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MOUNTAIN DISTRICT RADIO

2023

**ANNUAL
REPORT**

PREPARED BY

**Catherine Dear
Barbara Baxter
Nat Grant**

**Financial Statement:
HBT Advisory**

PRESIDENT'S REPORT



MOUNTAIN DISTRICT RADIO INC. PRESIDENT'S REPORT FOR ANNUAL GENERAL MEETING 2023

2022-2023 Financial Year was marked by change and a post COVID reset.

The key focus for the committee this year was improving our organisational governance, ensuring improved compliance with our legal obligations and building clarity around our purpose, vision and setting ourselves up for stronger financial stability and future oriented decision making to support our ongoing voices on the airwaves.

This started with a Strategic Planning Workshop in Belgrave, which was attended by about 30 people including staff, presenters, listeners, volunteers and with input from Community Radio industry experts, led to the development of our Vision, Objectives and Strategic Plan. The strategic planning exercise and development was led by Chris Risely, who has since June stepped into the role of Vice President.

In early 2023, we engaged Eastern Volunteers to undertake a health check on our organisational governance, which identified a number of gaps, potential risks to our operations. This work arranged by Rachel Nendick, our Secretary, has led to an overhaul of our structure of Subcommittees and their role in decisions at 3MDR and provided a much better operational framework, clarity of Committee of Management and Subcommittee roles, addressing of legal obligations and ensuring greater transparency of decisions and processes in managing a community radio station and a Not for Profit Community business. This work has led to a significant review of existing, and development of new, policies and procedures that underpin how we operate and should operate, to ensure we reduce our risks and operate within the laws that govern our existence.

Our financial position in 2022-2023 has been a balancing act, primarily due to the impacts of Covid in preceding years, however with some improved financial forecasting and discipline we should see improved financial performance in 2023-2024. I want to express extreme gratitude to Barb Baxter for her unwavering commitment and efforts as our Treasurer and her involvement in our employment, policy development and keeping us all honest.

With the departure of Phil our long serving and much-loved Station Manager in January, the Committee undertook a rigorous review of our employment obligations, including staff contracts, to ensure that:

- a) we could attract the best talent to replace Phil;
- b) provide greater clarity to our staff about their roles; and
- c) make sure we meet our obligations as an employer under the law.

A Subcommittee was established to provide better employer support for the Station's staff and to undertake this review, recruit our new Station Manager, ably lead by Patrick McCarthy, our then Vice President, we finalised new employment contracts and most importantly welcomed Nat to the 3MDR family. Nat has brought a new dynamic to the manager role and been able to draw on extensive experience working in community radio, sound production, music performance and teaching, and has, with Ren, been able to reactivate community and education partnerships, draw in some new sponsors, and encourage young people to engage with 3MDR.

We have also established an Events Subcommittee who are responsible for our major events including Radiothon and working to support how 3MDR can better participate in, host and support live music and community events. I thank Sue Amico for taking on a lead role and contributing significantly to the governance of and participation in this Subcommittee.

The Programming Subcommittee has been around for a long time, but we have revamped the role of Programming Subcommittee and our approach to onboarding and encouraging new presenters. This work commenced by Patrick and taken over by Daniel Smith (AKA Dap) has, with staff, coordinated new presenter training requirements, and promotion of new programs to fill our grid. This overhaul has enabled us to welcome new presenters and programs to our station.

I think it's fair to say it has been a busy year for the Committee of Management, and whilst most of this may seem boring, it is essential for us to have a solid foundation so that we can build a strong and sustainable future for 3MDR.

This year has been a struggle for the Committee, with a number of personal challenges, many members having full-time work commitments leading to a few changes throughout the year. We saw the resignation of two valued Committee members Patrick and Tim Lines (AKA Norman Weekly) resigning through the year. With Rachel not renominating for Secretary and both Tony Blake and Dap resigning at this AGM, we are on a recruitment drive for new members of both the Committee of Management and the Subcommittees.

Huge thank you to the Committee, especially Chris, Rachel, Barb and Patrick who as the Committee Executive have taken on huge responsibility and shown great leadership. Thanks to Sue, Dap, Tim, Tony for your participation, it has been a busy year and yes much of the stuff we have worked on has been quite dry, it has been a pleasure spending time with you at our meetings.

Huge shout out to Nat and Ren who have done plenty of the heavy lifting and actioning most of this year's actions falling out of our Strategic Plan, supporting the Committee of Management, most of the Subcommittees, presenters, volunteers and keeping our day-to day operations going.

Thanks to Dave Miller for his efforts wiring up and building our new production room and advising on the purchase of new technical stuff (with staff).

I'm confident that 2023-24 is already shaping up to be a bumper year and I look forward to seeing where we go from here.

Thanks to you, our members, presenters and volunteers, for making 3MDR what it is. In closing I want to encourage you all to consider joining the Committee of Management or a Subcommittee as we really want your input to ensure 3MDR continues to shine bright in the Community for many years to come.

Catherine Dear
President- 2022/23

TREASURER'S REPORT



3MDR MOUNTAIN DISTRICT RADIO TREASURER'S REPORT TO THE ANNUAL GENERAL MEETING FOR THE 2022/23 FINANCIAL YEAR 23 NOVEMBER 2023

I am privileged to once again present the audited financial statements and Treasurer's Report for the year ending 30 June 2023.

Comments on Balance Sheet

- We sent invoices to presenters in late June 2023 for 2023/24 membership, so those invoices unpaid by 30 June are shown in Trade Debtors. This accounts for most of the increase from June 2022.
- Computer equipment was purchased during the year and was entered as Property, Plant & Equipment. Correspondingly, Depreciation increased from last year based on the new purchases and a full year's depreciation on the generators purchased late in 2021/22.
- Trade Creditors (the people we owe money to) at the end of the year were considerably higher than last year because the figure includes invoices for Rent and Electricity for periods prior to the start of the financial year. After the start of the 2023/24 financial year we negotiated a lower amount for 2021 studio electricity and agreed to a payment plan to cover the transmitter site back rent.
- Provisions for leave were reduced when Phil Ruck resigned in January 2023 and was paid out for accrued annual leave and long service leave. Provision for sick leave has been eliminated at the end of the year as that accrual is not paid out on employee termination. This had a welcome effect of significantly reducing our liabilities for the year.
- Although we had a disappointing Net Income for the year, the end of year figures show we were still financially liquid. This broadly means that we had enough money in the bank to pay our bills.

Comments on Profit and Loss

Income

- Living Local grant boosted our “Other grants” income significantly over last year.
- Training recommenced after the pandemic hiatus, with the fees charged covering the cost of delivery. A number of trainees are now producing programs.

Expenditure

- Cleaning and site improvement and equipment purchases appear high due to the final expenditure in these areas of the Yarra Ranges Council gardening grant received in the 20/21 year and the 2022/23 Living Local grant from Department of Jobs, Precincts and Regions.

Cash on hand

In July 2022 we had cash and cash equivalents of approximately \$129,288. At 30 June 2023 that figure was around \$84,793. The end of year cash includes some grants not yet expended. It is expected that all of the unexpended grants received by 30 June 2023 financial year will be expended in 2023/24.

Coming up in 2023/24

With the Victorian Labour Party keeping its November 2022 campaign promise to provide support to 3MDR, we have been offered a grant in the 2023/24 year of \$50,000 as part of the Creative Victoria initiative. Thanks to the Member for Monbulk Daniela De Martino for following through with this.

Although our income in 2022/23 did not reach the threshold at which the Australian Taxation Office requires a non-profit organisation to register for GST, the 3MDR Committee of Management decided to do so from 1 July 2023. The full impact of that move has not yet been fully assessed as only one Business Activity Statement has been filed to date. But the immediate result is that a) your memberships and subscriptions now cost 10% more than last year, b) the registration has created an incredible amount of extra work for the staff and Treasurer, and c) I have tested our accountant’s patience with my constant questions about whether I’m doing the GST entries correctly.

Station Manager Nat Grant has certainly hit the ground running since starting in February. With Ren Cuttriss continuing as Engagement Coordinator, the Committee of Management is confident that this formidable team will continue to expand our income sources and community impact in the coming year.

Barbara Baxter
Treasurer

STATION MANAGER'S REPORT



STATION MANAGER'S REPORT TO MEMBERS - ANNUAL GENERAL MEETING 23RD NOVEMBER 2023

Dear 3MDR members and community,

What a year we've had! I'm so thrilled to be part of this family and I want to thank everyone who's helped me settle in and learn the ropes this year. To Ren, Phil, David, Tina, and all the presenters and friends who've welcomed me - I'm looking forward to many more years here.

I want to particularly thank the Committee of Management: Cath, Chris, Barb, Rachel, Sue, Dap, and Tony. We said goodbye to Vice President Patrick McCarthy this year who has also been a great support to me. And we tonight farewell Norman Weakly, Tony Blake and Dap from the Committee (but never fear, not from 3MDR!).

Radiothon was definitely a highlight of the year for me and I loved chatting with so many of our loyal subscribers on the phone and reading their incredible messages of support alongside all their subscriptions and generous donations. It reminds me why we do this. We reach people, we connect. Our broadcasters did an incredible job of promoting our shockingly good fundraising campaign and we raised \$23,000, exceeding our target of \$20k.

We ran three training sessions this year and have welcomed 8 new presenters to the station! And with 8 new shows on air we welcome Cameron, Mark, Anna, Sal, Jillian (U&U), Ross, Trica, and Ria, and we welcome back Gareth, Dale, The Maestro (and Bealy in 2024!). Everyone is pretty much back live in the studio now and it makes such a difference having real live radio again.

We were also very fortunate to be able to deliver training this year through the CMTO, with thanks to trainer extraordinaire Phil Ruck. And we made some new friends from neighbouring stations through this process.

We said a reluctant goodbye to a few long time presenters: Len Davis, Russ Townsend, and Roach. We hope they'll keep coming back for the odd guest appearance.

And we lost some really treasured members of our community: longtime broadcasters John Beauchamp and Ann Creber, and beloved listener Rhon Stafford. They'll be sorely missed.

We had our first live to air parlour gig with the incredible Khristian Mizzi and we can't wait to host more events next year, both at the station and at some of our great local venues.

It's been great to have so many young people at the homestead this year! We hosted 10 work experience and VCAL students across the year. Upwey South Primary School started a Friday elective with 10 students per term making an episode of Fresh Air for us to broadcast, full of funny anecdotes, interviews, and some of their favourite music.

2023 was really busy with successful grant applications and their subsequent projects. Our team worked hard to deliver all the new accessibility measures around the homestead, and our brand new production room will be ready for action in 2024.

We were fortunate to receive funding from the CBF, Yarra Ranges Council, and both State and Federal Government grants: to upgrade the kitchen and resources around the station to support our community after a natural disaster, to keep supporting our community language broadcasters, and to begin a very exciting 40th birthday podcast project in 2024. More on that soon.

3MDR got out and about in the community this year - to the newly revived Kallista market, The Eastern Dandenong Ranges Association expo in Emerald, International Women's Day at The Fat Goat, and our shockingly good radiothon gig at Sooki Lounge. Thanks to everyone who gave valuable volunteer hours to make these events happen, and to all our local sponsors as well.

The only way is up in 2024. With more events, more community engagement, more live music and your continued excellence in broadcasting. And we'll start planning the biggest 40th bash ever for 2025!

Yours in community radio,

Nat Grant.

3MDR Station Manager - 16/11/2023



HBT Advisory

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6 November 2023

Mountain District Radio Inc.
ABN 27 882 272 030
Forest Park Homestead
Riley Road
UPWEY VIC 3158

To the members of Mountain District Radio Inc. (3MDR)

Report on the financial report

We have compiled the accompanying special purpose financial statements of Mountain District Radio Inc. (3MDR) which comprise the Balance Sheet at 30 June 2023, Profit and Loss Statement for the year ended 1 July 2022 to 30 June 2023 and the Notes to the Accounts.

Accountant's responsibility

On the basis of information provided by the entity we have compiled the accompanying special purpose financial statements in accordance with the significant accounting policies described in the financial statements and APES 315 Compilation of Financial Information.

We have applied our expertise in accounting and financial reporting to compile these financial statements in accordance with the Notes to the Accounts. We have complied with the relevant ethical requirements of APES 110 Code of Ethics for Professional Accountants.

The special purpose financial statements were compiled exclusively for the benefit of the committee who are responsible for the reliability, accuracy and completeness of the information used to compile them. We do not accept responsibility for the contents of the special purpose financial statements.

Independence

In the preparation of these accounts, we have complied with the independence requirements of the Australian professional accounting bodies.

Conclusion

We note that from the preparation of the Financial Report there nothing has come to our attention that causes us to believe that the annual financial report of Mountain District Radio Inc. does not present fairly, in all material respects, the financial position as at 30 June 2023 and of its financial performance for the year ended 30 June 2023.

Dated this 6th day of November 2023.



Andrew Harper, CPA
Director
HBT Advisory Pty Ltd

Encl.

Financial Statements

MOUNTAIN DISTRICT RADIO INC. (3MDR) ABN:

27 882 272 030

For the year ended 30 June 2023



Prepared by

HBT Advisory Pty Ltd

Prepared on

6 November 2023

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Profit and Loss

July 2022 - June 2023

	NOTES	Jul. 2022 - Jun. 2023	Jul. 2021 - Jun. 2022 (PY)
INCOME			
Income		144,844	155,337
Total Income	2	144,844	155,337
COST OF SALES			
Cost Of Sales		2,621	2,258
Total Cost of Sales		2,621	2,258
GROSS PROFIT		142,223	153,079
OTHER INCOME			
Other Income		13	92
Total Other Income	3	13	92
EXPENSES			
Expenses		168,978	158,558
Total Expenses	4	168,978	158,558
NET EARNINGS		\$ -26,742	\$-5,388

NOTE

This statement is to be read in conjunction with the Notes to the Financial Statements.

Balance Sheet

As of June 30, 2023

	NOTES		Total
	As of Jun. 30, 2023	As of Jun. 30, 2022 (PY)	
ASSETS			
Current Assets			
Accounts receivable			
Trade Debtors	3,033		512
Total Accounts receivable	3,033		512
Bendigo Bank Cheque Account	3067		106,348
Bendigo Term Deposit	50,000		
Bendigo Bank Gift Status A/C	3,716		21,045
Bendigo Bank Savings	27,578		
Paypal Account	203		1,651
GiveNow Account	50		100
Square Account	65		
Petty Cash Float	114		144
Total Current Assets	87,825		129,800
Long-term assets			
Property, Plant & Equipment	57,780		53,903
Accumulated depreciation on property, plant and equipment	-13,826		,-6,731
Total long-term assets	43,954		47,172
Total Assets	\$131,779		\$176,972
LIABILITIES AND SHAREHOLDER'S EQUITY			
Current liabilities:			
Accounts payable			
Trade Creditors	11,270		676
Total Accounts payable	11,270		676
Superannuation Payable	2,142		1,881
PAYG Withholdings Payable	5,032		2,338
Total current liabilities	18,444		4,895
Non-current liabilities:			
Provision for Leave	12,077	5	44,076
Total non-current liabilities	12,077		44,076
Shareholders' equity:			
Net Income	-26,742		-5,388
Retained Earnings	128,000		133,388
Total shareholders' equity	101,258		128,000
Total liabilities and equity	131,779		176,972

NOTE

This statement is to be read in conjunction with the Notes to the Financial Statements.

Notes to the Financial Statements

MOUNTAIN DISTRICT RADIO INC. (3MDR) For the year ended 30 June 2023

Note 1 - Statement of Significant Accounting Policies

The Committee has determined that the incorporated association is not a reporting entity because there are no users dependent on general purpose financial statements. The financial report is a special purpose financial report which has been prepared in order to satisfy the financial reporting requirements of the Associations Incorporation Reform Act 2012.

The financial statements have been prepared on an accrual basis and are based on historical costs unless otherwise stated in the notes. The accounting policies that have been adopted in the preparation of the statements are as follows:

Inventories

Inventories are measured at the lower of cost and net realisable value. Costs are assigned on a first-in first-out basis and include direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenses.

Finance Leases

Leases of fixed assets, where substantially all the risks and benefits incidental to the ownership of the asset (but not the legal ownership) are transferred to the trust, are classified as finance leases.

All other leases are classified as operating leases.

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

Leased assets are depreciated on a straight-line basis over the shorter of their estimated useful lives or the lease term. Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are recognised as expenses on a straight-line basis over the lease term.

Property, Plant and Equipment

Property, plant and equipment is initially recorded at the cost of acquisition or fair value less, if applicable, any accumulated depreciation and impairment losses. Plant and equipment that has been contributed at no cost, or for nominal cost, is valued and recognised at the fair value of the asset at the date it is acquired.

All assets, excluding freehold land and buildings, are depreciated over their useful lives to the trust.

The carrying amount of plant and equipment is reviewed annually by the trustee to ensure that the carrying amount 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 utilisation of the assets and the subsequent disposal. The expected net cash flows have been discounted to their present values in estimating recoverable amounts.

Freehold land and buildings are measured at their fair value, based on periodic, but at least triennial, valuations by independent external valuers, less subsequent depreciation for buildings.

Increases in the carrying amount of land and buildings arising on revaluation are credited in equity to a revaluation surplus. Decreases against previous increases of the same asset are charged against fair value reserves in equity. All other decreases are charged to profit or loss.

Any accumulated depreciation at the date of revaluation is offset against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Trade and Other Receivables

Trade and other receivables include amounts due from customers for goods sold and services performed in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Trade and other receivables are recognised at the nominal transaction value without taking into account the time value of money.

Intangibles

Goodwill is recognised as the excess of the purchase price for a business acquired over the fair value of the net assets at the date of acquisition. Goodwill is assessed for impairment annually and is carried at cost less accumulated impairment losses.

Patents and trademarks are valued in the accounts at cost of acquisition and are amortised over the period in which their benefits are expected to be realised.

Financial Assets

Investments held are originally recognised at cost, which includes transaction costs. They are subsequently measured at fair value which is equivalent to their market bid price at the end of the reporting period. Movements in fair value are recognised through an equity reserve.

Provisions

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

Provisions are measured using the best estimate available of the amounts required to settle the obligation at the end of the reporting period.

Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held on call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

Revenue and Other Income

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. For this purpose, deferred consideration is not discounted to present values when recognising income.

Interest revenue is recognised using the effective interest rate method, which, for floating rate financial assets, is the rate inherent in the instrument. Dividend revenue is recognised when the right to receive a dividend has been established.

Revenue recognised related to the provision of services is determined with reference to the stage of completion of the transaction at the reporting date and where outcome of the contract can be estimated reliably. Stage of completion is determined with reference to the services performed to date as a percentage of total anticipated services to be performed. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent that related expenditure is recoverable.

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

Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). In these circumstances, the GST is recognised as part of the cost of the acquisition of the asset or as part of an item of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the balance sheet.

Trade and Other Payables

Trade and other payables, including bank borrowings and distributions payable, are recognised at the nominal transaction value without taking into account the time value of money.

Employee Benefits

Provision is made for the trust's liability for employee benefits arising from services rendered by employees to the balance date. Employee benefits have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs.

2. Income

	Total	
	Jul. 2022 - Jun. 2023	Jul. 2021 - Jun. 2022 (PY)
Income		
Station Generated		
Membership	8,501	4,945
Subscriptions	17,960	19,900
Sponsorships	18,962	18,567
Total Station Generated	45,423	43,412
Events		5,095
Grants		
CBF	33,700	50,080
Ethnic Radio	5,680	5,748
Other Grants	35,015	18,410
Shire of Cardinia	3,000.00	3,000
Shire of Yarra Ranges	6,087	13,500
Total 4300 Grants	83,482	90,738
Sundry Income		
Training	3,520	
Donations	4,598	10,726
Sales of products	3,432	4,035
Service/Fee Income	50	750
Discounts given		10
Other sundry income	4,338	571
Total 44000 Sundry Income	15,938	16,092
Total 40000 Income	144,844	155,337

3. Other Income

	Total	
	Jul. 2022 - Jun. 2023	Jul. 2021 - Jun. 2022 (PY)
Other Income		
Interest	13	92
Total 80000 Other Income	13	92

4. Expenses

	Total	
	Jul. 2022 - Jun. 2023	Jul. 2021 - Jun. 2022 (PY)
Expenses		
Bank Charges	648	999
Cleaning and site improvement & maintenance	17,452	5,687
Communications	5,454	6,432
Depreciation & Impairment	7,096	4,831
Equipment under \$1000	8,013	962
Equipment repairs & maintenance	2,947	1,941
Electricity & gas	10,388	3,370
Ethnic Programme Support	4,888	6,248
Events and marketing	5,747	14,118
Financial management	1,672	1,650
Insurance	3,654	3,329
Licence Fees	3,677	2,698

	Total	
	Jul. 2022 - Jun. 2023	Jul. 2021 - Jun. 2022 (PY)
Meetings and conferences	30	399
Membership Fees	4,461	2,587
Office Expenses	1,066	937
Rent	14,844	8,400
Subscriptions	740	993
Training & Development	3,266	
Salaries, Wages & Workcover		
Worksafe Insurance	266	248
Superannuation	8,904	8,182
Wages & Salaries	95,764	83,105
Provision for Leave		
Provision for Holiday Leave	-24,983	-1,220
Provision for Sick Leave	-7,236	1,296
Provision for Long Service Leave	21	1,364
Total Provision for Leave	-31,999	1,440
Total Salaries, leave Wages & Workckover	72,934	92,975
Total expenses	168,978	158,558

5. Provision for Leave

	Total	
	As of Jun. 30, 2023	As of Jun. 30, 2022 (PY)
Provision for Leave		
Provision for Holiday Leave	8,637	16,320
Provision for Sick Leave		21,392
Provision for Long Service Leave	3,440	6,364
Total Provision for Leave	12,077	44,076