Basis of preparation

These general purpose financial statements have been prepared in accordance with the requirements of the Corporations Act 2001, Australian Accounting Standards – Reduced Disclosure Requirements, other authoritative pronouncements of the Australian Accounting Standards Board and Urgent Issues Group interpretations.

The directors have elected under Section 334(5) of the *Corporations Act 2001* to apply the following Accounting Standards in advance of their effective dates:

- AASB 1053 Application of *Tiers of Australian Accounting Standards*; and
- AASB 2010-2 *Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements*.

These Accounting Standards are not required to be applied until annual reporting periods beginning on or after 1 July 2013. AASB 1053 establishes a differential financial reporting framework consisting of two tiers of reporting requirements for general purpose financial statements:

- Tier 1 – Australian Accounting Standards
- Tier 2 – Australian Accounting Standards – Reduced Disclosure Requirements

AASB 2010-2 makes amendments to each Standard and Interpretation indicating the disclosures not required to be made by Tier 2 entities or inserting RDR paragraphs requiring simplified disclosures for Tier 2 entities.

The company complies with Australian Accounting Standards – Reduced Disclosure Requirements as issued by the Australian Accounting Standards Board.

The adoption of these Standards has resulted in significantly reduced disclosures in respect of related parties and financial instruments. There was no other impact on the current or prior year financial statements.

#### *Historical cost convention*

The financial statements have been prepared on the basis of historical cost except for the following:

- Land and buildings are measured at fair values less accumulated depreciation and any impairment losses
- Available for sale financial assets are measured at fair value

The methods used to measure the fair values of these assets are discussed in notes 2(f) and 2(g). Cost is based on the on the fair values of the consideration given in exchange for assets.

#### *Currency and rounding of amounts*

The financial statements are presented in Australian dollars, which is the company's functional currency. The company is an entity to which ASIC Class Order 98/100 applies.

# Notes to the Financial Statements

for the year ended 30 June 2012

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## COMMUNITY BROADCASTING ASSOCIATION OF AUSTRALIA LIMITED

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### 2 Summary of significant accounting policies continued

#### **(b) Significant accounting judgements, estimates and assumptions**

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and other various factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

#### ***Significant accounting judgements***

The company has entered into leases of premises and office equipment. Management has determined that all of the risks and rewards of ownership of those premises and equipment remain with the lessor and has therefore classified the leases as operating leases.

#### ***Significant accounting estimates and assumptions***

The key estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of certain assets and liabilities within the next annual reporting period are:

#### ***Provisions for employee benefits***

Provisions for employee benefits payable after 12 months from the reporting date are based on future wage and salary levels, experience of employment departures, and periods of service. The amount of these provisions would change should any of these factors change within the next 12 months.

#### **(c) Revenue recognition**

Revenue is recognised when the company is legally entitled to the income and the amount can be quantified with reasonable accuracy. Amounts disclosed are net of goods and services tax (GST). Revenue is recognised for the major business activities as follows:

#### ***Revenue from donations and fundraising***

Revenue is recognised when received.

#### ***Revenue from grants***

Grants in advance is grant revenue received in the current financial year relating to a future income year or grants received where there has been no activity on that grant in the current financial year.

Where there is activity on a grant in the current financial year, the whole grant revenue received to date is recognised as revenue for that year. Expenditure relating to the particular grant is offset

against the revenue, with any excess of grant revenue over expenditure being carried as projects in progress.

#### ***Investment income***

Investment income comprises interest income which is recognised as it accrues, using the effective interest rate method.

#### ***Asset sales***

The gain or loss on disposal of all non-current assets and available-for-sale financial investments is determined as the difference between the carrying amount of the asset at the time of disposal and the net proceeds of the disposal.

# Notes to the Financial Statements

for the year ended 30 June 2012

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## COMMUNITY BROADCASTING ASSOCIATION OF AUSTRALIA LIMITED

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### 2 Summary of significant accounting policies *continued*

#### (d) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand and short term deposits with an original maturity of three months or less. For the purposes of the cash flow statement, cash and cash equivalents as defined above, net of any outstanding bank overdrafts.

#### (e) Trade and other receivables

Trade receivables are recognised and carried at original invoice amount less allowance for doubtful debts. Trade receivables are due for settlement no more than 30 days from the date of recognition.

Collectability of trade receivables is reviewed on an ongoing basis. Receivables which are known to be uncollectible are written off. An allowance for doubtful receivables is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of receivables. The amount of the allowance is recognised in the income statement.

#### (f) Plant and equipment

Each class of plant and equipment are carried at cost or fair value less, where applicable, any accumulated depreciation and less any impairment losses recognised after the date of revaluation.

Items of plant and equipment are depreciated over their useful lives to the company from the time the asset is held ready for use. Depreciation is calculated on a straight line basis over the expected useful economic lives of the assets as follows:

The useful life for each class of depreciable asset are:

Plant and equipment	4-10 years
Website and software	3-4 years

#### *Impairment*

The carrying values of plant and equipment are reviewed for impairment at each reporting date, with recoverable

amounts being estimated when events or changes in circumstances indicate that the carrying values may be impaired.

The recoverable amount of plant and equipment is the higher of fair value less costs to sell and value in use. Depreciated replacement cost is used to determine value in use. Depreciated replacement cost is the current replacement cost of an item of plant and equipment less, where applicable, accumulated depreciation to date, calculated on the basis of such cost.

Impairment exists when the carrying value of an asset exceeds the estimated recoverable amount. The asset is then written down to its recoverable amount.

Impairment losses are recognised in the income statement.

#### *De-recognition and disposal*

An item of plant and equipment is derecognised upon disposal or when the item is no longer used in the operations of the company. Any gain or loss arising from the de-recognition is recognised in the income statement.

#### (g) Leases

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership, are transferred to entities in the economic entity are classified as finance leases. Finance leases are capitalised, recording an asset and a liability equal to the present value of the minimum lease payments, including any guaranteed residual values.

Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Leased assets are depreciated on a straight-line basis over their estimated useful lives where it is likely that the economic entity will obtain ownership of the asset or over the term of the lease.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

# Notes to the Financial Statements

for the year ended 30 June 2012

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## COMMUNITY BROADCASTING ASSOCIATION OF AUSTRALIA LIMITED

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### 2 Summary of significant accounting policies *continued*

#### **(h) Trade and other payables**

Trade and other payables represent liabilities for goods and services provided to the company prior to the end of the financial year that are unpaid. These amounts are usually settled in 30 days. The notional amount of the payables is deemed to reflect fair value.

#### **(i) Employee benefits**

Employee benefits comprise wages and salaries, annual, long service and maternity leave.

Liabilities for wages and salaries expected to be settled within 12 months of balance date are recognised as other payables in respect of employees' services up to the reporting date. Liabilities for annual and maternity leave in respect of employees' services up to the reporting date which are expected to be settled within 12 months of balance date are recognised in the provision for annual leave. Both liabilities are measured at the amounts expected to be paid when the liabilities are settled.

The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees, up to the reporting date using the projected unit credit method. Consideration is given to anticipated future wage and salary levels, experience of employee departures, and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currencies that match, as closely as possible, to the estimated future cash flows.

#### **(j) Taxation**

##### ***Income tax***

The company is a charitable institution for the purposes of Australian taxation legislation and is therefore exempt from income tax. This exemption has been confirmed with the Australian Taxation Office.

##### ***Goods and services tax (GST)***

Revenues, expenses and assets are recognised net of the amount of GST except where the amount of GST is not recoverable from the ATO, in which case it is recognised as part of the cost of acquisition of an asset or as part of an item of expense.

Trade receivables and trade payables are recognised inclusive of GST.

The net amount of GST recoverable from or payable to the ATO is included as part of receivables or payables.

Cash flows are included in the statement of cash flows on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from or payable to the ATO is classified as operating cash flows.

##### ***(k) Comparative figures***

When required by Accounting Standards comparative figures have been adjusted to conform with changes in presentation for the current financial year.

# Notes to the Financial Statements

for the year ended 30 June 2012

## COMMUNITY BROADCASTING ASSOCIATION OF AUSTRALIA LIMITED

	Note	2012 \$	2011 \$
<b>3 Revenue</b>			
From continuing operations			
Membership fees		370,554	378,393
Grants received – CBF	3(a)	5,130,674	4,191,208
Grants received – APRA		15,000	15,000
Grants received – DOHA	3(a)	366,152	444,909
Grants received – Other		254,807	4,000
CRN, Conference and activities revenues		431,053	635,705
Other income		1,226	24,037
		-----	-----
		6,569,466	5,693,252
		-----	-----
<b>Other income</b> - Interest received		88,662	60,858
		-----	-----
<b>Total revenue and other income</b>		6,658,128	5,754,110
		=====	=====
<b>3(a) Grant income reconciliation</b>			
<b>CBF Grants</b>			
Unexpended grants – 1 July		577,726	821,286
Grants received during the year		5,673,557	3,953,958
Unexpended grants – 30 June		(1,120,609)	(577,726)
Grants returned		-	(6,310)
		-----	-----
CBF grant income		5,130,674	4,191,208
		=====	=====
<b>DOHA Grants</b>			
Unexpended grants – 1 July		-	98,449
Grants received during the year		366,152	346,460
		-----	-----
DOHA grant income		366,152	444,909
		=====	=====

# Notes to the Financial Statements

for the year ended 30 June 2012

## COMMUNITY BROADCASTING ASSOCIATION OF AUSTRALIA LIMITED

	Note	2012 \$	2011 \$
<b>4 Cash and cash equivalents</b>			
Cash at bank and on hand		3,298,155	3,078,236
Short term deposits		-	69,370
		-----	-----
		3,298,155	3,147,606
		=====	=====
<p>The deposits are bearing floating interest rates between .050% and 3.50% (2011 – 1.95% and 5.50%).</p>			
<b>5 Trade and other receivables</b>			
Trade receivables		143,075	60,323
Less: allowance for doubtful debts		(30,000)	(30,000)
		-----	-----
		113,075	30,323
Interest receivable		-	3,768
Deposits		9,942	9,942
Net GST refundable		1,948	636
PPCA royalties		38,770	29,152
		-----	-----
		163,735	73,821
		=====	=====
<b>6 Other current assets</b>			
Prepayments		17,677	18,310
		=====	=====
<b>7 Plant and equipment</b>			
<b>Office furniture and equipment</b>			
Office furniture and equipment - at cost		713,895	731,977
Accumulated depreciation	2(f)	(660,330)	(645,020)
		-----	-----
Total office furniture and equipment		53,565	86,957
		=====	=====

# Notes to the Financial Statements

for the year ended 30 June 2012

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## COMMUNITY BROADCASTING ASSOCIATION OF AUSTRALIA LIMITED

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	Note	2012 \$	2011 \$
<b>7 Plant and equipment continued</b>			
<b>Reconciliation</b>			
Reconciliation of the carrying amount of plant and equipment at the beginning and end of the current financial year:			
Carrying amount – 1 July		86,957	86,791
Additions		306	36,970
Depreciation		(33,698)	(36,804)
		-----	-----
Carrying amount – 30 June		53,565	86,957
		=====	=====
<b>8 Intangibles</b>			
<b>Intangibles</b>			
Website and software - at cost		25,829	25,829
Accumulated amortisation	2(f)	(22,327)	(18,991)
		-----	-----
<b>Total intangibles</b>		3,502	6,838
		=====	=====
<b>Reconciliation</b>			
Reconciliation of the carrying amount of Intangibles at the beginning and end of the current financial year:			
Carrying amount – 1 July		6,838	9,584
Additions		-	565
Amortisation		(3,336)	(3,311)
		-----	-----
Carrying amount – 30 June		3,502	6,838
		=====	=====

# Notes to the Financial Statements

for the year ended 30 June 2012

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COMMUNITY BROADCASTING ASSOCIATION OF AUSTRALIA LIMITED

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	Note	2012 \$	2011 \$
<b>9 Trade and other payables</b>			
<b>Current</b>			
Trade creditors		1,144,069	2,124,213
Other creditors and accrued charges		285,017	41,810
PPCA liabilities		38,770	30,620
		-----	-----
		1,467,856	2,196,643
		=====	=====
<b>10 Government grants</b>			
<b>Current</b>			
Grants repayable		-	6,310
Grants in advance		65,600	-
Unexpended grants		1,120,609	577,727
		-----	-----
		1,186,209	584,037
		=====	=====
<b>11 Other current liabilities</b>			
<b>Current</b>			
Income in advance		500	2,500
Unexpended CD distribution fees		131,142	90,839
		-----	-----
		131,642	93,339
		=====	=====
<b>12 Provisions</b>			
<b>Current</b>			
Annual leave		93,227	68,068
		=====	=====

# Notes to the Financial Statements

for the year ended 30 June 2012

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## COMMUNITY BROADCASTING ASSOCIATION OF AUSTRALIA LIMITED

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Note	2012 \$	2011 \$
12 Provisions (cont)		
<b>Non - Current</b>		
Long service leave	18,787	11,923
	=====	=====
13 Commitments for expenditure		
<b>Operating leases</b>		
<i>Leases as lessee</i>		
Minimum commitments are payable as follows:		
Within 1 year	-	80,877
Later than 1 years but not later than 5 years	-	-
	-----	-----
	-	80,877
	=====	=====

The company leases property under operating leases expiring in 2012.

## 14 Related parties and related party transactions

### (a) Directors' compensation

The directors act in an honorary capacity and receive no compensation for their services.

### (b) Key management personnel compensation

The names and positions of those having authority for planning, directing and controlling the company's activities, directly or indirectly (other than directors), are:

Kath Letch, Chief Executive Officer

## 15 Contingent liabilities

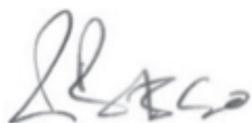
The directors of the Company are not aware of any contingent liabilities at balance date.

# Directors' Declaration

In the opinion of the directors of Community Broadcasting Association of Australia Limited:

- (a) the financial statements and notes, set out on pages 9 to 25 are drawn up in accordance with the Corporations Act 2001, including;
  - (i) giving a true and fair view of the financial position of the company as at 30 June 2012 and of its performance, as represented by the results of its operations and its cash flows, for the year ended on that date; and
  - (ii) complying with Accounting Standards and Corporations Regulations; and
- (b) there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This statement is made in accordance with a resolution of the directors.



**Adrian Basso**  
Director



**Phillip Randall**  
Director

Sydney

Dated 30 / 10 / 2012

# Independent Audit Report

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## TO THE MEMBERS OF COMMUNITY BROADCASTING ASSOCIATION OF AUSTRALIA LIMITED

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### Report on the financial report

We have audited the accompanying financial report of Community Broadcasting Association of Australia Limited (the company), which comprises the statement of financial position as at 30 June 2012 and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, a summary of significant accounting policies and other explanatory notes and directors' declaration.

### The responsibility of the directors for the financial report

The directors of the company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Act 2001. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances. In Note 1, the Directors also state, in accordance with Australian Accounting Standards AASB 101 Presentation of Financial Statements, that, compliance with the Australian Accounting Standards – Reduced Disclosure Requirements ensures that the financial report, comprising the financial statements and notes, complies with Australian Accounting Standards – Reduced Disclosure Requirements.

### Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We have conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments,

the auditor considers internal control relevant to the company's preparation and fair presentation of the financial report 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 company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

### Independence

In conducting our audit, we have complied with the independence requirements of the Corporations Act 2001. We confirm that the independence declaration required by the Corporations Act 2001, provided to the directors of the Company on 24 August 2012 would be in the same terms if provided to the directors as at the date of this auditor's report.

### Auditor's opinion pursuant to the Corporations Act 2001

In our opinion, the financial report of Community Broadcasting Association of Australia Limited is in accordance with the Corporations Act 2001, including:

- (i) giving a true and fair view of the Company's financial position as at 30 June 2012 and of its performance for the year ended on that date; and
- (ii) Complying with Australian Accounting Standards – Reduced Disclosure Requirements (including Australian Accounting Interpretations) as described in Note 1 and the Corporations Regulations 2001;

**Escott Aston**  
Chartered Accountants



**David G Aston**  
Partner

(RIVERWOOD NSW 2210)  
Dated 02/11/2012

# Disclaimer

for the year ended 30 June 2012

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## COMMUNITY BROADCASTING ASSOCIATION OF AUSTRALIA LIMITED

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The additional financial data presented on pages 30 to 47 is in accordance with the books and records of the company which have been subjected to the auditing procedures applied in our statutory audit of the company for the year ended 30 June 2012. It will be appreciated that our statutory audit did not cover all details of the additional financial information. Accordingly, we do not express an opinion on such financial information and no warranty of accuracy or reliability is given.

In accordance with our firm's policy, we advise that neither the firm nor any member or employee of the firm undertakes responsibility arising in any way whatsoever to any person (other than the company) in respect of such information, including any errors or omissions therein, arising through negligence or otherwise however caused.

**Escott Aston**  
Chartered Accountants

A handwritten signature in black ink, appearing to read 'David G Aston', with a stylized flourish at the end.

**David G Aston**  
Partner

(RIVERWOOD NSW 2210)  
Dated 02/11/2012

# Detailed Income Statement

for the year ended 30 June 2012

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## COMMUNITY BROADCASTING ASSOCIATION OF AUSTRALIA LIMITED

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	Note	2012 \$	2011 \$
<b>DIVISION AND PROJECT RESULTS</b>			
<b>Division results</b>			
Secretariat	1	192,632	247,033
Community Radio Network	2	69,132	109,037
CBA Training (RTO)	3	-	(9,677)
Technical Development Unit	4	-	(524)
		-----	-----
		261,764	345,869
<b>Project results</b>			
AMRAP project	5	-	-
CB Online project	6	-	-
Conference	7	(2,342)	14,805
Digital Radio project	8	-	-
Training projects	9	(31)	(392)
Other CBF funded projects	10	-	-
Other Non CBF funded projects	11	-	(2,505)
		-----	-----
		(2,373)	11,908
		-----	-----
<b>NET SURPLUS</b>		259,391	357,777
		=====	=====

The above UNAUDITED detailed income statement should be read in conjunction with the disclaimer

# Detailed Income Statement

for the year ended 30 June 2012

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## COMMUNITY BROADCASTING ASSOCIATION OF AUSTRALIA LIMITED

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	2012 \$	2011 \$
<b>SCHEDULE 1 - SECRETARIAT</b>		
<b>Income</b>		
Administration recoveries - internal	106,524	104,825
Business activities	83,578	139,921
Business management fees	-	13,500
Capital income from projects	-	564
CBX advertising	14,189	16,620
Grants received:		
Community Broadcasting Foundation	335,000	335,995
Interest received	73,596	55,605
Membership fees	370,554	378,393
Partnerships and business	30,500	10,000
Sundry income	-	9,171
	-----	-----
Total income	1,013,941	1,064,594
<b>Expenditure</b>		
Accountancy fees	10,772	14,318
Amortisation	3,336	3,311
Audit fees	9,502	9,750
Bad debts	(2,475)	37,482
Bank charges	2,992	3,349
Business fees	-	44,533
CBX expenses	23,549	21,478
Cleaning	2,951	3,131
Committee expenses	27,817	22,264
Conferences and seminars	134	-
Consultancy fees	793	42,353
Content distribution	736	-
Courier, freight and delivery	333	191
Debt collection fees	918	-
Depreciation	26,198	36,044
	-----	-----
Sub-total carried forward	107,556	238,204

# Detailed Income Statement

for the year ended 30 June 2012

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## COMMUNITY BROADCASTING ASSOCIATION OF AUSTRALIA LIMITED

---

	2012 \$	2011 \$
<b>SCHEDULE 1 - SECRETARIAT</b>		
<b>Expenditure</b> continued		
Sub-total brought forward	107,556	238,204
Electricity	8,479	8,079
Employee entitlements provided/(written back)	24,583	(75,795)
General expenses	3,189	266
Information technology	847	-
Insurance	8,601	10,512
Filing fees	861	-
Legal expenses	-	3,725
Office equipment rentals and leases	45,870	16,567
Payroll tax	13,151	11,973
Postage	4,836	7,066
Printing	1,818	1,208
Promotion and advertising	483	866
Rent	32,990	34,468
Repairs and maintenance	305	74
Salaries and wages	501,501	492,613
Security	312	262
Special projects	-	(14,620)
Staff amenities	1,976	2,927
Staff recruitment	2,018	1,520
Staff training and development	1,511	482
Stationery and office supplies	2,125	4,972
Subscriptions and memberships	2,106	1,326
Superannuation	39,538	41,438
Telephone, fax and Internet	8,893	10,487
Travel expenses	7,760	18,941
	-----	-----
Total expenditure	821,309	817,561
	-----	-----
<b>NET DIVISION RESULT</b>	192,632	247,033
	=====	=====

# Detailed Income Statement

for the year ended 30 June 2012

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## COMMUNITY BROADCASTING ASSOCIATION OF AUSTRALIA LIMITED

---

	2012 \$	2011 \$
<b>SCHEDULE 2 - COMMUNITY RADIO NETWORK</b>		
<b>Income</b>		
Grants received:		
Community Broadcasting Foundation	110,000	114,632
APRA	15,000	15,000
Content distribution	28,653	-
Business activities	-	54,693
Program Air-Time	9,360	-
Satellite fees	124,382	128,529
Sponsorships received	1,400	-
Other income	380	6,071
	-----	-----
Total income	289,175	318,925
<b>Expenditure</b>		
Accountancy and audit fees	4,025	3,131
Administration charge - internal	20,500	20,191
Bank fees	47	72
Broadcast services	-	682
Cleaning	879	834
Conferences and seminars	982	-
Courier, freight and delivery	277	-
Depreciation	7,500	-
Electricity	2,661	2,031
Employee entitlements provided/(written back)	(2,434)	9,436
Equipment purchases and software	1,788	2,610
Insurance	2,401	2,658
Information technology	1,855	-
Miscellaneous expenses	117	-
Office equipment rentals and leases	2,739	4,462
Payroll tax	3,722	3,311
Postage	1,610	1,162
Printing and stationery	597	1,164
	-----	-----
Sub-total carried forward	49,266	51,744

# Detailed Income Statement

for the year ended 30 June 2012

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## COMMUNITY BROADCASTING ASSOCIATION OF AUSTRALIA LIMITED

---

	2012 \$	2011 \$
<b>SCHEDULE 2 - COMMUNITY RADIO NETWORK</b>		
<b>Expenditure</b> continued		
Sub-total brought forward	49,266	51,744
Promotion and publicity	400	-
Rent	10,911	9,117
Repairs and maintenance	4,943	4,492
Salaries and wages	131,033	122,080
Security	102	70
Staff amenities	802	686
Staff recruitment	575	-
Staff training and development	25	409
Subscriptions and memberships	117	70
Superannuation	10,877	10,760
Telephone, fax and internet	9,584	8,996
Travel expenses	1,408	1,464
	-----	-----
Total expenditure	220,043	209,888
	-----	-----
<b>NET DIVISION RESULT</b>	69,132	109,037
	=====	=====

# Detailed Income Statement

for the year ended 30 June 2012

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## COMMUNITY BROADCASTING ASSOCIATION OF AUSTRALIA LIMITED

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	2012 \$	2011 \$
<b>SCHEDULE 3 - CBAA TRAINING (RTO)</b>		
<b>Income</b>		
Grant received:		
Community Broadcasting Foundation	-	-
	-----	-----
Total income	-	-
<b>Expenditure</b>		
Accountancy and audit fees	-	838
Bad debts	-	708
Consultancy fees	-	7,056
Insurance	-	2
Payroll tax	-	104
Printing	-	632
Salaries and wages	-	308
Staff amenities	-	29
	-----	-----
Total expenditure	-	9,677
	-----	-----
<b>NET DIVISION RESULT</b>	-	(9,677)
	=====	=====

# Detailed Income Statement

for the year ended 30 June 2012

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## COMMUNITY BROADCASTING ASSOCIATION OF AUSTRALIA LIMITED

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	2012 \$	2011 \$
<b>SCHEDULE 4 - TECHNICAL DEVELOPMENT UNIT</b>		
<b>Income</b>		
Grant received:		
Community Broadcasting Foundation	75,000	75,000
	-----	-----
Total income	75,000	75,000
<b>Expenditure</b>		
Administration charge - internal	524	-
Consultancy	74,476	74,000
Travel expenses	-	1,524
	-----	-----
Total expenditure	75,000	75,524
	-----	-----
<b>NET DIVISION RESULT</b>	-	(524)
	=====	=====

# Detailed Income Statement

for the year ended 30 June 2012

## COMMUNITY BROADCASTING ASSOCIATION OF AUSTRALIA LIMITED

	2012 \$	2011 \$
<b>SCHEDULE 5 – AMRAP PROJECT</b>		
<b>Income</b>		
Grant received:		
Community Broadcasting Foundation	461,065	495,000
AMRAP CD Income	131,142	-
Interest received	-	1,864
Other income	-	320
Unexpended grant – 1 July	96,532	69,695
	-----	-----
Total income	688,739	566,879
<b>Expenditure</b>		
Accountancy and audit fees	4,350	3,616
Administration charges – internal	28,500	28,415
Bank charges	182	412
Board and committee expenses	-	2,853
Costs – radio production	1,498	240
CD distribution	16,046	17,205
Cleaning	1,904	1,895
Conference expenses	-	5,982
Consultancy fees	-	954
Courier, freight and delivery	356	667
Electricity	1,172	1,109
Employee entitlements provided	4,316	17,365
Equipment purchases	242	1,197
Information technology	1,262	-
Insurance	5,255	5,403
Legal expenses	2,626	-
Music correspondent and recordings	-	14,783
Music for radio summits	-	17,492
Office equipment rentals and leases	423	578
Payroll tax	7,771	5,709
Postage	871	225
	-----	-----
Sub-total carried forward	76,774	126,100

# Detailed Income Statement

for the year ended 30 June 2012

## COMMUNITY BROADCASTING ASSOCIATION OF AUSTRALIA LIMITED

	2012 \$	2011 \$
<b>SCHEDULE 5 – AMRAP PROJECT continued</b>		
Sub-total brought forward	76,774	126,100
Printing	1,265	99
Promotion and advertising	14,591	23,141
Rent	20,149	19,337
Repairs and maintenance	1,001	513
Salaries and wages	283,965	233,374
Security costs	201	149
Sector and industry consultation	9,233	21,150
Staff amenities	1,605	2,127
Staff recruitment expenses	428	562
Staff training and development	-	650
Stationery and office supplies	1,360	2,659
Subscriptions and memberships	882	357
Superannuation	24,820	20,688
Telephone, fax and internet	10,338	5,522
Travel expenses	14,074	13,009
Web hosting	5,552	910
	-----	-----
Total expenditure	466,238	470,347
	-----	-----
	222,501	96,532
<b>Less: Unexpended grant – 30 June</b>	(91,359)	(96,532)
<b>Less: Unexpended AMRAP revenue – 30 June</b>	(131,142)	-
	-----	-----
<b>NET PROJECT RESULT</b>	-	-
	=====	=====

# Detailed Income Statement

for the year ended 30 June 2012

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## COMMUNITY BROADCASTING ASSOCIATION OF AUSTRALIA LIMITED

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	2012 \$	2011 \$
<b>SCHEDULE 6 - CB ONLINE PROJECT</b>		
<b>Income</b>		
Grant received:		
Community Broadcasting Foundation	480,000	407,081
Other Income	219	2,119
Unexpended grant – 1 July	183,564	97,187
	-----	-----
Total income	663,783	506,387
<b>Expenditure</b>		
Accountancy and audit fees	4,350	2,895
Administration charge – internal	28,500	28,415
Bank charges	1	15
Board and committee expenses	2,417	2,838
Cleaning	586	598
Conferences and seminars	1,993	2,261
Consultancy fees	17,900	61,469
Contract fees	3,360	-
Courier, freight and delivery	454	-
DDN Implementation	72,000	82,678
Electricity	1,794	1,628
Employee entitlements provided	5,685	6,670
Equipment purchases	135	188
Information technology	57,350	20
Insurance	2,904	2,708
National station census	58,649	19,163
National station audience research	46,000	-
Office equipment rentals and leases	1,896	3,146
Payroll tax	2,470	1,972
Postage	1,015	1,152
Printing	27	1,944
Promotion and advertising	2,311	3,355
Rent	6,897	6,470
	-----	-----
Sub-total carried forward	318,694	229,585

# Detailed Income Statement

for the year ended 30 June 2012

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## COMMUNITY BROADCASTING ASSOCIATION OF AUSTRALIA LIMITED

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	2012 \$	2011 \$
<b>SCHEDULE 6 - CB ONLINE PROJECT</b>		
Sub-total brought forward	318,694	229,585
Repairs & maintenance	35	137
Salaries and wages	92,452	66,264
Security	65	50
Staff amenities	504	564
Staff recruitment	-	862
Staff training and development	1,293	1,771
Stationery and office supplies	446	782
Subscriptions and memberships	102	23
Superannuation	8,279	5,930
Telephone, fax and internet	2,903	2,786
Travel expenses	2,250	14,069
Web hosting and development	6,259	-
	-----	-----
Total expenditure	433,282	322,823
	-----	-----
	230,501	183,564
<b>Less: Unexpended grants – 30 June</b>	(230,501)	(183,564)
	-----	-----
<b>NET PROJECT RESULT</b>	-	-
	=====	=====

### Summary of projects included:

- CB Online Data Collection
- McNair Survey
- CB Online Project
- Civil Database / Web Development
- Mobile Players
- Resource Development

# Detailed Income Statement

for the year ended 30 June 2012

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## COMMUNITY BROADCASTING ASSOCIATION OF AUSTRALIA LIMITED

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	2012 \$	2011 \$
<b>SCHEDULE 7 - CONFERENCE</b>		
<b>Income</b>		
Expo booths and fees	16,400	800
Gala Dinner fees	10,564	-
Other income	627	909
Registration, meals and social events	68,282	101,666
Sponsorship and advertising	23,860	63,851
	-----	-----
Total income	119,733	167,226
<b>Expenditure</b>		
Audio visual expenses	11,321	15,751
Awards	1,066	1,797
Bank fees	-	132
Committee expenses	-	3,409
Conference expenses	19,300	44,400
Consultancy fees	33,500	48,006
Courier, freight and delivery	2,074	1,870
Equipment hire	5,388	-
Postage	-	252
Presenters' fees	1,308	-
Printing	7,800	5,689
Promotional material	490	5,756
Sponsor costs	8,261	1,859
Stationery and office supplies	-	55
Telephone, fax and internet	440	-
Travel expenses	7,449	13,885
Venue hire	23,678	9,560
	-----	-----
Total expenditure	122,075	152,421
	-----	-----
<b>NET DIVISION RESULT</b>	(2,342)	14,805
	=====	=====

# Detailed Income Statement

for the year ended 30 June 2012

## COMMUNITY BROADCASTING ASSOCIATION OF AUSTRALIA LIMITED

	2012 \$	2011 \$
<b>SCHEDULE 8 - DIGITAL RADIO PROJECT</b>		
<b>Income</b>		
Grant received:		
Community Broadcasting Foundation	3,900,000	2,475,000
Interest received	15,066	3,389
Unexpended grants – 1 July	255,447	507,908
	-----	-----
Total income	4,170,513	2,986,297
<b>Expenditure</b>		
Accountancy and audit fees	7,899	10,000
Administration charge - internal	28,500	26,820
Bank charges	49	11
Board and committee expenses	-	361
Cleaning	570	435
Conferences and seminars	5,918	-
Consultancy fees	100,000	173,991
Contractor fees	259,765	-
Courier, freight and delivery	259	353
Electricity	1,865	1,367
Employee entitlements provided	(127)	5,572
Equipment and installation costs	3,047,184	2,375,595
Equipment purchases	4,508	-
Information technology	5,207	-
Insurance	1,369	629
Legal expenses	-	11,552
Miscellaneous expenses	-	3,908
Office equipment rentals and leases	1,563	2,247
Payroll tax	4,880	4,129
Postage	1,062	1,568
Printing	-	9,062
Promotion and advertising	-	2,378
Registration and entry fees	-	1,641
Rent	6,253	4,632
Repairs and maintenance	36	10
	-----	-----
Sub-total carried forward	3,476,760	2,636,261
Detailed		

# Detailed Income Statement

for the year ended 30 June 2012

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## COMMUNITY BROADCASTING ASSOCIATION OF AUSTRALIA LIMITED

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	2012 \$	2011 \$
<b>SCHEDULE 8 - DIGITAL RADIO PROJECT continued</b>		
Sub-total brought forward	3,476,760	2,636,261
Salaries and wages	90,409	61,798
Security	64	35
Staff amenities	500	962
Staffing recruitment	-	658
Stationery and office supplies	265	786
Subscriptions and memberships	303	95
Superannuation	8,032	5,512
Telephone, fax and internet	2,712	2,795
Travel expenses	36,645	21,948
Venue hire	126	-
Web hosting and development	4,950	-
	-----	-----
	3,620,766	2,730,850
	-----	-----
	549,747	255,447
<b>Less: Unexpended grants – 30 June</b>	(549,747)	(255,447)
	-----	-----
<b>NET PROJECT RESULT</b>	-	-
	=====	=====

# Detailed Income Statement

for the year ended 30 June 2012

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## COMMUNITY BROADCASTING ASSOCIATION OF AUSTRALIA LIMITED

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	2012 \$	2011 \$
<b>SCHEDULE 9 - TRAINING PROJECTS</b>		
<b>Income</b>		
Grants received:		
Community Broadcasting Foundation	20,000	27,670
Express Media	-	4,000
Other income	-	195
Unexpended grants – 1 July	32,524	74,496
	-----	-----
Total income	52,524	106,361
Total expenditure – Refer Schedule 9A	(29,830)	(67,919)
	-----	-----
	22,694	38,442
<b>Less: Unexpended and returned grants – 30 June</b>		
Unexpended grants	-	(32,524)
Grant funds returned	(22,725)	(6,310)
	-----	-----
	22,725	38,834
	-----	-----
<b>NET PROJECT RESULT</b>	(31)	(392)
	=====	=====

# Detailed Income Statement

for the year ended 30 June 2012

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## COMMUNITY BROADCASTING ASSOCIATION OF AUSTRALIA LIMITED

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	2012 \$	2011 \$
<b>SCHEDULE 9A - TRAINING PROJECTS continued</b>		
<b>Expenditure</b>		
Accountancy and audit fees	900	1,330
Administration charge - internal	-	983
Board and committee expenses	-	781
Conference expenses	445	4,291
Conferences and seminars	3,127	-
Consultancy fees	15,625	46,003
Printing	2,273	-
Registration and entry fees	-	10,382
Stationery and office supplies	-	195
Telephone, fax and Internet	-	46
Travel expenses	7,460	3,908
	-----	-----
Total expenditure	29,830	67,919
	=====	=====

**Summary of projects included:**

- RTO Broadcast Development
- Youth Training Project
- Training Trainer
- National Training Project
- Indigenous Management
- NTP BTRD Project Management

# Detailed Income Statement

for the year ended 30 June 2012

## COMMUNITY BROADCASTING ASSOCIATION OF AUSTRALIA LIMITED

### SCHEDULE 10 - OTHER CBF FUNDED PROJECTS

#### Income

Grants received:

Community Broadcasting Foundation	292,493	23,580
Unexpended grants – 1 July	9,660	72,000
	-----	-----
Total income	302,153	95,580

#### Expenditure

Board and committee expenses	-	95
Conference awards	2,630	2,636
Consultancy fees	78,000	78,092
Couriers and freight	-	60
Miscellaneous expenses	506	350
Postage	-	1,625
Printing	-	1,087
Promotion and marketing expenses	-	902
Salaries and wages	-	187
Staff training and development	1,500	-
Superannuation	-	17
Telephone, fax and internet	-	31
Travel expenses	357	838
	-----	-----
Total expenditure	82,993	85,920

#### Less: Unexpended grants – 30 June

	219,160	9,660
	(219,160)	(9,660)
	-----	-----
NET PROJECT RESULT	-	-
	=====	=====

#### Summary of projects included:

- National Radio News
- Tony Staley Award
- Pre-Election Campaign
- Satellite Replacement
- Training
- Transmission Special Projects

# Detailed Income Statement

for the year ended 30 June 2012

## COMMUNITY BROADCASTING ASSOCIATION OF AUSTRALIA LIMITED

	2012 \$	2011 \$
<b>SCHEDULE 11 - OTHER NON-CBF FUNDED PROJECTS</b>		
<b>Income</b>		
CD Distribution	-	23,715
Grants received:		
DCC & EE	123,180	-
DOHA	366,152	346,460
Department of Sustainability	9,091	-
Department of Industry, Innovation, Science	65,600	-
Foundation for Alcohol Research & Education	17,640	-
NSW Environment Trust	20,400	-
Organ and Tissue Authority	20,582	-
Other Income	-	5,586
Unexpended grants – 1 July	-	98,449
Unexpended CD distribution fees – 1 July	-	67,860
	-----	-----
Total income	622,645	542,070
<b>Expenditure</b>		
Accountancy and audit fees	-	1,600
Bank charges	-	356
Broadcast services	-	118,282
CD compilation	-	9,980
Consultancy fees	420,684	283,782
Content distribution	106,518	-
Postage	-	4,800
Printing	-	23,736
Promotion and advertising	-	8,400
Telephone, fax and internet	-	2,800
	-----	-----
Total expenditure	527,202	453,736
	-----	-----
	95,443	88,334
<b>Less: Unexpended grants – 30 June</b>	(95,443)	-
<b>Less: Unexpended CD distribution fees – 30 June</b>	-	(90,839)
	-----	-----
NET PROJECT RESULT	-	(2,505)
	=====	=====

# General Manager's Report

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## COMMUNITY BROADCASTING ASSOCIATION OF AUSTRALIA LIMITED

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The 2011-12 financial year has been a relatively stable and productive period for the CBAA. Critical areas for whole of sector representation included the Convergence Review process, renegotiating the blanket national copyright agreement with APRA to provide a single agreement covering multi-platform content delivery, and consultation and review of the Community Broadcasting Codes of Practice.

Planning and advocacy for affordable access for all community broadcasting licensees to digital broadcast platforms has also continued throughout the year, and continues to be a long-term central objective of the CBAA.

The ongoing project management of sector-wide projects, Amrap, CBOonline and the Digital Radio Project, has been carefully maintained to ensure that the projects are integrated with broad sector development objectives in the context of continuing changes in media production and distribution. The CBAA has also continued a close working relationship with our colleagues in the Community Media Training Organisation (CMTO) as training underpins so many areas of sector activities.

Unfortunately, the May Federal Budget brought bad news for both Amrap and the Digital Radio Project (DRP). Amrap did not receive renewed funding and the DRP was allocated funding for a 4 year period but with a very significant shortfall on the funds required to operate current community digital radio services over that period. The CBAA has allocated considerable resources to addressing these funding issues and is determined to ensure full funding is returned to both the Amrap and DRP projects.

In 2011-12 the CBAA has reviewed and revised base level staff roles and resources, a fresh Strategic Plan has been developed for 2012-2015, core communications strategies have been maintained and developed, and administrative and financial systems have been overhauled and redeveloped. Resources for membership support and information have also been increased, and the Content Services Manager role has been introduced in 2012 to support national program development and delivery.

## Finance

The CBAA has returned a solid surplus in 2011-12. This follows a surplus in the 2010-11 year and is part of a 3 year approach to re-establishing ongoing financial reserves to ensure stability and flexibility in the organisation's operation, and also allow for a level of development in resources and facilities.

The surplus has been generated by conservative expenditure across all areas of activity in both 10/11 and 11/12 combined with ensuring all core services are maintained and also scoping development requirements.

Planning for development in web resources, database management, membership resources, leasehold improvements, and establishing a main server room to house IT, CRN and digital radio equipment has been undertaken in 11/12 and will be implemented over the next 6 months.

The aim of these developments is to ensure that the primary objectives of sector representation, and support and services to member stations, can be maintained and developed over the next 3 years in line with the CBAA Strategic Plan.

## Community Radio Network

The CBAA is committed to the development of CRN, maintaining the National Radio News service, and to pursuing content development and support for national program delivery across CRN and DDN.

In many ways the development of CRN and DDN provides a critical pathway to cross-platform content delivery and this is an important time to continue to develop these facilities in line with patterns of convergence and change.

The CRN / DDN team are working very effectively towards future developments of national program and content delivery and the integration of multi-platform delivery of both content and associated data. The CBAA is keen to maintain development in national content services to support regional stations that are high users of the CRN service as well as the distribution of quality community media content.

# General Manager's Report continued

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## COMMUNITY BROADCASTING ASSOCIATION OF AUSTRALIA LIMITED

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### Convergence Review

The CBAA made a final submission to the Convergence Review Interim Report (released In Dec 2011) in February 2012. A summary of the CBAA submission was printed in the April edition of the CBX magazine and both submissions are available on the CBAA website at [www.cbaa.org.au/Convergence\\_Review](http://www.cbaa.org.au/Convergence_Review)

In summary in the initial response to the Convergence Review Framing Paper the CBAA:

- Supports a policy framework that enables a free and diverse media
- Argues that the role of community broadcasting should be clearly articulated and affirmed in any new legislation
- Outlines the history, development and role of the community broadcasting sector
- Argues that, as a guiding principle, Australians should have access to a diversity of media services, views and information and should also have the opportunity to participate in producing diverse broadcasting content
- Stresses how important it is for the Australian community to have access Australian content and also to locally produced content relevant to local communities

In the response to the Interim Report submitted in February 2012 the CBAA:

- Argues that regulation needs to support public interest outcomes
- Acknowledges that content delivery across multiple platforms is required and expected by Australian consumers but argues that this does not necessarily mean content is actually 'platform neutral' or 'technology neutral' and suggests the term 'multi-platform' is more accurate
- Outlines that content must be produced and assembled in specific ways for multiple platforms and that different technology platforms have specific characteristics that to some extent define the user's experience and interaction
- Indicates a concern to ensure community broadcasting outcomes on multiple platforms
- Articulates important distinctions of free-to-air radio and television broadcast services that do not incur data delivery costs or require the user to pay for content

- Argues that regulation should ensure delivery of services to a mass audience on a spectrum efficient basis
- Supports the integration of broadcast technologies in mobile devices such as tablets and smart phones
- Argues for efficient use of spectrum as a valuable public resource in both the broadcast and telecommunications industries and that the government should ensure maximum public benefit in spectrum usage
- Reinforces the role of community broadcasting in providing local and diverse media services that support social inclusion and cultural development

### Copyright

New APRA / AMCOS Licence Agreements have been introduced as of July 1 2012.

The CBAA commenced discussions with APRA in mid 2011 regarding licence agreements that would provide a simplified agreement covering all delivery platforms. We discussed a 'package' agreement that would allow stations to choose which options they required but would contain all options under the one licence umbrella. We also expressed concern that services such as web simulcast and audio archives were based on a flat annual fee which disadvantaged small stations with low revenue levels as they would pay the same flat fee as larger metropolitan services. We had had recurring feedback from regional and sub-metro stations that the fees for services such as online simulcast were too high.

Under the previous structure there were separate agreements for broadcast, web simulcast, audio archiving and audio-on-demand services, and online delivery.

The Australasian Performing Right Association (APRA) has undertaken a full restructure of the APRA & AMCOS licence agreements for community broadcasting stations for the introduction of a single Agreement across all delivery platforms.

The CBAA also liaised with other national sector bodies including AICA, NEMBC, CMA and RPH to ensure APRA had the opportunity to outline the restructure approach and consult further with those bodies.

# General Manager's Report continued

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## COMMUNITY BROADCASTING ASSOCIATION OF AUSTRALIA LIMITED

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### Community Broadcasting Codes of Practice Review

The CBAA's Membership & Development Manager has conducted an extensive consultation process for the Community Radio Broadcasting Codes of Practice in 2012. The initial consultation period was open to May 4 and material mailed to all community broadcasting licensees and national sector bodies, and in liaison with AICA to RIBS stations. Information on the consultation process has been featured in the CBAA e-news and website to community broadcasters, stakeholders and the general public. The CBAA conducts the review process under Code 8 of the current Codes of Practice.

The revised Codes are currently being prepared for a final stage of consultation prior to submission to the ACMA and release in 2013.

### Summary

The CBAA has continued to move through a process of review and renewal in 2011-12. It is now in a very solid position to continue its role as the national peak sector body for community radio licensees, representing whole of sector issues and interests, and providing support and services to members.

The 2011 national station census revealed the impact of the GFC particularly for regional, rural and remote community radio stations. The CBAA needs to be in strong position and operating very effectively to support the needs of stations, to assist the sector adapt to the ongoing processes of media convergence and digitisation, to strengthen and promote the role of community broadcasting, and to support development of community media content.

The financial stability achieved over the last 2 years is a critical basis for maintaining and developing the CBAA's representation and advocacy role and services to members.

I'd like to thank the CBAA President, Adrian Basso, and CBAA Board members for their support, work and commitment to the CBAA and the sector throughout the year. I'd also like to thank my national sector colleagues at the CBF, AICA, NEMBC, RPH and CMA for their support in 2011-12, and especially with the national project funding issues that we have battled with recently.

Finally, a special thank you to CBAA staff and project managers who have been fantastic to work with and who share a passionate commitment to the objectives and role of community broadcasting.

**Kath Letch**  
General Manager

# Technical Consultant Report

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## COMMUNITY BROADCASTING ASSOCIATION OF AUSTRALIA LIMITED

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During the 2011-12 year reviews of media, technology digitisation and convergence seem to have become part of the national conversation.

Sitting alongside these quite public discussions about convergence and media are an increasing number of industry and regulatory pressure points. These are cutting across almost every aspect of community broadcasting infrastructure.

Spectrum for broadcast transmission is under pressure; spectrum for linking studios to transmitter sites is under pressure; and the very idea of broadcasting itself is under pressure.

In a sense none of this is new. Spectrum planning has always been about balancing the competing demands for use of spectrum - a valuable and scarce public resource. But the heat is definitely turning up.

The competing demands are intensifying, especially from telecommunications carriers that want more spectrum in bands that, due to its physics, are pervasive and ideal for reaching people on the move and en masse. Traditionally, free-to-air broadcasting has been the most significant public use for this dress circle spectrum.

One response is the development of broadcasting technology that is more spectrum efficient, more easily scalable, delivers more services and delivers them with enhanced features and user convenience. The digitisation of media platforms is driven by a mix of all these forces.

Digital platforms bring many changes in the landscape for community broadcasting. For instance, they change the one-to-one relationship in the licensing regime between the broadcast content licensee and the specific spectrum or channel used for broadcast.

This multiple-service infrastructure model has benefits: for live broadcasting services it provides coverage equality, spectrum efficiency, and leverages a wide-band radio frequency channel to error protect and give more robust reception; for on-demand services it allows capacity requirements to be averaged across multiple services, so that, with careful planning, higher peak demand can be accommodated.

Services, whether they broadcast as analog or digital, can exist only if there is suitable spectrum available, a fact with which individual community broadcasting licensees would be well familiar.

In the case of digital, services also require entitlement to access sufficient capacity within a shared infrastructure that may, or may not, be owned in whole or in part by community broadcasters.

Moreover, the cost regimes for access to this infrastructure need to be compatible with community broadcasting financial models.

This set of challenges is challenging indeed - but absolutely necessary to address as digital media entrenches and for community broadcasting to maintain and develop in the digital environment as a force for media diversity, local content and social inclusion.

These are some of the reasons why the CBAA advocates strongly on issues around ensuring entitlement to access for community broadcasters to exist on digital platforms.

# Technical Consultant Report continued

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## COMMUNITY BROADCASTING ASSOCIATION OF AUSTRALIA LIMITED

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### Broadcasting: analog and digital

Analog broadcasting is certainly not dead but there is no doubt it is moving out of focus.

No one could be missing the shutdown of analog television across Australia. It will be fully closed by the end of 2013. Tied with that timeline is the television channel re-stack and the auction next April of what has been, until now, free-to-air broadcast spectrum. The auction is part of the process called the 'digital dividend'.

No-one could have missed digital radio either. Already operating in Sydney, Melbourne, Brisbane, Adelaide and Perth, the discussion is now underway about extending to regional areas of Australia and augmenting extra metropolitan and sub-metropolitan capacity.

Australia is not an island – at least not in these matters. Countries in Europe and the UK are closing analog television and auctioning off slabs of free-to-air broadcast spectrum, with several countries actively planning for analog radio closure.

The UK has an industry action plan and an aspirational date to close analog radio transmission in 2015. An actual date is now in debate and there is broad agreement it will be between 2017 and 2020. There are agreed triggers for analog closure, for example, when 50% or more of all listening is on digital. In mid-2012 all digital listening is tracking at 32%. Of that 65% is DAB digital radio, 16% is via digital television and 13% is all online and streaming - either via broadband, wifi and/or mobile using computer, tablet and/or mobile.

There is a different set of drivers in Australia. Digital radio is the similar but more advanced DAB+ system. The first phase rollout is not yet national. It is limited to wide-coverage metropolitan services in 5 cities: Sydney, Melbourne, Brisbane, Adelaide and Perth. Early set sales and research shows strong take up with over 10% (1 million) listening each week and an average time spent listening at 12 hours - double that of online and streaming.

These are significant numbers and demonstrate demand for digital radio as a free-to-air digital media platform, within which community services act as a vital force for diversity.

### Convergence and complementarity

Of course, aside from broadcasting services there is also spectrum demand for complementary telecommunications based services. These are obviously useful for many things, including one-to-one delivery of on demand media and out of area streaming of media services.

However, mobile broadband technology is spectrum inefficient for mass delivery of live and linear media and is unable to simultaneously deliver to an audience of any significant size, hence the need for fit for purpose digital broadcast platforms such as DAB+.

The CBAA has long term advocated a hybrid approach where, for instance, mobile telecommunications handsets include digital broadcast receive technology so that this complementarity can be fully exploited for maximum user experience and best spectrum efficiency. During 2012 early and encouraging signs of this convergence are emerging.

### Initial phase: metropolitan digital radio

The legislative framework for digital radio provides capacity for community broadcasting and there are now 37 metropolitan-wide community digital radio licensees on-air.

Funding support for infrastructure has been provided by the Federal Government and implementation and operation is managed by the CBAA.

The capacity entitlement under the legislation is limited and so special research and work has been undertaken to squeeze in the full number of community services. Transmission parameters continue to be adjusted to bring about a positive result. In some cities, 7 community services are fitting into the space of two commercial entitlements.

The on-going costs to support infrastructure were modelled in during 2011 and take into account data multiplexing, linking and main site costs, plus allow for extra in-fill sites that are currently being installed.

The May 2012 Federal Budget provided on-going funding for a further 4 years – but not at the level required. Efforts are being made to find the required funds.

# Technical Consultant Report continued

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## COMMUNITY BROADCASTING ASSOCIATION OF AUSTRALIA LIMITED

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### Next phase: regional, further metropolitan and sub-metropolitan

The next phase of digital radio implementation is to extend digital radio services to regional areas of Australia. ACMA will need to establish a highly consultative planning process to ensure spectrum allocations can accommodate the legitimate balance of commercial, national and community sector services. The CBAA expects formal status in such a process.

As well as regional extension, further metropolitan capacity is required. There are significantly more metropolitan-wide community sector services than capacity available, using standard service parameters. There is also an additional and significant number, fifteen to twenty per major city, of localised sub metropolitan services not yet provided for under the metropolitan digital radio framework.

As discussed in detail at the CBAA 2011 Conference, work is continuing on (re-)using an adjacent channel in metropolitan areas but on low power (and therefore low interference) and in a multiple transmitter site network.

### Spectrum considerations: digital dividend, re-stack

The initial metropolitan digital radio services are operating using VHF Band III spectrum. The amount of spectrum available in this band is severely limited, given its shared use with television broadcasters. The switch-over to digital television together with the re-stack of television channels will release 126 MHz of UHF spectrum - known as the 'digital dividend'.

As part of the re stack planning process, the Minister has reserved 14 MHz of spectrum within existing television broadcast service band spectrum at VHF for digital radio purposes. While this reservation is welcome, it is nevertheless a tight constraint within which to provide all of Australia's commercial, national and community digital radio services.

It is generally recognised that the Minister's reservation does not preclude use of other bands for digital radio provision. Its intention is to guide television band planning only.

Bearing in mind the severe constraint on available VHF spectrum, there are real questions about how to plan and accommodate regional, metropolitan and sub-metropolitan digital radio services.

These questions can only be answered by a thorough-going and consultative planning process for full digital radio implementation across Australia. Only then can it be known how much spectrum is really required for digital radio purposes. The CBAA is involved with the re-stack planning advisory group but its focus is currently television and, while it is important that television re-stack and radio planning be considered as a whole, this industry wide planning process is not yet addressing specific areas of radio planning.

### Spectrum demand by others

In recent times, there seems a voracious appetite for spectrum by telecommunications carriers to be used for mobile broadband services.

There is a point beyond which use of spectrum for telecommunications platforms that, in part, deliver broadcast like service outcomes will bring about licensing and content policy implications. Media access, diversity, public interest outcomes and regulatory principles long associated with broadcasting would begin to bite.

For instance, in the scenario where telecommunications delivery was to be prioritised at the expense of spectrum for free-to-air and fit-for-purpose digital broadcast platforms, the CBAA would be seeking a priori government policy intervention to ensure on going user access to free to air delivery on those telecommunications platforms (ie: no data charge) of specified and licensed community broadcasting services.

One way to assist in spectrum efficiency and to contain spectrum demand would be for the telecommunications carriers to work with device suppliers to encourage inclusion of digital media technology, such as DAB+, into mobile telecommunications devices.

### Spectrum planning: 820-960 MHz band

Spectrum demand for mobile telecommunications has prompted ACMA to consider re-arrangements within the 820-960 MHz radio-frequency bands. Several hundred community broadcast stations make use of this band for studio-to-transmitter links (STL) or sound-outside-broadcast (SOB) radio links, specifically in the 845-852 MHz portion of the band.

The CBAA cross-checked with stations in 2011-12 and has liaised with ACMA. ACMA is aware of CBAA concerns

# Technical Consultant Report continued

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## COMMUNITY BROADCASTING ASSOCIATION OF AUSTRALIA LIMITED

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about the serious impact of this potential re-allocation. ACMA has done work to explore a partial, rather than full, re-plan of the 845-852 MHz band. Work has also been done on the funding impact where changes to STL arrangements might be required.

ACMA appreciate that long-term planning is required for affected licensees and that funds will be required for band changes. The end of calendar year 2012 is targeted for completion of an ACMA review on the use of mobile telecommunications technology for public safety purposes. ACMA then intend to issue another discussion paper. Based on these timelines, a decision on re-planning the 845-852 MHz band is expected at the end of calendar year 2013.

### Spectrum planning: 1.5 GHz band

Spectrum demand for mobile telecommunications has also prompted ACMA to consider of how best to make use of 1.5 GHz band into the future. Parts of this band are currently designated for broadcast use. The CBAA has submitted detailed views and would support re-planning in this band only after a thorough planning process has scoped the spectrum required for digital radio services across all Australia.

### Digital media and IP linking

Apart from transmission, a combination of factors is leading towards the digitisation of linking infrastructure used by the community broadcasting sector. As noted, the review of the 850 MHz band potentially threatens the use of traditional radio links. Telstra has already pulled out of analog program lines.

The digital radio infrastructure has been implemented using IP with high quality service targets suitable for broadcasting. The interconnection of station with an IP network brings opportunity for collaboration and work is in train to extend this contribution capability to help program makers and stations connect with each other to provide feature rich digital media services and add service diversity without crippling the stretched resources of individual community broadcast stations.

### Digital media and satellite

Many stations and program makers already make content for collaborative use in the sector, distributed using the digital delivery network and the CRN satellite platform.

The majority of content is now uploaded to CRN via the digital delivery network. It is a hard-working system. During 2011-12 over 10,000 program editions were uploaded to CRN, complete with digital meta-data, ready for distribution online and via satellite to stations.

The satellite platform itself is about to change-over to next generation more efficient digital technology. Negotiations are all but complete with Optus to effect this change early in 2013. Stations will be provided with replacement equipment in order to receiver live audio, as well as incoming audio data and service meta-data for later replay.

### General and On-going

The transmission support fund remains critical to the viable operation of many community stations. The CBAA continues to provide advice and assistance on deliberations relating to transmission support funding.

The CBAA continues to provide strategy, support and general assistance with regard to technical, planning and regulatory issues. These cover issues including; antenna systems, licensing, translators, streaming, codec choices, studio equipment selection, proper EMR practice, transmission planning and implementation.

### Other

- Digital Technical Advisory Committee
- Chair of DTAC Audio Working Group.
- Continued work on broadcaster cabling
- Continuing work related to analog radio LAP variations
- Work related to Convergence, Digital Dividend, Fibre, Cabling, NBN
- Third party electricity charging
- Standards Australia, transmission standards
- Chair of Broadcast Industry Technical Advisory Group
- Member of ACMA Technical Advisory Group
- Member of Re-stack Planning Advisory Group.

### David Sice

Technical Consultant

# CBAA

## Member Listing

### COMMUNITY BROADCASTING ASSOCIATION OF AUSTRALIA LIMITED

#### Full Members

ACT			
1ART	Artsound FM 92.7	1WAY	Canberra Christian Radio Ltd
1CMS	CMS FM 91.1	1XXR	2 Double X
1VFM	Valley FM 89.5		
NSW			
2AIR	2AIR FM	2LRR	Opal FM
2BAB	Bay & Basin 92.7FM	2LVR	97.9 Valley FM
2BAR	93.7 EDGE FM	2MAX	Narrabri Shire Community Radio Inc
2BAY	Bay FM 99.9	2MCR	2MCR 100.3 FM
2BBB	2BBB FM	2MBS	Music Broadcasting Society of NSW
2BCB	Life FM 100.1FM - Spirit of the West	2MCE	2MCE – Charles Sturt University
2BLU	BLU FM 89.1	2MFM	Muslim Community Radio
2BOB	2BOB RADIO	2MIA	The Local One 95.1 FM
2BRW	Braidwood FM	2MNO	2MNO Monaro FM
2CBA	Hope 103.2	2MWM	Radio Northern Beaches
2CBD	2CBD	2NBC	90.1 NBC FM
2CCB	Rhema FM 103.5	2NCR	2NCR FM - 92.9
2CCC	Coast FM 96.3	2NIM	NIM FM 102.3
2CCM	Today's Country 94one	2NSB	FM 99.3 - 2NSB
2CCR	2CCR-FM 90.5	2NUR	2NURFM 103.7
2CHR	CHR FM	2NVR	Nambucca Valley Radio
2COW	2 C.O.W FM	2OCB	Orange FM 107.5
2CUZ	Muda Aboriginal Corporation	2OOO	Two Thousand FM (2000FM)
2CVC	103.1 Life FM	2PAR	Paradise FM 101.9
2DRY	2DRY FM	2PSR	Port Stephens FM
2EAR	Eurobadalla Radio 107.5	2QBN	QBN FM
2EZY	EZY-FM 90.5	2RDJ	2RDJ FM
2FBI	FBI Radio	2REM	2REM 107.3FM
2GCR	FM 103.3	2RES	89.7 Eastside Radio
2GLA	Great Lakes FM	2RRR	2RRR
2GLF	89.3 FM 2GLF	2RSR	Radio Skid Row
2HAY	2HAY FM 92.1	2SEA	2SEA - Eden Community Radio
2HHH	Triple H	2SER	2SER
2HIM	Rhema FM 89.7	2SNR	Radio Five-O-Plus
2KRR	KRR 98.7	2SSR	2SSR 99.7 FM
2LIV	Ninefourone fm	2SWR	SWR FM
2LND	Koori Radio	2TEN	TEN FM

# CBAA

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### COMMUNITY BROADCASTING ASSOCIATION OF AUSTRALIA LIMITED

#### Full Members

<b>NSW</b>			
2TRR	Three Rivers Radio - Dunedoo	2WCR	2WCR FM 99.5
2TVR	Sounds of the Mountains	2WET	103.1 TANK FM
2UUU	Triple U FM	2WKT	Highland FM 107.1
2UNE	TUNE! FM 106.9	2WLF	Wagga's Life FM
2VOX	VOX FM	2WOW	WOW FM 100.7
2VTR	Hawkesbury Radio	2WYR	92.5 FM
2WAR	WAR FM	2YAS	Yass FM
2WAY	2WAY 103.9 FM	2YOU	2YOU-FM 88.9
<b>VIC</b>			
3APL	Apple FM	3PBS	PBS FM
3BBR	3BBR-FM	3PFM	Phoenix FM
3BGR	Good News Radio	3PVR	Plenty Valley FM 88.6
3CH	100.7 Highlands FM	3REG	REG-FM
3CR	3CR	3RIM	979 FM
3ECB	Eastern FM 98.1	3RPC	Coastal FM
3EON	KLFM	3RPH	Vision Australia Radio
3GCB	Life FM Gippsland	3RPP	3RPP - Radio Port Phillip
3GCR	Gippsland FM	3RRR	Triple R
3GDR	Golden Days Radio	3RUM	Radio Upper Murray
3GFM	Strengthening Goldfields	3SCB	88.3 Southern FM
3GRR	Radio EMFM	3SER	3SER
3HCR	3HCR - High Country Radio	3SFM	Smart FM 99.1
3HHH	Triple H 96.5 FM	3SYN	SYN
3HOT	HOT FM	3TSC	89.9 Light FM
3INR	96.5 Inner FM	3UGE	UG FM - Radio Murrindindi
3JOY	JOY 94.9	3VKV	Alpine Radio 96.5 FM
3MBR	3MBR FM	3VYV	Yarra Valley FM 99.1
3MBS	3MBS 103.5FM	3WAY	3 WAY FM Great Ocean Radio
3MCR	Radio Mansfield	3WBC	3WBC 94.1FM
3MDR	Mountain District Radio	3WPR	OAK-FM
3MGB	3MGB	3WTL	Central Victorian Gospel Radio Inc
3NOW	98.9 North West FM	3WYN	WYN FM
3NRG	3NRG Radio	3ZZZ	Ethnic Community Broadcasting Ass. of Vic
3OCR	OCR FM	Diversitat	94.7 The Pulse
3ONE	FM 98.5 - The Pulse of the Valley		

# CBAA

## Member Listing

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### COMMUNITY BROADCASTING ASSOCIATION OF AUSTRALIA LIMITED

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#### Full Members

QLD			
4BAY	Bay FM	4MBS	4MBS Classic FM
4BCR	Coral Coast Community Radio 94.7 FM	4MIG	Rhema FM
4BI	Switch 1197 AM	4MW	Radio 4MW
4BRR	Burnett River Radio 91.5 FM	4NAG	Radio NAG 91.3 FM
4BSR	Beau FM	4NSA	Noosa Community Radio 101.3 FM
4BVR	Brisbane River Valley Radio	4OUR	101.five
4CCR	Cairns FM 89.1	4RED	99Seven FM
4CRB	4CRB 89.3 FM	4RGL	Rhema FM 91.9
4CRM	4CRM 107.5 FM	4RIM	Rim FM 100.1
4CSB	CROW FM	4SDB	Rainbow FM
4DDB	4DDB	4SFM	Sunshine FM
4DDD	Dalby Community Radio 89.9 FM	4TCB	LIVE FM
4EB	4EB FM 98.1	4TTT	103.9 triple t
4FCR	Fraser Coast Community Radio	4WBR	1051 Rhema Wide Bay
4FRB	96five	4WHO	Wild Horse FM
4GEM	GEM FM	4YOU	4YOU
4GOD	92.9 Voice FM	4ZZZ	4ZZZ
4K1G	4K1G - Too Deadly!		
SA			
5BBB	Triple B FM	5PBA	PBA-FM
5CCR	5CCR FM	5RAM	Life FM
5CST	Coast FM	5RCB	Lime FM
5DDD	Three D Radio	5ROX	ROX FM
5DUS	Dusty Radio	5RRR	Triple R FM
5EFM	5EFM	5TCB	5TCB FM
5FBI	Fresh 92.7	5THE	5THE FM
5GFM	89.3 Gulf FM	5TRX	TRAX FM
5GS	Great Southern FM 90.1	5UV	Radio Adelaide
5GTR	5GTR	5WOW	WOW FM 100.5
5MBS	5MBS	5YYY	5YYY

# CBAA

## Member Listing

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### COMMUNITY BROADCASTING ASSOCIATION OF AUSTRALIA LIMITED

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#### Full Members

WA			
6CRA	100.9 FM Radio Albany	6NR	Curtin FM 100.1
6DBY	6DBY FM	6PRK	Puranyangu-Rangka Kerrem / PRK
6EBA	World Radio 6EBA North Perth WA	6RCI	6RCI Community Radio
6FX	Wangki Yupumanupurru Radio	6RPH	990 6RPH Information Radio
6HFM	107.3 Heritage FM	6RTR	RTR FM – Arts Radio Ltd
6KCR	KCR FM	6SEN	Capital Community Radio 101.7FM
6MKA	Meeka FM	6SON	98.5 Sonshine FM
6NEW	6NEW FM	6TCR	89.7 Twin Cities FM
6NME	Noongar Radio	6YCR	York FM
TAS			
7EDG	Edge Radio 99.3 FM	7RPH	RPH Print Radio Tasmania
7HFC	Ultra 106 five	7TAS	Tasman FM
7HRT	Heart FM	7TFM	Tamar FM
7LTN	City Park Radio 103.7	7THE	Hobart FM 96.1
7MID	Southern Midlands Community Radio	7WAY	WAY FM
7RGY	HUON FM		
NT			
8EAR	Gove FM	8KIN	Central Aust. Aboriginal Media Assoc.
8CCC	8CCC Community Radio Inc	8KTR	Katherine Community Radio

# CBAA

## Member Listing

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### COMMUNITY BROADCASTING ASSOCIATION OF AUSTRALIA LIMITED

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#### Associate Members

<b>NSW</b>	
Armida Community Radio Incorporated	Lambing Flat Community Broadcasters
Binjang Community Radio Incorporated	Lord Howe Island Radio Station Association
Bankstown Auburn Community Radio	Lower Clarence Community Radio Inc
Dungog Community Radio Incorporated	Narrandera Community Radio
Gloucester Broadcasters Association Inc	Peak Hill FM
Inverell Community Radio Incorporated	Temora & District Community Radio
<b>VIC</b>	
Castlemaine District Radio Inc	Mitchell Community Radio
Kinglake Ranges Radio Inc	
<b>QLD</b>	
Bundaberg Community Broadcasting Association Inc	Tableland Christian Radio Association Inc.
Gin Gin Community Radio Inc	Tiaro Shire Council
Smithfield Community Radio.	
<b>SA</b>	
Radio Alexandrina Community Broadcasters Inc	Tribe FM Incorporated
Riverland Christian Radio	
<b>WA</b>	
Augusta Community Resource Centre	Hedland Community Radio Inc
Collie Community Broadcasting Association Inc	Mid West Aboriginal Media Association
Harvey Mainstreet Inc	Phoenix Radio Limited
<b>TAS</b>	
Derwent Valley Community Radio Inc	Meander Valley Community Radio Inc
<b>NT</b>	
Yolngu Radio	
<b>OTHER</b>	
Norfolk Island Radio	
Plains FM (New Zealand)	

# CBAA

## Member Listing

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COMMUNITY BROADCASTING ASSOCIATION OF AUSTRALIA LIMITED

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### Affiliate Members

<b>NSW</b>
Milton Ulladulla and Districts Community Radio Inc
Sydney Institute of TAFE
<b>QLD</b>
Queensland Police Citizens Youth Welfare Association
University of Southern Queensland
Queensland Remote Aboriginal Media
<b>NT</b>
Multilingual Broadcasting Council of the Northern Territory Inc
<b>TAS</b>
World Music Radio
<b>INTERNATIONAL</b>
Environmental Television (Nepal)