

Eastern Community Broadcasters inc
ABN 85174748127

Committee's Report

Your committee members submit the financial report of Eastern Broadcasters Inc.
(Non-reporting)for the year ended 30 June 2020.

Committee Members

Ray Lawrence	Norm Wright
Lyn Woods	Julia Zammit
Andrew Conway	Everett Hargreaves
Murray Smith	Keith Jessup

Principal Activities

The principal activities of the entity over the past twelve months has been the provision of a community radio service in the outer east of Melbourne serving the municipalities of Maroondah, Yarra Ranges, Manningham, Whitehorse and Knox.

The entity operates a community radio broadcast public license which was granted originally by the Australian Broadcasting Authority (ABA, now Australian Communications and Media Authority) in February 1991.

As a not-for-profit entity, the Committee of Management has also been bound by the rules associated with the Australian Not-for-profit and Charities Commission.

The entity operates 24 hours a day, 7 days per week and is manned entirely by volunteers for both on and off air support.

The Committee of Management have continued to adopt an accrual basis of accounting in order to prepare these financial statements.

An assessment of the carrying value of Fixed Assets, based on the fair value concept, is undertaken every two years and an impairment adjustment taken up, as appropriate, in order to reflect their carrying value. The next assessment will be undertaken in June 2021.

In determining the carrying value of the Fixed Assets cognisance has been taken of their condition and current replacement cost, the number of years for which they have been in use and the number of remaining years for which they are expected to have a useful economic life.

Operating Result

The surplus for the 2020 financial year amounted to \$22062.12

Signed in accordance with a resolution of the members of the committee.



.....
Keith Jessup (President)



.....
Andrew Conway (Secretary)

Dated this... Seveth day October 2020

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Statement of Comprehensive Income for the twelve months ended 30 June 2020

	Note	<u>2020</u>	<u>2019</u>
Income			
Sponsor Income Fees	9	67142.00	71616.24
Religious Program Sponsorships	10	12571.92	12571.92
Membership Fees	11	13174.62	9160.46
Radiothon	12	5978.72	
Training Fees-Other		175.00	200.00
Donations Received		2295.52	2236.36
Sale of Equipment		312.00	4250.00
Interest		1486.61	2313.03
Total		<u>103136.39</u>	<u>102348.01</u>
Expenditure			
Advertising		3846.80	5651.28
Amortisation- Leasehold Improvements		5704.09	5704.09
Audit Fee		300.00	1960.00
Bank Charges		221.51	218.86
Commission Paid		3138.90	4799.80
Depreciation-Equipment		22806.71	20580.23
Employee Amenities		721.20	874.69
Impairment Charge(+)write back(-)			(8,371.85)
Insurance		5295.65	5533.48
Internet Costs		0.00	577.83
Licences & Permits		5586.77	5976.48
Light,Heat and Power		7748.10	8047.86
Loss(+)Gain(-) on Disposal of Fixed Assets		640.00	800.00
Postage		1548.70	1707.65
Printing and Stationery		2880.31	2158.12
Program Costs		2615.00	4464.86
Repairs/Maintenance		2980.57	3101.33
Rent		9829.60	9429.10
Survey-CBAA		435.00	
Telephone		4775.36	4011.05
Total		<u>81074.27</u>	<u>77224.86</u>
Current Year Surplus		<u>22062.12</u>	<u>25123.15</u>

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Statement of Financial Position as at 30 June 2020

	<u>Note</u>	<u>2020</u>	<u>2019</u>
Assets			
Current Assets			
Cash on Hand	6	161800.79	138695.76
Receivables	2	7624.00	10656.66
Prepaid Expenses	3	2405.00	3318.00
Total Current Assets		<u><u>171829.79</u></u>	<u><u>152670.42</u></u>
Non -Current Assets			
Property,Plant and Equipment	4	135959.26	133380.30
Total Non-Current Assets		<u><u>135959.26</u></u>	<u><u>133380.30</u></u>
Total Assets		<u><u>307789.05</u></u>	<u><u>286050.72</u></u>
Liabilities			
Current Liabilities			
Accounts Payable and Other Payables		8267.44	16926.23
Deferred Income	5	32211.66	28576.66
Advance Payments		5,951.12	451.12
Provision for Audit Fee		1100.00	1900.00
Total Current Liabilities		<u><u>47530.22</u></u>	<u><u>47854.01</u></u>
Total Liabilities		47530.22	47854.01
Net Assets		<u><u>260258.83</u></u>	<u><u>238196.71</u></u>
MEMBERS' Funds			
Retained Surplus	8	<u><u>260258.83</u></u>	<u><u>238196.71</u></u>

Notes to the Financial Statements

Note 1 Summary of Significant Accounting Policies

The financial statements are special purpose financial statements prepared in order to satisfy the financial reporting requirements of the Association Incorporation Act(Vic). The committee has determined that the association is not a reporting entity.

The financial statements have been prepared on an accrual basis and are based on historic costs and do not take into account changing money values or,except where stated specifically,current valuations of non-current assets.

The following significant accounting policies,which are consistent with the previous period unless stated otherwise,have been adopted in the preparation of these financial statements.

(a) Property,Plant and Equipment(PPE.)

All equipment is depreciated over the expected useful life life of the asset,to the association,commencing from the time that the asset is held and ready for use.

Equipment is are carried at cost less the applicable depreciation and impairment charges that have been taken up in order to reflect the assets at their appropriate carrying value.

Leasehold improvements are amortised over the estimated useful life of the improvements,on the basis that their estimated life will not exceed the expected minimum period that the association is expected to lease the facility for into the future.

(b) Cash on Hand

Cash on hand includes current and deposit accounts held with banks.

(c) Accounts Receivable

Accounts receivable represent fees due from sponsors and organisations who have contracted to utilise and or have access to the Associations facilities.

(d) Revenue and Other Income

Revenue is measured at the face value of the consideration received or the receivable that is taken up but, only to the extent that the consideration represents value that was earned in the current period.Any consideration that represents value that pertains to future periods is carried forward as Deferred Income.

(e) Expenses

Expenses are taken up in the period during which they are incurred

(f) Interest Expense

Interest on long term loan repayment contracts is capitalised at the commencement of the contract and then amortised over the life of the loan at a rate that reflects the effective interest rate of the loan.

Notes to the Financial Statements

(g) Operating Leases

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

(h) Goods and Services Tax(GST)

Revenues, expenses, assets and liabilities are recognised inclusive of the amount of GST.

(l) Accounts Payable and Other Payables

Accounts payable and other payables represent the liability outstanding at the end of the reporting period for goods and services provided to the association during the reporting period that remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

	<u>2020</u>	<u>2019</u>
Note 2 Receivables		
Amounts due for Sponsorship Fees	5399.00	4497.00
Amounts due for Religious Program Sponsorships	1693.00	2109.66
Amounts due for Equipment sold		3500.00
Interest accrued on Fixed Deposits	532.00	550.00
	<u>7624.00</u>	<u>10656.66</u>
Note 3 Prepaid Expenses		
APRA Fees -portion attributable to 2020/21	1100.00	1410.00
Insurance-portion attributable to 2020/21	870.00	864.00
YVW Rent-portion attributable to 2020/21		29.00
CBAA Membership-Subscriptions for 2019/20		
Commission paid for 2019/20		
AVG License Fee-portion attributable to 2019/20	435.00	1015.00
	<u>2405.00</u>	<u>3318.00</u>
Note 4 Property, Plant and Equipment and Leasehold Improvements		
Equipment and Office Furniture-at Cost	248461.97	232300.89
Less Accumulated Depreciation and Impairments	<u>(128,664.31)</u>	<u>(125,517.60)</u>
	<u>119797.66</u>	<u>106783.29</u>
Upgrades in Progress		<u>4731.32</u>
Leasehold Improvements	57040.91	57040.91
Less Amortisation	<u>(40,879.31)</u>	<u>(35,175.22)</u>
	<u>16161.60</u>	<u>21865.69</u>
Totals	<u>135959.26</u>	<u>133380.30</u>

Notes to the Financial Statements

		2020.00	2019
Note 5	Deferred Income		
	Sponsorship Fees paid in advance	12 24658	21191
	Religious Program Sponsorships paid in advance	13 2109.66	2109.66
	Membership Fees paid in advance	14 5444	5276
		<u>32211.66</u>	<u>28576.66</u>
Note 6	Cash on Hand		
	Cash at Bank-unrestricted	161800.79	138695.76
	Cash at Bank- Restricted		
	Total Cash on Hand	<u>161800.79</u>	<u>138695.76</u>
Note 7	Cash Flow Information		
	Reconciliation of Cash		
	Total Cash on Hand at beginning of year	138695.76	131856.52
	Total Cash on Hand at end of year	161800.79	138695.76
	Net increase/decrease() in Cash Holdings	<u>23105.03</u>	<u>6839.24</u>
	Reconciliation of Cash Flows		
	Surplus(+)Deficit(-)Loss from ordinary activities	22062.12	25123.15
	Non-cash flows included in loss from ordinary activities	29150.80	18712.47
	Depreciation	22806.71	20580.23
	Impairment Charge(+)write back(-)		-8371.85
	Loss on Disposal of Fixed Assets	640.00	800.00
	Amortisation	5704.09	5704.09
	Cash flow attributable to working capital funding of ordinary activities.	3,621.87	1,333.05
	Decrease(+)Increase(-) in Receivables and Prepaid Expenses	3945.66	(3,462.70)
	Decrease(-)Increase(+) in Accounts Payable and Other Payables	(8,658.79)	10719.29
	Increase(+)Decrease(-) in Provisions	(800.00)	60.00
	Increase(+)Decrease(-) in Advance Payments	5,500.00	(5,503.88)
	Decrease(-)Increase(+) in Deferred Income	3635.00	(479.66)
	Total Cash Flow from ordinary activities	54,834.79	45,168.67
	Cash Outflow from Investing Activities	(31,729.76)	(38,329.43)
	Equipment upgrades	<u>(31,729.76)</u>	<u>-38329.43</u>
	Total Net Cash Outgoings	54834.79	0.00
		<u>23,105.03</u>	<u>6,839.24</u>

Notes to the Financial Statements

		<u>2020</u>	<u>2019</u>
Note 8	Retained Fund at beginning of year	238196.71	213073.56
	Operating Surplus for the year	22062.12	25123.15
	Retained Fund at end of year	<u>260258.83</u>	<u>238196.71</u>
Note 9	Sponsor Income Fees	70609	70046
	Deduct Sponsorships paid in advance	24658	21191
	Add sponsorship income brought forward from from prior year	21191	22761.24
		<u>67142</u>	<u>71616.24</u>
Note 10	Religious Program Sponsorships	12571.92	12571.92
	Deduct Sponsorships paid in advance	2109.66	2109.66
	Add sponsorship income brought forward from from prior year	2109.66	2109.66
		<u>12571.92</u>	<u>12571.92</u>
Note 11	Membership Fees	13342.62	10251.04
	Deduct Membership Fees paid in advance	5444	5276.00
	Add Membership Income Fees brought forward from from prior year	5276.00	4185.42
		<u>13174.62</u>	<u>9160.46</u>
Note 12	Income from Radiothon	5978.72	
	Deduct Expenses Incurred		
		<u>5978.72</u>	