



COMMUNITY  
BROADCASTING  
ASSOCIATION OF  
AUSTRALIA

# Financial Report

30 June 2014

COMMUNITY BROADCASTING ASSOCIATION OF AUSTRALIA  
(A COMPANY LIMITED BY GUARANTEE)



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Front Cover: The Wire Team, Radio Adelaide – Ellie Cooper, Lovette Williams, Emily Erickson, Catherine Zengerer, Mateo Gagliardi and Alice Blackwood

Photo by Jordan Archer for Radio Adelaide at the Radio Adelaide studio.

# Corporate Information

## COMMUNITY BROADCASTING ASSOCIATION OF AUSTRALIA

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**Directors**

Adrian Basso  
Jonathan Brown  
Phillip Randall  
Jean Rau  
Peter Rohweder  
Melanie Withnall  
Natalie Pozdeev

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**General Manager**

Jon Bisset

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**Company Secretaries**

Jon Bisset  
Rhonda Byrne

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**Youth Representative**

Tahlia Azaria

17<sup>th</sup> Nov 2012 – 9<sup>th</sup> Jun 2014

**Women's Representative**

Mikaela Simpson

16<sup>th</sup> Nov 2013 - current

Anna Wheildon

19<sup>th</sup> Nov 2011 – 16<sup>th</sup> Nov 2013

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**Registered Office and  
Principal Place of Business**

Level 3  
44-54 Botany Road  
Alexandria NSW 2015

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**Auditors**

Escott Aston  
Chartered Accountants

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# Directors' Report

## COMMUNITY BROADCASTING ASSOCIATION OF AUSTRALIA

Your directors present this report on the company for the financial year ended 30 June 2014.

### Directors

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

DIRECTOR NAME	DATE APPOINTED	DATE OF CESSATION	ATTENDANCE	
			A	B
Adrian Basso	25 Nov 2007	Continuing	4	4
Jonathan Brown	23 Oct 2010	Continuing	3	4
Phillip Randall	15 Nov 2008	Continuing	3	4
Jean Rau	19 Nov 2011	Continuing	4	4
Peter Rohweder	26 Feb 2011	Continuing	4	4
Melanie Withnall	26 Aug 2011	Continuing	3	4
Natalie Pozdeev	17 Nov 2012	Continuing	4	4

**A** Number of meetings attended

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

### Principal Activities

Founded in 1974, the Community Broadcasting Association of Australia (CBAA) champions community broadcasting by building stations' capability and creating a healthy environment for the sector to thrive.

The CBAA is a cultural organisation established for the promotion of community broadcasting including both radio and television. The CBAA seeks to achieve this objective by:

- Supporting the development of community broadcasting in Australia;
- Promoting community participation in radio and television by:
  - (a) supporting the principle that community broadcasting should be controlled and operated at a local level by autonomous bodies; and
  - (b) promoting the principles of independence in programming, diversity of output, access to broadcasting by the community, the widest representation of viewpoints to give the fullest expression to the aspirations and culture of the Australian people, diversity in the organisation and structure of broadcasting and co-operation between community broadcasters; and

# Directors' Report

## COMMUNITY BROADCASTING ASSOCIATION OF AUSTRALIA

### Principal Activities *continued*

- Promoting community radio and television, by supporting community broadcasters in the following ways:
  - (a) providing a range of services to Members and other relevant organisations including information, legal, financial, technical, programming and staff training services;
  - (b) co-ordinating on a national level the efforts of Members and other relevant organisations having similar aims and objects;
  - (c) undertaking research on behalf of the community broadcasting sector;
  - (d) providing infrastructure and technology support services to the community broadcasting sector including transmission and content delivery infrastructure; and
  - (e) representing Members both nationally and internationally to government and other bodies;
- Enabling the promotion of the various arts which are promoted through community radio and television including music, performing arts, community art, film, visual arts and Aboriginal art;
- Encouraging the promotion and distribution of Australian music through The Australian Music Radio Airplay Project (AMRAP).
- Promoting the creation and distribution of radio programmes through the Community Radio Network, including news, talk, music and entertainment programmes.

### Members' Guarantee

As at the 30 June 2014, the CBAA had 268 member stations nationwide (2013: 267 members). 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 \$2,680 (2013 - \$2,670).

### Auditor's Independence

The auditor's independence declaration for the year ended 30 June 2014 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



Sydney

Dated 01/10/2014

# Directors' Report

## COMMUNITY BROADCASTING ASSOCIATION OF AUSTRALIA

Directors' and Representatives qualifications, experience and special responsibilities

NAME	QUALIFICATIONS AND EXPERIENCE	SPECIAL RESPONSIBILITIES
Adrian Basso	Qualifications: Bachelor of Accounting Experience: 16 years in community broadcasting	President
Phillip Randall	Experience: CEO of Hope Media Ltd. 37 years' experience in broadcasting including presentation, production, sales and management	Vice President
Melanie Withnall	Qualifications: Master of Arts (International Studies), Bachelor of Arts in Communication, International Studies Graduate Diploma in Commercial Radio Broadcasting Experience: 17 years in community broadcasting	Finance Director
Jonathan Brown	Qualifications: Bachelor of Media Experience: 9 years in community broadcasting	
Peter Rohweder	Qualifications: Associate Diploma, Business Accounting Experience: 20 years in community broadcasting	
Jean Rau	Qualifications: Certificate 3; Media, Professional volunteer Experience: 24 years in community broadcasting	
Natalie Pozdeev	Qualifications: Bachelor of Design (Visual Communications) Hon, Graduate Diploma Vocational Education & Training Experience: 13 years in Community Broadcasting, 9 years in education	
Mikaela Simpson	Qualifications: Certificate II in Media, Certificate III in Media (in progress) Experience: 2 years in community broadcasting	Women's Representative (from 17/11/2013)
Anna Wheildon	Qualifications: Graduate Certificate in Journalism Experience: 8 years in community broadcasting	Women's Representative (19/11/2011 - 16/11/2013)
Tahlia Azaria	Qualifications: Bachelor of Communication, Journalism. Masters of Business Administration (currently undertaking) Experience: 8 years in community broadcasting	Youth Representative (17/11/2013 - 09/06/2014)
Jon Bisset	Qualifications: Bachelor of Applied Science (PhysEd) Experience: 23 years managing not-for-profit organisations	Co-Secretary
Rhonda Byrne	Qualifications: Associate Diploma - Business, Marketing Experience: 3 years in not-for profit organisation	Co-Secretary

# Auditor's Independence Declaration

TO THE MEMBERS OF THE COMMUNITY BROADCASTING ASSOCIATION OF AUSTRALIA

We declare that, to the best of our knowledge and belief, during the year ended 30 June 2014 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

A handwritten signature in black ink, appearing to read 'Michael I Garcia', is written over a light grey rectangular background.

**MICHAEL I GARCIA**

Partner

(RIVERWOOD NSW 2210)

Dated 15 October 2014

# Statement of Comprehensive Income

for the year ended 30 June 2014

## COMMUNITY BROADCASTING ASSOCIATION OF AUSTRALIA

	Note	2014 \$	2013 \$
<b>REVENUE</b>	3	6,813,937	5,922,990
<b>EXPENSES</b>			
Membership services and sector projects		4,748,316	4,121,913
Employee and consultancy expenses		1,552,285	1,261,867
Depreciation and amortisation expense		25,358	32,406
Occupancy expense		146,877	118,836
Administration expenses		171,941	198,125
		-----	-----
Total expenses		6,644,777	5,733,147
		-----	-----
<b>Net surplus for the year</b>		169,160	189,843
Other comprehensive income		-	-
		-----	-----
<b>Total comprehensive income attributable to the members of the entity</b>		169,160	189,843
		=====	=====



# Statement of Financial Position

for the year ended 30 June 2014

## COMMUNITY BROADCASTING ASSOCIATION OF AUSTRALIA

	Note	2014 \$	2013 \$
<b>ASSETS</b>			
<b>Current assets</b>			
Cash assets	4	3,308,126	2,830,428
Trade and other receivables	5	460,086	478,180
Other assets	6	13,530	14,012
		-----	-----
Total current assets		3,781,742	3,322,620
		-----	-----
<b>Non-current assets</b>			
Property, plant & equipment	7	156,783	72,986
Intangibles	8	35,656	761
Other financial assets	9	100	100
		-----	-----
Total non-current assets		192,539	73,847
		-----	-----
<b>TOTAL ASSETS</b>		3,974,281	3,396,467
		=====	=====
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade and other payables	10	1,601,700	1,613,993
Government and other grants	11	1,128,349	732,111
Other current liabilities	12	93,762	66,297
Provisions	13	135,023	132,464
		-----	-----
Total current liabilities		2,958,834	2,544,865
		-----	-----
<b>Non-current liabilities</b>			
Provisions	13	17,531	22,846
		-----	-----
Total non-current liabilities		17,531	22,846
		-----	-----
<b>TOTAL LIABILITIES</b>		2,976,365	2,567,711
		=====	=====
<b>NET ASSETS</b>		997,916	828,756
		=====	=====
<b>FUNDS</b>			
Unrestricted funds		997,916	828,756
		=====	=====

# Statement of Changes in Funds

for the year ended 30 June 2014

## COMMUNITY BROADCASTING ASSOCIATION OF AUSTRALIA

	<b>Unrestricted Funds \$</b>
<b>Balance at 30 June 2009</b>	21,210
Total comprehensive income for the year Surplus attributable to members	535
	-----
<b>Balance at 30 June 2010</b>	<b>21,745</b>
	=====
Total comprehensive income for the year Surplus attributable to members	357,777
	-----
<b>Balance at 30 June 2011</b>	<b>379,522</b>
	=====
Total comprehensive income for the year Surplus attributable to members	259,391
	-----
<b>Balance at 30 June 2012</b>	<b>638,913</b>
	=====
Total comprehensive income for the year Surplus attributable to members	189,843
	-----
<b>Balance at 30 June 2013</b>	<b>828,756</b>
	=====
Total comprehensive income for the year Surplus attributable to members	169,160
	-----
<b>Balance at 30 June 2014</b>	<b>997,916</b>
	=====

# Statement of Cash Flows

for the year ended 30 June 2014

## COMMUNITY BROADCASTING ASSOCIATION OF AUSTRALIA

	Note	2014 \$	2013 \$
<b>Cash Flows from operating activities</b>			
Receipt of grants		6,696,579	4,660,544
Membership fees and activities		1,242,739	893,935
Interest received		56,783	70,994
Payment to suppliers and employees		(7,374,353)	(6,044,644)
		-----	-----
Net cash (used by)/generated from operating activities		621,748	(419,171)
		=====	=====
<b>Cash Flows from Investing Activities</b>			
Payments for property and equipment		(106,724)	(48,556)
Payments for intangibles		(37,326)	-
		-----	-----
Net cash flows used in investing activities		(144,050)	(48,556)
		-----	-----
Net increase/(decrease) in cash held		477,698	(467,727)
		-----	-----
Cash and cash equivalents at beginning of the financial year		2,830,428	3,298,155
		-----	-----
<b>Cash and cash equivalents at end of the financial year</b>		<b>3,308,126</b>	<b>2,830,428</b>
		=====	=====

# Notes to the Financial Statements

for the year ended 30 June 2014

## COMMUNITY BROADCASTING ASSOCIATION OF AUSTRALIA

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# Notes to the Financial Statements

for the year ended 30 June 2014

## COMMUNITY BROADCASTING ASSOCIATION OF AUSTRALIA

### 1 Corporate information

The financial statements of Community Broadcasting Association of Australia for the year ended 30 June 2014 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.

#### 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.

#### (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.

# Notes to the Financial Statements

for the year ended 30 June 2014

## COMMUNITY BROADCASTING ASSOCIATION OF AUSTRALIA

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

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

##### **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.

##### **Government funding**

A number of the company's programs are supported by grants received from the federal, state and local governments. If conditions are attached to a grant which must be satisfied before the company is eligible to receive the contribution, recognition of the grant as revenue is deferred until those conditions are satisfied.

Where a grant is received on the condition that specified services are delivered, to the grantor, this is considered a reciprocal transaction. Revenue is recognised as services are performed and at year-end until the service is delivered.

Revenue from a non-reciprocal grant that is not subject to conditions is recognised when the company obtains control of the funds, economic benefits are probable and the amount can be measured reliably. Where a grant may be required to be repaid if certain conditions are not satisfied, a liability is recognised at year end to the extent that conditions remain unsatisfied.

Where the company receives a non-reciprocal contribution of an asset from a government or other party for no or nominal considerations, the asset is recognised at fair value and a corresponding amount of revenue is recognised.

##### **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 2014

## COMMUNITY BROADCASTING ASSOCIATION OF AUSTRALIA

### 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:

Property, plant and equipment	4-10 years
Website, software and re-branding	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.

# Notes to the Financial Statements

for the year ended 30 June 2014

## COMMUNITY BROADCASTING ASSOCIATION OF AUSTRALIA

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

#### (f) Plant and equipment *continued*

##### **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.

#### (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 parental 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.



# Notes to the Financial Statements

for the year ended 30 June 2014

## COMMUNITY BROADCASTING ASSOCIATION OF AUSTRALIA

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

#### (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.

##### **Payroll tax**

The company is exempt from State payroll taxes.

#### (k) Financial Instruments

The Company's financial instruments consist mainly of deposits with banks, available for sale assets, and accounts receivable and payable.

##### **Initial Recognition & Measurement**

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions to the instrument. Financial Instruments are initially measured at fair value plus transaction costs, when the related contractual or obligations exist.

##### **Classification and Subsequent Measurement**

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest method, or cost. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, the cost method has been adopted.

#### (l) 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 2014

## COMMUNITY BROADCASTING ASSOCIATION OF AUSTRALIA

	Note	2014 \$	2013 \$
<b>3 Revenue</b>			
<b>From continuing operations</b>			
Membership fees		378,210	367,927
Grants received – CBF	3(A)	5,234,042	4,463,281
Grants received – APRA		15,000	15,000
Grants received – DOHA	3(A)	392,300	326,436
Grants received – Other		50,218	130,449
CRN, Conference and activities revenues		661,171	545,278
Other income		26,213	3,625
		-----	-----
		6,757,154	5,851,996
		-----	-----
<b>Other income</b>			
Interest received		56,783	70,994
		-----	-----
Total revenue and other income		6,813,937	5,922,990
		=====	=====
<b>3(A) Grant income reconciliation</b>			
<b>CBF Grants</b>			
Unexpended grants – 1 July		673,647	1,465,942
Grants received during the year		5,660,341	3,720,986
Grants returned during the year		(30,000)	(50,000)
Unexpended grants – 30 June		(1,069,946)	(673,647)
		-----	-----
CBF grant income		5,234,042	4,463,281
		=====	=====
<b>DOHA Grants</b>			
Unexpended grants – 1 July		58,464	352
Grants received during the year		392,239	384,548
Unexpended grants – 30 June		(58,403)	(58,464)
		-----	-----
DOHA grant income		392,300	326,436
		=====	=====

# Notes to the Financial Statements

for the year ended 30 June 2014

## COMMUNITY BROADCASTING ASSOCIATION OF AUSTRALIA

	Note	2014 \$	2013 \$
<b>4 Cash and cash equivalents</b>			
Cash at bank and on hand		3,308,126 =====	2,830,428 =====
The deposits are bearing floating interest rates between 0.01% and 2.35% (2013 – .010% and 3.50%).			
<b>5 Trade and other receivables</b>			
Trade receivables		34,064	80,768
Less: allowance for doubtful debts		(20,000)	(30,000)
		-----	-----
		14,064	50,768
Deposits		440,710	410,666
Net GST refundable		5,312	2,749
PPCA royalties		-	13,997
		-----	-----
		460,086 =====	478,180 =====
<b>6 Other current assets</b>			
Prepayments		13,530 =====	14,012 =====
<b>7 Property, plant and equipment</b>			
<b>Office furniture and equipment</b>			
Office furniture and equipment - at cost		740,799	667,015
Accumulated depreciation	2(f)	(612,770)	(594,029)
		-----	-----
Total office furniture and equipment		128,029 =====	72,986 =====
<b>Leasehold improvements</b>			
Leasehold improvements - at cost		40,782	7,843
Accumulated depreciation	2(f)	(12,028)	(7,843)
		-----	-----
Total leasehold improvements		28,754 =====	- =====

# Notes to the Financial Statements

for the year ended 30 June 2014

## COMMUNITY BROADCASTING ASSOCIATION OF AUSTRALIA

### 7 Plant and equipment continued

#### Reconciliation

Reconciliation of the carrying amount of plant and equipment at the beginning and end of the current financial year:

	Plant & Equipment	Leasehold Improvements	2014 Total
Carrying amount - 1 July	72,986	-	72,986
Additions	105,565	1,159	106,724
Reallocation	(31,780)	31,780	-
Depreciation	(18,742)	(4,185)	(22,927)
	-----	-----	-----
Carrying amount - 30 June	128,029	28,754	156,783
	=====	=====	=====

Note	2014 \$	2013 \$
------	---------	---------

### 8 Intangibles

#### Intangibles

Website and software - at cost		62,988	25,662
Accumulated amortisation	2(f)	(27,332)	(24,901)
		-----	-----
Total intangibles		35,656	761
		=====	=====

#### Reconciliation

Reconciliation of the carrying amount of Intangibles at the beginning and end of the current financial year:

Carrying amount - 1 July		761	3,502
Additions		37,326	-
Amortisation		(2,431)	(2,741)
		-----	-----
Carrying amount - 30 June		35,656	761
		=====	=====

# Notes to the Financial Statements

for the year ended 30 June 2014

## COMMUNITY BROADCASTING ASSOCIATION OF AUSTRALIA

	2014 \$	2013 \$
<b>9 Other financial assets</b>		
<b>Non-current</b>		
Available-for-sale financial assets - at cost	100 =====	100 =====
Financial assets comprise of 100 fully paid \$1 ordinary shares in Spots & Space Pty Limited		
<b>10 Trade and other payables</b>		
<b>Current</b>		
Trade creditors	1,569,799	1,310,383
Other creditors and accrued charges	31,901	289,613
PPCA liabilities	-	13,997
	----- 1,601,700 =====	----- 1,613,993 =====
<b>11 Government and other grants</b>		
<b>Current</b>		
Unexpended grants	1,128,349 =====	732,111 =====
<b>12 Other current liabilities</b>		
<b>Current</b>		
Income in advance	9,480	9,350
Unexpended project fees	84,282	56,947
	----- 93,762 =====	----- 66,297 =====
<b>13 Provisions</b>		
<b>Current</b>		
Annual leave	67,121	90,725
Long Service Leave	67,902	41,739
	----- 135,023 =====	----- 132,464 =====
<b>Non - Current</b>		
Long service leave	17,531 =====	22,846 =====

# Notes to the Financial Statements

for the year ended 30 June 2014

## COMMUNITY BROADCASTING ASSOCIATION OF AUSTRALIA

	2014 \$	2013 \$
<b>14 Commitments for expenditure</b>		
<b>Operating leases</b>		
<i>Leases as lessee</i>		
Minimum commitments are payable as follows:		
Within 1 year	97,705	97,705
Later than 1 years but not later than 5 years	195,411	293,116
	-----	-----
	293,117	390,821
	=====	=====

## 15 Related party transactions

The company's related parties transactions include its key management personnel and related entities as described below.

Unless otherwise stated, none of the transactions incorporate special terms and conditions and no guarantees were given or received. Outstanding balances are usually settled in cash.

### (a) Transactions with related entities

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

Where legal services have been provided by a director, these services were provided on a pro-bono basis and no remuneration was received.

### (b) Transactions with key management personnel

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the company, directly or indirectly, including any director (whether executive or otherwise) of that company is considered key management personnel.

Key management of the company is the General Manager, senior managers and non-executive members of the Board of Directors. Key management personnel remuneration includes the following expenses:

Total key management personnel remuneration	715,300	644,494
	=====	=====

## 16 Contingent liabilities

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

# Notes to the Financial Statements

for the year ended 30 June 2014

## COMMUNITY BROADCASTING ASSOCIATION OF AUSTRALIA

### 17 Other related party transactions

The directors and representatives of the company also hold management positions with affiliated member organisations as follows:

NAME	ROLE	AFFILIATED ORGANISATION	POSITION WITHIN ORGANISATION
Adrian Basso	President	Progressive Broadcasting Service (3PBS)	General Manager
Phillip Randall	Vice President	Hope Media Ltd (2CBA)	CEO
Melanie Withnall	Finance Director	Sydney Educational Broadcasting Ltd (2SER)	Managing Director
Jonathan Brown	Board Member	Student Youth Network Inc. (3SYN)	Education & Training Manager
Peter Rohweder	Board Member	Ethnic Broadcasting Association of QLD (4EB)	Station Manager
Jean Rau	Board Member	North West Community Radio Ass. Inc. (3NOW)	Treasurer
Natalie Pozdeev	Board Member	Australian Film & Television Radio School (AFTRS)	Head of Radio
Tahlia Azaria	Youth Representative	Student Youth Network Inc. (3SYN)	General Manager
Mikaela Simpson	Women's Representative	Central Australian Aboriginal Media Assoc. (8KIN)	Trainee Broadcaster / Journalist
Anna Wheildon	Women's Representative	Brisbane River Valley Radio (4BVR)	General Manager

Transactions between related parties are on normal terms and conditions no more favourable than those available to other persons unless otherwise stated.

The directors act in an honorary capacity and receive no compensation for their services. During the year, directors have been reimbursed for out-of-pocket expenses incurred on behalf of the company.

# Directors' Declaration

## COMMUNITY BROADCASTING ASSOCIATION OF AUSTRALIA

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

- (a) the financial statements and notes, set out on pages 8 to 23 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 2014 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



Sydney

Dated 01/10/2014



# Independent Audit Report

TO THE MEMBERS OF THE COMMUNITY BROADCASTING ASSOCIATION OF AUSTRALIA

## Report on the financial report

We have audited the accompanying financial report of Community Broadcasting Association of Australia (the company), which comprises the statement of financial position as at 30 June 2014 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.

# Independent Audit Report

TO THE MEMBERS OF THE COMMUNITY BROADCASTING ASSOCIATION OF AUSTRALIA

## 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 29 July 2014 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 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 2014 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



**MICHAEL I GARCIA**  
Partner

(RIVERWOOD NSW 2210)

Dated 15 October 2014