

2012 ANNUAL REPORT

ABN: 75 002 259 154



MEDIA
ACCESS
AUSTRALIA
INCLUSION THROUGH TECHNOLOGY

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Chairman's Report

Although I was not Chairman during the period of this annual report, I have taken up this duty due to the death of my friend and colleague Graham Jones, who served as the MAA Chairman from its inception.

A tribute to Graham's achievements has rightly been included as part of this annual report.

This year was a particularly momentous one for MAA in that we achieved significant changes to the media access landscape and embarked on a serious investment in a social enterprise to change our funding mix and approach to operating the organisation.

In the media access world, change takes time and we often need to celebrate incremental steps on the path to major change. This year was one when that hard work finally paid off with two major changes in the television world. First was the announcement of an audio description trial on the ABC to commence in August 2012. This is the culmination of nearly 10 years of work to achieve the start of a service for blind and vision impaired Australians on the most popular entertainment medium, television. The trial will provide 14 hours of audio description each week until November 2012 and a process has been set up to provide feedback and technical information about the trial for all key players. At MAA we see this as very much a precursor to a full audio description service, rolled out across all networks and stations.

The second achievement was the bringing together of a number of separate regulations and agreements around television captioning and putting them all under the banner of the *Broadcasting Services Act*. This was achieved in the last week of June and applies from the start of the new financial year. This provides the framework and vehicle for all future television access requirements, both free-to-air and subscription, and could easily incorporate future audio description regulations. Another key milestone with this legislation is the inclusion of caption quality for the first time, a significant issue that needs proper regulation and enforcement.

The other step that MAA took this year was a major investment in a new social enterprise that will launch and become operational in the new financial year. Access iQ is a web-based portal and resource for web professionals to gain practical web accessibility advice, information and content to ensure that the web is without limits and accessible to all. The decision was made in light of a number of initiatives, including the National Transition Strategy, that will see Australian governments seeking compliance with WCAG 2.0 Level A by the end of 2012 and Level AA by the end of 2014.

The impact of this major investment in terms of staffing resources and building a fully-accessible, comprehensive resource – www.accessiq.org – has meant that MAA's financial result for the year is significantly in the red. This has been a carefully thought out and managed approach and with a projected recovery of investment funds and a positive contribution to the organisation over the next few years. The low performance of our investments (through factors very much beyond our control) shows the need for development of new revenue strategies.

MAA has now grown to 18 staff, and under the leadership of Alex Varley, they continue to make a significant contribution to access.

Ian Roache
CHAIRMAN



CEO's Report

I would first like to pay tribute to our Chairman Graham Jones, who died in July this year. Graham was a great leader who first joined MAA's predecessor, the Australian Caption Centre (ACC), in 1997 and oversaw the transition of the ACC to MAA. His passion, sound advice and financial acumen will be missed by us all.

TELEVISION ACCESS

The two most outstanding achievements of the year have been the merging of all of the captioning regulations into one place and the audio description trial to commence on ABC1 in August 2012. These are both the result of many years of collaborative work with consumer organisations, government and the television industry.

The captioning regulations enshrine a number of agreements, including an arrangement covering the subscription television industry (including Foxtel and Austar) that was concluded by the Administrative Appeals Tribunal days before the amendments to the *Broadcasting Services Amendment (Improved Access to Television Services) Act* was introduced into the Parliament. This new arrangement covers all captioning for television in one regulation and also incorporates caption quality for the first time. It will take nearly a year for all of the elements to be sorted out and implemented, but it does bring Australia into line with other major English-speaking countries in legislating for access. The Act also provides a good vehicle for other access regulations that may be enacted in the future, including audio description.

The passionate support for the captioning legislation was summed up by the image of Senator Ursula Stephens (Patron of our cap that! schools campaign) proudly wearing her Captions Champion badge in the chamber during the Senate debate of the legislation.

The announcement of the audio description trial to commence in August and continue until early November 2012 on ABC1 is a pinnacle achievement for Australia's blind and vision impaired people. When I first started looking at media access issues for blind people nearly ten years ago, I was told quite clearly that they wanted access to television. Although the time taken may seem a long wait, we had to have a move to digital television and an upgrade to the broadcast system and television receivers to allow a proper closed service. Whilst the trial is just a start, it does provide a focus for the introduction of a permanent AD service in the future.

CINEMA

The rollout of the cinema access technology by the major cinemas progressed slowly but steadily during the year. Some of the implementation problems led to some consumer discontent and complaints, especially around the issue of widely varying views about the chosen closed captioning CaptiView units. Our cinema access expert, Allayne Woodford, provided a landmark report on the cinema access technology and its compatibility with various digital cinema options. This report showed that digital cinema is still evolving and many of the issues raised around the possibility of what could be displayed and which technology works in particular situations is fluid and needs further testing. However, her report was a significant contribution that injected some much needed real-world expertise into an emotive discussion that was often grounded in half-truths and hearsay. As often happens, this report became a reference for a number of countries that we were discussing similar issues.



In other cinema developments, MAA's Your Local Cinema website was shut down and the content migrated to the MAA main site as part of the transition from special access sessions to the cinemas themselves promoting the availability of access across all sessions with accessible screens.

NEW MEDIA AND DIGITAL TECHNOLOGY

A major part of the strategy in new media and digital technology was to separate consumer-level information from industry-specific information. This helped to lay the groundwork for the migration of industry information to Access iQ. It also helped to identify the real areas of interest for consumers, which are very much grounded around social media, online video and accessibility of general equipment.

A good example of a very consumer-focussed project is the *Sociability* report and guide which looked at the accessibility issues of popular social media (including Facebook and Twitter) and how to get around these issues. The project was funded by an ACCAN grant and proved to be one of the most downloaded resources that we have produced.

Many people are acquiring disabilities through ageing and a project that we undertook with the Council on The Ageing WA, funded by the NIB Foundation, was producing a guide for seniors' access to computers. This was distributed through the COTA WA network and provided practical information and tips using mainstream technology.

As part of MAA's role as a catalyst in providing access for industry, we started our Professional Certificate in Web Accessibility in conjunction with the University of South Australia. This is a six-week online course that provides developer-level training to meet web content accessibility guidelines (WCAG 2.0). The pilot course attracted more than 20 enrolments and we ran another course during the year with similar enrolments.

ACCESS IQ

The major initiative for the year is Access iQ. Developed and managed by a dedicated team led by Amajjika Kumara, it is a comprehensive resource to assist developers and web professionals in making websites accessible. Set up as a social enterprise, Access iQ spent the entire year in a development phase with a planned launch in July 2012. It represents a substantial investment in funds and resources and is a response to the yawning gap in practical resources to allow developers to meet the accessibility requirements of websites. A major catalyst for the creation of Access iQ has been the Australian governments' National Transition Strategy, which requires Federal and state governments to meet WCAG 2.0 accessibility targets from the end of 2012 onwards.

EDUCATION

The needs of disabled students are a priority for MAA and this year saw the launch of a new annual initiative helping to promote the use of captions in the classroom – cap that! The campaign is timed around National Literacy and Numeracy Week (late August) and promotes turning on captions. The campaign was launched by cap that! patron Senator Ursula Stephens at Toowong Public School in Brisbane. The first year included a competition for teachers and the prize winners were announced at a subsequent event at St Anthony's Primary School in Clovelly NSW. Following the success of the first year, the new campaign commenced in the first half of 2012 with some modifications,



including the creation of Captions Champions to help promote captions in their school. The campaign continues to be sponsored by Australian Communication Exchange.

Supporting the cap that! campaign was a four-page basic guide to captioning in the classroom developed by Education Manager, Anne McGrath which was distributed to teachers of the deaf across the country.

Our education program is also strongly supported by the captioning grant for education resources funded by the Federal Department of Families and Housing, Community Services and Indigenous Affairs which allows more than 150 hours of captioned education resources to be created each year. Towards the end of the financial year, the Department announced a renewal of the grant and included an allocation for MAA to undertake a major scoping project around the use of technology for vision impaired school students.

DVD

Australia continues to enjoy some of the highest levels of audio description access in the world with rates tracking at 35-40% of new entertainment titles. This has flowed onto other DVD features as well with Roadshow commencing audio description on DVD extra features, including titles such as *The Artist*, *Cloudstreet* and *My Week with Marilyn*. Captioning still languishes behind its equivalents overseas with access to around 60-65% of titles.

MARKETING AND INFORMATION SERVICES

Our marketing and communications team provides significant support to our project areas and has been deeply involved in the setting up of the branding and corporate identity of Access iQ. Furthermore, Belinda Kerslake and her team worked closely with the Access iQ team in researching market potential, developing communication and promotion strategies and organising the launch.

The same level of support was also provided to the cap that! campaign and with other projects, including the production and marketing of the *Sociability* report.

Our website is the key communication tool for reaching consumers and during the year we improved our use of analytical tools to track where our audiences are coming from, how they are finding out about particular topics and what is popular on our website. This guides us in creating web content and how we promote it. We also started better engagement with social media, particularly Facebook and Twitter and these are evolving tools that we will utilise for more specific information campaigns as they arise. As always, we meet the challenge of accessibility and our website and electronic communications continue to meet WCAG 2.0 AA standard.

PUBLICATIONS

We continue to publish the Media Access Quarterly which had some design modifications, including providing more long-form articles. The feedback we receive is that this is a valued snapshot of what is happening in the access world and is particularly used by policy and decision makers in Australia and overseas.

ACCESS ACROSS THE WORLD

MAA's collaboration with overseas organisations and individuals has always been an important component of our work. The problems we face are similar and the solutions can be coordinated and advocated at an international level.



This year saw a particular focus on our near neighbours. I visited New Zealand at the invitation of the Blind Citizens NZ to run a series of seminars around audio description in television, cinema, DVD and the arts. I also met with the Human Rights Commission and various government departments. This was followed by Chris Mikul who provided his audio description training expertise to TVNZ who have set up an audio description unit.

I was also asked to be an expert consultant for a European ATLAB project looking at access to TV via through audio description. Furthermore, through a visit to North America, I renewed connections with the access providers in Canada, which is setting up a Broadcast Accessibility Fund, and the USA. An important connection was meeting with the considerable access community in Austin, Texas which helps feed into our web accessibility collaborations. I also revisited the Described Captioned and Media Program in South Carolina which was a part-inspiration for our cap that! campaign. It is now undertaking useful research in the area of vision impaired education needs and standards, especially around video-based materials.

ADMINISTRATION

In the wake of MAA's expansion to 18 staff members (some of whom are part-time) we moved our offices around the corner to larger premises. This should accommodate our needs into the foreseeable future, including the ebbs and flows of project work.

We also started the implementation of a Client Relationship Management System to better manage the range of people that we deal with, especially around the Access iQ social enterprise.

Our financial reporting needs are becoming more complex and we also took the opportunity to hire a part-time finance officer to cover this area.

FINANCE AND INVESTMENTS

The financial result is a significant loss for the year but is a reflection of the investment that MAA has made in Access iQ. This is a strategic move by MAA to reduce its reliance on investment returns which continue to be battered by the world economic situation. Despite the result, MAA is not over-stretched and retains strong asset backing. The one-off investment in Access iQ should pay positive returns over the next couple of years.

MAA BOARD AND STAFF

As MAA grows and expands the range of activities to face the numerous challenges faced by people with disabilities in a fast-changing world of technology, the support of the Board and the dedicated MAA team is more vital than ever. The achievements that have been outlined in this report are a result of their hard work under good corporate guidance.

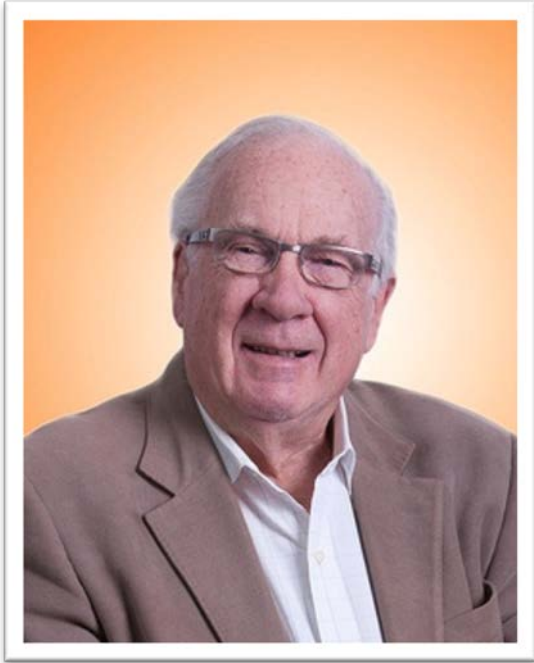
Alex Varley

CHIEF EXECUTIVE OFFICER



DEATH OF MEDIA ACCESS AUSTRALIA'S CHAIRMAN, GRAHAM JONES

It's with great sadness that we report on the death of Media Access Australia's Chairman, Graham Jones, after a short illness in July 2012.



Graham Jones. Photo courtesy of oOh!media

Graham was elected to the board of the Australian Caption Centre in February 1997, and soon after elected as Chairman, a position he held until his death. Over the next 15 years he led the organisation through a number of major changes, always with foresight, common sense and corporate courage.

In his tenure, the organisation was instrumental in achieving the adoption of captioning policies in all state and territory governments, the introduction of compulsory captioning quotas through the *Broadcasting Services Act* and subsequent quotas, the introduction of captioned and audio described cinema in Australia, the commencement of captioning on Qantas inflight entertainment, audio description production on local DVDs, and the adoption by Screen Australia of access policies for feature film and DVD.

Graham's skill set was most prominent during the successful sale of the Australian Caption Centre's commercial operation to Red Bee Media in 2006. The beginning and ensuing growth of Media Access Australia to its position today is one that we are sure Graham was very proud of.

Graham was excited by the prospects of our new social enterprise, Access iQ, launched earlier this month, and the audio description trial on the ABC. He has left an indelible mark on access-to-media services in Australia and we will continue our work here at MAA with Graham's legacy firmly in mind.

His leadership and friendship will be greatly missed by the board members and staff of Media Access Australia.



Directors Report

INFORMATION ABOUT THE DIRECTORS

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

Name	Qualifications	Directorships and other experience	Special responsibilities
Helen Crossing (age 62). Director since 1997	B. Sc. (ANU), Dip. Ed. (CCAЕ), M. Ed. (CCAЕ), Registered Psychologist	Director of HCA Consulting, Managing Director of Inspirational Workplaces, Member of Australian Psychological Society	
Graham W. Jones (age 71). Director since 1997	F CPA, FAICD	Director of Wallace, Jones & Hood Pty and oOh!Media Pty Limited	Chairman and Finance Committee
Ian Roache (age 68). Director since 2001	Not available	Director of Lodestone Direction Pty Limited and Industry Capability Network (NSW) Limited	Finance Committee
John Losco (age 66). Director since 1994	B.Sc. B.EE. (Hons) (Sydney University), M.B.A. (University of NSW)	Not available	
Victoria M. Rubensohn AM (age 64). Director since 1997	B.A, M.A (Sydney University), LLB (University of NSW), Master of Human Rights (Sydney University)	International Communications Consultant. Directorships: Communications Compliance Ltd, Communications Law Centre. Convenor, Classification Review Board. Member of Standing Advisory Committee of ACCAN. Previously Chairman, Telephone Information Services Standards Council, President and Director Communications and Media Law Association, Director and Secretary of Fred Hollows Foundation.	Company secretary
Stephen H Wall (age 65). Director since 2006	B.Ec. University of Sydney	Previously a director of the Australian Caption Centre 1994-2000. Experienced board member of public, private and non-for-profit companies.	



MEETINGS OF DIRECTORS

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	7	6
Ian Roache	7	6
John Losco	7	5
Graham Wallace Jones	7	6
Helen Crossing	7	6
Stephen Harry Wall	7	4

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 \$7,586.

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.



AUDITOR'S INDEPENDENCE DECLARATION

The auditor's independence declaration is included on page 30 of the annual report.

On behalf of the Directors

Ian Roache

Director

Dated this 24th day of October 2012



Balance sheet

	Note	2012 \$	2011 \$
Current Assets			
Cash and Cash Equivalents	6	2,426,112	3,824,797
Trade and Other Receivables	7	124,573	108,963
Financial Assets	8	5,757,873	5,553,176
Other Current Assets		5,200	10,172
Total Current Assets		<u>8,313,758</u>	<u>9,497,108</u>
Non-Current Assets			
Property, Plant and Equipment	9	<u>258,537</u>	<u>42,428</u>
Total Non-Current Assets		<u>258,537</u>	<u>42,428</u>
Total Assets		<u>8,572,295</u>	<u>9,539,536</u>
Current Liabilities			
Trade and Other Payables	10	276,252	53,861
Employee Benefits	11	42,084	34,374
Total Current Liabilities		<u>318,336</u>	<u>88,235</u>
Non-Current Liabilities			
Employee Benefits	11	64,574	57,663
Total Non-Current Liabilities		<u>64,574</u>	<u>57,663</u>
Total Liabilities		<u>382,910</u>	<u>145,898</u>
Net Assets		<u>8,189,385</u>	<u>9,393,638</u>
Equity			
Reserves	12	448,100	448,100
Retained Profits	13	7,741,285	8,945,538
Total Equity		<u>8,189,385</u>	<u>9,393,638</u>

The accompanying notes form part of these financial statements.



Statement of comprehensive income

	Note	2012	2011
		\$	\$
Revenue from government and other grants		135,352	134,952
Other Revenue	2	193,265	14,581
Depreciation and amortisation		(34,780)	(20,009)
Employee Expense	4	(1,086,735)	(928,840)
Leased premises expenses		(103,913)	(74,328)
Production, cinema and captioning expenses		(255,097)	(92,626)
Travelling Expenses		(45,054)	(36,493)
Other Expenses		(466,041)	(534,929)
Profit/ (Loss) before net financial income		(1,663,003)	(1,537,692)
Net financial Income (expense)	3	458,750	1,324,550
Profit/ (Loss) before income tax		(1,204,253)	(213,142)
Income tax expense		-	-
Profit/ (Loss) after Income Tax		(1,204,253)	(213,142)

The accompanying notes form part of these financial statements.



Statement of changes in equity

	2012	2011
	\$	\$
Opening Balance	9,393,638	9,606,780
Retained Earnings		
Profit/ (Loss) after Income Tax Expense	(1,204,253)	(213,142)
	<u>(1,204,253)</u>	<u>(213,142)</u>
Closing Balance	<u>8,189,385</u>	<u>9,393,638</u>
Reconciliation of Retained Earnings		
Opening Balance	8,945,538	9,158,680
Profit/ (Loss) after Income Tax Expense	(1,204,253)	(213,142)
Closing Balance	<u>7,741,285</u>	<u>8,945,538</u>
Reconciliation of Reserves		
Capital Redemption Reserve		
Opening Balance for the year	448,100	448,100
Closing Balance	<u>448,100</u>	<u>448,100</u>
Total Equity	<u>8,189,385</u>	<u>9,393,638</u>

The accompanying notes form part of these financial statements.



Cash flow statement

	Note	2012	2011
Cash Flows from Operating Activities		\$	\$
Receipts from Government (Grant)		121,817	121,457
Payments to Suppliers and Employees		(1,699,783)	(1,617,981)
Interest / investment distributions received		971,052	846,465
Net Cash provided / (Used) by Operating Activities		<u>(606,914)</u>	<u>(650,059)</u>
Cash Flows from Investing Activities			
Net proceeds (payment) for investment		(516,842)	(396,975)
Payment for property, plant and equipment		(274,929)	(8,941)
Net cash provided / (Used) by investing activities		<u>(791,771)</u>	<u>(405,916)</u>
Net decrease / (Decrease) in Cash Held		(1,398,685)	(1,055,975)
Cash at the beginning of the financial year		3,824,797	4,880,772
Cash and Cash Equivalents as at 30 June 2012		<u>2,426,112</u>	<u>3,824,797</u>

The accompanying notes form part of these financial statements.



Notes to the financial statements

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.

These notes form part of the financial statements.



1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

Increases in the carrying amount arising on revaluation of land and building are credited to a revaluation reserve in equity. Decreases 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:

- Office Equipment 25%
- Furniture 20%
- Motor Vehicle 17%
- Software 33%

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

These notes form part of the financial statements.



1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.



MEDIA ACCESS AUSTRALIA
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Notes to the financial statements (con'd)
for the Year Ended 30 June 2012

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.

These notes form part of the financial statements.



1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

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.

These notes form part of the financial statements.



1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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. Employee Benefits

Liabilities for annual leave expected to be settled within 12 months of the reporting date are recognised in other payables in respect of employee's service up to the reporting date. They are measured at the amounts expected to be paid when liabilities are settled.

Liabilities for long service leave are measured at the amounts expected to be paid when the liabilities are settled in respect of services provided by employee up to the reporting date, plus related on-costs.

i. Comparative Figures

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

j. 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.

k. 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.

These notes form part of the financial statements.



MEDIA ACCESS AUSTRALIA
 ABN 75 002 259 154
 Notes to the financial statements (con'd)
 for the Year Ended 30 June 2012

	2012	2011
	\$	\$
2. REVENUE		
Miscellaneous Income	131,499	14,581
Industry Course	61,766	
	193,265	14,581
3. NET FINANCIAL INCOME (EXPENSE)		
Net Dividend and distribution received	614,133	637,482
Interest Received	156,762	228,437
Movement in Net Market Values	(312,145)	458,631
	458,750	1,324,550
4. EMPLOYEE EXPENSES		
Wages and salaries	869,066	710,333
Superannuation contribution	76,626	67,025
Employee benefits	14,621	13,108
Other	126,422	138,374
	1,086,735	928,840
5. AUDITOR'S REMUNERATION		
Auditor Remuneration		
Audit Services	14,740	14,000
	14,740	14,000
6. CASH AND CASH EQUIVALENTS		
Cash on Hand	200	200
Cash at Bank	860,188	1,220,979
Short-term Deposits	1,565,725	2,603,618
	2,426,112	3,824,797

These notes form part of the financial statements.



MEDIA ACCESS AUSTRALIA
 ABN 75 002 259 154
 Notes to the financial statements (con'd)
 for the Year Ended 30 June 2012

	2012	2011
	\$	\$

7. TRADE AND OTHER RECEIVABLES

Current

Trade and other receivables	124,573	108,963
Total Trade and Other Receivables	124,573	108,963

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.

8. FINANCIAL ASSETS

Current

Financial assets at fair value through profit or loss	5,757,873	5,553,176
Total Financial Assets	5,757,873	5,553,176

The fair value of listed available-for-sale investments has been determined directly by reference to published price quotations in an active market.

Had the company's financial assets been measured on a historical cost basis, their carrying amount would have been as follows:

Current

Financial assets at cost value through profit or loss	5,479,012	4,962,170
Total Financial Assets	5,479,012	4,962,170

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.

9. PROPERTY, PLANT & EQUIPMENT

Plant & Equipment

Motor Vehicles	32,569	32,569
Less Accumulated Depreciation & Impairment	20,344	14,871
	12,225	17,698

These notes form part of the financial statements.



MEDIA ACCESS AUSTRALIA
 ABN 75 002 259 154
 Notes to the financial statements (con'd)
 for the Year Ended 30 June 2012

	2012	2011
	\$	\$
9. PROPERTY, PLANT & EQUIPMENT		
(CONTINUED)		
Office Furniture & Equipment	141,285	120,620
Less Accumulated Depreciation & Impairment	111,221	101,505
	30,064	19,115
Furniture & Fittings	56,955	40,521
Less Accumulated Depreciation & Impairment	39,143	36,059
	17,812	4,462
Software	218,368	5,532
Less Accumulated Depreciation & Impairment	19,932	4,379
	198,436	1,153
<u>Total Plant & Equipment</u>	258,537	42,428

10. TRADE AND OTHER PAYABLES

Current

Trade payables	170,987	22,659
Other payables	105,265	31,202
Total Trade and Other Payables	276,252	53,861

11. PROVISIONS

Current

Liability for annual leave	42,084	34,374
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Non-Current

Provision for Long Service Leave	64,574	57,663
<u>Total Provisions</u>	106,658	92,037

Provision for Long-term Employee Benefits

A provision has been recognised for employee entitlements relating to long service leave. The measurement and recognition criteria relating to employee benefits have been included in Note 1 to this report.

These notes form part of the financial statements.



12. RESERVES

Capital Redemption Reserve	448,100	448,100	
	448,100	448,100	

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.

M. 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 2012 the number of members was 14 (2011:14).

N. 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	Not	2012	2011
	e		
		\$	\$
Cash and cash equivalent	6	2,426,122	3,824,797
Financial assets at fair value through profit or loss	8	5,757,873	5,553,176
Trade and other receivables	7	124,573	108,963
		8,308,568	9,486,936
Financial Liabilities			
Financial liabilities at amortised cost			
Total Trade and Other Payables	10	276,252	53,861

These notes form part of the financial statements.



14. FINANCIAL RISK MANAGEMENT (*CONTINUED*)

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.

- 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.

These notes form part of the financial statements.



14. FINANCIAL RISK MANAGEMENT (*CONTINUED*)

- (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.
 - 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 2012		
+/- 2% in interest rate	48,522	48,522
+/- 10% in listed investments	575,787	575,787
Year ended 30 June 2011		
+/- 2% in interest rate	76,496	76,496
+/- 10% in listed investments	555,317	555,317

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

O. 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.

These notes form part of the financial statements.



P. 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 expiring in 31 January 2015. There is a 3- 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.

Q. KEY MANAGEMENT PERSONNEL

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

Chief Executive Officer

Deputy Chief Executive Officer

Transactions with Key management personnel

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

	2012	2011
	\$	\$
Short-term employee benefits	358,637	331,264

R. 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.

These notes form part of the financial statements.



S. CASH FLOW INFORMATION FROM OPERATIONS

	2012	2011
	\$	\$
Profit (Loss) after Income Tax	(1,204,253)	(213,142)
Non cash flows		
Depreciation and amortization	33,827	20,009
Unrealised loss (gain) on investment	312,145	(458,631)
Changes in assets and liabilities		
Decrease/ (increase) in trade and other receivables, and other assets	14,356	(39,032)
(Decrease) / increase in trade and other payables	222,390	27,629
(Decrease) / increase in provisions	14,621	13,108
Cash flow provided by operating activities	(606,914)	(650,059)

T. ECONOMIC ENTITY DETAILS

The registered office of Economic Entity is

Media Access Australia
 Level 3
 616-620 Harris Street
 ULTIMO NSW 2007

The principal place of business of the Economic Entity is:

Media Access Australia
 Level 3
 616-620 Harris Street
 ULTIMO NSW 2007

These notes form part of the financial statements.



Directors declaration

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 2012 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.

Ian Roache

Director

Dated this 24th day of October 2012



Auditor's independence declaration

The Board of Directors
Media Access Australia
Level 3
16-620 Harris Street
ULTIMO NSW 2007

25 October 2012

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 2012, I declare to the best of my knowledge and belief, there have been:

no contraventions the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and

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

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 2012, and statement of comprehensive income and statement of change 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.

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.



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 25 October 2012 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 is 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 2012 and of its performance for the year on that date; and
- b. complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001.

Adams Triglone

H W Triglone

Chartered Accountants

Partner

Baulkham Hills

Dated this 25th day of October 2012

