



United Christian Broadcasters Australia Limited

A Company Limited by Guarantee
ABN 15 051 984 402

Financial Report

For the Six Months period ended 31 December 2014

United Christian Broadcasters Australia Limited

Directors' Report

In respect of the financial period of six months ended 31 December 2014, 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:

Name

Ian Worby
Terry Winter
Cameron Young
Peter Irvine
Paul Campey
Graham McLennan
Russell Huskisson
Phillip John Edwards

Principal Activity

The Principal activity of the company is promoting the Christian faith through broadcasting 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 6 month period was \$(232,297)
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
Terry William Winters	Ordained minister and former broadcast manager of Rhema FM Geelong
Cameron Young	Chartered Accountant
Peter Irvine	Founder of Gloria Jean's coffee franchise, Entrepreneur and Advertising executive
Paul Campey	Chartered Accountant
Graham McLennan	Dental Surgeon
Russell Huskisson	Production officer - Business Services
Phillip John Edwards	CEO, broadcaster, Programme Director

Company Structure

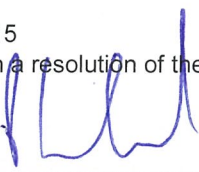
The entity is incorporated under the *Corporations Act 2001* and is an entity limited by guarantee. If the entity is wound up, the constitution states that each member is required to contribute a maximum of \$10 each towards meeting any outstanding obligations of the entity. At 31 December 2014, the total amount that members of the company are liable to contribute if the company is wound up is \$70 (2013:\$70).

Auditors

The company's auditors follow the independence requirements of the Australian ethical pronouncements and the Corporations Act 2001. An extract of the Declaration provided to the Directors is attached.

Dated 24 April 2015
in accordance with a resolution of the Directors.

Director

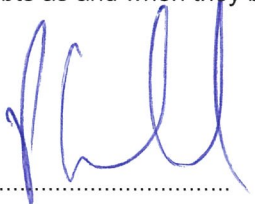


United Christian Broadcasters Australia Limited
ABN 15 051 984 402

Directors' Declaration

The directors of the entity declare that:

- 1 The financial statements and notes are in accordance with the Australian Charities and Not for Profits Commission Act 2012 and:
 - a. comply with Australian Accounting Standards (including the Australian Accounting interpretations) and the Australian Charities and Not for Profits Commission Regulations 2013; and
 - b. give a true and fair view of the financial position as at 31 December 2014 and of the performance for the six months period 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.

Director

Dated 24 April 2015

In accordance with a resolution of the Responsible Entities.

Auditors Independence Declaration

To the Directors

We declare that, to the best of our knowledge and belief, during the period ended 31 December 2014 there have been:

- (i) no contraventions of any statutory auditor independence requirements in relation to the audit, and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit

Tyndale KSG Pty Limited



Lawrence R Green FCA
Director

Dated 24 April 2015

Suite 28, 19-21 Central Road, Miranda NSW 2228

United Christian Broadcasters Australia Limited
Balance Sheet
As at 31 December 2014

	Note	31 December 2014 \$	30 June 2014 \$
Current Assets			
Cash	2	865,071	1,084,899
Prepayments		-	-
Inventories		89,629	112,185
Accounts Receivable	3	<u>96,702</u>	<u>174,609</u>
Total Current Assets		<u>1,051,403</u>	<u>1,371,693</u>
Non-Current Assets			
Property Plant and Equipment	4	1,594,241	1,682,751
Other	5	<u>355,750</u>	<u>242,592</u>
Total Non-Current Assets		<u>1,949,992</u>	<u>1,925,343</u>
Total Assets		<u>3,001,394</u>	<u>3,297,036</u>
Current Liabilities			
Payables	6	247,310	296,233
Interest Bearing Liabilities	7	49,172	51,736
Provisions	8	<u>307,482</u>	<u>294,029</u>
Total Current Liabilities		<u>603,964</u>	<u>641,997</u>
Non- Current Liabilities			
Interest Bearing Liabilities	7	36,962	60,741
Provisions	8	<u>44,771</u>	<u>46,302</u>
Total Current Liabilities		<u>81,733</u>	<u>107,043</u>
Total Liabilities		<u>685,697</u>	<u>749,040</u>
Net Assets		<u>2,315,698</u>	<u>2,547,995</u>
Accumulated Funds and Reserves			
Accumulated Funds		1,830,866	2,063,163
Reserves		484,832	484,832
Total Funds and Reserves		<u>2,315,698</u>	<u>2,547,995</u>

The above Statement should be read with the accompanying Notes

United Christian Broadcasters Australia Limited
Statement of Income and Comprehensive Income
For the Six Months period ended 31 December 2014

	Note	6 months 31 December 2014 \$	12 months 30 June 2014 \$
Revenues from Ordinary Activities			
Vision Radio Network & Publications income		371,293	410,623
Donations and Development Income		1,972,180	4,672,205
Funding Initiatives and Grants			101,985
Interest Received - Other		7,564	9,989
Product Sales		290,899	554,667
Other Income		43,989	44,893
Total Income		2,685,924	5,794,371
Expenses from Ordinary Activities			
Cost of Sales		106,280	216,157
Operational Costs		459,272	765,262
Finance		66,970	90,281
Marketing and Development		180,317	281,042
Communication and Publications		352,893	731,120
Staffing		1,322,779	2,508,674
Donations and Tithes		193,382	162,676
Auditors Remuneration		8,300	13,140
Other Costs		148,033	357,913
Depreciation and amortisation		79,995	282,418
Total Expenses		2,918,221	5,408,683
Operating Surplus/(Deficit) for the Year		(232,297)	385,688

Note: Some costs have been reallocated to cost centres under a new chart of accounts effective from 1 July 2014. Comparative figures have been adjusted.

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 Six Months period ended 31 December 2014

	Note	31 December 2014 \$	30 June 2014 \$
<u>Accumulated Funds</u>			
Operating Surplus/(Deficit) for the Year		(232,297)	385,688
Balance at the Beginning of the Year		2,063,163	1,882,977
Other Comprehensive Income			
Prior year depreciable asset adjustments	4	-	(205,502)
Transfer from/(to) Asset Revaluation Reserve		-	-
Balance at the End of the Year		<u>1,830,866</u>	<u>2,063,163</u>
<u>Reserves</u>			
Asset Revaluation Reserve			
Balance at the Beginning of the Year		484,832	484,832
Transfer from/(to) Accumulated Funds		-	-
Balance at the End of the Year		<u>484,832</u>	<u>484,832</u>
Total Funds and Reserves		<u><u>2,315,698</u></u>	<u><u>2,547,995</u></u>

The above Statement should be read with the accompanying Notes

United Christian Broadcasters Australia Limited
Statement of Cashflows
For the Six Months period ended 31 December 2014

	6 months 31 December 2014 \$	12 months 30 June 2014 \$
Funds from Operations		
Vision Radio Network & Publications income	462,998	410,623
Donations and Development Income	1,972,180	4,672,205
Funding Initiatives and Grants	-	(8,418)
Interest Received - Other	7,564	9,989
Foreign Exchange Gain/(Loss) - net	-	8
Product Sales	212,992	666,026
Other Income	43,989	44,893
Other Payments to Staff and Suppliers	<u>(2,760,317)</u>	<u>(4,968,595)</u>
Funds from/(used in) Operations	<u>(60,594)</u>	<u>826,733</u>
Funds from/(applied to) Investing Activities		
Payments for Property Plant and Equipment	(105,142)	(172,323)
Payments for Other Non-current assets	(27,099)	(31,694)
Repayment of Other Payables	<u>111</u>	<u>732</u>
Funds from/(used in) financing activities	<u>(135,453)</u>	<u>(197,627)</u>
Funds from/(applied to) Financing Activities		
Net Proceeds/(repayments) from/(to) borrowings	<u>(23,780)</u>	<u>(35,716)</u>
Funds from/(used in) financing activities	<u>(23,780)</u>	<u>(35,716)</u>
(Decrease)/Increase in cash	(219,828)	593,390
Cash at the beginning of the year	<u>1,084,899</u>	<u>491,509</u>
Cash at the end of the year	<u>865,071</u>	<u>1,084,899</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 Six Months period ended 31 December 2014

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 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.

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.

Plant and equipment are measured on the cost basis less depreciation and impairment losses. 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 have been contributed at no cost, or for nominal cost, are 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.

d) Financial Instruments

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. 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.

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 the statement of comprehensive income.

United Christian Broadcasters Australia Limited
Notes to and Forming part of the Accounts
For the Six Months period ended 31 December 2014

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.

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. UBC amortisation policy amortises the costs of broadcast rights over the rights period of the contract or licence.

United Christian Broadcasters Australia Limited
Notes to and Forming part of the Accounts
For the Six Months period ended 31 December 2014

		31 December 2014 \$	30 June 2014 \$
Note 2	Cash		
	Cash on Hand	641	126
	Debit Mastercards	1,284	2,140
	Commercial Account	13,718	8,949
	DGR Development Account	17,884	110,411
	NZ Currency account	852	798
	Station Trust account	344,622	484,479
	Less internal drawings	(66,586)	(70,000)
	Other Station interest bearing accounts	22,534	27,814
	Station Maintenance account	13,000	6,887
	OPB2 account	11,542	(104,905)
	Other accounts and holding accounts	505,582	618,201
		<u>865,071</u>	<u>1,084,899</u>
Note 3	Receivables - Current		
	Deposits held	6,600	6,600
	Trade accounts	25,650	34,773
	Trade Debtors	64,452	133,237
		<u>96,702</u>	<u>174,609</u>
Note 4	Land and Buildings - cost	1,021,575	1,021,575
	Leasehold Improvements - cost	6,745	6,745
		<u>1,028,320</u>	<u>1,028,320</u>
	Office Refurbishment - cost	445,002	427,218
	Less Accumulated Depreciation	(280,664)	(227,245)
		<u>164,338</u>	<u>199,974</u>
	Plant Equipment and Vehicles		
	Computers and Electronic Equipment - cost	310,348	273,425
	Less Accumulated Depreciation	(209,232)	(170,534)
		<u>101,115</u>	<u>102,891</u>
	Motor Vehicles - cost	144,673	144,673
	Less Accumulated Depreciation	(106,546)	(99,281)
		<u>38,127</u>	<u>45,392</u>
	Fixtures and Fittings - cost	47,255	47,255
	Less Accumulated Depreciation	(28,353)	(23,385)
		<u>18,902</u>	<u>23,870</u>
	Satellite and Relay Station Equipment - cost	909,295	871,717
	Less Accumulated Depreciation	(665,857)	(589,414)
		<u>243,439</u>	<u>282,304</u>
	Total Property Plant and Equipment	<u>1,594,241</u>	<u>1,682,751</u>
During the June 2014 year of income depreciable assets were reviewed and arising from this review significant write downs and write offs were made against both cost and provision any prior year effect of which has been charged to Other Comprehensive Income in the Equity Statement.			
Note 5	Other non-current assets		
	Cost		
	Radio Frequency	1,270,105	1,239,445
	Intellectual Property	-	3,561
	Website Development	20,174	20,174
	Software	9,483	9,483
	Less Accumulated Amortisation	(944,011)	(1,030,070)
		<u>355,750</u>	<u>242,592</u>

United Christian Broadcasters Australia Limited
Notes to and Forming part of the Accounts
For the Six Months period ended 31 December 2014

		31 December 2014 \$	30 June 2014 \$
Note 6	Payables		
	Current		
	Trade Creditors	161,904	142,053
	PAYG Withholdings	38,906	20,226
	GST Payable/(Recoverable)	2,337	5,659
	Superannuation	22,791	17,891
	Income in Advance	18,697	110,403
	Other Payables	2,675	
		<u>247,310</u>	<u>296,233</u>
Note 7	Interest Bearing Liabilities		
	Current		
	Credit Card accounts	1,513	4,077
	Other	-	-
		<u>1,513</u>	<u>4,077</u>
	Hire Purchase		
	Loans - Vehicle IT & Phone system	47,659	47,659
		<u>49,172</u>	<u>51,736</u>
	Non-Current		
	Loan - Other - unsecured	30,000	30,000
	Hire Purchase		
	Loans - Vehicle IT & Phone system	6,962	30,741
		<u>36,962</u>	<u>60,741</u>
Note 8	Provisions		
	Current		
	Long Service Leave	99,864	87,861
	Annual Leave Provision	207,618	206,168
	Non-Current		
	Long Service Leave	44,771	46,302
Note 6	Segment of Operations		
	<p>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.</p> <p>That every Australian has the opportunity to access trusted Christian media and resources that connect faith to life.</p>		
Note 8	Financial Instruments and Risk		
	<p>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.</p> <p>The Company has no exposure to market risks and has no investments in structured financial products. The Company's funds are held as follows:</p>		
	Australian Banks subject to Commonwealth Government guarantee	928,882	1,151,836
	Foreign financial institutions	852	798
	Sensitivity:		
	<p>If interest rates changed the following would be the resultant effect on income and accumulated funds:</p>		
	Increase of 1% in interest rates	9,289	11,518
	Decrease by 1% in interest rates	(9,289)	(11,518)

United Christian Broadcasters Australia Limited
Notes to and Forming part of the Accounts
For the Six Months period ended 31 December 2014

	31 December 2014 \$	30 June 2014 \$
Note 9 Operating Surplus/(Deficit) for the Year		
Income		
Deductible Gift Receipts	2,012,752	4,774,190
Interest Received - Other	7,564	9,989
Currency Exchange gains/(losses)	-	8
Expenses		
Depreciation and amortisation	79,995	282,418
Employee entitlement provisions	(80)	(51,837)
Remuneration of the Auditors		
Audit services	8,300	13,140

Note 10 Entity Details

The registered office and Principal Place of Business of the company is:
104 Compton Road Underwood Queensland

Note 11 Operating Surplus/(Deficit) for the period is reconciled to Funds from Operations as follows:

Operating Surplus/(Deficit)	(232,297)	385,688
Depreciation and amortisation	79,995	282,418
Decrease/(Increase in Receivables	(77,907)	111,359
Decrease/(Increase) in Inventories	22,556	13,113
Increase/(Decrease) in Trade Creditors	19,850	88,538
Increase/(Decrease) in Income in Advance	91,706	(110,403)
Increase/(Decrease) in Staff Entitlements	11,923	36,024
Increase/(Decrease) in PAYG and Superannuation	23,580	19,996
	<u>(60,594)</u>	<u>826,733</u>
Funds from/(used in) Operations		

Note 12 Related Parties

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

Ian Worby
Terry Winter
Cameron Young
Peter Irvine
Paul Campey
Graham McLennan
Russell Huskisson
Phillip John Edwards

Paul Campey is a director of UCB. During the year Resolve Consulting, in which Mr Campey holds a financial interest, provided consulting services at an arms length fee of \$8,437.

With the above exception no Director received remuneration during the year.

Note 13 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:

	2014 \$	2013 \$
Key management personnel compensation	342,860	516,510



United Christian Broadcasters Australia Limited

A Company Limited by Guarantee
ABN 15 051 984 402

Special Purpose Financial Report

For the Year ended 30 June 2014

United Christian Broadcasters Australia Limited
Directors' Report

In respect of the financial period ended 30 June 2014, the directors submit the following report made out in accordance with a resolution of the directors.

Directors

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

Name	Meetings Eligible to attend	Meetings Attended
Ian Worby	4	3
Terry Winter	4	4
Cameron Young	4	4
Peter Irvine	4	4
Russell Huskisson	4	4
Phillip John Edwards	3	3

Principal Activity

The Principal activity of the company is promoting the Christian faith through broadcasting 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 for the year was \$385,688

The Company continued its normal activities during the year.

Information regarding Directors

Ian Forrest Worby	Ship captain, former tertiary education broadcast trainer and station manager
Terry William Winters	Ordained minister and former broadcast manager of Rhema FM Geelong
Cameron Young	Chartered Accountant
Peter Irvine	Founder of Gloria Jean's coffee franchise, Entrepreneur and Advertising executive
Russell Huskisson	Production officer - Business Services
Phillip John Edwards	CEO, broadcaster, Programme Director

Company Structure

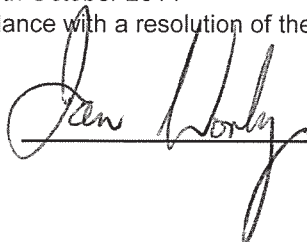
The entity is incorporated under the *Corporations Act 2001* and is an entity limited by guarantee. If the entity is wound up, the constitution states that each member is required to contribute a maximum of \$10 each towards meeting any outstanding obligations of the entity. At 30 June 2014, the total amount that members of the company are liable to contribute if the company is wound up is \$70 (2013:\$70).

Auditors

The company's auditors follow the independence requirements of the Australian ethical pronouncements and the Corporations Act 2001. An extract of the Declaration provided to the Directors is attached.

Dated 30th October 2014
in accordance with a resolution of the Directors.

Director



INDEPENDENT AUDIT REPORT

To: The Members, United Christian Broadcasters Australia Limited

We have audited the accompanying special purpose financial report of United Christian Broadcasters Australia Limited, which comprises the Balance Sheet as at 30 June 2014, and the Statement of Comprehensive Income, Statement of Changes in Equity and Accumulated Funds and Reserves, and the Cash Flow Statement for the year ended 30 June 2014, together with a summary of significant accounting policies, other explanatory notes and the Directors' Declaration.

Directors' Responsibility for the Financial Report

The directors of the Company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Australian Charities and Not for Profits Commission Act 2012. This responsibility includes designing, implementing and maintaining internal controls relevant to the 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.

Auditors Responsibility

The Auditor's responsibility is to express an opinion on the financial report based on the audit. The audit was conducted in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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

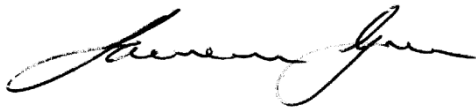
Independence

In conducting our audit, we have complied with the independence requirements of the Australian Charities and Not for Profits Commission Act 2012. We confirm that the independence declaration required by that Act, provided to the directors, would be in the same terms if provided to the directors as at the date of this auditor's report.

Audit Opinion

In our opinion, the financial report of United Christian Broadcasters Australia Limited is in accordance with the Australian Charities and Not for Profits Commission Act 2012, including:

- (i) giving a true and fair view of the consolidated entity's financial position as at 30th June 2014 and of their performance for the financial year ended on that date; and
- (ii) complying with Australian Accounting Standards and the ACNC Act and Regulations; and



Tyndale KSG Pty Limited
Authorised Audit Company

Lawrence R Green FCA - Director

30th October 2014
Miranda NSW

United Christian Broadcasters Australia Limited
ABN 15 051 984 402

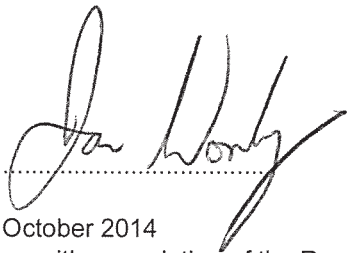
Directors' Declaration

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

The directors of the entity declare that:

- 1 The financial statements and notes are in accordance with the Australian Charities and Not for Profits Commission Act 2012 and:
 - a. comply with Australian Accounting Standards (including the Australian Accounting interpretations) and the Australian Charities and Not for Profits Commission Regulations 2013; and
 - b. give a true and fair view of the financial position as at 30 June 2014 and of the performance 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.

Director



Dated 30th October 2014

In accordance with a resolution of the Responsible Entities.

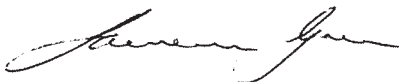
Auditors Independence Declaration

To the Directors

We declare that, to the best of our knowledge and belief, during the year ended 30 June 2014 there have been:

- (i) no contraventions of any statutory auditor independence requirements in relation to the audit, and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit

Tyndale KSG Pty Limited



Lawrence R Green FCA
Director

Dated 30th October 2014

United Christian Broadcasters Australia Limited
Balance Sheet
As at 30 June 2014

	NOTE	2014 \$	2013 \$
Current Assets			
Cash	2	1,084,899	491,509
Prepayments		-	-
Inventories		112,185	125,298
Accounts Receivable	3	<u>174,609</u>	<u>63,250</u>
Total Current Assets		<u>1,371,693</u>	<u>680,057</u>
Non-Current Assets			
Property Plant and Equipment	4	1,682,751	1,878,872
Other	5	<u>242,592</u>	<u>332,285</u>
Total Non-Current Assets		<u>1,925,343</u>	<u>2,211,157</u>
Total Assets		<u>3,297,036</u>	<u>2,891,214</u>
Current Liabilities			
Payables	6	296,233	71,637
Interest Bearing Liabilities	7	51,736	51,004
Provisions	8	<u>294,029</u>	<u>219,956</u>
Total Current Liabilities		<u>641,997</u>	<u>342,597</u>
Non- Current Liabilities			
Interest Bearing Liabilities	7	60,741	96,458
Provisions	8	<u>46,302</u>	<u>84,350</u>
Total Current Liabilities		<u>107,043</u>	<u>180,808</u>
Total Liabilities		<u>749,040</u>	<u>523,405</u>
Net Assets		<u>2,547,995</u>	<u>2,367,809</u>
Accumulated Funds and Reserves			
Accumulated Funds		2,063,163	1,882,977
Reserves		484,832	484,832
		<u>2,547,995</u>	<u>2,367,809</u>

The above Statement should be read with the accompanying Notes

United Christian Broadcasters Australia Limited
Statement of Comprehensive Income
For the Year ended 30 June 2014

	Note	2014 \$	2013 \$
Revenues from Ordinary Activities			
Vision Radio Network & Communications income		329,680	399,519
Donations and Development Income		4,672,205	3,932,152
Funding Initiatives and Grants		101,985	0
Interest Received - Other		9,989	17,310
Publications		80,944	72,896
Foreign Exchange Gain/(Loss) - net		8	797
Product Sales		554,667	740,483
Other Income		44,894	86,597
Total Income		5,794,372	5,249,754
Expenses from Ordinary Activities			
Cost of Sales		216,157	345,223
Operational Costs		790,196	752,749
Finance		90,281	71,963
Premises		70,780	117,359
Marketing Promotion and Communications		78,318	143,349
Staffing		2,508,674	2,328,633
Vehicle		38,297	37,699
Donations and Tithes		69,291	44,374
Network Operations and Development		350,979	262,985
Equipment		49,158	48,382
Auditors Remuneration		13,140	12,700
Other Costs		850,995	736,606
Depreciation and amortisation		282,418	441,317
Total Expenses		5,408,684	5,343,339
Operating Surplus/(Deficit) for the Year		385,688	(93,585)

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 30 June 2014

	Note	2014 \$	2013 \$
<u>Accumulated Funds</u>			
Operating Surplus/(Deficit) for the Year		385,688	(93,585)
Balance at the Beginning of the Year		1,882,977	1,976,562
Other Comprehensive Income			
Prior year depreciable asset adjustments	4	(205,502)	-
Transfer from/(to) Asset Revaluation Reserve		-	-
Balance at the End of the Year		<u>2,063,163</u>	<u>1,882,977</u>
<u>Reserves</u>			
Asset Revaluation Reserve			
Balance at the Beginning of the Year		484,832	484,832
Transfer from/(to) Accumulated Funds		-	-
Balance at the End of the Year		<u>484,832</u>	<u>484,832</u>
Total Funds and Reserves		<u><u>2,547,995</u></u>	<u><u>2,367,809</u></u>

The above Statement should be read with the accompanying Notes

United Christian Broadcasters Australia Limited
Statement of Cashflows
For the Year ended 30 June 2014

	2014	2013
	\$	\$
Funds from Operations		
Vision Radio Network & Communications income	329,680	399,519
Donations and Development Income	4,672,205	3,932,152
Funding Initiatives and Grants	(8,418)	-
Interest Received - Other	9,989	17,310
Publications	80,944	72,896
Foreign Exchange Gain/(Loss) - net	8	797
Product Sales	666,026	731,155
Other Income	44,894	86,597
Other Payments to Staff and Suppliers	(4,968,595)	(4,835,485)
	826,733	404,941
Funds from/(applied to) Investing Activities		
Payments for Property Plant and Equipment	(172,323)	(230,609)
Payments for Other Non-current assets	(31,694)	(209,798)
Net proceeds from disposal of fixed assets	-	18,656
Repayment of Other Payables	732	(129,363)
	(197,627)	(544,349)
Funds from/(applied to) Financing Activities		
Net Proceeds/(repayments) from/(to) borrowings	(35,716)	46,110
	(35,716)	46,110
(Decrease)/Increase in cash	593,390	(93,298)
Cash at the beginning of the year	491,509	584,807
Cash at the end of the year	1,084,899	491,509

Operating Surplus/(Deficit) for the year is reconciled to Funds from Operations as follows:

Operating Surplus/(Deficit)	385,688	(93,585)
Depreciation and amortisation	282,418	441,317
Decrease/(Increase in Receivables	111,359	(9,328)
Decrease/(Increase) in Prepayments	-	77,848
Decrease/(Increase) in Inventories	13,113	21,871
Increase/(Decrease) in Trade Creditors	88,538	(106,787)
Increase/(Decrease) in Income in Advance	(110,403)	-
Increase/(Decrease) in Staff Entitlements	36,024	71,804
Increase/(Decrease) in PAYG and Superannuation	19,996	1,801
	826,733	404,941

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 30 June 2014

Note 1 Summary of Significant Accounting Policies

The directors have prepared the financial statements on the basis that the company is a non-reporting entity because there are no users who are dependent on its financial statements. These financial statements are therefore special purpose financial statements that have been prepared in order to meet the requirements of the Australian Not for Profits Commission Act 2012.

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 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.

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.

Plant and equipment are measured on the cost basis less depreciation and impairment losses. 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 have been contributed at no cost, or for nominal cost, are 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.

d) Financial Instruments

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. 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.

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 the statement of comprehensive income.

United Christian Broadcasters Australia Limited
Notes to and Forming part of the Accounts
For the Year ended 30 June 2014

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.

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. UBC amortisation policy amortises the costs of broadcast rights over the rights period of the contract or licence.

United Christian Broadcasters Australia Limited
Notes to and Forming part of the Accounts
For the Year ended 30 June 2014

	2014 \$	2013 \$
Note 2 Cash		
Cash on Hand	126	226
Debit Mastercards	2,140	3,136
Commercial Account	8,949	774
DGR Development Account	110,411	125,299
NZ Currency account	798	856
Station Trust account	484,479	382,141
Less internal drawings	(70,000)	(165,173)
Other Station interest bearing accounts	27,814	55,753
Station Maintenance account	6,887	8,435
Satellite Network Allocation	-	198,915
OPB2 account	(104,905)	(166,511)
Other accounts and holding accounts	618,201	47,658
	<u>1,084,899</u>	<u>491,509</u>
Note 3 Receivables - Current		
Deposits held	6,600	6,600
Trade accounts	34,773	22,762
Trade Debtors	133,237	33,888
	<u>174,609</u>	<u>63,250</u>
Note 4 Land and Buildings - cost	1,021,575	1,028,669
Leasehold Improvements - cost	6,745	6,745
	<u>1,028,320</u>	<u>1,035,414</u>
Office Refurbishment - cost	427,218	427,218
Less Accumulated Depreciation	(227,245)	(78,724)
	<u>199,974</u>	<u>348,495</u>
Plant Equipment and Vehicles		
Computers and Electronic Equipment - cost	273,425	743,237
Less Accumulated Depreciation	(170,534)	(486,742)
	<u>102,891</u>	<u>256,495</u>
Motor Vehicles - cost	144,673	138,983
Less Accumulated Depreciation	(99,281)	(108,413)
	<u>45,392</u>	<u>30,569</u>
Office Equipment - cost	-	348,110
Less Accumulated Depreciation	-	(348,110)
	<u>-</u>	<u>(0)</u>
Fixtures and Fittings - cost	47,255	116,324
Less Accumulated Depreciation	(23,385)	(95,274)
	<u>23,870</u>	<u>21,050</u>
Satellite and Relay Station Equipment - cost	871,717	476,295
Less Accumulated Depreciation	(589,414)	(289,445)
	<u>282,304</u>	<u>186,850</u>
Total Property Plant and Equipment	<u>1,682,751</u>	<u>1,878,872</u>
During the 2014 year of income depreciable assets were reviewed and arising from this review significant write downs and write offs were made against both cost and provision any prior year effect of which has been charged to Other Comprehensive Income in the Equity Statement.		
Note 5 Other non-current assets		
Cost		
Radio Frequency	1,239,445	1,329,663
Intellectual Property	3,561	3,561
Website Development	20,174	20,174
Software	9,483	-
Less Accumulated Amortisation	(1,030,070)	(1,021,113)
	<u>242,592</u>	<u>332,285</u>

United Christian Broadcasters Australia Limited
Notes to and Forming part of the Accounts
For the Year ended 30 June 2014

	2014 \$	2013 \$
Note 6 Payables		
Current		
Bartercard		-
Trade Creditors	142,053	53,516
PAYG Withholdings	20,226	1,262
GST Payable/(Recoverable)	5,659	-
Superannuation	17,891	16,859
Income in Advance	110,403	-
Other Payables		-
	<u>296,233</u>	<u>71,637</u>
Note 7 Interest Bearing Liabilities		
Current		
Credit Card accounts	4,077	3,345
Other	-	-
	<u>4,077</u>	<u>3,345</u>
Hire Purchase		
Loans - Vehicle IT & Phone system	47,659	47,659
	<u>51,736</u>	<u>51,004</u>
Non-Current		
Loan - Other - unsecured	30,000	30,000
Hire Purchase		
Loans - Vehicle IT & Phone system	30,741	66,458
	<u>60,741</u>	<u>96,458</u>
Note 8 Provisions		
Current		
Long Service Leave	87,861	
Annual Leave Provision	206,168	219,956
Non-Current		
Long Service Leave	46,302	84,350

Note 6 Segment of Operations

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.

Note 8 Financial Instruments and Risk

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 subject to Commonwealth Government guarantee	1,151,836	453,549
Foreign financial institutions	798	856

Sensitivity:

If interest rates changed the following would be the resultant effect on income and accumulated funds:

Increase of 1% in interest rates	11,518	4,535
Decrease by 1% in interest rates	(11,518)	(4,535)

United Christian Broadcasters Australia Limited
Notes to and Forming part of the Accounts
For the Year ended 30 June 2014

	2014	2013
	\$	\$
Note 9 Operating Surplus/(Deficit) for the Year		
Income		
Deductible Gift Receipts	4,774,190	3,962,152
Interest Received - Other	9,989	17,310
Currency Exchange gains/(losses)	8	797
Expenses		
Depreciation and amortisation	282,418	441,317
Employee entitlement provisions	(51,837)	71,804
Remuneration of the Auditors		
Audit services	13,140	12,700

Note 10 Entity Details

The registered office and Principal Place of Business of the company is:
104 Compton Road Underwood Queensland

Note 11 New Accounting Standards for Application in Future Periods

The AASB has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods and which the entity has not adopted as the financial report is regarded by the directors as a non-reporting entity and thus this is not a general purpose financial report. These changes are as follows:

— AASB 1053: Application of Tiers of Australian Accounting Standards and AASB 2010–2: Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements [AASB 1, 2, 3, 5, 7, 8, 101, 102, 107, 108, 110, 111, 112, 116, 117, 119, 121, 123, 124, 127, 128, 131, 133, 134, 136, 137, 138, 140, 141, 1050 & 1052 and Interpretations 2, 4, 5, 15, 17, 127, 129 & 1052] (applicable for annual reporting periods commencing on or after 1 July 2013).

AASB 1053 establishes a revised differential financial reporting framework consisting of two tiers of financial reporting requirements for those entities preparing general purpose financial statements:

 Tier 1: Australian Accounting Standards; and

 Tier 2: Australian Accounting Standards — Reduced Disclosure Requirements.

Tier 2 of the framework comprises the recognition, measurement and presentation requirements of Tier 1, but contains significantly fewer disclosure requirements.