

## **Report on the Audit of the Financial Report**

### **Opinion**

We have audited the financial report of MALLEE COMMUNITY BROADCASTERS INCORPORATED (the association), which comprises the Statement by Members of the Committee, Income and Expenditure Statement, Balance Sheet as at 30 June 2019, a summary of significant accounting policies and the certification by members of the committee on the annual statements giving a true and fair view of the financial position and performance of the association.

In our opinion, the accompanying financial report presents fairly, in all material respects, the financial position of the association as at 30 June 2019 and [of] its financial performance for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements and the requirements of the Associations Incorporation Reform Act 2012.

### **Basis for Opinion**

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are 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 our audit of the financial report in Australia. We have also fulfilled our ethical responsibilities in accordance with the Code.

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

### **Emphasis of Matter – Basis of Accounting**

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist the association to meet the requirements of Associations Incorporation Reform Act 2012. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

### **Responsibilities of the Committee for the Financial Report**

The committee is responsible for the preparation and fair presentation of the financial report in accordance with the financial reporting requirements of the Associations Incorporation Reform Act 2012 and for such internal control as the committee determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the committee is 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 committee either intends to liquidate the association or to cease operations, or has no realistic alternative but to do so.

## **Auditor's Responsibilities for the Audit of the Financial Report**

**Independent Auditor's Report to the Members**

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Our 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 our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the 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 this financial report.

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We 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 committee.
- Conclude on the appropriateness of the committee's 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 we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our 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.

We communicate with the committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Signed on 15 October, 2019:



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Michael J TAYLOR, FIPA, FFA

Mike Taylor Accounting

1 Sadlier Street, LOXTON SA 5333


**Mallee Community Broadcasters Inc.**

**Committee Statement**

In the opinion of the committee the financial report as set out:


- (a) Presents fairly the financial position of Mallee Community Broadcasters Incorporated as at 30th June 2019 and its performance for the year ended on that date in accordance with Australian Accounting Standards, mandatory professional reporting requirements and other authoritative pronouncements of the Australian Accounting Standards Board.
- (b) At the date of this statement, there are reasonable grounds to believe that Mallee Community Broadcasters Incorporated will be able to pay its debts as and when they fall due.

This statement is made in accordance with a resolution of the committee and is signed for and on behalf of the committee by:



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President



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Secretary/Treasurer

13<sup>th</sup> August 2019.



**MALLEE COMMUNITY BROADCASTERS INCORPORATED ABN 46 337 038 056****Income and Expenditure Statement****For the year ended 30 June 2019**

	2019 \$	2018 \$
<b>Income</b>		
Donations	1,045	6,330
Fundraising	529	865
Insurance Recoveries	1,725	
Interest Received	14	146
Memberships	775	825
Sponsorship	2,822	3,535
Rent Received	6,421	6,543
Total income	13,332	18,244
<b>Expenses</b>		
Advertising	254	24
Audit Fees	495	495
Bank & Card Fees	9	
Computer Software & Expenses		462
Depreciation	11,654	14,573
Finance Expenses		50
Internet	751	717
Insurance	873	829
Licences, Permits & Memberships	2,626	2,564
Light & Power	6,700	6,734
Office Expenses	119	964
Program Costs	2,510	2,400
Repairs & Maintenance	167	176
Replacement Equipment	760	
Sundry Expenses	137	112
Total expenses	27,055	30,101
<b>Profit (loss) from ordinary activities before income tax</b>	<b>(13,724)</b>	<b>(11,858)</b>
Income tax revenue relating to ordinary activities		
<b>Net profit (loss) attributable to the association</b>	<b>(13,724)</b>	<b>(11,858)</b>
<b>Total changes in equity of the association</b>	<b>(13,724)</b>	<b>(11,858)</b>

To be read in conjunction with the attached Auditor's Report.

**MALLEE COMMUNITY BROADCASTERS INCORPORATED ABN 46 337 038 056**

**Income and Expenditure Statement**

**For the year ended 30 June 2019**

	<b>2019</b>	<b>2018</b>
	<b>\$</b>	<b>\$</b>
Opening retained profits	(21,316)	(9,459)
Net profit (loss) attributable to the association	<u>(13,724)</u>	<u>(11,858)</u>
<b>Closing retained profits</b>	<b><u>(35,040)</u></b>	<b><u>(21,316)</u></b>

**MALLEE COMMUNITY BROADCASTERS INCORPORATED ABN 46 337 038 056****Detailed Balance Sheet as at 30 June 2019**

	Note	2019 \$	2018 \$
<b>Current Assets</b>			
<b>Cash Assets</b>			
Bendigo Bank a/c		2,598	4,656
Debit Card			12
Petty Cash		150	150
		<u>2,748</u>	<u>4,817</u>
<b>Total Current Assets</b>		<u><b>2,748</b></u>	<u><b>4,817</b></u>
<b>Non-Current Assets</b>			
<b>Property, Plant and Equipment</b>			
Plant & Equipment - at Cost		26,433	38,087
		<u>26,433</u>	<u>38,087</u>
<b>Total Non-Current Assets</b>		<u><b>26,433</b></u>	<u><b>38,087</b></u>
<b>Total Assets</b>		<u><b>29,181</b></u>	<u><b>42,905</b></u>
<b>Net Assets</b>		<u><b>29,181</b></u>	<u><b>42,905</b></u>
<b>Members' Funds</b>			
<b>Issued Capital</b>			
Issued & paid up capital		1,462	1,462
<b>Reserves</b>			
Reserves		62,759	62,759
Accumulated surplus (deficit)		<u>(35,040)</u>	<u>(21,316)</u>
<b>Total Members' Funds</b>		<u><b>29,181</b></u>	<u><b>42,905</b></u>

To be read in conjunction with the attached Auditor's Report.

Tank	1,455.00	12/08/09	1,455	0.00	373	0	0	373	D	37.50	140	0	233
2009/10 Additions	595.00	01/07/09	595	0.00	0	0	0	0	D	37.50	0	0	0
Dell Optiplex Computer	1,650.00	21/09/10	1,650	0.00	273	0	0	273	D	37.50	102	0	171
Dell Precision Computer	2,215.00	28/09/10	2,215	0.00	368	0	0	368	D	37.50	138	0	230
Portable Recorders	386.00	09/09/11	386	0.00	0	0	0	0	D	37.50	0	0	0
Air Conditioner TX Site	1,155.00	16/09/11	1,155	0.00	236	0	0	236	D	37.50	88	0	148
Computers	2,940.00	18/07/12	2,940	0.00	13	0	0	13	D	37.50	5	0	8
CD Player	408.00	20/02/13	408	0.00	26	0	0	26	D	37.50	10	0	16
Rack Cabinet	443.58	26/02/18	444	0.00	361	0	0	361	D	37.50	135	0	226
Computer & Equipment	504.64	27/04/18	505	0.00	410	0	0	410	D	37.50	154	0	256
4 Channel CCTV	399.00	27/03/18	399	0.00	324	0	0	324	D	37.50	121	0	203
Computer & Equipment	821.21	05/12/17	821	0.00	667	0	0	667	D	37.50	250	0	417

**Pool : General Pool**

Plus the taxable use percentage of assets allocated to the pool for the income year

Less deduction for the decline in value of depreciating assets allocated to the pool for the income year

### Closing Value of the Pool

## BROADCASTING EQUIPMENT

Plant & Equipment	107,992.00	01/07/08	107,992	0.00	16,893	0	0	16,893	D	30.00	5,068	0	11,825
2008/09 Additions	10,909.00	30/06/09	10,909	0.00	3,476	0	0	3,476	D	30.00	1,043	0	2,433
STL Installation	2,022.00	12/08/09	2,022	0.00	650	0	0	650	D	30.00	195	0	455
100 Watt FM Transmitter (Ouyen)	2,705.00	27/04/11	2,705	0.00	983	0	0	983	D	30.00	295	0	688
STL Microwave Radio Link	4,303.00	12/08/11	4,303	0.00	1,422	0	0	1,422	D	30.00	427	0	995
Studio STL TX	2,060.00	22/10/14	2,060	0.00	926	0	0	926	D	30.00	278	0	648
Equipment Additions 2016/17	7,150.00	30/06/17	7,150	0.00	4,255	0	0	4,255	D	30.00	1,276	0	2,979
PA Mixer, USB Audio & Recording Equip	1,141.51	12/12/17	1,142	0.00	971	0	0	971	D	30.00	291	0	680
FM Audio Processor	5,416.16	13/12/17	5,416	0.00	4,604	0	0	4,604	D	30.00	1,381	0	3,223
Antenna - Lameroo Site	1,012.00	06/06/18	1,012	0.00	860	0	0	860	D	30.00	258	0	602



**MALLEE COMMUNITY BROADCASTERS INC.**  
**Notes to the Financial Statements**  
**For the year ended 30 June 2019**

2019

2018

**Note 1: Statement of Significant Accounting Policies**

This financial report is a special purpose financial report prepared in order to satisfy the financial reporting requirements of the Associations Incorporations Act. The committee has determined that the association is not a reporting entity.

The report has been prepared in accordance with the requirements of the Associations Incorporation Act and the following Australian Accounting Standards:

AASB 101: Presentation of Financial Statements

AASB 110: Events after the Balance Sheet Date

AASB 1031: Materiality

No other Australian Accounting Standards or other authoritative pronouncements of the Australian Accounting Standards Board have been applied.

The financial report has been prepared on an accruals basis and is based on historic costs and does not take into account changing money values, or except where specifically stated, current valuations of non-current assets.

The following specific accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of this financial report:

**(a) Investments**

Investments are initially measured at cost on trade day, which includes transaction costs, when the related contractual rights or obligations exist. Subsequent to initial recognition these instruments are measured as set out below.

All investments are classified as available-for-sale financial assets. Available-for-sale financial assets are reflected at fair value unless the fair value cannot be reliably measured. Unrealised gains and losses arising from changes in fair value are taken directly to equity.

**Note 2: Contingent Liabilities**

At 30<sup>th</sup> June 2019, the Committee is unaware of any liability, contingent or otherwise, which has not already been recorded elsewhere in this report.

**Note 3: Capital Commitments**

At 30<sup>th</sup> June 2019, the Committee is unaware of any capital or leasing commitments, which has not already been recorded elsewhere in this report.

**To be read in conjunction with  
the attached Auditor's Report**

**MALLEE COMMUNITY BROADCASTERS INC.**  
**Notes to the Financial Statements**  
**For the year ended 30 June 2019**

2019

2018

**Note 4: Events Subsequent to Reporting Date**

Since the end of the financial year, the committee is unaware of any event subsequent to the reporting date that would have a material impact on this financial report.

**Note 5: Related Parties**

The names of the Committee members who have held office during the period are:

- John Ramke – President
- Max Wurfel – Secretary/Treasurer
- Peter Hooper
- John Heintze
- Christine Heintze

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties.

To be read in conjunction with  
the attached Auditor's Report