

# **United Christian Broadcasters Australia Limited**

A Company Limited by Guarantee  
ABN 15 051 984 402

## **Financial Report**

**For the year ended 31 December 2018**

**United Christian Broadcasters Australia Limited**  
**Directors' Report**

In respect of the financial year ended 31 December 2018, the directors submit the following report made out in accordance with a resolution of the directors.

**Directors**

The names of the directors of the company in office at any time during the financial year and at the date of this report are:

Ian Worby  
Cameron Young  
Peter Irvine  
Paul Campey  
Graham McLennan  
Russell Huskisson  
Phillip Edwards  
Wendy Francis  
Neville Cox

**Principal Activity**

The Principal activity of the company is promoting the Christian faith through media operations.

The short term objectives of the company are the building of communities of mature Christians through engaging media and resources.

The long term objective of the company is that every Australian has the opportunity to access trusted Christian media and resources that connect faith to life.

**Results and Review of Operations**

The net surplus/(deficit) for the year was \$62,274  
The Company continued its normal activities during the period.

**Information regarding Directors**

Ian Forrest Worby	Ship captain, former tertiary education broadcast trainer and station manager
Cameron Young	Chartered Accountant
Peter Irvine	Founder of Gloria Jean's coffee franchise, Entrepreneur and Advertising executive
Paul Campey	Chartered Accountant
Graham McLennan	Retired Dental Surgeon
Russell Huskisson	Production officer - Business Services
Phillip John Edwards	CEO, broadcaster, Programme Director
Wendy Francis	QLD director, Australian Christian Lobby
Neville Cox	Chair of Advertiles Corporation, WorkVentures Pty Ltd, Australian College of Ministries, Focus on the Family Australia, and the Sydney Prayer Breakfast. A trustee of Christian Super and a director of Excelsia College

**Company Structure**

The entity is incorporated under the *Corporations Act 2001* and is an entity limited by guarantee. If the entity is wound up, the constitution states that each member is required to contribute a maximum of \$10 each towards meeting any outstanding obligations of the entity. At 31 December 2018, the total amount that members of the company are liable to contribute if the company is wound up is \$90 (2017:\$90).

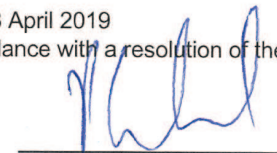
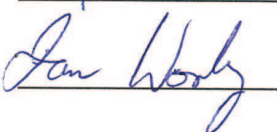
**Auditors**

The company's auditors follow the independence requirements of the Australian ethical pronouncements. An extract of the Declaration provided to the Directors is attached.

Dated 28 April 2019  
in accordance with a resolution of the Directors.

Director

Director

**United Christian Broadcasters Australia Limited**  
ABN 15 051 984 402

**Directors' Declaration**

The directors of the entity declare that:

- 1 The financial statements and notes satisfy the requirements of the Australian Charities and Not for Profits Commission Act 2012 including:
  - a. complying with Australian Accounting Standards - Reduced Disclosure Requirements (including the Australian Accounting interpretations) and the requirements of Australian Charities and Not for Profits Commission Regulation 2013; and
  - b. giving a true and fair view of the financial position as at 31 December 2018 and of the performance and cashflows for the year ended on that date of the entity.
- 2 In the directors' opinion there are reasonable grounds to believe that the entity will be able to pay its debts as and when they become due and payable.

Signed in accordance with the requirements of subsection 60.15(2) of the Australian Charities and not for Profits Commission Regulation 2013.

Director

Director

Dated 28 April 2019

**Auditors Independence Declaration**

To the Directors

We declare that, to the best of our knowledge and belief, during the year ended 31 December 2018 there have been no contraventions of any applicable code of professional conduct in relation to the audit.

Tyndale KSG Pty Limited



Lawrence R Green FCA  
Director

Dated 28 April 2019  
Suite 28, 19-21 Central Road, Miranda NSW 2228

## **INDEPENDENT AUDIT REPORT**

To: The Members of United Christian Broadcasters Australia Limited

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

#### **Opinion**

We have audited the financial report of United Christian Broadcasters Australia Limited, which comprises the Balance Sheet as at 31 December 2018, and the Statement of Income and Comprehensive Income, Statement of Changes in Equity Accumulated Funds and Reserves and the Statement of CashFlows for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the Directors' Declaration of the entity.

In our opinion the financial report of United Christian Broadcasters Australia Limited has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-Profits Commission Act 2012*, including:

- (a) giving a true and fair view of the registered entity's financial position as at 31 December 2018 and of its financial performance for the year then ended; and
- (b) complying with Australian Accounting Standards – Reduced Disclosure Requirements, and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

#### **Basis for opinion**

We conducted the 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 registered entity in accordance with the *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act) and 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 other 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.

#### **Responsibility of Those Charged with Governance for the Financial Report**

The responsible entities of the registered entity are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation of the financial report is appropriate to meet the requirements of the ACNC Act and the needs of the members. The responsible entities' responsibility also includes such internal control as the responsible entities 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 responsible entities are responsible for assessing the registered entity's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the responsible entities either intend to liquidate the registered entity or to cease operations, or have no realistic alternative but to do so.

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

The audit 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 the financial report. As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit.

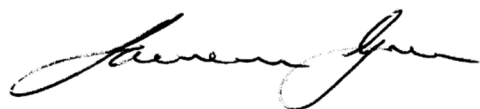
We also:

- 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 registered entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by responsible entities.
- Conclude on the appropriateness of responsible entities' 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 registered entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify the audit opinion. Our conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the registered entity 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 those charged with governance 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 the audit.

**Tyndale KSG Pty Limited**  
Authorised Audit Company

Dated: 28 April 2019  
Sydney



**Lawrence R Green FCA, Director**

**United Christian Broadcasters Australia Limited**  
**Balance Sheet**  
**As at 31 December 2018**

	<b>Note</b>	<b>2018</b> <b>\$</b>	<b>2017</b> <b>\$</b>
<b>Current Assets</b>			
Cash and cash equivalents	2	1,742,751	1,708,239
Inventories		209,555	134,094
Accounts Receivable	3	269,044	224,133
<b>Total Current Assets</b>		<b>2,221,350</b>	<b>2,066,465</b>
<b>Non-Current Assets</b>			
Property Plant and Equipment	4	1,602,443	1,589,475
Other	5	181,534	241,220
<b>Total Non-Current Assets</b>		<b>1,783,977</b>	<b>1,830,694</b>
<b>Total Assets</b>		<b>4,005,326</b>	<b>3,897,160</b>
<b>Current Liabilities</b>			
Payables	6	229,237	253,284
Interest Bearing Liabilities	7	17,298	41,520
Provisions	8	553,817	481,750
<b>Total Current Liabilities</b>		<b>800,353</b>	<b>776,554</b>
<b>Non- Current Liabilities</b>			
Interest Bearing Liabilities	7	-	17,295
Provisions	8	159,517	120,128
<b>Total Non-Current Liabilities</b>		<b>159,517</b>	<b>137,423</b>
<b>Total Liabilities</b>		<b>959,870</b>	<b>913,977</b>
<b>Net Assets</b>		<b>3,045,456</b>	<b>2,983,183</b>
<b>Accumulated Funds and Reserves</b>			
Accumulated Funds		2,560,624	2,498,351
Reserves		484,832	484,832
<b>Total Funds and Reserves</b>		<b>3,045,456</b>	<b>2,983,183</b>

The above Statement should be read with the accompanying Notes

**United Christian Broadcasters Australia Limited**  
**Statement of Income and Comprehensive Income**  
For the year ended 31 December 2018

	Note	2018 \$	2017 \$
<b>Revenues from Ordinary Activities</b>			
Vision Radio Network, Tour & Publications income		739,908	684,851
Donations and Development Income		6,465,576	5,820,102
Bequests		181,949	75,035
Interest Received - Other		11,976	8,403
Product Sales		878,400	871,307
Other Income		85,432	56,968
Surplus/(Deficit) on sale of non-current assets		8,499	227
<b>Total Income</b>	<b>11</b>	<b>8,371,739</b>	<b>7,516,892</b>
<b>Expenses from Ordinary Activities</b>			
Cost of Sales		460,548	410,823
Operational Costs		1,078,964	1,009,364
Finance		79,665	88,832
Marketing and Development		378,416	518,032
Content, Communication and Publications		1,712,393	1,624,702
Staffing		4,114,673	3,416,968
Auditors Remuneration		9,000	8,700
Other Costs		180,103	96,223
Depreciation and amortisation		295,705	300,576
<b>Total Expenses</b>	<b>11</b>	<b>8,309,466</b>	<b>7,474,220</b>
<b>Operating Surplus/(Deficit) for the Year</b>		<b>62,274</b>	<b>42,672</b>

The above Statement should be read with the accompanying Notes

United Christian Broadcasters Australia Limited  
**Statement of Changes Equity, Accumulated Funds and Reserves**  
For the year ended 31 December 2018

	Note	2018 \$	2017 \$
<b><u>Accumulated Funds</u></b>			
Operating Surplus/(Deficit) for the Year		<b>62,274</b>	42,672
Balance at the Beginning of the Year		<b>2,498,351</b>	2,455,679
Other Comprehensive Income			
Transfer from/(to) Asset Revaluation Reserve		-	-
Balance at the End of the Year		<b>2,560,624</b>	2,498,351
<b><u>Reserves</u></b>			
<b>Asset Revaluation Reserve</b>			
Balance at the Beginning of the Year		<b>484,832</b>	484,832
Transfer from/(to) Accumulated Funds		-	-
Balance at the End of the Year		<b>484,832</b>	484,832
<b>Total Funds and Reserves</b>		<b>3,045,456</b>	2,983,183

The above Statement should be read with the accompanying Notes

**United Christian Broadcasters Australia Limited**  
**Statement of Cashflows**  
For the year ended 31 December 2018

	<b>2018</b>	<b>2017</b>
	<b>\$</b>	<b>\$</b>
<b>Funds from Operations</b>		
Vision Radio Network, Tour & Publications income	<b>725,548</b>	671,992
Donations and Development Income	<b>6,465,576</b>	5,820,102
Bequests	<b>181,949</b>	75,035
Interest Received - Other	<b>11,976</b>	8,403
Product Sales	<b>847,342</b>	918,400
Other Income	<b>85,432</b>	56,968
Other Payments to Staff and Suppliers	<b>(8,004,345)</b>	(7,087,945)
	<u><b>313,478</b></u>	<u>462,954</u>
Funds from/(used in) Operations (Note 13)		
	<u><b>313,478</b></u>	<u>462,954</u>
<b>Funds from/(applied to) Investing Activities</b>		
Payments for Property Plant and Equipment	<b>(174,230)</b>	(108,877)
Payments for Other Non-current assets	<b>(82,258)</b>	(8,468)
(Increase)/Decrease in other receivable	<b>3,417</b>	(3,117)
Net proceeds from disposal of plant & equipment	<b>8,500</b>	-
Net proceeds from sale of licences	<b>7,500</b>	-
Decrease/(Increase) in GST payable/recoverable	<b>1,481</b>	(3,573)
Repayment of Other Payables	<b>(839)</b>	609
	<u><b>(236,429)</b></u>	<u>(123,426)</u>
Funds from/(used in) financing activities		
	<u><b>(236,429)</b></u>	<u>(123,426)</u>
<b>Funds from/(applied to) Financing Activities</b>		
Increase/(Decrease) in Deposits held	<b>(1,020)</b>	-
Net Proceeds/(repayments) from/(to) borrowings	<b>(41,517)</b>	(41,989)
	<u><b>(42,537)</b></u>	<u>(41,989)</u>
Funds from/(used in) financing activities		
	<u><b>(42,537)</b></u>	<u>(41,989)</u>
<b>(Decrease)/Increase in cash</b>	<b>34,512</b>	297,538
<b>Cash at the beginning of the year</b>	<b>(Note 2)</b>	<b>1,708,239</b>
	<u><b>1,708,239</b></u>	<u>1,410,701</u>
<b>Cash at the end of the year</b>	<b>(Note 2)</b>	<b>1,742,751</b>
	<u><b>1,742,751</b></u>	<u>1,708,239</u>

The above Statement should be read with the accompanying Notes

**United Christian Broadcasters Australia Limited**  
**Notes to and Forming part of the Accounts**  
**For the year ended 31 December 2018**

**Note 1 Summary of Significant Accounting Policies**

UCB applies Australian Accounting Standards - Reduced Disclosure Requirements set out in AASB 1053: Application of Tiers of Australian Accounting Standards and AASB 2010-2: Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements. The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements of the Australian Accounting Standards Board (AASB) and the Corporations Act 2001. The company is a not for profit entity for financial reporting purposes under Australian Accounting Standards.

The financial statements have been prepared in accordance with the mandatory Australian Accounting Standards applicable to entities reporting under the Australian Charities and Not for Profits Commission Act 2012 and the significant accounting policies disclosed below, which the directors have determined are appropriate to meet the needs of members. Such accounting policies are consistent with the previous period unless stated otherwise.

The financial statements have been prepared on an accruals basis and are based on historical costs unless otherwise stated in the notes. The significant accounting policies that have been adopted in the preparation of the statements are as follows:

**a) Revenues**

UCB recognises donations and bequests when received. Donated goods in kind are recognised when legal title transfers to it at fair value or where the item is proposed to be resold then it is recognised at estimated sale value after sale costs.

Revenue recognition with respect to the provision of services is determined with reference to the stage of completion of the transaction at reporting date and where the outcome of the contract can be estimated reliably. Stage of completion is determined with reference to the services performed to date as a percentage of total services to be performed. Where the outcome cannot be estimated reliably then revenue is recognised only to the extent that related expenditure is recoverable.

**b) Income Tax**

No income tax is payable as UCB is a not for profit entity and recognised by the Australian Taxation Office as an Income Tax Exempt entity. UCB is registered with the ACNC as a Charity. A Deductible Gift Fund is operated - refer Note 16.

**c) Property Plant and Equipment**

Each class of property, plant and equipment is carried at cost or fair values are indicated, less, where applicable, accumulated depreciation and impairment losses. Property is carried at deemed cost.

Plant and equipment are measured on the cost basis less depreciation over the expected useful life of the item using the straight line method, and impairment losses. Rates applied are:

Office refurbishments 20% 33.33%

Vehicles 15%

Technical equipment and relays 15%

Studio etc 20%

Furniture and fittings 20%

Computers and equipment 20% 25% 33.33%

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Plant and equipment that has been contributed at no cost, or for nominal cost, is valued and recognised at the fair value of the asset at the date it is acquired.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

**United Christian Broadcasters Australia Limited**  
**Notes to and Forming part of the Accounts**  
**For the year ended 31 December 2018**

**d) Financial Instruments**

**Initial recognition and measurement**

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the company commits itself to either purchase or sell the asset (i.e. trade date accounting is adopted). Financial instruments are initially measured at fair value plus transaction costs except where the instrument is classified 'at fair value through profit or loss', in which case transaction costs are expensed to profit or loss immediately

**Classification and subsequent measurement**

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest rate method, or cost. Fair value represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

**Impairment**

At the end of each reporting period, the entity assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in profit or loss.

**Derecognition**

Financial assets are derecognised where the contractual rights to receipt of cash flows expire or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are discharged, cancelled or expired. The difference between the carrying value of the financial liability, which is extinguished or transferred to another party, and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

**e) Critical Accounting Estimates and Judgments**

The directors evaluate estimates and judgments incorporated into the financial statements 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 company.

**f) Impairment of Assets**

Intangible Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are reviewed for impairment whenever events or circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

**United Christian Broadcasters Australia Limited**  
**Notes to and Forming part of the Accounts**  
**For the year ended 31 December 2018**

**g) Cash and Cash Equivalents**

Cash and cash equivalents include cash on hand, deposits at call with banks, other short term highly liquid investments with maturities of three months or less and bank overdrafts. Bank overdrafts are shown within Interest Bearing Liabilities in current liabilities on the balance sheet.

**h) Employee Benefits**

Provision is made for the company's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits have been measured at the amounts expected to be paid when the liability is settled. Current entitlements in excess of ten years service are reflected as current liabilities.

**i) Inventories**

Inventories are measured at the lower of cost and net realisable value. Costs are assigned on a first-in first-out basis and include direct materials, direct labour and an appropriate proportion of variable and fixed overheads.

**j) Broadcast Rights**

Broadcast rights are carried at the lower of cost less amortisation and net recoverable amount. Cost comprises acquisition of broadcast rights. UCB amortisation policy amortises the costs of broadcast rights over the rights period of the contract or licence. Where the licence period is extended UCB reassesses the expected useful life of the rights and adjusts amortisation accordingly.

**United Christian Broadcasters Australia Limited**  
**Notes to and Forming part of the Accounts**  
For the year ended 31 December 2018

	2018 \$	2017 \$
<b>Note 2 Cash and cash equivalents - current</b>		
Cash on Hand	565	325
Debit Card Accounts	5,493	4,605
Commercial Account	24,902	49,368
DGR Development Account	56,454	604,383
NZ Currency account	-	59
Station Trust account	203,367	320,776
Other Station interest bearing accounts	9,358	9,458
Station Maintenance account	47,935	38,946
Operating Accounts	70,750	69,572
Term Deposits	53,625	391,150
Other accounts and holding accounts	1,270,302	219,598
	<u>1,742,751</u>	<u>1,708,239</u>
<b>Note 3 Receivables - Current</b>		
Deposits held	82,170	81,150
Prepayments	46,022	29,773
Trade accounts inc Bartercard etc	79,780	64,136
Other Receivables	-	3,417
Trade Debtors	61,071	45,656
	<u>269,044</u>	<u>224,133</u>
<b>Note 4 Land and Buildings - cost</b>	1,121,575	1,021,575
Leasehold Improvements - cost	6,745	6,745
	<u>1,128,320</u>	<u>1,028,320</u>
Office Refurbishment - cost	454,427	454,427
Less Accumulated Depreciation	(449,727)	(446,698)
	<u>4,700</u>	<u>7,729</u>
<b>Plant Equipment and Vehicles</b>		
Computers and Electronic Equipment - cost	625,215	596,835
Less Accumulated Depreciation	(453,954)	(382,991)
	<u>171,262</u>	<u>213,844</u>
Motor Vehicles - cost	125,132	123,632
Less Accumulated Depreciation	(69,503)	(50,392)
	<u>55,629</u>	<u>73,240</u>
Fixtures and Fittings - cost	73,057	50,087
Less Accumulated Depreciation	(52,486)	(48,809)
	<u>20,572</u>	<u>1,278</u>
Satellite and Relay Station Equipment - cost	1,182,387	1,159,442
Less Accumulated Depreciation	(960,427)	(894,379)
	<u>221,960</u>	<u>265,063</u>
Total Property Plant and Equipment	<u>1,602,443</u>	<u>1,589,475</u>
<b>Note 5 Other non-current assets</b>		
Cost		
Radio Frequency	1,339,209	1,322,074
Intellectual Property	12,631	12,631
Website Development	90,511	92,045
Software	38,507	-
Less Accumulated Amortisation	(1,299,323)	(1,185,531)
	<u>181,534</u>	<u>241,220</u>

**United Christian Broadcasters Australia Limited**  
**Notes to and Forming part of the Accounts**  
For the year ended 31 December 2018

		2018 \$	2017 \$
<b>Note 6</b>	<b>Payables</b>		
	<b>Current</b>		
	Trade Creditors	121,769	161,874
	PAYG Withholdings	61,236	42,993
	GST Payable/(Recoverable)	5,926	4,445
	Superannuation	38,471	26,939
	Income in Advance	1,000	15,359
	Other Payables	835	1,674
		<u>229,237</u>	<u>253,284</u>
<b>Note 7</b>	<b>Interest Bearing Liabilities</b>		
	<b>Current</b>		
	<u>Hire Purchase</u>		
	Loans - Vehicle IT & Phone system	17,298	41,520
		<u>17,298</u>	<u>41,520</u>
	<b>Non-Current</b>		
	Loan - Other - unsecured	-	-
	<u>Hire Purchase</u>		
	Loans - Vehicle IT & Phone system	-	17,295
		<u>-</u>	<u>17,295</u>
<b>Note 8</b>	<b>Provisions</b>		
	<b>Current</b>		
	Long Service Leave	255,653	214,008
	Annual Leave Provision	298,165	267,742
		<u>255,653</u>	<u>214,008</u>
	<b>Non-Current</b>		
	Long Service Leave	159,517	120,128
		<u>159,517</u>	<u>120,128</u>
<b>Note 9</b>	<b>Segment of Operations</b>		
	The Company is a not for profit company limited by guarantee primarily operating in Australia. UCB is passionately committed to building communities of mature Christians through engaging media and resources.		
	That every Australian has the opportunity to access trusted Christian media and resources that connect faith to life.		
<b>Note 10</b>	<b>Financial Instruments and Risk</b>		
	The Company has no exposures to currency risk other than small bank accounts detailed in Note 2 which vary from time to time but are generally not significant.		
	The Company has no exposure to market risks and has no investments in structured financial products. The Company's funds are held as follows:		
	Australian Banks	1,818,863	1,784,400
	Foreign financial institutions	0	59
	The Company maintains a bank overdraft facility of \$0.5m which is drawn upon at times during the year when short term funding needs so require. At balance date the amount of the overdraft was Nil.		
	Sensitivity:		
	If interest rates changed the following would be the resultant effect on income and accumulated funds:		
	Increase of 1% in interest rates	18,189	17,844
	Decrease by 1% in interest rates	(18,189)	(17,844)

**United Christian Broadcasters Australia Limited**  
**Notes to and Forming part of the Accounts**  
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	2018 \$	2017 \$
<b>Note 11 Operating Surplus/(Deficit) for the Year</b>		
<b>Income</b>		
Deductible Gift Receipts	6,465,576	5,820,102
Bequests	181,949	75,035
Interest Received - Other	11,976	8,403
<b>Expenses</b>		
Depreciation and amortisation	295,705	300,576
Employee entitlement provisions	69,811	30,692
Remuneration of the Auditors		
Audit services	9,000	8,500

**Note 12 Entity Details**

The Registered Office and Principal Place of Business of the company is:  
104 Compton Road Underwood Queensland

**Note 13 Operating Surplus/(Deficit) for the period is reconciled to Funds from Operations as follows:**

Operating Surplus/(Deficit)	62,274	42,672
Gain on disposal of Fixed Assets	(8,499)	(227)
Depreciation and amortisation	295,705	300,576
Decrease/(Increase) in Receivables	(31,058)	76,867
Decrease/(Increase) in Inventories	(75,461)	(34,495)
Decrease/(Increase) in Prepayments	(16,249)	(29,773)
Increase/(Decrease) in Trade Creditors	(40,105)	11,919
Increase/(Decrease) in Income in Advance	(14,359)	(12,859)
Increase/(Decrease) in Staff Entitlement Provisions	111,456	94,674
Increase/(Decrease) in PAYG and Superannuation	29,775	13,600
	<hr/>	<hr/>
Funds from/(used in) Operations	313,478	462,954

**Note 14 Related Parties**

The names of persons who were Directors at any time during the financial year were:

Ian Worby	Russell Huskisson
Terry Winter	Phillip Edwards
Cameron Young	Peter Irvine
Peter Irvine	Wendy Francis
Paul Campey	Neville Cox
Graham McLennan	

Paul Campey is a director of UCB. During the year Resolve Consulting, in which Mr Campey holds a financial interest, provided consulting services to UCB at an arms length fee of \$12,000 plus disbursements. With the above exception no Director received remuneration during the year.

**Note 15 Key Management Personnel Compensation**

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

The totals of remuneration paid to key management personnel (KMP) of the company during the year are as follows:

	2018 \$	2017 \$
Key management personnel compensation	622,047	490,429

**United Christian Broadcasters Australia Limited**  
**Notes to and Forming part of the Accounts**  
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<b>2018</b>	<b>2017</b>
<b>\$</b>	<b>\$</b>

**Note 16 Deductible Gift Fund**

The company operates a deductible gift fund known as the "UCB Australia Development Fund" donations to which are tax deductible to the donor. The movement in the deductible gift account during the year was as follows:

Balance at beginning of the year	<b>604,383</b>	239,020
Donations received	<b>6,465,576</b>	5,820,102
Less expenditure from the fund	<b>(7,013,504)</b>	(5,454,739)
Balance at the end of the year	<b><u>56,454</u></b>	<b><u>604,383</u></b>

**Note 17 Capital Commitment**

*On 4th of July 2018 a contract was entered into for the purchase of premises to which UCB will relocate during the 2020 calendar year. The cost of purchase was \$5.9m and this is funded from internal funds and also from interest bearing borrowings of \$4.5m.*