

United Christian Broadcasters Australia Limited

A Company Limited by Guarantee

ABN 15 051 984 402

Financial Report

For the year ended 31 December 2016

United Christian Broadcasters Australia Limited
Directors' Report

In respect of the financial year ended 31 December 2016, 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
Terry Winter
Cameron Young
Peter Irvine
Paul Campey
Graham McLennan
Russell Huskisson
Phillip Edwards
Wendy Francis

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 year was \$357,949

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
Wendy Francis	QLD director, Australian Christian Lobby

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 2016, the total amount that members of the company are liable to contribute if the company is wound up is \$70 (2015:\$70).

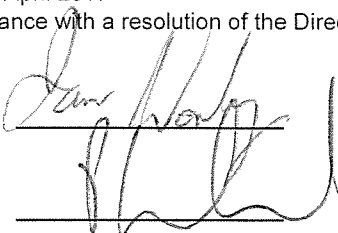
Auditors

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 30 April 2017
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 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 2016 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.

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

Director

Director

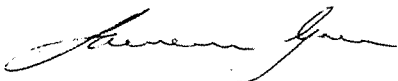
Dated 30 April 2017

Auditors Independence Declaration

To the Directors

We declare that, to the best of our knowledge and belief, during the year ended 31 December 2016 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 30 April 2017
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 2016, 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 2016 and of its financial performance for the year then ended; and
- (b) complying with Australian Accounting Standards – Reduced Disclosure Requirements, and Division 60 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

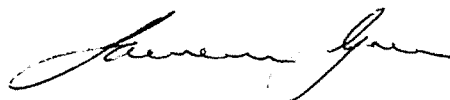
The audit objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee 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: 30 April 2017
Sydney

Lawrence R Green FCA, Director

United Christian Broadcasters Australia Limited
Balance Sheet
As at 31 December 2016

	Note	2016 \$	2015 \$
Current Assets			
Cash and cash equivalents	2	1,410,701	1,206,651
Inventories		99,599	80,303
Accounts Receivable	3	<u>268,109</u>	<u>63,828</u>
Total Current Assets		<u>1,778,409</u>	<u>1,350,782</u>
Non-Current Assets			
Property Plant and Equipment	4	1,674,884	1,495,528
Other	5	<u>338,814</u>	<u>364,256</u>
Total Non-Current Assets		<u>2,013,698</u>	<u>1,859,784</u>
Total Assets		<u>3,792,107</u>	<u>3,210,566</u>
Current Liabilities			
Payables	6	243,587	200,586
Interest Bearing Liabilities	7	40,322	17,574
Provisions	8	<u>409,081</u>	<u>311,466</u>
Total Current Liabilities		<u>692,990</u>	<u>529,626</u>
Non- Current Liabilities			
Interest Bearing Liabilities	7	60,482	15,000
Provisions	8	<u>98,123</u>	<u>83,379</u>
Total Current Liabilities		<u>158,605</u>	<u>98,379</u>
Total Liabilities		<u>851,595</u>	<u>628,005</u>
Net Assets		<u>2,940,511</u>	<u>2,582,561</u>
Accumulated Funds and Reserves			
Accumulated Funds		2,455,679	2,097,729
Reserves		484,832	484,832
Total Funds and Reserves		<u>2,940,511</u>	<u>2,582,561</u>

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 2016

	Note	2016 \$	2015 \$
Revenues from Ordinary Activities			
Vision Radio Network & Publications income		660,759	457,324
Donations and Development Income		5,420,071	5,033,915
Bequests		139,354	0
Interest Received - Other		7,805	9,420
Product Sales		623,167	577,842
Other Income		3,842	15,748
Surplus/(Deficit) on sale of non-current assets		<u>12,419</u>	<u>3,046</u>
Total Income	11	<u>6,867,416</u>	<u>6,097,296</u>
Expenses from Ordinary Activities			
Cost of Sales		269,542	241,896
Operational Costs		1,023,629	866,944
Finance		102,264	100,038
Marketing and Development		314,435	292,891
Communication and Publications		835,238	667,038
Staffing		2,923,831	2,562,446
Donations and Tithes		580,460	519,610
Auditors Remuneration		9,955	6,525
Other Costs		142,958	271,036
Depreciation and amortisation		<u>307,156</u>	<u>302,009</u>
Total Expenses	11	<u>6,509,467</u>	<u>5,830,432</u>
Operating Surplus/(Deficit) for the Year		<u>357,949</u>	<u>266,863</u>

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 2016

	Note	2016 \$	2015 \$
<u>Accumulated Funds</u>			
Operating Surplus/(Deficit) for the Year		357,949	266,863
Balance at the Beginning of the Year		2,097,729	1,830,866
Other Comprehensive Income			
Transfer from/(to) Asset Revaluation Reserve		-	-
Balance at the End of the Year		<u>2,455,679</u>	<u>2,097,729</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>2,940,511</u></u>	<u><u>2,582,561</u></u>

The above Statement should be read with the accompanying Notes

United Christian Broadcasters Australia Limited
Statement of Cashflows
For the year ended 31 December 2016

	2016 \$	2015 \$
Funds from Operations		
Vision Radio Network & Publications income	632,181	495,424
Donations and Development Income	5,420,071	5,033,915
Bequests	139,354	-
Interest Received - Other	7,805	9,420
Product Sales	492,586	611,866
Other Income	3,842	15,748
Other Payments to Staff and Suppliers	<u>(6,037,876)</u>	<u>(5,565,192)</u>
Funds from/(used in) Operations (Note 13)	<u>657,962</u>	<u>601,181</u>
Funds from/(applied to) Investing Activities		
Payments for Property Plant and Equipment	(394,407)	(143,822)
Payments for Other Non-current assets	(70,242)	(87,544)
(Increase)/Decrease in other receivable	850	(1,150)
Net proceeds from disposal of plant & equipment	6,227	10,909
Net proceeds from sale of licences	9,772	11,702
Decrease/(Increase) in GST payable/recoverable	553	5,128
Prior year adjustments	0	0
Repayment of Other Payables	<u>(345)</u>	<u>(2,778)</u>
Funds from/(used in) financing activities	<u>(447,592)</u>	<u>(207,555)</u>
Funds from/(applied to) Financing Activities		
(Increase)/Decrease in Deposits held	(74,550)	-
Net Proceeds/(repayments) from/(to) borrowings	<u>68,230</u>	<u>(52,047)</u>
Funds from/(used in) financing activities	<u>(6,320)</u>	<u>(52,047)</u>
(Decrease)/Increase in cash	204,050	341,580
Cash at the beginning of the year (Note 2)	<u>1,206,651</u>	<u>865,071</u>
Cash at the end of the year (Note 2)	<u>1,410,701</u>	<u>1,206,651</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 2016

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 17.

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 2016

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.

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.

United Christian Broadcasters Australia Limited
Notes to and Forming part of the Accounts
For the year ended 31 December 2016

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.

k) Adoption of New and Revised Accounting Standards

In the current year, the entity has applied a number of amendments to AASBs and a new Interpretation issued by the Australian Accounting Standards Board (AASB) that are mandatorily effective for an accounting period that begins on or after 1 January 2016, and therefore relevant for the current year end.

Amendments to AASBs and the new Interpretation that are mandatorily effective for the

AASB 2015-3 'Amendments to Australian Accounting Standards arising from the Withdrawal of AASB 1031 Materiality' This amendment completes the withdrawal of references to AASB 1031 in all Australian Accounting Standards and Interpretations, allowing that Standard to effectively be withdrawn.

AASB 2014-4 Amendments to Australian Accounting Standards – Clarification of Acceptable Methods of Depreciation and Amortisation The Entity has applied these amendments for the first time in the current year.

The amendments to AASB 116 Property, Plant and Equipment prohibit entities from using a revenue-based depreciation method for items of property, plant and equipment. The amendments to AASB 138 Intangible Assets introduce a rebuttable presumption that revenue is not an appropriate basis for amortisation of an intangible asset. This presumption can only be rebutted in the following two limited circumstances:

(a) When the intangible asset is expressed as a measure of revenue, or (b) When it can be demonstrated that revenue and consumption of the economic benefits of the intangible asset are highly correlated.

As the Entity already uses the straight-line method for depreciation and amortisation for its property, plant and equipment, and intangible assets respectively, the application of these amendments has had no impact on the Entity's financial statements.

The application of these amendments does not have any material impact on the disclosures or the amounts recognised in the entity's financial statements.

Standards and Interpretations in issue not yet adopted - At the date of authorisation of the financial statements, relevant Standards and Interpretations that were issued but not yet effective are listed below.

AASB 116 Leases: Recognises right of use assets and liabilities arising from all leases, with exceptions for low value and short term leases for all entities and is expected to be effective from 1 January 2019.

A number of amending standards have also been issued by the AASB but are not yet effective. Some are available for early adoption although most have limited application. A full list of accounting standards and amendments and their respective application dates can be found on the AASB website. The potential effect of the revised Standards/Interpretations on the entity's financial statements has not yet been determined.

United Christian Broadcasters Australia Limited
Notes to and Forming part of the Accounts
For the year ended 31 December 2016

	2016	2015
	\$	\$
Note 2 Cash		
Cash on Hand	207	478
Debit Mastercards	3,981	3,931
Commercial Account	3,499	67,242
DGR Development Account	239,020	198,347
NZ Currency account	(39)	793
Station Trust account	531,566	348,206
Less internal drawings	-	(1,343)
Other Station interest bearing accounts	9,458	16,240
Station Maintenance account	28,848	25,828
Operating Accounts	102,702	86,390
Other accounts and holding accounts	491,458	460,539
	<u>1,410,701</u>	<u>1,206,651</u>
Note 3 Receivables - Current		
Deposits held	81,150	6,600
Trade accounts - Bartercard etc	54,168	9,020
Other Receivable	300	1,150
Trade Debtors	132,491	47,058
	<u>268,109</u>	<u>63,828</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	445,002
Less Accumulated Depreciation	(420,443)	(360,014)
	<u>24,559</u>	<u>84,988</u>
Plant Equipment and Vehicles		
Computers and Electronic Equipment - cost	528,149	322,000
Less Accumulated Depreciation	(316,817)	(257,659)
	<u>211,332</u>	<u>64,341</u>
Motor Vehicles - cost	123,632	137,201
Less Accumulated Depreciation	(33,047)	(87,416)
	<u>90,585</u>	<u>49,786</u>
Fixtures and Fittings - cost	50,087	50,087
Less Accumulated Depreciation	(48,243)	(38,225)
	<u>1,845</u>	<u>11,862</u>
Satellite and Relay Station Equipment - cost	1,128,677	1,000,144
Less Accumulated Depreciation	(810,435)	(743,912)
	<u>318,243</u>	<u>256,232</u>
Total Property Plant and Equipment	<u>1,674,884</u>	<u>1,495,528</u>
Note 5 Other non-current assets		
Cost		
Radio Frequency	1,313,866	1,298,291
Intellectual Property	12,631	12,513
Website Development	92,045	40,876
Software	-	9,483
Less Accumulated Amortisation	(1,079,728)	(996,907)
	<u>338,814</u>	<u>364,256</u>

United Christian Broadcasters Australia Limited
Notes to and Forming part of the Accounts
For the year ended 31 December 2016

	2016 \$	2015 \$
Note 6 Payables		
Current		
Trade Creditors	149,954	68,684
PAYG Withholdings	33,829	41,907
GST Payable/(Recoverable)	8,018	7,465
Superannuation	22,502	24,323
Accrued Expenses	28,218	56,797
Other Payables	1,065	1,410
	<u>243,587</u>	<u>200,586</u>
Note 7 Interest Bearing Liabilities		
Current		
<u>Asset Loans</u>		
Loans - Vehicle IT & Phone system	40,322	17,574
	<u>40,322</u>	<u>17,574</u>
Non-Current		
Loan - Other - unsecured	-	15,000
<u>Asset Loans</u>		
Loans - Vehicle IT & Phone system	60,482	-
	<u>60,482</u>	<u>15,000</u>
Note 8 Provisions		
Current		
Long Service Leave	150,026	102,774
Annual Leave Provision	259,055	208,692
Non-Current		
Long Service Leave	98,123	83,379
Note 9 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 10 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	1,406,551	1,202,792
Foreign financial institutions	(39)	793
<p>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.</p> <p>Sensitivity:</p> <p>If interest rates changed the following would be the resultant effect on income and accumulated funds:</p>		
Increase of 1% in interest rates	14,066	12,028
Decrease by 1% in interest rates	(14,066)	(12,028)

United Christian Broadcasters Australia Limited
Notes to and Forming part of the Accounts
For the year ended 31 December 2016

	2016 \$	2015 \$
Note 11 Operating Surplus/(Deficit) for the Year		
Income		
Deductible Gift Receipts	5,420,071	5,033,915
Bequests	139,354	-
Interest Received - Other	7,805	9,420
Expenses		
Depreciation and amortisation	307,156	302,009
Employee entitlement provisions	65,107	39,682
Remuneration of the Auditors		
Audit services	8,500	6,525

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)	357,949	266,863
Gain on disposal of Fixed Assets	(12,419)	(3,046)
Depreciation and amortisation	307,156	302,009
Decrease/(Increase in Receivables	(130,581)	34,024
Decrease/(Increase) in Inventories	(19,296)	9,326
Increase/(Decrease) in Trade Creditors	81,270	(93,220)
Increase/(Decrease) in Income in Advance	(28,579)	38,100
Increase/(Decrease) in Staff Entitlement Provisions	112,359	42,592
Increase/(Decrease) in PAYG and Superannuation	(9,899)	4,533
	<u>657,962</u>	<u>601,181</u>
Funds from/(used in) Operations		

Note 14 Related Parties

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

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

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:

	2016 \$	2015 \$
Key management personnel compensation	450,550	600,931

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Notes to and Forming part of the Accounts
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Note 16 Fundraising Ratios

The following ratios are published for information purposes. The entity is registered for Charitable Fundraising in Queensland and has applications in various stages of submission for other States as advice has now been received not to wait for the national fundraising registration scheme previously mooted by COAG.

	2016		2015	
	\$	%	\$	%
<u>Total Costs of Fundraising</u>	492,304	9%	<u>354,092</u>	7%
Gross Income from Fundraising	5,420,071		5,033,915	
 <u>Net Surplus from Fundraising</u>	 4,927,767	 91%	 <u>4,679,823</u>	 93%
Gross Income from Fundraising	5,420,071		5,033,915	
 <u>Total Cost of Services</u>	 4,860,005	 75%	 <u>4,412,826</u>	 76%
Total Expenditure	6,509,467		5,830,432	
 <u>Total Cost of Services</u>	 4,860,005	 71%	 <u>4,412,826</u>	 72%
Total Income Received	6,867,416		6,097,296	

Note 17 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	198,347	17,884
Donations received	5,225,988	4,813,121
Less expenditure from the fund	(5,185,315)	(4,632,658)
Balance at the end of the year	239,020	198,347