Attachment 4.1

Queensland Radio for the Print Handicapped Limited

ABN 22 010 232 934

Financial Statements

For the Year Ended 30 June 2018

Queensland Radio for the Print Handicapped Limited

ABN 22 010 232 934

Contents

For the Year Ended 30 June 2018

Queensland Radio for the Print Handicapped Limited

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Statement of Profit or Loss and Other Comprehensive Income

For the Year Ended 30 June 2018

	2018	2017
	$	$
Sponsorship	**98,900**	97,534
Grants	**134,164**	118,714
Donations	**25,841**	10,961
Member subscriptions	**1,642**	1,383
Interest income	**16,472**	34,488
Other income	**11,298**	-
Total income	**288,317**	263,080
Employee benefits expense	**(196,764)**	(70,111)
Depreciation and amortisation expense	**(8,752)**	(2,378)
Transmission and electricity expenses	**(74,838)**	(66,472)
Rent	**(50,331)**	(49,574)
Telephone and internet	**(9,120)**	(9,212)
Accounting and bookkeeping	**(6,695)**	(1,500)
Insurance	**(5,396)**	(4,980)
Travel expenses	**(4,976)**	(9,844)
Other expenses	**(30,620)**	(16,243)
Total expenses	**(387,492)**	(230,314)
Net surplus/(deficit) for the year	**(99,175)**	32,766
Other comprehensive income		
Other comprehensive income for the year	**-**	-
Total comprehensive income for the year	**(99,175)**	32,766

The accompanying notes form part of these financial statements.

Queensland Radio for the Print Handicapped Limited

ABN 22 010 232 934

Statement of Financial Position

As At 30 June 2018

	Note	2018 $	2017 $
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	**1,356,892**	1,489,058
Trade and other receivables	5	**23,579**	24,228
Other assets	6	**2,681**	-
TOTAL CURRENT ASSETS		**1,383,152**	1,513,286
NON-CURRENT ASSETS			
Other assets	6	**500**	500
Property, plant and equipment	7	**29,652**	5,323
Intangible assets	8	**4,252**	-
TOTAL NON-CURRENT ASSETS		**34,404**	5,823
TOTAL ASSETS		**1,417,556**	1,519,109
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	9	**16,094**	22,225
Employee benefits	10	**20,460**	10,100
TOTAL CURRENT LIABILITIES		**36,554**	32,325
NON-CURRENT LIABILITIES			
Employee benefits	10	**128**	6,735
TOTAL NON-CURRENT LIABILITIES		**128**	6,735
TOTAL LIABILITIES		**36,682**	39,060
NET ASSETS		**1,380,874**	1,480,049
EQUITY			
Retained surpluses		**1,380,874**	1,480,049
TOTAL EQUITY		**1,380,874**	1,480,049

The accompanying notes form part of these financial statements.

Queensland Radio for the Print Handicapped Limited

ABN 22 010 232 934

Statement of Changes in Equity

For the Year Ended 30 June 2018

2018

	Retained Surpluses	Total
	$	$
Balance at 1 July 2017	**1,480,049**	**1,480,049**
Net deficit for the year	**(99,175)**	**(99,175)**
Other comprehensive income for the year	**-**	**-**
Total comprehensive income for the year	**(99,175)**	**(99,175)**
Balance at 30 June 2018	**1,380,874**	**1,380,874**

2017

	Retained Surpluses	Total
	$	$
Balance at 1 July 2016	1,447,283	1,447,283
Net surplus for the year	32,766	32,766
Other comprehensive income for the year	-	-
Total comprehensive income for the year	32,766	32,766
Balance at 30 June 2017	1,480,049	1,480,049

The accompanying notes form part of these financial statements.

Queensland Radio for the Print Handicapped Limited

ABN 22 010 232 934

Statement of Cash Flows

For the Year Ended 30 June 2018

	Note	2018 $	2017 $
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts from customers		**281,577**	242,248
Payments to suppliers and employees		**(394,052)**	(225,562)
Interest received		**17,641**	34,488
Net cash provided by/(used in) operating activities		**(94,834)**	51,174
CASH FLOWS FROM INVESTING ACTIVITIES:			
Purchase of property, plant and equipment	7(a)	**(31,816)**	-
Purchase of intangible assets (software)	8(a)	**(5,517)**	-
Net cash provided by/(used in) investing activities		**(37,333)**	-
Net increase/(decrease) in cash and cash equivalents held		**(132,167)**	51,174
Cash and cash equivalents at beginning of year		**1,489,058**	1,437,884
Cash and cash equivalents at end of financial year	4	**1,356,891**	1,489,058

The accompanying notes form part of these financial statements.

Notes to the Financial Statements

For the Year Ended 30 June 2018

The financial report covers Queensland Radio for the Print Handicapped Limited as an individual entity. Queensland Radio for the Print Handicapped Limited is a not-for-profit Company, registered and domiciled in Australia.

The principal activities of the Company for the year ended 30 June 2018 were to provide a professional communication service which caters for the special requirements of people with literacy problems, vision impairment, physical disabilities, intellectual disabilities, or English as a second language, with a strong emphasis on information, education and entertainment.

The functional and presentation currency of Queensland Radio for the Print Handicapped Limited is Australian dollars.

The financial report was authorised for issue by the Directors on .... 2018.

Comparatives are consistent with prior years, unless otherwise stated.

1 Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards - Reduced Disclosure Requirements and the *Australian Charities and Not-for-profits Commission Act 2012.*

2 Summary of Significant Accounting Policies

(a) Income Tax

The Company is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

(b) Leases

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

(c) Revenue and other income

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the Company and specific criteria relating to the type of revenue as noted below, has been satisfied.

Revenue is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates.

Rendering of services

Revenue in relation to rendering of services is recognised depending on whether the outcome of the services can be estimated reliably. If the outcome can be estimated reliably then the stage of completion of the services is used to determine the appropriate level of revenue to be recognised in the period.

If the outcome cannot be reliably estimated then revenue is recognised to the extent of expenses recognised that are recoverable.

2 Summary of Significant Accounting Policies (continued)

(c) Revenue and other income (continued)

Donations

Donations collected, including cash and goods for resale, are recognised as revenue when the Company gains control, economic benefits are probable and the amount of the donation can be measured reliably.

Grant revenue

Grant revenue is recognised in the statement of profit or loss and other comprehensive income when the Company obtains control of the grant, it is probable that the economic benefits gained from the grant will flow to the Company and the amount of the grant can be measured reliably.

When grant revenue is received whereby the entity incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the statement of financial position as a liability until the service has been delivered to the contributor, otherwise the grant is recognised as income on receipt.

Queensland Radio for the Print Handicapped Limited receives non-reciprocal contributions of assets from the government and other parties for zero or a nominal value. These assets are recognised at fair value on the date of acquisition in the statement of financial position, with a corresponding amount of income recognised in the statement of profit or loss and other comprehensive income.

Interest revenue

Interest is recognised using the effective interest method.

Subscriptions

Revenue from the provision of membership subscriptions is recognised on a straight line basis over the financial year.

Other income

Other income is recognised on an accruals basis when the Company is entitled to it.

(d) Goods and services tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payable are stated inclusive of GST.

Cash flows in the statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

2 Summary of Significant Accounting Policies (continued)

(e) Property, plant and equipment

Each class of property, plant and equipment is carried at cost less, where applicable, any accumulated depreciation and impairment.

Items of property, plant and equipment acquired for nil or nominal consideration have been recorded at the acquisition date fair value.

Depreciation

Property, plant and equipment, excluding freehold land, is depreciated on a straight-line basis over the assets useful life to the Company, commencing when the asset is ready for use.

The depreciation rates used for each class of depreciable asset are shown below:

Fixed asset class	Depreciation rate
Plant and Equipment	10% - 20%
Furniture, Fixtures and Fittings	10% - 20%
Office Equipment	10% - 20%

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

Impairment

The carrying values of property, plant and equipment are reviewed for impairment at each reporting date, with the recoverable amount being estimated when events or changes in circumstances indicate that the carrying value may be impaired.

The recoverable amount of property, plant and equipment is the higher of fair value less costs of disposal and value in use. Value in use for assets is a discounted cash flow calculation.

An impairment loss exists when the carrying value of an asset exceeds its estimated recoverable amount. The asset is then written down to its recoverable amount.

Impairment losses are recognised in the statement of profit or loss and other comprehensive income.

Derecognition and disposal

An item of property, plant and equipment is derecognised upon disposal, when the item is no longer used in the operations of the company or when it has no sale value. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the net surplus or deficit in the year the asset is derecognised.

2 Summary of Significant Accounting Policies (continued)

(f) Intangibles

Software

Software has a finite life and is carried at cost less any accumulated amortisation and impairment losses. It has an estimated useful life of three years.

Amortisation

Amortisation is recognised in the surpluys or deficit on a straight-line basis over the estimated useful lives of intangible assets, from the date that they are available for use.

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

(g) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

(h) Employee benefits

Provision is made for the Company'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 wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits expected to be settled more than one year after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Cashflows are discounted using market yields on high quality corporate bond rates incorporating bonds rated AAA or AA by credit agencies, with terms to maturity that match the expected timing of cashflows. Changes in the measurement of the liability are recognised in profit or loss.

(i) Provisions

Provisions are recognised when the Company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.

3 Critical Accounting Estimates and Judgments

The Directors make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

3 Critical Accounting Estimates and Judgments (continued)

The significant estimates and judgements made have been described below.

Key estimates - receivables

The receivables at reporting date have been reviewed to determine whether there is any objective evidence that any of the receivables are impaired. An impairment provision is included for any receivable where the entire balance is not considered collectible. The impairment provision is based on the best information at the reporting date.

4 Cash and Cash Equivalents

	2018	2017
	$	$
Cash on hand	**262**	187
Bank balances	**1,356,630**	188,871
Short-term deposits	**-**	1,300,000
	1,356,892	1,489,058

5 Trade and Other Receivables

	2018	2017
	$	$
CURRENT		
Trade receivables	**16,328**	21,668
GST receivable	**1,958**	-
Other receivables	**5,293**	2,560
	23,579	24,228

The carrying value of trade receivables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable in the financial statements.

6 Other Assets

	2018	2017
	$	$
CURRENT		
Prepayments	**2,681**	-
	2,681	-
NON-CURRENT		
Unlisted shares - Community Digital Radio (Brisbane) Pty Ltd	**500**	500
	500	500

Notes to the Financial Statements

For the Year Ended 30 June 2018

7 Property, plant and equipment

	2018	2017
	$	$
Plant and equipment		
At cost	**133,106**	106,377
Accumulated depreciation	**(108,216)**	(103,545)
Total plant and equipment	**24,890**	2,832
Furniture, fixtures and fittings		
At cost	**15,570**	11,781
Accumulated depreciation	**(12,056)**	(9,313)
Total furniture, fixtures and fittings	**3,514**	2,468
Office equipment		
At cost	**8,712**	7,412
Accumulated depreciation	**(7,464)**	(7,389)
Total office equipment	**1,248**	23
	29,652	5,323

(a) Movements in Carrying Amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

	Plant and Equipment	Furniture, Fixtures and Fittings	Office Equipment	Total
	$	$	$	$
Year ended 30 June 2018				
Balance at the beginning of the year	**2,832**	**2,468**	**23**	**5,323**
Additions	**26,728**	**3,788**	**1,300**	**31,816**
Depreciation expense	**(4,670)**	**(2,742)**	**(75)**	**(7,487)**
Balance at the end of the year	**24,890**	**3,514**	**1,248**	**29,652**

8 Intangible Assets

	2018	2017
	$	$
Software		
At cost	**5,517**	-
Accumulated amortisation	**(1,265)**	-
Total Intangibles	**4,252**	-

8 Intangible Assets (continued)

(a) Movements in Carrying Amounts

Movementin the carrying amount of intangible assets between the beginning and the end of the current financial year:

	Software	Total
	$	$
Year ended 30 June 2018		
Balance at the beginning of the year	-	-
Additions	**5,517**	**5,517**
Amortisation expense	**(1,265)**	**(1,265)**
Balance at the end of the year	**4,252**	**4,252**

9 Trade and Other Payables

	2018	2017
	$	$
CURRENT		
GST payable	**-**	2,616
Employee benefits	**16,094**	12,901
Sundry payables and accrued expenses	**-**	6,707
	16,094	22,224

Trade and other payables are unsecured, non-interest bearing and are normally settled within 30 days. The carrying value of trade and other payables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

10 Employee Benefits

	2018	2017
	$	$
CURRENT		
Long service leave	**8,660**	-
Annual leave	**11,800**	10,100
	20,460	10,100
NON-CURRENT		
Long service leave	**128**	6,735
	128	6,735

11 Leasing Commitments

Operating leases

	2018	2017
	$	$
Minimum lease payments under non-cancellable operating leases:		
- not later than one year	**50,589**	49,817
- between one year and five years	**118,040**	166,055
	168,629	215,872

An operating lease is in place for the studio at Spring Hill and has term from November 2015 to October 2021. Lease payments are increased on an annual basis to reflect market rentals.

12 Members' Guarantee

The Company is incorporated under the *Corporations Act 2001* and is a Company limited by guarantee. If the Company is wound up, the constitution states that each member is required to contribute a maximum of $ 20 each towards meeting any outstandings and obligations of the Company. At 30 June 2018 the number of members was 151.

13 Key Management Personnel Remuneration

The totals of remuneration paid to the key management personnel of Queensland Radio for the Print Handicapped Limited during the year was $121,393. Included in this amount is $53,173 paid to Directors that are employed by the Company as employees. The Directors act in an honorary capacity and receive no compensation for their services as Directors of the Company.

14 Contingencies

In the opinion of the Directors, the Company did not have any contingencies at 30 June 2018 (30 June 2017:None).

15 Related Parties

The Company purchases bookkeeping services from an entity which is controlled by the partner of Chris Cooper, a director of the Company. The total amount of purchases for the year amounted to $1,428.

16 Events after the end of the Reporting Period

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in future financial years.

17 Statutory Information

The registered office and principal place of business of the company is:

3/17 Henry Street, SPRING HILL QLD, 4000 AUSTRALIA

Directors' Declaration

The Directors declare that in their opinion:

- there are reasonable grounds to believe that the Company is able to pay all of its debts, as and when they become due and payable; and
- the financial statements and notes satisfy the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.

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

Director .... Director ....

Dated

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LEAD AUDITOR'S INDEPENDENCE DECLARATION TO THE DIRECTORS OF QUEENSLAND RADIO FOR THE PRINT HANDICAPPED LIMITED

In accordance with the requirements of section 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012*, as lead auditor for the audit of Queensland Radio for the Print Handicapped Limited for the year ended 30 June 2018, I declare that, to the best of my knowledge and belief, there have been:

(i) No contraventions of the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and

(ii) No contraventions of any applicable code of professional conduct in relation to the audit.

UHY Haines Norton
Chartered Accountants

Brisbane, ___ October 2018

Reece Jory
Partner

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF QUEENSLAND RADIO FOR THE PRINT HANDICAPPED LIMITED

OPINION

We have audited the financial report of Queensland Radio for the Print Handicapped Limited (the Company), which comprises the statement of financial position as at 30 June 2018, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration

In our opinion the financial report of Queensland Radio for the Print Handicapped Limited has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

(i) Giving a true and fair view of the Company's financial position as at 30 June 2018 and of its financial performance for the year then ended; and

(ii) Complying with Australian Accounting Standards - Reduced Disclosure Requirements and Division 60 of the Australian Charities and Not-for-profits Commission Regulation 2013.

BASIS FOR OPINION

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described as in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Company in accordance with the auditor independence requirements of Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012* 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.

RESPONSIBILITIES OF THE DIRECTORS FOR THE FINANCIAL REPORT

The directors are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, and for such internal control as the directors determine is necessary to enable the preparation of the 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 directors are responsible for assessing the Company'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 directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

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 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 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' 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 Company'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 Company 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 directors 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.

UHY Haines Norton
Chartered Accountants

Reece Jory
Partner

Brisbane, __ October 2018