

ANNUAL MEDIA REPORT ACCESS 2010 AUSTRALIA

ABN 75 002 259 154



media access
australia

MEDIA ACCESS AUSTRALIA

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Financial Report

For the Year ended 30 June 2010

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Chairman's Report
for the Year Ended 30 June 2010

MAA's work is changing significantly. There is still a major need for the provision of basic level information and advice about access and that will continue as an ageing population experiences the onset of disabilities. However, we are also seeing an environment where new technologies emerge, new services are offered and content is reformatted, repackaged and provided in an array of delivery methods. MAA's challenge is to ensure that all of those methods continue providing access, especially where it has already been created for one version.

A good example is streaming video versions of television programs. The ABC with its comprehensive iView player offers a near-perfect recreation of its captioned broadcast content, yet Foxtel with a many thousands of hours of captioned material offers nothing. DVDs are accessible, yet BigPond movies and online versions of DVD stores are not. MAA's role is to help sort through the complexities of this process and ensure that a proper service is delivered to consumers, who just simply want access.

Making society more accessible should start with our public representatives and services. So it was especially pleasing when the Federal Government announced its adoption of the W3C WCAG 2.0 accessibility standards, in line with MAA's strong recommendations. This will mean that government websites will become progressively more accessible over the next couple of years as part of a compulsory plan. This will have flow-ons to other websites and services as the accessible website becomes the normal one. MAA will play an active and key role in helping the Government manage that process.

MAA's strategy to take up opportunities to further develop access has shifted to include a greater emphasis on major project work. For example, during the year we started the first of a multi-staged improvement to the accessibility of media in classrooms, to benefit the ten thousand hearing impaired students embedded in mainstream schools. This pilot project began with two students in one Sydney school and will expand to other location testing with a hope that its findings and success can be replicated nationwide.

To assist Alex Varley and his committed team, the Board made a strategic decision to expand MAA's resources to better equip the organisation to undertake project work such as this and to provide better opportunities to secure partnership support and funding. A Deputy CEO with major project experience was recruited to start in early July 2010 and the marketing/communications area was expanded to help promote these important findings and initiatives to a wider audience.

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Chairman's Report (Cont)
for the Year Ended 30 June 2010

The Board has invested in expansion during difficult financial times. We remain very well in control of our investments and have experienced the topsy-turvy nature of the markets this year. Unlike others, we have been careful not to overgear and MAA remains solid and well-supported to continue to invest in the future. I would like to thank my fellow directors for their support and sharing the vision of making sure that the world is more accessible and that no-one is going to be left behind.

None of the above could happen without the initiative and dedication of the Staff at MAA. I would, on behalf of the Board, like to pay the highest tribute to Alex and his staff.



Graham Jones
Chairman

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CEO's Report
for the Year Ended 30 June 2010

MAA's role is to be a catalyst for access, to speed up the adoption of new solutions and ideas to enable disadvantaged people to access information and media. For us to take on this role successfully we must be tapped into latest intelligence, test new ideas and work around roadblocks. This is what drives us and the end result is more people can enjoy

New media

New media is the catch-all for anything that is delivered via computers, mobile devices and whatever the latest gadget that has arrived on our shores. As such it is a very dynamic area where the only constant is change. It is also very exciting in that we are seeing mainstream services and equipment embracing access features more and more.

One of our tasks is to keep testing new products as they are released and providing a practical view on their impact. Whilst New Media Manager Sarah Pulis review of the accessibility of Apple's iOS 4 was rapidly sent around the world with comments of being a good practical summary of the access features, our work also picked up the clone end of the market where cheap computers are starting to include access features.

Our access expert, Dr Scott Hollier drew large in-house audiences at a major ABC presentation on access and other interest at numerous conferences. This played a small part in what became the new media breakthrough of the year with the ABC providing captions on its iView download service. The first Australian television station to do so and rivalling the world-beating BBC iPlayer.

Another major breakthrough was the Federal Government taking up MAA's recommendation and adopting the WCAG 2.0 access standard for its websites. We will see an ordered transition to this over the next couple of years, but it is a significant change that heralds a better access to public information.

A final example of the wide-range of work that we undertake in this area was the publication of an online guide to the accessibility of popular social media tools (Facebook, Twitter etc). In our usual "tell it like it is" style we received great feedback from disabled consumers who wanted to know whether it was worth persevering with trying to use social media. Again, the report was circulated virally around the world.

Cinema

As the financial year closed, we were on the cusp of the announcement of a biggest cinema access deal in Australia (and possibly the world). Following an extensive community campaign and the rejection by the Australian Human Rights Commission (AHRC) of a cinema exemption application from the big four cinema chains, the senior politicians stepped in. Thanks to the leadership of

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for the Year Ended 30 June 2010

Parliamentary Secretary for Disabilities, Bill Shorten and the Communications Minister Stephen Conroy, a deal was brokered to provide captioning and audio description access at all of the cinemas controlled by these chains over the next four years. This major win for access would see Australia jumping to near top for accessibility of cinemas measured on a per head of population basis. MAA will continue to play a significant role in the steering group organised to assist with the roll out of the access technology.

TV

The older medium of television had a slower access year. Despite a lot of talk and enthusiasm, we still have no definite plans for an audio description trial on television (the Government has stated its approach is to do so on the ABC). The Comedy Channel demonstrated that audio description can be provided via the viewer interaction system on pay television. But that was it in terms of any progress from subscription television corner. Via its representative ASTRA, they tried to negotiate a captioning deal which became bogged down in complexity and not convincing the consumers that there was a lot in it for them. As the year ended the AHRC had yet to rule on the application.

On free-to-air television, the ABC started its captioning tender and included the download and ABC3 news channel. The Minister for Communications ruled (not surprisingly) on keeping the status quo on multichannel captioning until analog switch off is complete. The most controversial issue was caption quality. The deaf consumer groups agreed to allow FreeTV a final chance at self-regulation, but put the world on notice that if it didn't improve, then it would push the Government for legislation. The regulator, ACMA, engaged in a number of captioning rulings which were drawn out and also revealed a bizarre approach that involved ACMA investigations staff going through programs line-by-line to see if it was still comprehensible. This was universally condemned and ACMA with its new consumer division eventually admitted that the approach was all wrong.

Education

Providing access to the near ten thousand hearing impaired students that are embedded in mainstream classrooms is a major priority for MAA. Under the leadership of Education Manager Anne McGrath, our education strategy included two levels of our Classroom Access Project (CAP) and involvement in the award-winning AI Live product.

CAP1 was a small trial at La Salle Catholic College at Bankstown (NSW) and led to a more involved trial which was starting in the new financial year at Cerdon College in Merrylands (NSW). Both illustrate the importance of an integrated access solution, rather than concentrating on a single "magic fix". This philosophy also carries over to AI Media's AI Live solution of live captioning in the classroom. We played our part on the advisory committee and will continue as this develops as a wider solution.

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Another important component of classroom access is ensuring that the audio-visual media in a classroom are also captioned. The support of the Federal Government for the education captioned access grant was boosted by the launch of our accessible education database which provides a searchable and user-interactive database of captioned DVDs and downloadable video material.

Finally, a successful partnership with the National Geographic channel saw over 500 packs of over 60 hours of captioned DVDs of education material distributed via the itinerant teachers of the deaf channels nationwide.

DVD

On the back of taking a global approach and targeting individual distributors that are able to make changes to improve access, we achieved significant improvements in audio description access on DVDs. Taken as a percentage of new releases we are now highest in the world. However, audio description access still lags behind captioning which means that more than two-thirds of new-release entertainment is still inaccessible to blind and vision impaired people.

On the captioning front, we have seen a near static level of access and clearly specific issues, such as captioned television shows going to DVD, need to be targeted. Both of these results illustrate the importance of benchmarking to properly measure Australia's progress against realistic standards and to highlight the gaps that need targeting. My colleague Ally Woodford can take some credit for these improvements as she tirelessly works her way through the issues and roadblocks and persuades distributors to do more.

Marketing and information services

Communication with the general public about access issues continues to be a key task for MAA. As our audience expands we are alert to ensuring that our information is timely, accurate and available in a variety of formats. Our partnership with the Macular Degeneration Foundation and various state blind agencies has led us to create more audio material, including CD versions and a telephone recorded information service.

With the greater use of the Internet, as well as revamping our websites, we have embraced social media as a communication tool. This included hiring a dedicated online marketing coordinator to broaden and professionalise these services further.

We also continue to engage and support important community events and conferences, including: Deafness Forum Captioning Awards; Blind Citizens Australia conference; Better Hearing Australia conference; ACCAN conference and launches and the bi-annual Deafness Sector Summit.

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To bring more order to the complexity of information, our Marketing Manager, Belinda Kerslake, and her team, have started a process of reviewing the MAA branding and revamping our websites.

Publications

Our flagship report, the *Media Access Quarterly*, brilliantly compiled and edited by Chris Mikul, continues to draw great accolades and has become established as the key media access journal.

Policy

One of the greatest compliments paid to MAA this year was the targeting of our Policy Coordinator by the Digital Television Taskforce to work for them as a result of some interaction with MAA. Alan Hui provided high quality policy and research work and we wish him well in his Canberra career. Alan was replaced by Mat Gilliland, another student with high level research skills and an interest in politics and disability policy.

The Federal Government did finally report on its media access review and left us with a range of broad, but positive statements that showed there is room to lock down clear targets that consumers want to achieve. The other clear message that came out of the Government's stance was that they are also aware that media is converging and technology is changing rapidly, making it hard to lock down a strategy many years in advance. This has led to a take up of opportunities, particularly in the cinema and new media/Internet areas.

We continue to enjoy constructive relationships with all sides of politics and have developed a strong reputation for being fearless advisors and telling it like it is.

Access is a world issue

It is very important to ensure that MAA is abreast of developments around the world, particularly English-language content that is likely to end up in the Australian market. MAA makes a particularly strong effort to maintain regular links with our counterparts overseas.

During the year I managed to visit Canada, the USA and UK. MAA now has strong links with the Canadian Hard of Hearing Association, with a two-way dialogue on cinema access, downloads and television strategies. This contact led to first hand intelligence on new cinema captioning systems, ranging from caption glasses to CaptiView (which will be adopted in Australia in late 2010).

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CEO's Report (Cont)
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I also looked at a unique funding model for a dedicated audio description subscription channel in Toronto run by a blind organisation (it is paid for by a subscriber levy on all cable customers). There are also some excellent opportunities for cross-collaboration with Media Access Canada who has a long-term commission from the Canadian Federal Government to look at media access issues.

America's capital, Washington DC, is the centre of political activity and our access friends in the blind and deaf organisations briefed me on their attempts to get universal access legislation through government (which is now sailing through). For the American blind groups, this includes reinstating audio description quotas. Spearheading the efforts is the tireless campaigner, Jenifer Simpson at American Association for People with Disabilities. This means more American product will be available with AD and more services will offer accessible streamed video, which will flow through to Australia.

The UK has always been a leader in access and it is interesting to see where Australia will go when it matures further as an access market. Innovations, such as the RNIB study on Bollywood AD and the talking menu set-top box, will become more widespread. The UK also runs a national schools film program which could be replicated and built on existing Australian programs.

One other overseas trip was across the Tasman for the first print disability conference to be held in New Zealand. Our near neighbours have many issues in common, some developments (such as preplanning for AD on television) and new markets. I presented at the conference on cinema access.

Finance and investments

MAA has experienced a tough year with the long-term of the impacts of the Global Financial Crisis still damping down investment returns. Through careful management, assisted by our investment advisors Clime, we have contained the impact and still operate with a sound asset backing.

MAA board

The level of trust and support provided by the Board allows the MAA team to react quickly to events and to take up opportunities. This was well reflected in a major strategic planning session in early 2010 where the Board agreed to build capacity and take us to the next stage in doing more major projects and seeking broader funding. As the financial year closed we had started to flesh out major project ideas, which herald an exciting year ahead progressing access.



Alex Varley

Chief Executive Officer

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Directors' Report
for the Year Ended 30 June 2010

Information about the directors

The names of the directors in office at any time during, or since the end of, the year are:

Helen Crossing (Age: 60)	Director since: 1998
Qualifications	B. Sc. (ANU), Dip. Ed. (CCAIE), M. Ed. (CCAIE), Registered Psychologist and Member of Australian Psychological Society
Experience	Managing Director: Inspirational Workplaces
	Directorships: HCA Consulting Group
Special Responsibilities	Not Applicable
Graham W Jones (Age: 70)	Director since: 1997
Qualifications	FCCA, FAICD
Experience	Directorships: Wallace, Jones & Hood Pty Limited, Aerius Travel Pty Limited, Ooh!media Pty Limited, Australia Asia Flight Training Pty Limited
Special Responsibilities	Chairman
Ian Roache (Age: 65)	Director since: 2001
Qualifications	Not Available
Experience	Principal Lodestone Direction Pty Limited
	Directorships: Lodestone Direction Pty Limited, Industry Capability Network (NSW) Limited
Special Responsibilities	Not Applicable
John Losco (Age: 63)	Director since: 1994
Qualifications	B. Sc. B. EE. (Hons) (Sydney University), M.B.A. (University of NSW)
Experience	Not Available
Special Responsibilities	Not Applicable

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Directors' Report (Cont)
for the Year Ended 30 June 2010

Information about the directors (continued)

Victoria M Rubensohn (Age: 62)	Director since: 1997
Qualifications	B.A, M.A (Sydney University), LLB (University of NSW), Master of Human Rights (Sydney University)
	Communications Consultant
Experience	Directorships: Telephone Information Services Standards Council, Communications and Media Law Association, Communications Law Centre, Convenor, Classification Review Board.
Special Responsibilities	Company Secretary
Stephen H Wall (Age:62)	Director Since: 2006
	Previously a director of Australian Caption Centre 1994 - 2000
Qualifications	B. Ec. Sydney University
Experience	Directorship: Wallop Content Pty Limited, Foundation for the Historic House Trust of NSW
Special Responsibilities	Not Applicable

Meetings of Directors⁷

During the financial year, 7 meetings of the directors were held. Attendees by each director were as follows:

Director	Number eligible to attend	Number attended
Victoria Mary Rubensohn	6	4
Ian Roache	6	5
John Losco	6	5
Graham Wallace Jones	6	6
Helen Crossing	6	5
Stephen Harry Wall	6	5

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Directors' Report (Cont)
for the Year Ended 30 June 2010

Changes in state of affairs

There was no significant change in the state of affairs of the entity during the financial year.

Subsequent events

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

Environmental regulations

The economic entity's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a state or territory.

Indemnification of officers and auditors

During or since the financial year, the company has paid premiums in respect of a contract insuring all the directors of Media Access Australia against legal costs incurred in defending proceedings for conduct other than:

- (a) A wilful breach of duty.
- (b) A contravention of sections 182 or 183 of the *Corporations Act 2001*, as permitted by section 199B of the *Corporations Act 2001*

The total amount of insurance contract premiums paid was \$7,726.

Proceedings on behalf of the company

No person has applied for leave of Court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings.

Dividends

No dividends were paid or declared since the start of the current financial year.

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Balance Sheet
As at 30 June 2010

	Note	2010 \$	2009 \$
Current Assets			
Cash and Cash Equivalents	5	4,880,723	6,481,087
Trade and Other Receivables	6	69,073	79,433
Financial Assets	7	4,697,621	3,034,194
Other Current Assets		10,215	8,858
Total Current Assets		<u>9,657,632</u>	<u>9,603,572</u>
Non-Current Assets			
Property, Plant and Equipment	8	<u>54,309</u>	<u>62,795</u>
Total Non-Current Assets		<u>54,309</u>	<u>62,795</u>
Total Assets		<u>9,711,941</u>	<u>9,666,367</u>
Current Liabilities			
Trade and Other Payables	9	26,232	38,968
Employee Benefits	10	<u>42,639</u>	<u>37,526</u>
Total Current Liabilities		<u>68,871</u>	<u>76,494</u>
Non-Current Liabilities			
Employee Benefits	10	<u>36,290</u>	<u>46,291</u>
Total Non-Current Liabilities		<u>36,290</u>	<u>46,291</u>
Total Liabilities		<u>105,161</u>	<u>122,785</u>
Net Assets		<u>9,606,780</u>	<u>9,543,582</u>
Equity			
Reserves	11	448,100	448,100
Retained Profits	12	9,158,680	9,095,482
Total Equity		<u>9,606,780</u>	<u>9,543,582</u>

The accompanying notes form part of these financial statements.

MEDIA ACCESS AUSTRALIA
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Income Statement
For the Year ended 30 June 2010

	Note	2010 \$	2009 \$
Revenue from government and other grants		139,793	489,713
Net gain on disposal of property, plant & equipment		-	4,402
Other Revenue	2	9,108	20,456
Bad Debt Written Off		-	(76,917)
Depreciation and amortisation		(21,062)	(19,637)
Employee Expense	4	(656,671)	(548,320)
Leased premises expenses		(62,692)	(54,365)
Production, cinema and captioning expenses		(79,877)	(462,570)
Travelling Expenses		(27,624)	(22,554)
Other Expenses		(462,681)	(201,430)
Profit/ (loss) before net financial income		<u>(1,161,706)</u>	<u>(871,222)</u>
Net financial Income (expense)	3	1,224,904	286,989
Profit/(loss) before income tax		<u>63,198</u>	<u>(584,233)</u>
Income tax expense		-	-
Profit before Income Tax		<u><u>63,198</u></u>	<u><u>(584,233)</u></u>

The accompanying notes form part of these financial statements.

MEDIA ACCESS AUSTRALIA
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Statement of Changes in Equity
For the Year ended 30 June 2010

	2010	2009
	\$	\$
Reconciliation of Equity		
Opening Balance		
Reserves	448,100	448,100
Retained Earnings	9,095,482	9,679,715
Profit before Income Tax	<u>63,198</u>	<u>(584,233)</u>
Profit after Income Tax	<u>9,606,780</u>	<u>9,543,582</u>
Closing Balance	<u><u>9,606,780</u></u>	<u><u>9,543,582</u></u>

The accompanying notes form part of these financial statements

MEDIA ACCESS AUSTRALIA
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Cash Flow Statement
For the Year ended 30 June 2010

	Note	2010 \$	2009 \$
Cash Flows from Operating Activities			
Receipts from Customers		125,791	489,713
Payments to Suppliers and Employees		(1,266,655)	(1,283,411)
Interest/ investment distributions received		644,700	809,643
Net Cash Provided by Operating Activities		<u>(496,164)</u>	<u>15,945</u>
Cash Flows from Investing Activities			
Net proceeds (payment) for investment		(1,090,360)	2,807,941
Proceeds from disposal of property, plant and equipment		-	16,561
Payment for property, plant and equipment		(13,841)	(45,846)
Net cash provided by investing activities		<u>(1,104,201)</u>	<u>2,778,656</u>
 Net Increase in Cash Held		 (1,600,365)	 2,794,601
 Cash at the beginning of the financial year		 6,481,087	 3,686,486
Cash and Cash Equivalents as at 30 June 2010		<u><u>4,880,722</u></u>	<u><u>6,481,087</u></u>

The accompanying notes form part of these financial statements

MEDIA ACCESS AUSTRALIA
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Notes to the Financial Statements
For the Year ended 30 June 2010

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) and the Corporations Act 2001.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards. Material accounting policies adopted in the preparation of this financial report are presented below and have been consistently applied unless otherwise stated.

The financial report has been prepared on an accruals basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

The accounting policies that have been adopted in the preparation of this report are as follows:

(a) Revenue

Grant revenue is recognized in the income statement when it is controlled. When there are conditions attached to grant revenue relating to the use of those grants for specific purpose it is recognised in the balance sheet as a liability until such conditions are met or services provided.

Donations and bequests are recognized as revenue when received unless they are designated for a specific purpose, where they are carried forward as prepaid income on the balance sheet.

Interest revenue and distribution income from investments is recognized on a proportional basis taking into account the interest rates applicable to the financial assets.

Revenue from the rendering of a service is recognized upon the delivery of the service to the customers.

All revenue is stated net of the amount of goods and services tax (GST).

(b) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

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(c) Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value as indicated less, where applicable, any accumulated depreciation and impairment losses.

Plant and Equipment

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 at the fair value of the asset at the date it is acquired.

Increase in the carrying amount arising on revaluation of land and building are credited to a revaluation reserve in equity. Decrease that offset previous increases of the same class of assets are charged against fair value reserves directly in equity; all other decreases are charged to the income statement. Each year the difference between depreciation based on the revalued carrying amount of the asset charged to the income statement and depreciation based on the revalued carrying amount of the asset charged to the income statement and depreciation based on the asset's original cost is transferred from the revaluation reserve to retained earnings.

Depreciation

The depreciable amount of all fixed assets including building and capitalised lease assets, but excluding freehold land, is depreciated on a straight line basis over their useful lives to the entity commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

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

Buildings	2 %
Plant and Equipment	5 - 10 %
Leased Plant and Equipment	10 %

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

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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.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the income statement. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

(d) 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*.

(e) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to prepare for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in income in the period in which they are incurred.

(f) 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 transactions 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

Finance instruments are subsequently measured at either 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.

Amortised cost is calculated as:

- the amount at which the financial asset or financial liability is measured at initial recognition;
- less principal repayments;
- plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the effective interest method; and
- less any reduction for impairment.

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The effective interest method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability.

Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in profit or loss.

The group does not designate any interests in subsidiaries, associates or joint venture entities as being subject to the requirements of accounting standards specifically applicable to financial instruments.

Financial Assets at Fair Value through Profit and Loss

Financial assets are classified at 'fair value through profit or loss' when they are either held for trading for the purpose of short term profit taking, derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying value being included in profit or loss.

Available-for-Sale Financial Assets

Available-for-sale financial assets are non-derivative financial assets that are either not capable of being classified into other categories of financial assets due to their nature, or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expires 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 either discharged, cancelled or expire. The difference between the carrying value of the financial liability 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.

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(g) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Tax Office. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the balance sheet are shown inclusive of GST. Cash flows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

(h) Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

(i) Critical Accounting Estimates and Judgments

The directors evaluate estimates and judgments incorporated into the financial report 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.

Key Estimates - Impairment

The company assesses impairment at each reporting date by evaluation of conditions and events specific to the company that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

(j) New Accounting Standards for Application in Future Periods

The AASB has issued new, revised and amended Standards and Interpretations that have mandatory application dates for future reporting periods and which the company has decided not to early adopt. The company does not anticipate early adoption of any of the reporting requirements would have any material effect on the company's financial statements.

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ABN 75 002 259 154
Notes to the Financial Statements
For the Year ended 30 June 2010

	2010	2009
	\$	\$
2. Revenue		
Miscellaneous Income	9,108	20,456
3. Net Financial Income (expense)		
Net Dividend and distribution received	473,557	(389,123)
Interest Received	178,281	311,708
Movement in Net Market Values	573,066	421,591
Investment expenses	-	(57,187)
	<u>1,224,904</u>	<u>286,989</u>
4. Employee Expenses		
Wages and salaries	482,289	400,266
Superannuation contribution	44,042	45,123
Employee benefits	(4,888)	1,490
Other	135,228	101,441
	<u>656,671</u>	<u>548,320</u>
5. Cash and Cash Equivalents		
Cash on Hand	200	200
Cash at Bank	1,144,528	1,940,149
Short-term Deposits	3,735,995	4,540,738
	<u>4,880,723</u>	<u>6,481,087</u>

These notes form part of the financial statements

MEDIA ACCESS AUSTRALIA
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Notes to the Financial Statements
For the Year ended 30 June 2010

	2010 \$	2009 \$
6. Trade and Other Receivables		
Current		
Trade and other receivables	69,073	79,433
Total Trade and Other Receivables	<u>69,073</u>	<u>79,433</u>
(i) Credit Risk – Trade and Other Receivables		
The company does not have any material credit risk exposure to any single receivable or group of receivables as all receivables in the current year are in respect of balances due from the Australian Taxation Office (ATO) in respect of Goods and Services Tax and a refund of Imputation Credits.		
7. Financial Assets		
Current		
Financial assets at fair value through profit or loss	4,697,621	3,034,194
	<u>4,697,621</u>	<u>3,034,194</u>
Total Financial Assets	<u>4,697,621</u>	<u>3,034,194</u>
(i) Held-for-trading investments		
Securities in listed corporations, unit trusts and other publicly available investments funds held for trading purpose to generate income through the receipts of dividends and capital gains.		
8. Property, Plant & Equipment		
Plant & Equipment		
Motor Vehicles	32,569	33,457
Less Accumulated Depreciation & Impairment	<u>9,443</u>	<u>4,015</u>
	23,126	29,442
Office Furniture & Equipment	114,114	100,625
Less Accumulated Depreciation & Impairment	<u>93,412</u>	<u>84,647</u>
	20,702	15,978
Furniture & Fittings	40,105	40,130
Less Accumulated Depreciation & Impairment	<u>29,632</u>	<u>22,755</u>
	10,473	17,375
Software	4,325	4,325
Less Accumulated Depreciation & Impairment	<u>4,317</u>	<u>4,325</u>
	8	-
Total Plant & Equipment	<u>54,309</u>	<u>62,795</u>

These notes form part of the financial statements

MEDIA ACCESS AUSTRALIA
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Notes to the Financial Statements
For the Year ended 30 June 2010

	2010	2009
	\$	\$
9. Trade and Other Payables		
Current		
Trade payables	17,732	30,968
Other payables	8,500	8,000
Total Trade and Other Payables	<u>26,232</u>	<u>38,968</u>
10. Provisions		
Current		
Liability for annual leave	42,639	37,526
Non-Current		
Provision for Long Service Leave	36,290	46,291
Total Provisions	<u>78,929</u>	<u>83,817</u>

Provision for Long-term Employee Benefits

A provision has been recognized for employee entitlements relating to long service leave. In calculating the present value of future cash flows in respect of long service leave, the probability Of long service leave being taken is based on historical data. The measurement and recognition criteria relating to employee benefits have been included in Note 1 to this report.

11. Reserves

Capital Redemption Reserve	448,100	448,100
	<u>448,100</u>	<u>448,100</u>

Capital Redemption Reserve

Upon disposal of revalued assets, any related revaluation increment standing to the credit of the asset revaluation reserve is transferred to the capital redemption reserve.

12. Members' Guarantee

The company is limited by guarantee. If the company is wound up, the Constitution states that each member is required to contribute a maximum of \$50 each towards meeting any outstanding obligations of the Company. At 30 June 2010 the number of members was 16 (2009:17).

MEDIA ACCESS AUSTRALIA
ABN 75 002 259 154
Notes to the Financial Statements
For the Year ended 30 June 2010

13. Financial Risk Management

The company's financial instruments consist mainly of deposits with banks, short-term investments, and accounts receivable and payable.

The totals for each category of financial instruments, measured in accordance with AASB 139 as Detailed in the accounting policies to these financial statements, are as follows:

Financial Assets	Note	2010	2009
		\$	\$
Cash and cash equivalent	5	4,880,723	6,481,087
Financial assets at fair value through profit or loss	7	4,697,621	3,034,194
Trade and other receivables	6	69,073	79,433
		<u>9,647,417</u>	<u>9,594,714</u>

Financial Liabilities

Financial liabilities at amortised cost			
Total Trade and Other Payables	9	<u>26,232</u>	<u>38,968</u>

Financial Risk Management Policies

Consisting of senior committee members, the finance committee's overall risk management strategy seeks to assist the company in meeting its financial targets, whilst minimizing potential adverse effects on financial performance. Risk management policies are approved and reviewed by the finance committee on regular basis. These include credit risk policies and future cash flow requirements.

Specific Financial Risk Exposures and Management

The main risks the company is exposed to through its financial instruments are interest rate risk, liquidity risk, credit risk and equity price risk.

- Interest rate risk
The entity is not exposed to interest rate risk in relation to debt. It is only exposed to fluctuation on interest rates on interest bearing assets.
- Foreign currency risk
The entity is not exposed to fluctuations in foreign currencies.
- Liquidity risk
The entity manages liquidity risk by monitoring forecast cash flows and ensuring that adequate liquid cash assets are maintained. The tables below reflect an undiscounted contractual maturity analysis for financial liabilities.

These notes form part of the financial statements

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Notes to the Financial Statements
For the Year ended 30 June 2010

13. Financial Risk Management *(Continued)*

- Credit risk

The entity is not exposed to credit risk

- Price risk

The company is exposed to securities price risk on investments held for trading or for medium to longer terms. Such risk is managed through diversification of investments across a range of managed asset classes such as listed share and unit trusts, other managed funds.

- Net Fair Values

Fair value estimation

The fair values of financial assets and financial liabilities are equal to their carrying value in the balance sheet.

The fair values have been determined on the following methodologies:

- (i) Cash and cash equivalents, trade and other receivables and trade and other payables are short term instruments in nature whose carrying value is equivalent to fair value. Trade and other payables excludes amounts provided for relating to annual leave which is not considered a financial instrument.
- (ii) For listed available-for-sale and held-for-trading financial assets, closing quoted bid prices at Reporting date are used.
- (iii) Fair values of held-to-maturity investments are based on quoted market prices at reporting date.

MEDIA ACCESS AUSTRALIA
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Notes to the Financial Statements
For the Year ended 30 June 2010

13. Financial Risk Management (Continued)

- Sensitivity analysis:

The following table illustrates sensitivities to the company's exposures to changes in interest rates and equity prices. The table indicates the impact on how profit and equity values reported at balance date would have been affected by changes in the relevant risk variable that management considers to be reasonably possible. These sensitivities assume that the movement in a particular variable is independent of other variables.

	Profit \$	Equity \$
Year ended 30 June 2010		
+/- 2% in interest rate	97,615	97,615
+/- 10% in listed investments	469,762	469,762
Year ended 30 June 2009		
+/- 2% in interest rate	129,622	129,622
+/- 10% in listed investments	<u>303,419</u>	<u>303,419</u>

This sensitivity analysis has been performed on the assumption that all other variables remain unchanged.

14. Capital Management

Management controls the capital of the entity to ensure that adequate cash flows are generated to fund its ongoing programs and that returns from investments are maximized. The finance committee ensures that overall risk management strategy is in line with this objective.

The finance committee operates under policies approved by the Board of Directors. Risk management policies are approved and reviewed by the Board on a regular basis.

The entity's capital consists of cash and cash equivalent assets, supported by financial assets.

Management effectively manages the entity's capital by assessing the entity's financial risks and responding to changes in these risks and in the market.

There have been no changes to the strategy adopted by management to control the capital of the entity since the previous year. The entity does not have any debt and debt facilities.

MEDIA ACCESS AUSTRALIA
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Notes to the Financial Statements
For the Year ended 30 June 2010

15. Operating Lease Commitments

Non-cancellable operating lease contracted for not capitalised in the financial statements

The property lease commitment is a non-cancellable sub lease under the head lease for the office contracted for but not capitalised in the financial statements with a two-year term. There is a 2- year option on the lease. No capital commitment exist in regards to the operating lease commitments at year – end. Increase in lease commitment may occur in line with CPI.

The car park lease commitment is a non-cancellable license contracted for but not capitalised in the financial statements with a one-year term.

16. Key Management Personnel

The following responsible positions were key management personnel of the entity at any time during the reporting Period:

Chief Executive Officer
Senior Project Manager

Transactions with Key management personnel

The key management personnel compensation included in employee expenses are as follows:

	2010	2009
	\$	\$
Short-term employee benefits	281,733	263,080

17. Non Key Management Personnel Disclosures

Identity of related parties

The entity has a related party relationship with its directors.

Transactions with key management personnel

All directors perform their duties on an honorary basis.

MEDIA ACCESS AUSTRALIA
ABN 75 002 259 154
Notes to the Financial Statements
For the Year ended 30 June 2010

18. Cash Flow Information from Operations

	2010	2009
	\$	\$
Profit (Loss) after Income Tax	63,198	(584,233)
Non cash flows		
Depreciation and amortisation	21,062	19,637
Gain on Sale of property, plant and equipment	-	(4,402)
Unrealised loss (gain) on investment	(573,066)	(421,591)
Realised loss on investments	-	845,826
Changes in assets and liabilities		
Decrease/ (increase) in trade and other receivables, and other assets	(15,206)	131,243
(Decrease) / increase in trade and other payables	12,736	27,974
(Decrease) / increase in provisions	(4,888)	1,491
Cash flow provided by operating activities	<u>(496,164)</u>	<u>15,945</u>

19. Economic Entity Details

The registered office of Economic Entity is
Media Access Australia
Suite 408, 22-36 Mountain Street
ULTIMO NSW 2007

The principal place of business of the Economic Entity is:
Media Access Australia
Suite 408, 22-36 Mountain Street
ULTIMO NSW 2007

MEDIA ACCESS AUSTRALIA
ABN 75 002 259 154
Directors Declaration
for the Year Ended 30 June 2010

The directors have determined that the company is a reporting entity and that this General purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

The directors of the company declare that:

1. the financial statements and notes, as set out in the financial report present fairly the company's financial position as at 30 June 2010 and its performance for the year ended on that date in accordance with the accounting policies described in Note 1 to the financial statements; and
2. in the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.


Graham Jones
Director

Dated this 13 day of October 2010

MEDIA ACCESS AUSTRALIA
ABN 75 002 259 154
Auditor's Independence Declaration
for the Year Ended 30 June 2010

The Board of Directors
Media Access Australia
Suite 408
22-36 Mountain Street
ULTIMO NSW 2007

22 September 2010

Dear Board Members,

Media Access Australia

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of Media Access Australia.

As the auditor of the financial statements of Media Access Australia for the financial year ended 30 June 2010, I declare to the best of my knowledge and belief, there have been:

1. no contraventions the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
2. assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the directors.

Yours sincerely

Adams Triglone



H W Triglone
Chartered Accountant



**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
MEDIA ACCESS AUSTRALIA**

Report on the Financial Report

We have audited the accompanying financial report of Media Access Australia, which comprises the balance sheet as at 30 June 2010, and the income statement and statement of changes in equity for the year ended on that date, 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 *Corporations Act 2001*. This responsibility includes establishing and maintaining internal control 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.

(In Note 2, the directors also state, in accordance with Accounting Standard 101 Presentation of Financial Statements, that compliance with the Australian equivalents to International Financial Reporting Standards (IFRS) ensures that the financial report, comprising the financial statements and notes, complies with IFRS.)

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit 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 judgment, 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.



Chartered Accountants

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Liability limited by a
scheme approved
under professional
standards legislation.

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, provided to the directors of Media Access Australia on 22 September 2010 would be in the same terms if provided to the directors as at the date of this auditor's report.

Auditor's Opinion

In our opinion the financial report of Media Access Australia in accordance with the *Corporations Act 2001*, including:

- a giving a true and fair view of the company's financial position as at 30 June 2010 and of its performance for the year ended on that date; and
- b complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001.

Adams Triglone
Chartered Accountants
Baulkham Hills



H W Triglone
Partner

Dated this 13th day of October 2010.