

RPH
AUSTRALIA



the radio reading network

ANNUAL REPORT

2016-2017

RPH AUSTRALIA CO-OPERATIVE LTD

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RPHA Business planning context

Key challenges facing RPHA

The RPHA network operates within a dynamic and rapidly changing operating environment that continues to impact our Member's services and operations. Dramatic changes to availability of digital technology and mass customisation of spoken work media; constant pressure to reduce reliance on government grants and increase sponsorships, new national public policy (NDIS) initiatives and local programming, volunteer communications and management pressures, all present daily operational challenges for the sector, and our Members.

RPHA strategic directions 2017-2019

A refocus on Member's services

Informed by deliberations with our Member's during mid 2016 to early 2017, the RPHA Board has formed the view that a disconnect between Member's and their peak body has emerged. An earlier culture of collaboration, effective communication and resource sharing between RPH Members themselves, and with the RPHA, is at real risk of deteriorating beyond repair. The purpose and role of RPHA as a peak body therefore needs to be redefined and reimagined.

The RPHA Board has identified that significant changes are required for the RPH network to be sustained into the future, and Members need to be at the core of this change.

Increased and deeper Member engagement, as illustrated by their willing and eager participation within our wider network, will improve business performance, reduce their risks, increase operational efficiency and maximise positive impacts for listeners and assist in easier local decision making.

The RPHA Board is also of the view that over time, there has been a diminishing understanding of the strength of the RPHA co-operative structure and the unrealised benefits available from full participation in this model. A refresh of the co-operative model is required.

RPHA Board acknowledges that it must provide best practice governance in a manner expected of contemporary not-for-profit organisations, and in a manner, that is designed to deliver on its agreed core business focus. This evolution will require continual improvements to governance and communications – a process which commenced in 2016 with the appointment of an independent executive officer.

In order to maximise efficiency in local service delivery by our Members and to maximise community impact and to sustain and grow each organisation in the RPH Network, RPHA will change its business and cultural focus.

The 2017-2019 period will see RPHA pivot from being a passive 'administrative necessity', to one of an active facilitator of positive change in the sector and our network; as providers of tools to assist our members be their best; deploying new process and system development to streamline operations and maximise positive impact on a national and local scale.

In short, RPHA and its Board will now singularly refocus to support Member's and their operations.

To drive this pivot towards increased support Member's business and operational needs, RPHA will refocus its role as a high performing industry peak body and facilitator of change by delivering:

1. Support for each Member by providing high quality information, tools and communication services
2. The design and delivery of a coordinated industry and stakeholder advocacy program at a national level
3. Industry and national leadership and cross sector participation

Ongoing foundation priorities

To fully support RPH Australia in its endeavours and efforts to sustain the membership in years ahead a number of core business functions are mandatory, and will provide the foundation for the Strategic goals for the ensuing three years.

Discussions since mid-2016 have been maintained in order that focus has been kept on three key governance needs for the organisation:

1. Constitutional Review – a necessary task to update the Rules and bring RPHA and its membership into line with current legislative and co-operative requirements of the Co-Operative Registrar.
2. Board and operational Governance – significant work has been done to develop and adopt a number of core Policies and procedures. Further policy development has been identified and will be undertaken ongoing to ensure the organisation has the governance structure it requires.
3. Financial Management and Accountability – to maintain accountability with our funding partners and ensure our systems support our business.

Work continues on the core functional priorities of RPH Australia creating a strong foundation for the work ahead.

2017-2019 Strategic goals

This pivot of focus for RPHA will be delivered through the following strategic goals for 2017-2019:

1. To strengthen and enhance the RPHA current Co-operative model
2. To reaffirm our commitment to being a member centred organisation
3. To facilitate and lead a national conversation about the future of our sector
4. To ensure we remain relevant to our member's needs within our sector

Each Strategic Goal is supported by key actions, activities and KPI's and will be reviewed annually with full contribution by our Members. RPHA annual Operations Plan will implement the daily business of these Strategic Directions.

The Strategic Plan now represents a relevant, credible and contemporary plan of action, developed for the benefit of the RPH membership

This year has been one of much soul-searching and self-discovery for RPH Australia. We have been undergoing a process of change, and rediscovering our purpose and our relevance to members. We have very much moved from a mode of “business as usual” to one of strategic development and sector-wide involvement.

There has been significant change within the network over the past year, owing chiefly to staffing changes within our member organisations. This heralded changes within the representatives to RPH Australia which always brings with it new enthusiasm and new ideas. With the financial support of the Community Broadcasting Foundation we developed a new strategic plan. Our new constitution has been completed and will soon be distributed to members. We have remained committed to maintaining relationships both with the Print Disability sector and the Community Broadcasting sector. We have endeavoured to strengthen the bonds with and between our members, and remain committed to strengthening the RPH sector and the development of RPH programming.

In July we held our first face to face meeting for the year. This involved a strategic planning day, which set the course for the development of our strategic plan. Our Executive Officer was successful in obtaining financial support for the development of this plan, and this resulted in the executive of the board meeting in January, to follow through the decisions which came out of that July meeting, and developing a strong and ambitious 3-year strategic plan. This plan marks a significant departure from previous strategic plans, and heralds a stronger RPH sector. The board of RPH Australia has reaffirmed its commitment to development and improving the sector, and focusing on the needs of its members. The plan acknowledges the factors which impact on the whole sector, as well as the sector-wide strengths. Further, it speaks to a commitment to reaching out across the disability sector, and the Community Broadcasting sector to promote RPH services, and to build relationships to benefit listeners to RPH services. The board adopted this plan in February of 2017, and work has well and truly begun on completing several goals.

In 2015, the board recognised the need to update and improve the Rules which govern the operation of RPH Australia. This was necessary, in part, to firm up the membership of RPH Australia, and how the members should be represented to the Co-operative. Furthermore it was recognised that our rules, which hadn't been updated since adoption in 2001, were significantly out of step with modern governance and business practices. We acknowledge the pro bono support of Maddocks Legal firm, in establishing the first draft of this constitution. Several drafts of this constitution have been circulated to members, and we have recently settled on the final draft which will shortly be circulated to members for adoption at a Special General Meeting in September or October of this year. My thanks to Board member Robert Altamore both for his legal expertise, and his work on drafting our new constitution. Also, grateful thanks to Vision Australia, for their assistance with the final draft. My thanks and congratulations, to all members of the Co-operative who provided well thought-out and useful feedback during this process.

Underpinning both our constitution and our strategic plan is the need for good and solid governance practices. To this end, in March 2017, we held our second face-to-face board meeting in Melbourne. A good portion of this two-day conference was governance training. This was delivered by Our Community, and was well received by members of the board. We were given the chance to reflect upon our strengths and weaknesses in governance. Whilst it was considered that we had a wealth of experience on our board, it is always useful to have a timely reminder, and we all came away having learned something new.

As well, we have developed and adopted many new and useful policies, both strategic and operational. Many of these policies have been shared with other organisations both within the RPH sector and outside. I offer thanks to Secretary, Elizabeth Macdonald, for her diligence and her work in writing these policies. As well, our finance committee has been working on tightening up our financial processes. We are in a strong financial position and have a strong financial policy, which sets us in good stead for the future. My thanks to Treasurer, Anjelin Thotakura, Book-keeper Sarah Briggs, and to Executive Officer, Marilyn Alborough for their tireless efforts both in tidying up the books, and delivering our first surplus in several years. Your good fiscal knowledge and care is much appreciated.

As part of our commitment to growing the RPH sector, with the support of the CBF, we undertook a study project of community radio stations who broadcast RPH style programmes. We commissioned Maria Walsh to undertake the study on our behalf. She investigated all of the stations who are known to RPH Australia and recognised as broadcasting at least two hours per week of RPH material. This study provided us with a good understanding of the needs of these stations and their communities, and we were surprised to discover that RPH programming is generally held in very high regard, particularly in regional and remote communities. My thanks to Maria and her team, and to the CBF for their invaluable assistance with this project.

Partially as a result of this study, we are investigating ramping up the use of our satellite channel in order to improve access to national RPH programming for people with print disabilities in regional and remote communities. We recognise that in some ways the needs of these people are greater than in urban centres as services are fewer, and access to quality information is often more scarce. We are attempting to devise a system to enable each RPH station to contribute to programming which will enhance access for people with print disabilities all over Australia.

There have been several staffing changes within our member organisations over the past year or so. Last year, Nicci Lindemann, who served for two years as Deputy Chair of RPH Australia, resigned as manager of our member for Sydney. This necessitated a change in the representation to RPH Australia, and we welcomed Di Collins, chair of their board, to our number. Similarly we welcomed a new member for Melbourne, Conrad Browne. Conrad served very ably as Deputy Chair over this financial year, and I offer my thanks for his good council and his assistance across this year. Last but not least, was the resignation of our long-time member for Adelaide, Hans Reimer. Hans served as Manager of the Adelaide RPH service for nigh-on 20 years. He has served the RPH Australia board in several capacities over the years, including as Deputy Chair, Secretary and Treasurer. He served for several years as president of the RPH Grants Advisory Committee for the CBF, and was for a long time co-ordinator of RPH Australia's National Sponsorship scheme. His efforts on behalf of RPH Australia are very highly regarded, and his contribution to the network and to RPH Australia is much appreciated. He was a valuable member of our team, and will be sadly missed. We wish Hans all the best for the future.

In May, I gave a presentation at the Round Table for Information Access for people with a print disability, in Perth. Titled "The Ubiquity of radio and its use as an information medium for people with a print disability, it discussed the essential place radio and broadcasting holds for people who are blind or cannot for various reasons access printed material. This presentation was well received, and several people indicated that they had a new and broader understanding of the RPH sector. RPH Australia is a member of the Round Table, and this has proved a good resource for keeping up to date with copyright laws and other trends in the information provision for people with print disabilities.

We have also continued our involvement with the Community Broadcasting Round table, and other forums established by the CBAA and the CBF. Our Executive officer and Deputy Chair are planning a presentation on RPH services at the upcoming CBAA conference, in November.

Whilst RPHA recognises the importance of the community broadcasting sector, and RPH's unique position in this sector, it is important for us to affirm that our members are primarily disability service organisations. We recognise the threat the NDIS poses to our members, and have attempted to discover how RPH Australia might help. Two of our members are set to lose a considerable portion of their budgets owing to the NDIS, and Canberra has already lost \$40,000 in state government funding. The roll-out of the NDIS is still not uniform so it is difficult to develop a national strategy for dealing with this funding crisis. It is important for RPH Australia and its members to advocate across the board for the maintenance of this vital service to the community.

We have made significant changes within this organisation since I took over the Chair position in February 2015. Each member of the board has played her or his part, and they all have my thanks. There are many issues confronting us, and the Radio Reading Network into the future, but I am content that we are well on our way to having the fortitude, skills and strength to meet these issues face to face, and overcome them. I look forward to a bigger and brighter future for RPH Australia, as we delve deeper into our strategic plan. My particular thanks go to Deputy Chair - Conrad Browne, Secretary – Elizabeth Macdonald, to Treasurer – Anjelin Thotokura and last but not least, Executive Officer – Marilyn Alborough, who have proved an outstanding executive team.

We would not be where we are now without their knowledge and experience, attention to detail and willingness to work. This has been a solid board, and I thank each member for their efforts on behalf of the peak body, and the network as a whole.

Vaughn Bennison

August 2017

2016-2017 has been a good year for RPH Australia and we have worked hard....

We have identified internal and external gaps in capacity and worked towards minimising the impact on the network. Day to day challenges are being dealt with and every effort is being made to further understand and deal with sector wide and service challenges and issues, be they of a funding, sustainability or technological nature.

As a priority, the focus was (and still is) on the three core foundation priorities of Governance both Board and Operationally, RPHA Rules review and Financial Management and Accountability. These priorities have now matured over the twelve months and process, policy and protocols are being bedded down, with further work needed on the part of the members.

Our position is strengthened by the development of the new RPHA Strategic Plan, enabled by the Planning and Assistance grant received. The Plan is an optimistic one and contemporary compared to previous years in that it articulates what is required of the organisation in its ability to represent the RPH Network. Resourcing the activity required to achieve the outcomes is proving challenging and more emphasis is being placed on the role of the Board Sub Committees set up to achieve the Strategic Plan goals and objectives.

As we neared the end of 2016 we took stock of what had been done and noted that we were well on our way to achieving all objectives of the CBF Operational Plan, and as at 30 June 2017, with one exception we have achieved all objectives and activities as agreed in the Operational Plan for 2016-17.

The Board is at full complement of seven members and two Independent members. The Executive members remain proactively engaged in the achievement of the RPHA goals and objectives and their individual and collective efforts and valuable contribution is acknowledged

Key highlights for the 2016-17 period are:

- RPHA has continued to develop a highly relevant set of Board and Operational policies and Procedures which has proven invaluable in creating foundations for a robust governance structure for the organisation. Some stations have taken advantage of what's been done and adopted these same policies.
- The appointment of the new members to the Board but particularly the Vice Chair and Treasurer has proven highly beneficial to RPHA and have brought a new dynamic to the Board, lifted the expectations, and challenge outmoded ways of doing things.
- After more than two years of deliberation and consultation we are in the final throes of the Rules review and a final Rules draft has been developed. Consultation has been done across the membership of RPHA and valuable feedback received has been incorporated.
- The Financial accounting methodology has been bedded down is up to date and providing the detail the Board should expect.
- The National Sponsorship Scheme over the year has received a complete makeover and RPH Australia and Vision Australia Radio work hand in hand sharing the responsibilities and management of the process and production. We now have a robust system in place ensuring an efficient uptake of all Campaigns.
- All management, accounting and auditing requirements are now centralised in Hobart which has provided an improved structure for the operations. The new Auditor works well with RPHA

- We held our second face to face Board meeting in March 2017 and incorporated a 1 ½ day Governance Training session. The training identified areas for improvement and further development.
- The National Listener Survey raised many questions particularly in terms of how we could better quantify our listener base. This has identified the need to have more conversations on how we collectively or individually gather the information needed to inform each location.
- Focus Group activity took place in Adelaide, Brisbane and Sydney leaving only Hobart and Canberra yet to be considered. It was noted that the issue facing the stations was the ability to secure enough listeners to make the group activity valid.
- Worth noting is the increased level of engagement by the network member stations, with RPHA. Station Managers meet monthly and the time sharing with their colleagues has proven valuable to each member and, proves a valuable tool to keep me informed on issues that need our attention in support of the stations.

The environment we are in continues to change; the ability to gain funding continues to be impacted upon; government funding is a diminishing resource as a decline in tax payer dollars means a reduction in funding limits; funding partners demand greater accountability; competition for funding available is increasing all the time; and, we all need to respond to our environment. We cannot continue to 'do business' as it was done in the past...times have changed, funding partners demand proper governance and reporting and accountability are increasing.

Our trophy for 2017 is the successful completion of the Regional Development Project...RPH Australia successfully developed, managed and completed the national Regional Development Project, within budget and on time. A well articulated and comprehensive scope enabled a comprehensive and highly relevant outcome. Recommendations will be fully assessed with our capabilities in mind and will no doubt provide some good opportunities to broaden the reach of the service and develop relationships with regional stations with benefits to our broader print disabled community. Our thanks to Maria Walsh for her tenacious efforts to complete the project brief and provide RPHA with excellent information and recommendations.

Our plans for RPH Australia and the RPH network are synergistic, and as the peak body for the RPH sector we will continue to work for the benefits of the members and the network. The strategic plan continually brings our focus to the co-operative mindset and our activities will be in support of and the ongoing engagement with our members.

RPH Australia sincerely thanks the Community Broadcasting Foundation for their ongoing support, and we look forward to continuing to work for the benefit of the RPH network and the community radio sector, in 2017-18

Marilyn Alborough

Executive Officer

Our trophy for 2017....

Is the completion of a Regional Development Project, undertaken by RPHA and supported by the Community Broadcasting Foundation both in terms of the funding provided and their participation during the process.

This project has proven to be a valuable investment of time and effort and has provided us with well informed findings and recommendations



To follow is the Project Executive Summary and Recommendations, extracted from the full Report:

Executive Summary

This is a summary of key issues resulting from an analysis of the statistical and interview-based research carried out during January to March 2017, and recommendations made in response to those issues.

The key element underpinning these findings and recommendations is the highly positive feedback regarding RPH programming. Station interviewees included current Station Managers, long-term administrators and presenters of RPH programming. It was widely considered that RPH programming had a beneficial effect on the radio station (its reputation in the community), on the volunteer base, the RPH presenters (who were considered 'different and special' amongst the 'normal' broadcasters), and on the community, it served.

The premise of this Study has been to create a platform of information for RPH Australia and the CBF to use as a way of better serving the needs of Australians with disabilities in regional areas via RPH programming.

RPH Australia believes it has set up a successful Network of stations and protocols that benefit this growing proportion of the Australian population.

The challenge has been:

- to reach further into regional areas not currently covered by RPH stations, and
- to extend its services into general stations which can also promote a better understanding of the way RPH programming affects and improves the lives of the very wide range of people affected by print disabilities.

Of concern to both the CBF and RPH Australia has been the diminution of applications for the grant offered to produce and broadcast regular RPH programs in general community broadcasting stations. In the 20-year period since RPH Content Grants have been offered to general community stations, 21 stations have accepted the Grant and made efforts to implement RPH programming. 11 of those stations still currently run a version of RPH programming as an integral part of their schedule. 16 stations agreed to be interviewed about this programming.

The aim of the Study has been to discuss the experiences of these stations interviews and sort the information derived in a way which will contribute to policy making within RPH Australia and the CBF regarding the future implementation of an RPH Content Grant.

The recommendations below are based on the findings of this Study and address the issues that have been identified as being of concern to all participants in the RPH Content Grant process.

and Recommendations

- RPH Content Grant system be promoted and encouraged by RPH Australia in tandem with CBF (similar language and elements of encouragement) presenting a combined approach and information systems. Elements of promotion would reflect the positive aspects highlighted by general stations programming RPH content
- RPH Grant system be shaped to involve training, information systems, management systems and advice on how funding is to be used (equipment such as large screen monitors, etc.)
- A page on CBF and RPH websites describe elements of grant (part funding, part training and systems development to facilitate RPH programming)
- CMTO or RPH Australia to provide trainers for implementation of RPH programs.
- Review the Protocols and decide on allowances for latitude and modification for use of RPH programming in non-RPH stations
- Address issues of communication and more properly describe the nature of alliance with stations providing RPH programming
- More clearly describe and reinforce the process of participation in NSS with non-RPH stations
- Permit funding to stations within RPH licensed areas that program different local news as a mix in their general program: prescribing conditions for this allowance (e.g. reading of different local papers to licensed RPH station) and requiring cross-promotional information and news so that RPH creates a web of connectivity with a large range and span of stations (thereby improving education on RPH mission and services). A requirement to promote the available RPH Station would also be a condition of the funding and programming
- Consider a level of membership and associated fees for stations wishing to participate in developing and delivering RPH programming. (Levels - Certified RPH programming/Approved RPH programming/Approved disability programming etc). The fee would cover training costs and management systems for auditioning, advertising, rostering, protocol management etc). Funding for fees could be covered by RPH Content Grant

Advice given by CBAA and RPH Australia on fostering good relationships with local newspaper (e.g. providing examples of SMH, The Age, current good relationships with local papers and how they work for the benefit of both forms of media when collaboration occurs). RPH Australia/CBF could send communications to local publications advising them of RPH programming - the RPH mission and positive stories of collaborations between local papers and community radio/RPH programming

- Promote and deliver a series of RPH programs via RPH satellite - to interested stations wishing to provide services to people with disabilities (book-readings, national news etc). Alternatively, a collaboration with CBAA regarding transfer of these programs onto the CRN.
- Establish a transparent process by which general RPH program broadcasters can possibly apply for participation in the National Sponsorship Scheme. This would create an element of competing for inclusion on the basis of adherence to the Protocols, and quality of programming
- Establish a process by which RPH Australia reports on NSS sponsorship in CBF Reporting (in order to highlight RPH Network as a disability messaging provider).
- Inform and educate participating general stations of RPH developments and protocols. (e.g. proper terminology for people with disabilities, the non-use of the term Radio for Print Handicapped, etc.)
- RPH Grant system be reviewed by the CBF and RPH Australia with the purpose of putting in place policies and provisos reflecting these recommendations

Please contact the Executive Officer on 0417 453 643 or email marilyn@rph.org.au if you wish to obtain a copy of the full Project Report

RPH Australia Co-operative Limited

(Incorporated in NSW)

2016/17 Financial Report

Director's Report

The Directors of RPH Australia Co-operative Limited (the "Co-operative") present their report and the audited financial statements of the Co-operative for the financial year ended 30 June 2017.

Directors

The Directors in office at the date of this report are as follows:

- Vaughn Bennison
- Conrad Browne
- Elizabeth Macdonald
- Anjelin Thotakura
- Diane Collins
- Steven Richardson
- Stephen Jolley
- Peter Butler
- Robert Altamore

Director's interest in contracts

No Director holds any interest, whether directly or indirectly, in a contract or proposed contract with the Co-operative.

Principal activities

The principal activities of the Co-operative in the course of the financial year were co-ordination of the national RPH community broadcasting sector. There were no significant changes in these activities during the course of the financial year.

Profit or Loss

The net profit of the Co-operative for the financial year was \$48,956 (2016: \$83,511).

Dividends

No dividends are payable in accordance with the Co-operative's Rules and PBI status with the Australian Tax Office.

Rebates and bonuses

The Director's recommend that no rebate be paid to members. Since the end of the previous financial year no rebate has been declared or paid.

Review of Operations

The operations of the Co-operative during the financial year consisted of:

1. Administration
2. Co-ordination
3. Education
4. Liaison
5. Development

Significant changes in activities

There were no significant changes in the activities or the state of affairs of the Co-operative during the year.

Post balance sheet date events

There were no matters of circumstance that have arisen since the end of the financial year that have significantly affected or may significantly affect:

1. Operations of the Co-operative
2. The result of these operation; or
3. The state of affairs of the Co-operative in future years

Future developments

The likely developments in the operations of the Co-operative in subsequent financial years are as follows:

1. Implementation of the Strategic Plan
2. Implementation of the Operational plan
3. National Sponsorship Scheme and marketing
4. Regional development strategy
5. Advancement of technology use

Proceedings on behalf of the Co-operative

No person has applied for leave of Court to bring proceedings on behalf of the Co-operative or intervene in any proceedings to which the Co-operative is a party for the purpose of taking responsibility on behalf of the Co-operative for all or any part of those proceedings.

The Co-operative was not a party to any such proceedings during the year.

Auditor 's independence declaration

A copy of the auditor' s independence declaration as required is enclosed in the report Signed in accordance with a resolution of the Directors



Vaughn Bennison Chairman

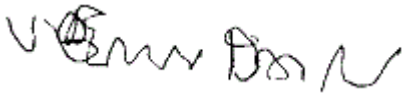
23 August 2017

Directors' Declaration

In the directors' opinion:

1. the Co-operative is not a reporting entity because there are no users' dependent on general purpose financial statements. Accordingly, the attached special purpose financial statements have been prepared for the purposes of complying with the Australian Charities and Not-for-profits Commission Act 2012 (Act.) requirements to prepare and distribute financial statements to the members of RPH Australia Co- operative Limited;
2. the attached financial statements and any notes thereto comply with the Act. the Accounting Standards and other mandatory professional reporting requirements;
3. the attached financial statements and any notes thereto give a true and fair view of the Co-operative's financial position as at 30 June 2017 and its performance for the financial year ended on that date; and
4. there are reasonable grounds to believe that the Co-operative will be able to pay its debts as and when they become due and payable.

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



Vaughn Bennison Chairman

23 August 2017

Principal: Rendell W Ridge BEc Registered Company Auditor #161 503

Independent auditor's report to members of RPH Australia Co-Operative Limited

I have audited the accompanying special purpose financial report of RPH Australia Co-Operative Limited (the Co-Operative) for the year ended 30 June 2017.

Directors' responsibility for the financial report

The directors of the Co-Operative are responsible for preparation and fair presentation of the special purpose financial report and information contained therein. This responsibility includes establishing and maintaining internal controls relevant to 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.

Auditor's responsibility

My responsibility is to express an opinion on the financial report based on my audit. I have conducted my audit in accordance with Australian Auditing Standards to provide reasonable assurance as to whether the accounts are free of material misstatement. My procedures included examination, on a test basis, of evidence supporting amounts and other disclosures in the accounts, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion as to whether, in all material respects, the financial statements are presented fairly in accordance with Australian Accounting Concepts and Standards and other mandatory professional reporting requirements (Urgent Issues Group Consensus Views) (where applicable), and statutory requirements so as to present a view which is consistent with my understanding of the Co-Operative's financial position and the results of its operations and cash flows.

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

Independence

To the best of my knowledge and belief, there have been no contraventions of any applicable code of professional conduct in relation to the audit.

Audit Opinion

In my opinion, the special purpose financial report of RPH Australia Co-Operative Limited is in accordance with the Australian Charities and Not-for-profits Commission Act - Division 60, including giving a true and fair view of the Co-Operative's financial position as at 30 June 2017 and of its performance for the year ended on that date, and complying with applicable Accounting Standards and other mandatory professional reporting requirements in Australia.

Max Peck & Associates



Rendell W. RIDGE
21 August 20 17

Auditor's Independence Declaration

Under Division 60 of the Australian Charities and Not-for-profits Commission Act

To the Directors of **RPH** Australia Co-Operative Limited

I declare that, to the best of my knowledge and belief, there have been no contraventions of any applicable code of professional conduct in relation to the audit.

Max Peck & Associates



Rendell W Ridge

21 August 2017

RPH AUSTRALIA CO-OPERATIVE LIMITED

Balance sheet as at 30 June 2017

	Note	2017	20/6
Assets			
Current Assets			
		280,626	254,211
Cash at Bank, on Deposit			
Accrued Income		0	210,393
Receivables		<u>7,910</u>	<u>1,399</u>
Total Current Assets		288,537	466,003
Deduct Current Liabilities			
		4,500	162,718
Accrued Expenses			
Provision for Doubtful Debts		1,052	1,052
Creditors		26,445	94,796
Payroll Liabilities		<u>1,364</u>	<u>1,217</u>
Total Current Liabilities		<u>33,361</u>	<u>259,783</u>
Net Assets		<u>\$255,176</u>	<u>\$206,220</u>
Equity			
		48,956	83,511
Current Year Earnings			
Retained Earnings		<u>206,220</u>	<u>122,709</u>
Total Equity		<u>\$255,176</u>	<u>\$206,220</u>

RPH AUSTRALIA CO-OPERATIVE LIMITED

Statement of Profit or Loss for year ended 30 June 2017

	Note	2017	2016
Income			
Bank Interest		497	365
Grant Income:			
CBF Development Grant		37,275	()
CBF Planning Grant		5,797	()
CBF Sector Coordination Grant		168,200	168,200
DoC / CBF Transmission Grant		()	459,993
Direct Income		0	3,000
Donations		10,821	0
Michell Adcorp Alliance		35,066	274,411
National Listener Survey		12,000	()
Project Management		3,728	()
Universal McCann		6,013	0
Total Income		279,397	905,973
Deduct Operating Expenses			
Accommodation, Meals Travel		19,124	24,431
Agency Commission		2,230	4,324
Audit, including accounting	2	7,500	4,500
Booking Coordination		1,722	12,603
Consultancies		16,187	95,251
Depreciation		()	10,713
DoC/CBF Transmission		0	445,856
Minor Equipment, including write-offs		519	<,162
Insurance		4,216	3,429
Listener Survey, Research Marketing		20,000	5,000
Memberships		798	1,010
Other Expenses		1,434	3,209
Regional Development Project CBF		34,928	0
Satellite, Broadcast Fees		35,845	188,909
Stationery, Printing, Postage		2,060	1,520
Superannuation		6,357	587
Telephone, Internet		2,709	3,998
Training, Development		4,968	0
Wages including bookkeeping		67,323	9,531
Website, IT		2,523	1,429
Total Operating Expenses		230,441	822,462
Net Profit		\$48,956	\$83,511

Notes to the financial statements

Year ended 30 June 2017

1 Summary of significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

New, revised or amending Accounting Standards and Interpretations adopted

RPH Australia Co-operative Limited (the Co-operative) has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Basis of preparation

In the directors' opinion, the Co-operative is not a reporting entity because there are no users' dependent on general purpose financial statements.

These are special purpose financial statements that have been prepared for the purposes of complying with the Australian Charities and Not-for-profits Act 2012 and requirements to prepare and distribute financial statements to the members of the Co-operative. The directors have determined that the accounting policies adopted are appropriate to meet the needs of the members of the Co-operative.

Historical cost convention

The financial statements have been prepared on an accruals basis under the historical cost convention.

Going Concern

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

The Co-operative is reliant on grant funding provided by the Community Broadcasting Foundation Ltd to continue as a going concern. In the Directors' opinion there are reasonable grounds to believe that the Community Broadcasting Foundation Ltd. will continue to provide grant funding and enable the Co-operative to continue as a going concern.

Revenue recognition

Revenue is recognised when it is probable that the economic benefit will flow to the Co-operative and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable.

Grants

Grants are recognised at their fair value where there is a reasonable assurance that the grant will be received and all attached conditions will be complied with.

Interest

Interest revenue is recognised as interest accrues using the effective interest method.

Taxation

The Co-operative is exempt from tax by virtue of section 23 of the Income Tax Assessment Act 1936.

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Trade and other receivables

All receivables are recognised at cost, less any provision for impairment.

Trade and other payables

These amounts represent liabilities for goods and services provided to the Co-operative prior to the end of the financial year and which are unpaid. Due to their short-term nature, they are measured at cost. The amounts are unsecured and are usually paid within 30 days of recognition.

Goods and Services Tax ('GST')

Revenues, expenses and assets are recognised net of the amount associated GST, unless the GST incurred is not recoverable from the tax authority. In this case, it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Co-operative for the annual reporting period ended 30 June 2017. The Co-operative has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

Events after reporting date

No matter or circumstance has arisen since 30 June 2017 that has significantly affected, or may significantly affect the Co-operative's operations, the results of those operations, or the Co-operative's state of affairs in future financial years.

2 Auditor's remuneration

	<u>2017</u>	<u>2016</u>
Audit services	4,500	7,500
Other services	<u>3,000</u>	<u>0</u>
	<u>\$7,500</u>	<u>\$7,500</u>

RPH AUSTRALIA CO-OPERATIVE LIMITED

Statement of Cash Flows for the year ended 30 June 2017

	2017	2016
Cash Received from Operations		
Receipts from all sources	483,277	865,315
Suppliers and employees	-456,863	-7 17,6 13
	<hr/>	<hr/>
Cash Surplus from Operations	26,414	147,702
	<hr/>	<hr/>
Net cash for the year	26,4 14	147.702
Balance at start of year	254 ,212	1 0,6 5 10
	<hr/>	<hr/>
Balance at end of year	\$280,626	\$254,212
	<hr/>	<hr/>
Made up by:		
Cash at Bank	270,626	244,2 12
Deposit	10,000	10,000
	<hr/>	<hr/>
Total cash at year end	\$2 80,626	\$254, 2 1 2
	<hr/>	<hr/>

Result for Year is reconciled to cash surplus from operations as follows:

Profit for the year	48,956	83,5 1 1
Changes in non-cash items		
Depreciation, Write-offs	0	15 ,3 12
Accrued income	210,392	0
Sundry debtors	-6.512	-40 ,65 7
Sundry creditors	-226,423	89.536
	<hr/>	<hr/>
Cash Surplus from Operations	\$26,414	\$ 147, 702
	<hr/>	<hr/>

RPH AUSTRALIA CO-OPERATIVE LIMITED

Statement of Change in Equity

For year ended 30 June 2017

	2017	2016
	\$	\$
Accumulated funds		
Opening balance	206,220	122,709
Total comprehensive profit/ (loss)	48,956	83,511
Closing balance	<u><u>255,176</u></u>	<u><u>206,220</u></u>