

National Ethnic and Multicultural Broadcasters' Council Inc
Financial Report for the Year Ended 30 June 2021

National Ethnic and Multicultural Broadcasters' Council Inc

COMMITTEE'S REPORT

Your committee members submit the financial report of National Ethnic and Multicultural Broadcasters' Council Inc for the financial year ended 30 June 2021.

Committee Members

The names of executive committee members throughout the year and at the date of this report are:

Nick Dmyterko (QLD) - President	Juan Paulo Legaspi (SA) – Vice President
Andrew (Fouad) Andrawos (SA) - Treasurer	Mary Irene Bayldon (QLD) - Secretary
George Salloum (VIC)	Abdul Ghannoum (NSW)
Heinrich Stefanik (ACT)	Levale Lio (QLD)
Yitai (Michael) Zhou (NSW)	Diane Popovich (WA)

Principal Activities

The principal activities of the Council during the financial year were to:

- 1) Promote and represent the interest of ethnic and multicultural community broadcasters throughout Australia in Radio, Television and other electronic media;
- 2) Advance the development of a harmonious multicultural society in Australia through broadcasting; and Assist the efforts of all broadcasters to achieve a quality service for their communities.

Significant Changes

No significant change in the nature of these activities occurred during the year.

Operating Result

The surplus from ordinary activities amounted to \$98,406. The surplus for the previous financial year amounted to \$59,255.

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

Nick Dmyterko –President



Andrew (Fouad) Andrawos – Treasurer



Dated this day the 23 of November 2021



**AUDITOR'S INDEPENDENCE DECLARATION TO THE RESPONSIBLE PERSONS OF
NATIONAL ETHNIC AND MULTICULTURAL BROADCASTERS' COUNCIL INC**

In accordance with the requirements of section 60-40 of the *Australian Charities and Not-for-Profits Commission Act 2012* for the audit of National Ethnic and Multicultural Broadcasters' Council Inc. for the year ended 30 June 2021, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Australian Charities and Not for Profits Commission Act 2012* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit

LBW Chartered Accountants

Sripathy Sarma
Principal

Dated this day the 23rd of November 2021



CHARTERED ACCOUNTANTS
AUSTRALIA + NEW ZEALAND

National Ethnic and Multicultural Broadcasters' Council Inc

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2021

	Note	2021 \$	2020 \$
INCOME			
Revenue	2	917,528	654,657
		917,528	654,657
EXPENDITURE			
Administration Expenditure		(815,406)	(593,437)
Depreciation		(3,716)	(1,965)
		(819,122)	(595,402)
Profit before income tax		98,406	59,255
Income tax expense	1a	-	-
Profit for the year		98,406	59,255
Other comprehensive income			
Items that will not be reclassified to profit or loss:		-	-
Items that will be reclassified subsequently to profit or loss when specific conditions are met:		-	-
Total other comprehensive income for the year		-	-
Total comprehensive income for the year		98,406	59,255

The accompanying notes form part of these financial statements.

National Ethnic and Multicultural Broadcasters' Council Inc

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2021

	Note	2021 \$	2020 \$
ASSETS			
CURRENT ASSETS			
Cash and Cash Equivalents	3	1,973,057	681,810
Trade and Other Receivables	4	47,754	53,637
TOTAL CURRENT ASSETS		2,020,811	735,447
NON-CURRENT ASSETS			
Property, Plant and Equipment	5	3,779	5,745
TOTAL NON-CURRENT ASSETS		3,779	5,745
TOTAL ASSETS		2,024,590	741,192
LIABILITIES			
CURRENT LIABILITIES			
Trade and Other Payables	6	248,695	92,038
Provisions	7	95,514	57,717
Grants and Projects Committed		1,195,418	204,880
TOTAL CURRENT LIABILITIES		1,539,627	354,635
NON-CURRENT LIABILITIES			
TOTAL NON-CURRENT LIABILITIES		-	-
TOTAL LIABILITIES		1,539,627	354,635
NET ASSETS		484,963	386,557
EQUITY			
Retained surplus	8	484,963	386,557
TOTAL EQUITY		484,963	386,557

The accompanying notes form part of these financial statements.

National Ethnic and Multicultural Broadcasters' Council Inc

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2021

	Retained Surplus	Total
	\$	\$
Balance at 1 July 2019	327,302	327,302
Surplus / (deficit) for the year	59,255	59,255
Other comprehensive income for the year	-	-
Total comprehensive income for the year	59,255	59,255
Balance at 30 June 2020	386,557	386,557
Balance at 1 July 2020	386,557	386,557
Surplus / (deficit) for the year	98,406	98,406
Other comprehensive income for the year	-	-
Total comprehensive income for the year	98,406	98,406
Balance at 30 June 2021	484,963	484,963

National Ethnic and Multicultural Broadcasters' Council Inc

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2021

	Note	2021	2020
		\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash receipts in the course of operations		1,910,693	628,212
Cash payments in the course of operations		(620,952)	(566,065)
Interest received		3,256	7,464
Net cash generated from operating activities	9(b)	<u>1,292,997</u>	<u>69,611</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment for plant and equipment		<u>(1,750)</u>	<u>(2,377)</u>
Net cash used in investing activities		<u>(1,750)</u>	<u>(2,377)</u>
Net increase in cash held		1,291,247	67,234
Cash on hand at the beginning of the financial year		<u>681,810</u>	<u>614,576</u>
Cash on hand at the end of the financial year	9(a)	<u><u>1,973,057</u></u>	<u><u>681,810</u></u>

The accompanying notes form part of these financial statements.

National Ethnic and Multicultural Broadcasters' Council Inc

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial Reporting Framework

The financial statements are special purpose financial statements prepared in order to satisfy the financial reporting requirements of the *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act). The council has determined that the association is not a reporting entity. The entity is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards

Statement of Compliance

The financial report has been prepared in accordance with *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act), the basis of accounting specified by all Australian Accounting Standards and Interpretations, and the disclosure requirements of Accounting Standards AASB 101: *Presentation of Financial Statements*, AASB 107: *Cash Flow Statements*, AASB 108: *Accounting Policies, Changes in Accounting Estimates and Errors* and AASB 1054: *Australian Additional Disclosures*.

The association have not assessed whether these special purpose financial statements comply with all the recognition and measurement requirements in Australian Accounting Standards.

The material accounting policies disclosed in Note 1 that have not been assessed for compliance with the recognition and measurement requirements of Australian Accounting Standards are Revenue Recognition and Leases.

Basis of Preparation

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

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

a. **Income Tax**

No provision for income tax has been raised, as the entity is exempt from income tax under division 50 of the *Income Tax Assessment Act 1997*.

b. **Property, Plant and Equipment (PPE)**

Property, plant & equipment are included at cost less, where applicable, any accumulated depreciation. All fixed assets are depreciated over the estimated useful lives commencing from the time the asset is held ready for use. The gain or loss on disposal of all fixed assets is determined as the difference between the carrying amount of the assets at the time of disposal and the proceeds of the disposal, and is included in the operating surplus of the Council in the year of disposal.

c. **Non-Current Assets**

The carrying amounts of all non-current assets are reviewed to determine whether they are in excess of their recoverable amount at balance date. If the carrying amount of non-current assets exceeds the recoverable amount, the asset is written down to the lower amount. In assessing the recoverable amounts, the relevant cash flows have not been discounted to their present value.

d. **Employee Benefits**

Provision is made for the association's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year have been measured to the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

National Ethnic and Multicultural Broadcasters' Council Inc

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

e. **Revenue Recognition**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the entity and the revenue can be reliably measured.

Grant revenue is recognised at fair value of the consideration received net of the amount of goods and services tax (GST) payable and is recognised when the grant provided is receivable.

This treatment is not in compliance with current requirements of Australian Accounting Standards AASB 15 Revenue from Contracts with Customers and AASB 1058 Income of Not-for-Profit Entities.

f. **Goods and Services Tax (GST)**

Revenues, expenses and assets are recognised net of the amount of GST. Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the assets and liabilities statement.

g. **Impairment**

The carrying values of the Council's assets are reviewed at each balance date to determine whether there is an indication of impairment.

h. **Trade and Other Payables**

When grants are received, an undertaking is signed by the Council ensuring that funds will be disbursed only to approved applicants and any excess funds will be refunded to the grantor. Accordingly, due to the undertaking being a legal document, enforceable at law, a liability arises as the funds are either owed to approved applicants or the grantor. This liability is categorised as a grant committed included in Payables.

i. **Leases**

Leases of property, plant and equipment, where substantially all the risks and benefits incidental to the ownership of the asset (but not the legal ownership) are transferred to the association, are classified as finance leases.

Finance leases are capitalised by recognising an asset and a liability at the lower of the amount equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Leased assets are depreciated on a straight-line basis over their estimated useful lives where it is likely that the association will obtain ownership of the asset over the lease.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are recognised as expenses on a straight-line basis over the lease term.

This treatment is not in compliance with current requirements of Australian Accounting Standards AASB 16 Leases.

j. **Comparative Figures**

When necessary, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

National Ethnic and Multicultural Broadcasters' Council Inc

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

NOTE 2: REVENUE	2021	2020
	\$	\$
Annual Conference Registrations	-	21,373
CBF Sector Coordination Grant	418,000	443,700
CBF and Other Project Funding	411,638	115,738
Government Stimulus Payments	71,579	48,797
Membership Income	13,055	17,585
Investment and Interest Income	3,256	7,464
	<u>917,528</u>	<u>654,657</u>

NOTE 3: CASH AND CASH EQUIVALENTS

Bendigo Bank	40,127	136,206
Bendigo Bank Term Deposits	1,932,739	544,416
PayPal Account	-	1,065
Petty Cash Float	191	123
	<u>1,973,057</u>	<u>681,810</u>

NOTE 4: TRADE AND OTHER RECEIVABLES

Trade and Other Receivables	45,254	51,137
Prepayments	2,500	2,500
	<u>47,754</u>	<u>53,637</u>

NOTE 5: PROPERTY, PLANT AND EQUIPMENT

	Furniture & Fittings \$	Office Equipment \$	Total \$
COST			
Balance at 1 July 2020	2,703	29,586	32,289
Acquisitions	-	1,750	1,750
Disposals/write-offs	-	-	-
Balance at 30 June 2021	<u>2,703</u>	<u>31,336</u>	<u>34,039</u>
DEPRECIATION AND IMPAIRMENT LOSSES			
Balance at 1 July 2020	(2,703)	(23,841)	(26,544)
Depreciation charge for year	-	(3,716)	(3,716)
Disposals/write-offs	-	-	-
Balance as at 30 June 2021	<u>(2,703)</u>	<u>(27,557)</u>	<u>(30,260)</u>
Net Book Value at 1 July 2020	-	5,745	5,745
Net Book Value at 30 June 2021	<u>-</u>	<u>3,779</u>	<u>3,779</u>

National Ethnic and Multicultural Broadcasters' Council Inc

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

NOTE 6: TRADE AND OTHER PAYABLES	2021	2020
	\$	\$
Tony Manicaros Trust Account	20,167	20,026
Trade and Other Payables	73,407	45,636
Sundry Accruals	6,219	8,381
GST/ BAS Payable	138,634	7,064
Payroll Liabilities	10,268	10,931
	248,695	92,038

NOTE 7: PROVISIONS

Current Employee Entitlements	95,514	57,717
	95,514	57,717

NOTE 8: RETAINED SURPLUS

Retained Surplus at the beginning of the financial year	386,557	327,302
Net surplus (deficit) attributed to members of the council	98,406	59,255
	484,963	386,557

NOTE 9: CASH FLOW INFORMATION

a. Reconciliation of Cash

Cash	40,318	137,394
Term deposits and cash at call	1,932,739	544,416
Total cash and cash equivalents	1,973,057	681,810

b. Reconciliation of cash flow from operations with operating surplus

Operating surplus	98,406	59,255
Non-cash flows in statement of profit or loss and other comprehensive income		
Depreciation	3,716	1,965
Changes in Assets and Liabilities		
Decrease / (increase) in trade and other receivables	5,883	(18,981)
Increase / (decrease) in trade and other payables	156,657	(2,090)
Increase in provisions	37,797	7,995
Increase in grants and projects committed	950,538	21,467
Net Cash Flow used in Operating Activities	1,292,997	69,611

NOTE 10: ASSOCIATION DETAILS

The registered office and principal place of business of the Council is

National Ethnic and Multicultural Broadcasters' Council Inc.

1 St Helena St

Abbotsford VIC 3067

National Ethnic and Multicultural Broadcasters' Council Inc

NATIONAL ETHNIC AND MULTICULTURAL BROADCASTERS' COUNCIL INC. RESPONSIBLE PERSONS' DECLARATION

The Responsible Persons have determined that the Association is not a reporting entity and that these special purpose financial statements should be prepared in accordance with the accounting policies described in Note 1 of the financial statements.

The Responsible Persons of the Association declare that:

- A. The financial statements and notes, as set out on pages 4 to 11, are in accordance with the *Australian Charities and Not-for-Profits Commission Act 2012*, including:
 - i. Giving a true and fair view of its financial position as at 30 June 2021 and of its performance for the financial year ended on that date; and
 - ii. Complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Australian Charities and Not-for-Profits Commission Regulation 2013*.

- B. In the Responsible Persons' opinion there are reasonable grounds to believe that the Association will be able to pay its debts as and when they become due and payable.

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

Nick Dmyterko – President



Andrew (Fouad) Andrawos – Treasurer



Dated this 23 day of November 2021



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
NATIONAL ETHNIC AND MULTICULTURAL BROADCASTERS' COUNCIL INC

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of National Ethnic and Multicultural Broadcasters' Council Inc. (the association), which comprises the statement of financial position as at 30 June 2021, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the certification by the responsible persons' on the annual statements giving a true and fair view of the financial position and performance of the association.

In our opinion, the accompanying financial report of National Ethnic and Multicultural Broadcasters' Council Inc has been prepared in accordance with Div. 60 of the *Australian Charities and Not-for-profits Commission Act 2012 (ACNC Act)*, including:

- (i) giving a true and fair view of the association's financial position as at 30 June 2021 and of its performance for the year then ended; and
- (ii) that the financial records kept by the association are such as to enable financial statements to be prepared in accordance with Australian Accounting Standards and Division 60 of the *Australian Charities and Not-for-profits Regulation 2013*.

Basis for Opinion

We conducted our 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 association in accordance with the auditor independence requirements of 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 confirm that the independence declaration required by the *Australian Charities and Not-for-profits Commission Act 2012 (ACNC Act)*, which has been given to the members of National Ethnic and Multicultural Broadcasters' Council Inc, would be in the same terms if given to the members as at the time of this auditor's report.

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

Emphasis of Matter

Basis of Accounting

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the registered entity's financial reporting responsibilities under the *Australian Charities and Not-for-profits Commission Act 2012 (ACNC Act)*. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Revenue Recognition

As stated in note 1 (e), the Association has not assessed compliance with current recognition and measurement requirements of AASB 15 Revenue from Contracts with Customers and AASB 1058 Income of Not-for-Profit Entities.

Responsibilities of the Committee for the Financial Report

The committee is responsible for the preparation and fair presentation of the financial report in accordance with the financial reporting requirements of the *Australian Charities and Not-for-profits Commission Act 2012 (ACNC Act)* and for such internal control as the committee determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.



CHARTERED ACCOUNTANTS
AUSTRALIA + NEW ZEALAND

GEELONG OFFICE

35-37 Gordon Avenue
Geelong West VIC 3218
T: 03 5221 6111
F: 03 5223 1966

MELBOURNE OFFICE


Level 3, 365 Little Collins Street
Melbourne VIC 3000
T: 03 9670 4444
F: 03 5223 1966

POSTAL ADDRESS

PO Box 4115
Geelong VIC 3220

EMAIL lbw@lbwca.com.au

WEB www.lbwca.com.au

 @lbwca

Liability limited by a scheme
Approved under Professional
Standards Legislation.



In preparing the financial report, the committee is responsible for assessing the association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the committee either intends to liquidate the association or to cease operations, or have no realistic alternative but to do so.

The committee is responsible for overseeing the association's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Report

Our 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 this financial report.

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

LBW Chartered Accountants

Sripathy Sarma
Principal

Dated this day the 23rd of November 2021




CHARTERED ACCOUNTANTS
AUSTRALIA + NEW ZEALAND

GEELONG OFFICE
35-37 Gordon Avenue
Geelong West VIC 3218
T: 03 5221 6111
F: 03 5223 1966

MELBOURNE OFFICE
Level 3, 365 Little Collins Street
Melbourne VIC 3000
T: 03 9670 4444
F: 03 5223 1966

POSTAL ADDRESS
PO Box 4115
Geelong VIC 3220

EMAIL lbw@lbwca.com.au
WEB www.lbwca.com.au
 @lbwca

Liability limited by a scheme
Approved under Professional
Standards Legislation.