ETHNIC BROADCASTING ASSOCIATION OF QUEENSLAND LIMITED
TRADING AS RADIO 4EB

FINANCIAL REPORT
FOR THE YEAR ENDED
30TH JUNE 2017

ETHNIC BROADCASTING ASSOCIATION OF QUEENSLAND LIMITED

STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2017

	Note	2017 $	2016 $
Revenue	2	692,624	759,030
Employment Costs	3	378,603	365,672
Depreciation and Amortisation Expenses		34,260	48,063
Administrative & Other Expenses	4	266,247	247,270
Profit before income tax		13,514	98,025
Income Tax Expense		-	-
Profit for year		13,514	98,025
Other Comprehensive Income for the year, net of tax		-	-
Total Comprehensive Income for the year		13,514	98,025

The accompanying notes form part of this financial report.

ETHNIC BROADCASTING ASSOCIATION OF QUEENSLAND LIMITED

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2016

	Note	2017 $	2016 $
ASSETS			
Current Assets			
Cash and Cash Equivalents	5	1,413,997	1,416,645
Trade and Other Receivables	6	10,561	1,193
Inventories		3,852	3,852
Other Assets and Prepayments	7	45,449	4,254
Total Current Assets		1,473,859	1,425,944
Non Current Assets			
Property, Plant & Equipment	8	1,241,706	1,255,080
Other Assets	9	72,449	72,449
Total Non Current Assets		1,314,155	1,327,529
Total Assets		2,788,014	2,753,473
LIABILITIES			
Current Liabilities			
Trade and Other Payables	10	144,137	132,752
Employee Entitlements	11	77,857	67,240
Other Liabilities		930	-
Total Current Liabilities		222,924	199,992
Non-Current Liabilities			
Employee Entitlements	11	5,772	7,677
Total Non-Current Liabilities		5,772	7,677
Total Liabilities		228,696	207,669
Net Assets		2,559,318	2,545,804
EQUITY			
Retained Earnings		2,559,318	2,545,804
Total Equity		2,559,318	2,545,804

The accompanying notes form part of this financial report.

ETHNIC BROADCASTING ASSOCIATION OF QUEENSLAND LIMITED

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2017

	Retained Earnings $	Total $
Balance at 1 July 2015	2,447,779	2,447,779
Result for the year	98,025	98,025
Balance at 30 June 2016	2,545,804	2,545,804
Balance at 1 July 2016	2,545,804	2,545,804
Result for the year	13,514	13,514
Balance at 30 June 2017	2,559,318	2,559,318

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2017

	Note	2017 $	2016 $
Cash Flows from Operating Activities			
Cash Receipts in the course of operations		644,532	723,243
Cash Payments in the course of operations		(656,125)	(599,989)
Interest Received		29,830	32,092
Net Cash provided by/(used in) Operating Activities		18,237	155,346
Cash Flows from Investing Activities			
Payments for Property,Plant & Equipment		(20,885)	(31,538)
Net Cash provided by/(used in) Investing Activities		(20,885)	(31,538)
Cash Flows from Financing Activities		-	-
Net increase/(decrease) in cash and cash equivalents held		(2,648)	123,808
Cash and cash equivalents held at beginning of year		1,416,645	1,292,837
Cash and cash equivalents held at end of year	5	1,413,997	1,416,645

ETHNIC BROADCASTING ASSOCIATION OF QUEENSLAND LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial report covers Ethinc Broadcasting Association of Queensland Limited ("the Association") as an individual entity. The Association is a not-for-for profit Company limited by guarantee, incorporated and domiciled in Australia.

The principal activities of the Association during the year was the operation of a multicultural radio station catering for the ethnic communities of Brisbane.

The functional and presentation currency of the Association is Australian dollars.

Basis of Preparation

In the Directors opinion, the Association is not a reporting entity as there are unlikely to exist users of the financial report who are not able to command the preparation of reports tailored so as to satisfy specifically all of their information needs. This special purpose financial report has been prepared to meet the reporting requirements of the *Australian Charities and Not-for-profits Commission Act 2012* .

The financial statements have been prepared in accordance with the following Australian Accounting Standards and Accounting Interpretations - AASB 101 Presentation of Financial Statements, AASB 107 Statement of Cash Flows, AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors, AASB 1031 Materiality, AASB 1048 Interpretation and Application of Accounting Standards and AASB 1054 Australian Additional Disclosures.

The financial statements have been prepared on an accruals basis and are based on historical costs unless otherwise stated.

The financial statements were authorised for issue on 13 September 2017 by the directors.

The financial statements have been prepared on a going concern basis which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of busines.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

Summary of Significant Accounting Policies

The following is a summary of the material accounting policies adopted by the Association in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

(a) Income Tax

The Association is exempt from income tax under Division 50 of the Income Tax Assessment Act 1997.

(b) Revenue

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the Association and specific criteria relating to the type of revenue as noted below, has been satisfied.

Revenue is measured at the fair value of the consideration received or receivable.

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

Revenue is recognised on the transfer of goods to the customer as this is deemed to be the point in time when risks and rewards are transferred and there is no longer any ownership or effective control over the goods.

Grant Revenue

Grant revenue is recognised in the statement of profit or loss and other comprehensive income when the Association obtains control of the grant, it is probable that the economic benefits gained from the grant will flow to the Association and the amount of the grant can be measured reliably.

When grant revenue is received whereby the Association incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the statement of financial position as a liability until the service has been delivered to the contributor, otherwise the grant is recognised as income on receipt.

Interest Revenue

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

Summary of Significant Accounting Policies (cont'd)

(b) Revenue (cont'd)

Rendering of Services

Revenue in relation to rendering of services is recognised when the service is complete.

(c) Goods and Services Tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of GST.

The net amount of GST recoverable from or payable to the ATO is included as a current asset or liability in the statement of financial position.

Cash flows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

(d) Inventories

Inventories are measured at the lower of cost and net realisable value. Cost of inventory is determined using the first-in-first-out basis and is net of any rebates and discounts received.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the costs necessary to make the sale. Net realisable value is estimated using the most reliable evidence available at the reporting date and inventory is written down through a provision for obsolescence, if necessary.

Summary of Significant Accounting Policies (cont'd)

(e) Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost less any accumulated depreciation and impairment.

Depreciation

The depreciable amount of all fixed assets including buildings (except as stated) excluding freehold land is depreciated over their useful lives commencing from the time the asset is held ready for use. As no finite useful life for land can be determined, related carrying amounts are not depreciated.

The depreciation rates used for each class of depreciable assets are:

Buildings	2.5% PC to 4% PC
Motor Vehicles	25% DV to 40%DV
Plant & Equipment	10%DV to 50%DV

The depreciation method, useful life and residual value of each asset is reviewed annually. Any revisions are accounted for prospectively as a change in estimate.

(f) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks.

(g) Trade and Other Receivables

Receivables which comprise of amounts due for the sale of goods or services are recognised and carried at original invoice amount less an allowance for any uncollectible amounts. The carrying amount of the receivable is deemed to reflect fair value. An allowance for doubtful debts is made when there is objective evidence that the Association will not be able to collect the debts. Bad debts are written off when identified.

Summary of Significant Accounting Policies (cont'd)

(h) Employee Benefits

Provisions are made for employee benefits accumulated as a result of employees rendering services up to the reporting date. The benefits include annual leave and long service leave. Employee benefits that are expected to be settled within one year are classified as current and have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year have been measured on the same basis and classified to non-current. These are recorded on an undiscounted basis.

Superannuation is paid on behalf of employees based on statutory rates or employment contracts where applicable. Contributions are recognised as an expense as they become payable.

(i) Trade and Other Payables

Payables represent liabilities for goods and services provided to the Association before the end of the financial year that are unpaid. The carrying amount of payables is deemed to reflect fair value.

(j) Operating Expenses

Operating expenses are recognised in profit or loss upon utilisation of the service or at the date they were incurred.

(k) Critical Accounting Estimates and Judgements

Estimates and judgements incorporated into the financial report are based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Association. Actual results may differ from these estimates.

Summary of Significant Accounting Policies (cont'd)

(l) Provisions, Contingent Liabilities and Contingent Assets

Provisions are measured at the estimated expenditure required to settle the present obligations, based on the most reliable evidence available at the reporting date, including risks and uncertainties associated with the present obligation.

No liability is recognised if an outflow of economic resource as a result of a present obligation is not probable. Such situations are disclosed as a contingent liability unless the outflow of resources is remote in which case no liability is recognised.

(m) Adoption of new and revised accounting standards

The Association has adopted all the amendments to and new accounting standards which are relevant to and effective for the Association's financial statements for the year beginning 1 July 2016. None of these new standards or amendments have had a significant impact on the Association.

(n) Comparative figures

Where required comparative figures have been adjusted to conform with changes in presentation for the current financial year.

ETHNIC BROADCASTING ASSOCIATION OF QUEENSLAND LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

	2017 $	2016 $
Note: 2 REVENUE AND OTHER INCOME		
Grants	347,805	348,420
Donations Received	4,949	13,359
Sponsorships	132,127	123,989
Membership Dues	65,309	100,791
Radiothon	77,002	71,176
Interest	29,830	32,092
Other Income	35,602	69,203
Total	692,624	759,030
Note: 3 EMPLOYMENT COSTS		
The following expenses were classified as employment costs:		
Wages and Leave Accruals	345,996	334,143
Superannuation	31,556	30,032
Workcover	1,051	1,097
Staff Training	-	400
	378,603	365,672
Note: 4 ADMINISTRATIVE & OTHER EXPENSES		
The significant items in administrative and other expenses were:		
Electricity	31,803	27,905
Licenses, Fees & Charges	30,698	23,578
Printing & Stationery	22,412	22,646
Rates & Water Charges	48,094	42,036
Repairs & Maintenance	21,947	24,077
Note: 5 CASH AND CASH EQUIVALENTS		
NAB Cheque Account	86,275	104,568
Paypal Account	6,699	5,228
NAB Cash Maximiser Account	200,989	215,377
Public Trust Account	112,163	84,021
Cash on Hand	178	416
Term Deposits	1,007,693	1,007,035
Total	1,413,997	1,416,645

ETHNIC BROADCASTING ASSOCIATION OF QUEENSLAND LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

	2017 $	2016 $
Note: 6 TRADE & OTHER RECEIVABLES		
Trade Debtors	13,457	4,193
Other Debtors	104	-
Less Provision for doubtful debts	(3,000)	(3,000)
Total	10,561	1,193
Note: 7 OTHER ASSETS & PREPAYMENTS		
Deposits	1,200	1,200
Toll Account	42	54
GST Receivable	33,787	-
Prepayments	10,420	3,000
Total	45,449	4,254
Note: 8 PROPERTY PLANT & EQUIPMENT		
Land, Buildings & Improvements at Cost	1,136,992	1,121,833
Less Provision for Depreciation	(19,586)	(10,754)
Written Down Value	1,117,406	1,111,079
Plant & Equipment at Cost	727,839	722,112
Less Provision for Depreciation	(612,455)	(590,677)
Written Down Value	115,384	131,435
Motor Vehicles at Cost	71,476	71,476
Less Provision for Depreciation	(62,560)	(58,910)
Written Down Value	8,916	12,566
Total Property, Plant & Equipment at Cost	1,936,307	1,915,421
Less Provision for Depreciation	(694,601)	(660,341)
Written Down Value	1,241,706	1,255,080
Note: 9 OTHER NON-CURRENT ASSETS		
Investment in Broadcasting Park Pty Ltd	80,000	80,000
Investment in Community Digital Radio (Brisbane) Pty Ltd	500	500
Less Provision for Diminution in Value	(8,051)	(8,051)
Total	72,449	72,449

ETHNIC BROADCASTING ASSOCIATION OF QUEENSLAND LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

	2017 $	2016 $
Note: 10 TRADE & OTHER PAYABLES		
Trade Creditors	22,980	12,599
Superannuation	2,495	2,314
Funds held on behalf of Groups	114,466	107,052
PAYGW	4,196	4,338
GST Owing	-	6,449
Total	144,137	132,752
Note: 11 EMPLOYEE ENTITLEMENTS		
Current:		
Employee Benefits - Annual Leave	26,196	23,256
Employee Benefits - Long Service Leave	51,661	43,984
Total	77,857	67,240
Non Current:		
Employee Benefits - Long Service Leave	5,772	7,677
Note: 12 CASH FLOW INFORMATION		
Reconciliation of net income to net cash provided by operating activities		
Profit for Year	13,514	98,025
Add Non-Cash flows in profit		
Provision for employee entitlements	8,712	13,161
Depreciation & Balancing Charge Adjustments	34,260	37,419
Provision for doubtful debts	-	3,000
Provision for diminution in value	-	8,051
Changes in assets and liabilities		
(Increase)/Decrease in trade and other receivables	(9,369)	10,667
(Increase)/Decrease in other assets	(7,408)	(3,018)
Increase (Decrease) in trade and other payables	(22,402)	(4,840)
Increase (Decrease) in other liabilities	930	(7,119)
Cashflow from operations	18,237	155,346

ETHNIC BROADCASTING ASSOCIATION OF QUEENSLAND LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

Note: 13 AUDITORS REMUNERATION

The auditors remuneration is included in administrative and other expenses and consisted of the following:

Audit Fee	6,000	7,000
Other Services	600	-
Total	6,600	7,000

The auditor received no other benefits.

Note: 14 MEMBERS' GUARANTEE

The Association is a Company limited by guarantee. If the Association is wound up, the constitution states that each member is required to contribute a maximum of $10 each towards meeting any outstandings and obligations of the Association. At 30 June 2017, the number of members was 4,464 (2016: 3,166).

Note: 15 RELATED PARTY DISCLOSURES

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated. The directors are reimbursed for expenses incurred on behalf of the Association.

The Association has a 20% interest in Broadcasting Park Pty Ltd which provides transmission facilities and equipment services to the Association at cost. Payments made to Boadcasting Park Pty Ltd during the year amounted to $ 19,022 (2016 - $ 9,402).

Note: 16 CONTINGENCIES

In the opinion of the directors, the Asocition did not have any contingent liabilities that are likely to have a material effect on the results of the Association as disclosed in the financial statements.

Note: 17 POST BALANCE DATE EVENTS

No adjusting or significant non-adjusting events have occurred between the balance date and the date of authorisation of these financial statements.

Note: 18 ECONOMIC DEPENDENCE

The Association is dependent upon the ongoing receipt of Government grants to ensure the ongoing continuance of its programs. At the date of this report management has no reason to believe that this financial support will not continue.

Note: 19 ASSOCIATION DETAILS

The registered office of and principal place of business of the Association is:
Ethnic Broadcasting Association of Queensland Limited
140 Main Street, Kangaroo Point. Qld, 4169

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AUDITOR'S INDEPENDENCE DECLARATION

TO THE DIRECTORS OF

ETHNIC BROADCASTING ASSOCIATION OF QUEENSLAND LIMITED

In accordance with the requirements of section 60-40 of the Australian Charities and Not for Profits Commission Act 2012, as auditor of Ethic Broadcasting Association of Queensland Limited for the year ended 30 June 2017, I declare that to the best of my knowledge and belief there have been:

1. No contraventions of the auditor independence requirements of section 60-40 of the Australian Charities and Not or Profits Commission Act 2012 in relation to the audit; and

2. No contraventions of any applicable code of professional conduct in relation to the audit.

THE MATADOR GROUP

Nicholas Valassakis

NICHOLAS VALASSAKIS

Brisbane 13th **day of** SEPTEMBER **2017**

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ETHNIC BROADCASTING ASSOCIATION OF QUEENSLAND LIMITED

DIRECTORS' DECLARATION

The directors have determined that the Association is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

In the opinion of the directors of the Association:

1) At the date of this statement, there are reasonable grounds to believe that the Association will be able to pay its debts as and when they fall due and payable; and

2) The financial statements and notes satisfy the requirements of the *Australian Charities and Not-for-profits Commission Act 2012* .

Signed in accordance with subsection 60.15(2) of the *Australian Charities and Not-for-profits Regulation 2013* .

Minas Cassimatis
Director

Nick Dmyterko
Director

Dated at Brisbane this 13th day of September 2017

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ETHNIC BROADCASTING ASSOCIATION OF QUEENSLAND LIMITED

Report on the Financial Report

Opinion

I have audited the financial report, being a special purpose financial report, of Ethnic Broadcasting Association of Queensland Limited ("the Association") which comprises the statement of financial position at 30 June 2017, the statement of profit or loss and other comprehensive income, statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the Responsible Persons' declaration.

In my opinion, the financial report of Ethic Broadcasting Association of Queensland Limited has been prepared in accordance with Division 60 of the Australian Charities and Not for Profits Commission Act 2012, including

1. Giving a true and fair view of the Association's financial position as at 30 June 2017 and of its financial performance for the year then ended on that date; and

2. Complying with Australian Accounting Standards to the extent described in Note 1 and Division 60 of the Australian Charities and Not for Profits Commission Regulation 2013.

Basis for Opinion

I have conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of my report. I am independent of the Association in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for our audit opinion.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ETHNIC BROADCASTING ASSOCIATION OF QUEENSLAND LIMITED

Emphasis of Matter - Basis of Accounting

I draw attention to note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the Association's financial reporting requirements under the Australian Charities and Not for Profits Commission Act 2012 (ACNC Act). As a result the financial report may not be suitable for another purpose. My opinion is not modified in respect of this matter.

The Directors' Responsibility for the Financial Report

The directors are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 is appropriate to meet the requirements of the ACNC Act and the needs of the members. The directors' responsibilities also include such internal control as the directors determine is necessary to enable the preparation of a financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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

The directors are also responsible for overseeing the Association's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Report

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

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Association's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Association's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Association to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide the directors with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

THE MATADOR GROUP

Nicholas Valassakis

NICHOLAS VALASSAKIS

Dated at Brisbane this 13th day of SEPTEMBER 2017