



ARTSOUND
INCORPORATED

ABN 29 083 850 739

ANNUAL REPORT
2009/10

ArtSound Inc
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Our Vision

To be the first choice for engaging with the arts.

Our Mission

To provide distinctive, quality radio that connects the community to the arts in Canberra and the region.

Our Goals

To develop and maintain a viable and high quality full-time community radio service and associated multimedia activities.

To increase and develop the Canberra arts community's use of ArtSound's services and facilities

To increase the general public's awareness of, and engagement with, ArtSound

To respond promptly and flexibly to emerging challenges to develop new programs, production services and technical enhancements.

To be accountable to ArtSound's audiences, volunteers, regulatory authorities and funding sources, while continuing to meet ArtSound's needs

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PRESIDENT'S REPORT

Results for ArtSound's 2009-2010 year have been mixed. There have been successes, like the renewal of our broadcasting licence for another five-year term; and disappointments, particularly our failure to meet some of our revenue targets needed to meet our expenses.

In January 2010 the Board met outside its normally monthly meeting schedule specifically to consider ArtSound's Strategic Plan. This is a living document and we expect at least once each year that the Board will review the plan and adapt it as necessary to changing circumstances.

Although we are yet to reap the full benefits of the decision, at the meeting the Board decided to provide increased resources for staff within our limited budget. There were two reasons for this: one, to more adequately (although still not sufficiently) recognise the value of our dedicated staff by increasing their remuneration and providing administrative support for them; and two, recognising that increased investment was required in order to increase income, especially from sponsorship and audio services. Certainly there has been a significant increase in sponsorship revenues in the past year when compared to budget forecasts; and 50% more than the actual income received the previous year. Unfortunately, income from grants, memberships, donations and audio services were all down, some significantly. There was good news, though, with new and returning sponsors, more Arts Partners, and some successes with minor grant applications.

We end the year with good prospects of better results in the coming year. Focus on our Arts Partnerships has led to significant opportunities, especially a new sponsorship agreement with the National Gallery of Australia that reinforces the importance of ArtSound as a media partner for arts organisations in Canberra and the surrounding region. Continuing relationships with organisations like the Gallery, artsACT, the Canberra Southern Cross Club, Canberra Symphony Orchestra, the 'Q' in Queanbeyan, and ACTEW, to name a few of the growing number of organisations that support us in some way, augur well for a good year in 2010-2011.

None of this would be possible without the huge support we get from artsACT, our sponsors, Arts Partners, and other supporters; our membership, our volunteers, and our dedicated staff – they do a terrific job keeping the station ticking over. Thanks to our Patron, his Excellency Mr Michael Bryce AM AE, for his continued support over the year, and thanks also to our outgoing board members Wendy Brazil, Eric Harrison, George Cora, and Ian Tidy for their efforts on behalf of the association. I would also like to recognise the efforts of the continuing Board members over the past year: thank you, too. To those new to the Board, I say welcome, and to them and the continuing members I say we have a challenging, but rewarding, year ahead.



James Steele
President
September 2010

SECRETARY'S REPORT

Under ArtSound FM's Constitution the Board is required to meet at least monthly. Meetings have been called and have taken place each month since the last AGM in September 2009.

Minutes of each meeting have been taken and accepted by successive meetings as correct records of Board proceedings. All minutes and all other papers relating to Board meetings have been duly filed in the administration office where they are available to be viewed if required. As further required by the Constitution, and with the assistance of the Membership Officers, I have ensured that ArtSound's membership records are properly maintained.

As directed by the Board and otherwise, I have been involved in a number of other matters as follows:

- drafting, or assistance in the drafting and/or review of ArtSound's EEO, disciplinary and sexual harassment policies and the financial and resource commitment delegations;
- with Luisa Pauletto, revision and reformatting of the Volunteer Handbook;
- assistance to the Manager Business and Administration in the acquittal of ACT Government grants;
- the fulfilment of the station's formal reporting obligations as an incorporated association under the relevant ACT legislation;
- preparation of an application to the Department of Families, Housing, Community Services and Indigenous Affairs for the Volunteer Grant 2010;
- with Chris Deacon, updating of the ArtSound assets register;
- renegotiation of contractual arrangements with ArtSound employees in accordance with the Fair Work Act 2009;
- arrangements and preparation of documentation for the 2010 AGM.

My thanks to the president, James Steele, my other fellow Board members, and to our Membership Officers, Peter Trainor and Jeff Spencer, for their co-operation and assistance to me in carrying out these duties.

John Mitchell
Secretary

September 2010

TREASURER'S REPORT

Treasurer's report – results to 31 August 2010

I present to the members the special purpose financial report for the year ended 30 June 2010, incorporating the Income and Expenditure Statement, Statement of Financial Position, Statement of Cash Flows and accompanying notes, along with the independent audit report.

The net deficit for the year was \$55,938, which compares less than favourably to the 2009-10 budget deficit of \$31,500. This result was due largely to lower revenues being received for donations, lower audio services revenues than anticipated and slightly higher than anticipated salary and contract management expenses, offset by an increase in broadcast revenues being received. The result for the current year is significantly different to that recorded for 2008-09, largely as a result of major donations being received last year for capital projects that continued or commenced this current year. It should also be noted that our cash position of \$40,960 as at the 30 June 2010 is lower than the balance as at 30 June 2009 due to the completion of these capital projects.

It should be noted that in the past, the audit fee has only been recognised in arrears. This year we have corrected this as per accrual accounting policy, therefore recognising a second year audit fee for \$4,000 in our deficit result (see note 2 Supplies and Services).

Our Property, Plant and Equipment carrying value has increased with the completion of the works on the studios and the organisation will address the audit qualification by carrying out revaluations on all Property, Plant and Equipment during 2010-11.

Lastly, I wish to acknowledge the wonderful support received once again from the management trio of Isobel Griffin, Chris Deacon and Lauren Black. I thank them for their efforts over the past two years and wish the board well for the future.

Ian Tidy
Treasurer
September 2010

Financial reports are at Attachment 5.

GENERAL MANAGER'S REPORT: Business and Administration

When I look back on the past year, I can only reflect on how much we have achieved, how many new relationships we have made, how many old relationships we have strengthened and how much there still is to achieve.

Community radio is about community relationships, enthusiasm and integrity. It is about volunteers and providing a backdrop for those volunteers to pursue their passions for music and the arts. It is about being there for our Community and supporting their efforts through our studios here at Manuka. But, all this comes at a cost and our immediate challenge is to sustain the organisation we have created here at the Manuka Arts Centre and to develop it into the great organisation that I know it can become.

This year we have seen a number of our sponsors' businesses fold due to the financial crisis that affected so many. For us it has meant creating new relationships and working closer with our current sponsors to ensure strong ongoing mutually beneficial partnerships. Our Arts Partnerships have developed strongly because we have created a package that works and brings us return business. We also acknowledge the demand that has been placed on the many clubs and philanthropic institutions and the opportunity to secure funding has become very competitive. I am pleased to say that our good relationship with the Canberra Southern Cross Club continues to thrive in spite of the huge pressure that is on them to support the many community organisations that have approached them for assistance this year.

The demand on our volunteers is real. Broadcasting 24/7 is a big call and requires dedication from many people. Training is essential to continue to bring new presenters with new energy to the organisation. It is exciting to see so many new faces (hear so many new voices) on ArtSound and I really enjoy watching our presenters working together and supporting each other in so many ways. My observation that many volunteers have had to return to work or extend their working hours still stands. Yet, I see them turning up at the studios and presenting some excellent programs and I feel very privileged to work with so many amazing people.

As we move toward the warmer months of 2010, we will see the completion of the development of the Manuka Arts Centre grounds. With new parking, landscaping, signage and an extension of outdoor performance spaces, we are looking forward to inviting the public to the centre to enjoy more great arts and music events in 2010. I would like to offer a very special thank you to artsACT for their support in making this project possible.

I would like to acknowledge my Board for their ongoing support this year. I would especially like to thank Lauren Black and Vicki Murn for their amazing encouragement and support. You have both contributed enormously to our expanding community relationships.



Isobel Griffin
General Manager
Business and Administration.

GENERAL MANAGER'S REPORT: Engineering and Development

I have pleasure in reporting that 2009/10 was another successful year of ongoing development and refinement of ArtSound FM's facilities and capabilities, despite the economic circumstances which tended to hamper our efforts at achieving more with limited resources. Apart from some occasional technical interruptions that were outside our control, there were no significant technical failures that affected the continuity of our service.

A major focus was in completing and installing the mixing desk and other equipment in new production studio 5. This moved us yet another step closer to realising the dream of having additional training and production capabilities in support of our broadcast operations, as well as our new internet-based ventures such as the "Silver Memories" project.

Considerable effort will still need to be focused on seeking funds to complete the construction of our remaining space (Studio 4), destined to become a program prep and digital program editing suite.

Another exciting development was the launch of the trial of a new non-broadcast service called "Silver Memories", aimed at delivering programming to aged persons, retirees and hospital patients via state-of-the-art digital sub-carrier technology, and internet streaming techniques. The trial was undertaken over several months from June 2009 and examined technical means of delivery, acceptance of the concept at a range of proposed receiving sites, and development of program production and presentation facilities.

A spin-off was the development of audio over IP (internet protocol) transmission techniques (including wireless), offering the prospect of ArtSound establishing a greater presence in the community via dedicated outside broadcast connection "nodes", and portable situations, free from the restrictions of line of sight radio links.

During the year, ArtSound led a successful call for action for Broadcast Australia Pty Ltd to replace the Black Mountain antenna that has caused impaired performance, affecting three community broadcasters to various degrees over several years.

Our ongoing challenge remains: to identify new forms of major donor and foundation support for the station, including longer term project funding to assist completion of the station's remaining technical facilities and to support our planned initiatives in 2010/11. The resulting benefits will directly accrue to the community in the form of improved ArtSound programming and better opportunities for community participation in our new digital media ventures. Each year ArtSound has increased its level of commitment to the community and extended its impact beyond the ACT. As the station develops, those opportunities will grow, and ArtSound's viability will be more secure.

It is rewarding to continue to oversee such progress and I am grateful to all volunteers who have supported our development during 2009/10.



Chris Deacon OAM
General Manager
Engineering and Development

ARTSOUND 2009/10

Awards

ArtSound's General Manager Engineering and Development, Chris Deacon, was awarded an Order of Australia Medal for his contribution to community radio through ArtSound. In announcing the award, the Governor-General of Australia, Ms Quentin Bryce, cited amongst other things, Chris' work on developing new digital services such as in the "Silver Memories" Project.

Broadcasting Licence Renewal

Our community broadcasting licence is critical to our continued existence. The licence, issued by the Australian Communications and Media Authority, ACMA, must be renewed every five years, with the renewal dependent on ArtSound continuing to meet the requirements of the *Broadcasting Services Act* and convincing ACMA of our suitability as an organisation to continue broadcasting.

Last year, early 2009, the previous Board oversaw the development of the application for the renewal of the licence, with significant effort put into the process by former President Richard Thwaites and our Board Secretary, John Mitchell. Their efforts were rewarded when we heard later in the year that ACMA had renewed the licence for another five years. It was particularly gratifying that ACMA recognises our application as one of the best renewal applications it had seen, and has pointed to it on its website and at the CBAA Annual Conference as an example for others to follow.

Grants 2009/10

While our success in attracting grants was limited this year and a disappointment for the organisation, we did receive a significant grant, not so much in the amount of money involved, but what it allows the organisation to do. The Community Broadcasting Foundation (CBF) accepted a grant application from us that has allowed us to purchase equipment to change the way we do outside broadcasts and remote recordings. Using the data capabilities of the 3G phone network, we can now provide a CD-quality live signal remotely back from anywhere we can get a phone signal to the studios, and then live to air or for recording. This enormously simplifies the effort involved in getting outside broadcasts to air, and will hopefully lead to more live program events over the coming years.

- ArtsACT have granted ArtSound administrative support funding of \$312,500, over a 5 year period commencing 1 January 2009, under the Key Arts Organisation funding program. The funding contributes to management remuneration. ArtsACT also provides for ArtSound's tenancy at the Manuka Arts Centre at 'peppercorn' rental.
- ACTEW Corporation has generously contributed an ongoing annual grant of \$5,000 for recurrent costs.
- Transmitter Subsidy CBF (Community Broadcasting Foundation) – ArtSound received part reimbursement of rent and electricity costs at Black Mountain and Mt Taylor –2009/10 – \$16,399.
- ArtSound was successful in receiving an outside broadcast equipment grant (\$990) from the Community Broadcasting Foundation (CBF) for a 3G Wireless Modem which will be used in conjunction with digital codec equipment to support live broadcasting from almost anywhere.

Membership

It is always satisfying to see the number of members we have at ArtSound who constantly renew their membership for no other reason than to support us. We know from the feedback we get that our members are enjoying ArtSound's programming. When there is a problem with programming or they want to give us feedback about our programming, we welcome their calls and value their ideas and input. Taking the time to participate in this sort of communication is one of the most important things we do.

On reviewing the pattern of membership renewal, we came to realise that some members were not renewing simply because they 'meant to but just haven't gotten around to it'. So we began a new process of phoning those members, whose membership was due or over due and chatting with them about it personally. Jeff Spencer, who is now processing our memberships often comes away from a phone call with memberships being renewed on the spot and the added bonus of lots of feedback about ArtSound's programs, website, premises and a favourite piece of music or a concert they heard.

One of the most critical things ArtSound must look at in relation to its membership is finding ways to build better relationships. We have recently added a new volunteer to the position of Membership Relations. Maria Jamieson has begun a program of calling our members directly and offering them tickets to events around Canberra. Maria is also building better relationships with our many valued donors. We have also reviewed the list of benefits available to members.

Membership numbers as at 30 June 2010, compared to recent years, is as follows:

| June 2006 | June 2007 | June 2008 | June 2009 | June 2010 |
|---|-----------|-----------|-----------|-----------|
| 550 | 920 | 921 | 1,009 | 1,018 |
| Includes Life, Individual, Concession, Family and Passionate membership | | | | |

ArtSound Training

Introduction to Broadcasting

The time of writing this report coincides with the conclusion of Week 4 of the second of ArtSound's *Introduction to Broadcasting* courses for 2010; the first was conducted over February / March, and the second commenced in late August.

- For both courses, our trainers have been Chris Deacon, Terry Giesecke, Clinton White and Brian Leonard; collectively the trainers have in excess of 110 years of community radio experience; and much more than that once the aggregate of Management and Mentors' experiences are included.
- All 5 trainees who completed the first course passed 'with credit'.
- Each course comprised:
 - 10 hours of *delivered training* covering the following core topics:
 - ArtSound Facilities & Philosophy (incl. legislative & regulatory aspects);
 - Studios & Equipment Operation;
 - Presentation Style & Vocal Technique; and
 - Planning & Producing a Program.
 - Formal documentation, supplemented with trainer-handouts: eg on voice warm-ups, vocal techniques, 'live' read material, program plans, etc;
 - Weekly 'homework' requirements: eg reviewing the delivered training, listening to different radio styles, memorising the control panel, preparing short programs, etc.;
 - Access to experienced presenters / Mentors, including by sitting-in on programs; and
 - Individual practice sessions, including through studio bookings.
- The 5 graduates from Course 1 for 2010 were Maria Jamieson, Tomás Dietz, Bill Edwards, John Henderson & James LeFevre; and the 6 currently undertaking Course 2 are Mickey Abaygar, Robert Beattie, Sofia Majewski, Miriam Miley-Read, Harry Stewart and Daria Teodorowych. In the considered opinion of the trainers, these 11 graduates / trainees have all displayed exceptional enthusiasm for learning, commitment to ArtSound, and support for each other. It has been a real pleasure, and privilege, for us to have been their trainers.

In relation to our *Introduction to Broadcasting* courses for 2010, I would, on behalf of my trainer colleagues, like to express and record our thanks for the '*behind the scenes*' support given to us by our ArtSound Board, Management & Administrative Support, and the trainees' numerous Mentors; with a special thanks to Mick O'Donnell (re his training experiences from 2009), John Mitchell for updating the course handout, and Christine Cansfield-Smith for her much appreciated logistical contribution and assistance.

Cool Edit

In April, Chris Deacon also presented several 'lunch-time' training session in Cool Edit; many thanks Chris.

As Training Coordinator for 2010, I would like to thank my Committee colleagues, Chris, Terry and Clinton for their input, dedication, time and energy they have given over this past year.

Brian Leonard
ArtSound Training Coordinator, 2010
15 September 2010

Volunteer Participation

Total volunteer contribution to ArtSound FM is in the region of 2,500 hours per month.

Membership of ArtSound FM is open to everyone who declares that they share the organisation's aims. Upon joining, each new member is encouraged to indicate any areas in which they would like to volunteer. In this way we can build a base of more qualified volunteers who in turn will assist us in training new volunteers and expanding our volunteer base. ArtSound Personnel are listed at Attachment 1.

Presenters

As at the end of Financial Year 2009/10, ArtSound had around 70 volunteers who undertake regular presentation shifts. Many of our volunteers have busy lives in other areas, and their availability for rosters varies from several times per week to once per month or occasionally less. Canberra's mobile population and the age profile of volunteers are also factors in generating a continual need to replace presenters no longer able to continue for personal reasons, or temporarily unavailable.

ArtSound FM therefore is continually seeking to recruit new presenters. Training courses are presented by experienced volunteers. They cover technical and performance skills as well as awareness of Community Radio Codes, general guidelines, and ArtSound FM's specific station ethos and policies regarding program style and content.

Off-air Volunteering

ArtSound FM relies heavily on volunteer support in many off-air roles. In 2009/10, around 40 community members have been involved in regular off-air voluntary roles with ArtSound FM.

Each regular program strand has a volunteer Program Coordinator responsible for oversight of the relevant team of presenters. Volunteer Broadcast Coordinators oversee the rostering and coordination of program presentation across the weekly schedule.

Others volunteers take part in production assistance, sound library accession, cataloguing and maintenance, contribution of reviews and interviews, publicity and promotion, publications and web-site maintenance, office administration and support, events organisation and catering, membership promotion and maintenance, grounds and premises maintenance, technical development and maintenance, outside broadcast, and general fundraising activities.

Radiothon 2009

Embracing our Digital Future

From the moment of our very successful launch to the last exhausting moments of our Open Day, the support and enthusiasm expressed by our Sponsors, Volunteers and Members for our 2009 Radiothon was overwhelming.

It was wonderful to have His Excellency Mr Michael Bryce AM AE as our special guest for the Launch. Mr Bryce enjoyed some time on air and expressed an interest in returning to try his hand at a little more of the live presenting. Our guests also enjoyed attending the opening of an exhibition at PhotoAccess and everyone agreed that this was a very successful launch.

The theme of the 2009 Radiothon, *Help us Embrace our Digital Future*, indicated then and still does today some of the challenges we face to prosper serving Canberra's arts communities. As a result of the Radiothon, and support from our sponsors (especially Infinite Networks), ArtSound is now streaming to the world over the internet. A new website, also now live, was under development during the year. It was designed to provide a better platform for engaging with the many communities that make up the ArtSound family.

What has now become a regular favourite at the Open Day is the ArtSound FM Book and Music Fair. Special thanks must go to Mike and Sue Champion from Book Passion, for their amazing contribution to the success of the event. With the support and help of an enthusiastic team of volunteers we raised just over \$5k from the sales from the generous donations of books and music dropped off to the station by our listeners.

We would also like to acknowledge the contribution of the performers who gave their time on the Open Day; we know from the feedback that our listeners enjoyed the entertainment. And, for those who did manage to attend on the open day, they were able to partake in the Rotary Barbeque, taste beautiful local wines from Z4 Wines, enjoy sweet Belgium waffles provided by the Belgium Club of Canberra and top it all off with a coffee supplied by COSMOREX Coffee in Fyshwick.

ArtSound wishes to acknowledge the generous support of our Sponsors whose donations made it possible for us to reach such great result.

ArtSound Online Survey

Because our licence renewal application was due this year, ArtSound's web-based listener survey was updated and re-opened. 120 individual responses were received by the end of Financial Year 2009/10. The results, which had a very close correlation with previous surveys, indicated a high degree of satisfaction with ArtSound's programming, standard of presentation and quality of service.

Some findings from results of this survey are provided with this report as Attachment 2.

Regular consultation with stakeholders; community outreach

ArtSound managers and volunteers had regular discussions with artsACT, sponsors, members and other stakeholders in the arts community in order to gauge their views and to implement, where appropriate, suggested program directions. The significant financial support that ArtSound FM has received from a range of major organisations, including the ACT Government, is an indication that ArtSound FM's community contribution is thoroughly appreciated.

Website

During the year, the Promotion Committee reviewed the operation of the Association's website and decided that there were a number of features that could be added, including a method for visitors for the website to make a donation to ArtSound; joining or renewing membership; better program guide; audio streaming; and an events calendar.

A Donate button was added to the artsound.com.au site, and some preliminary work was done on moving the site to a new server, complete with a content management system that allows multiple accredited users to modify content on the site using a web browser from anywhere on the internet.

The artsound.fm domain was secured, and, with the able assistance of ArtSound's sponsor, Infinite Networks, streaming of the ArtSound service in MP3 and AAC+ formats began to be trialed in June, 2010.

Plans were put in place to transfer material from the existing artsound.com.au site to the new system for consultation and review before an expected launch during the Radiothon in November, 2010. More work is planned to provide facilities for presenters to have a presence for their programs online with news, play lists, feedback for their specific programs and other features to be added as time, resources, expertise and engagement allow. A project to refresh the graphics on the site will also be undertaken.

As streaming and social networking become more widespread, the website becomes an increasingly important conduit for communication between ArtSound's listeners, presenters, sponsors, donors, Arts Partners, management, Board and members. The upgrade to the website should see us in a much better position to interact with our constituents than was possible with the artsound.com.au site.

Library update

The recent financial year was a busy and successful one for the ArtSound FM CD library team. During the period 1 July 2009 to 30 June 2010 we accessioned over 500 new CDs into the 'All Other Genres' collection, of which more than 150 were produced in Australia. The classical collection grew by almost 950 albums during the financial year. As at 2 September 2009, the full collection totalled 9,253 albums; 6,668 in the All Others Genre and 2,585 for the classical section.

We have been fortunate to secure the support of new volunteer, John Fanning, who spent a life time in the music industry and over 25 years with Abels Music in Manuka. John has been able to develop many new relationships with record companies and suppliers and as a result our collection is very impressive. Julianne Patterson, who has much experience as a librarian, has also contributed enormously to the high standard of our library.

Programming Changes

The Program Committee continues to work with Management, Program Coordinators and Presenters to review our programming and continue to bring the best possible program mix to ArtSound.

Amendments to the program schedule adopted during the year include:

ArtSpeak: new time slot 9:00-10:00pm Sundays – General discussion of arts news and issues, with opportunities for topical debates or other special productions.

Concert Hall: now repeated 1.30 – 3.30 Wednesdays – The best of live classical concerts from around Canberra.

Red Velvet: Moved from old time slot 9am Sunday; now repeated 3.30pm – 4pm Thursdays.

Program Success Stories

The Gershwin Project

A series of 26 half-hour programs called *The Gershwin Project*, narrated by Bill Stephens and produced in the ArtSound studios by Len Power drawing on material from the Gershwin archive of Canberra resident, Bert Whelan, has met with significant success.

Following broadcast by ArtSound, the series was offered to the Community Radio Network, which broadcast it around Australia.

The Ambassador of the United States of America, Jeffery Bleich, requested copies, and subsequently advised that a copy of *The Gershwin Project* has been placed in the Library of Congress in Washington DC.

Ambassador Bleich described *The Gershwin Project* as a thorough and impressive exploration of George Gershwin and his music, and congratulated Len Power, Bill Stephens and ArtSound studios on the wonderful job they did working with the Gershwin archive collected by Bert Whelan.

Ambassador Bleich also forwarded a copy of the program to the Strunsky family in San Francisco, who administer the Ira Gershwin Estate.

Gershwin expert and entertainer, Michael Feinstein recently wrote to Bert Whelan telling him that he had listened to the programs and remarked that “they are a pleasure to hear and so well produced”. Michael Feinstein is working on his own Gershwin series for National Public Radio in the USA, but has advised Bert that he would be happy to suggest our series to them, after they had broadcast his own.

The Gershwin Project has just been accepted by the European Broadcasting Union for broadcast in Europe.

Swingtime

Swingtime has been accepted by the Community Broadcasting Association of Australia (CBAA) for syndication after successful evaluation of a pilot program and other supporting information during this year. CBAA satellite programming then requested 13 X 1 hour episodes of *Swingtime* to be produced along their program guidelines by mid September, with hints that this will be an ongoing requirement. Several promotion grabs have been produced and material was supplied to enable them to 'sell' the program to their network stations. As of 1 September, 4 programs have been sent to CBAA who now have them 'in the grid,' and *Swingtime* is expected to go to air nationally in early October.

Community on-air involvement programs

ArtSound has continued to provide many and varied opportunities for local arts practitioners and enthusiasts to participate in programs and use ArtSound facilities to practice and promote their arts interests. Details are provided in Attachment 3.

SPONSORSHIPS and PARTNERSHIPS

Sponsorship 2010

ArtSound FM would not exist without the support of its major, corporate and arts sponsors. It is for this reason that we have worked hard to develop long lasting relationships with our current supporters and remain open to developing new relationships.

ArtSound FM is privileged to have a large number of companies, organisations and individuals that recognise our important place in the Canberra community, as a promoter of the arts and provider of fine quality programming.

Our unique audience is undoubtedly discerning in their tastes and support for the arts and our ability to keep our rates competitive, with a strong volunteer base, has meant that ArtSound FM's sponsorship levels have risen even in a time of economic uncertainty.

Over the past year we have seen a number of our sponsors close their doors due to financial hardship or competing interests. This has meant our focus has been on developing stable relationships and connecting with a larger pool of possible supporters.

Drawing on the previous year of restructuring and formalising casual agreements we feel ArtSound FM has now grown into a serious professional player in Canberra's community media. With clear sponsorship guidelines and competitive promotional packages we have turned short-term contracts into annual commitments.

Through the Arts Partnership program we have seen repeat business from short term events campaigns which have not only made a difference to arts organisations wishing to target an arts appreciative audience but also enlivened our programming with up to date information on the latest arts and community events.

We are also blessed with ongoing in kind support from many organisations that see ArtSound as key to developing their connection with the Canberra Community including our communications sponsor Infinite Networks, our Tuning Partner Acoustic Piano Service and Wine Sponsor Z4 wines.

We cannot forget that all our supporters whether Major, Corporate or arts have one thing in common: that they believe in ArtSound FM and want to support the work that we do in the community. We thank them for their ongoing commitment. With their focus ArtSound will continue to grow, gathering a larger audience that in turn will benefit our sponsors.

Arts Partners

ArtSound offers music and arts organisations in Canberra an Arts Partnership opportunity for an annual subscription fee of \$300. To date there are 45 Arts Partners, including eight Major Arts Partners.

The entitlements of the Partnership include:

- Preferred placement in the Arts Diary;
- Interviews;
- Presence on the ArtSound FM website;
- Discounted sponsorship announcements;
- Special event opportunities, recording onsite and live broadcasts; and
- On-air ticket giveaways and competitions.

In February 2010 ArtSound hosted a luncheon for Arts Partners to encourage them to use the benefits of their Partnership . This provided an opportunity to introduce them to the ArtSound Arts Partnership Officer whose role is to assist the Arts Partners in promoting their organisations and events through ArtSound.

During the year the Arts Partners have increasingly taken up the opportunities of their Partnership which has, in return, enhanced the content of several ArtSound programs.

In particular, weekly on-air and recorded interviews have increased and on-air ticket giveaways and competitions have given ArtSound an opportunity not only to promote Arts Partners' events, but to give something back to our members and listeners.

The relationship with our Arts Partners continues to grow. The Partnership program has given ArtSound an opportunity to take a lead role as the media partner in Canberra's music and arts community. We have also continued to provide the opportunity for networking by introducing the Arts Partners to each other for their mutual benefit.

The potential for further Arts Partnerships continues to be explored.

In addition there are many other casual sponsors and supporters to whom we owe many thanks.

We look forward to nurturing our relationship with all our sponsors during the coming year and providing support for their activities in the many and varied arts forms and music genres that enrich the ACT community.

ArtSound's regular sponsors and Arts Partners are listed at Attachment 4.

AUDIO SERVICES

Recording Studios

Over the past year ArtSound FM has built a very strong client base and customer feedback has seen the number of enquires for larger projects grow steadily. The fact that we have seen so many repeat customers has been a testament to the professionalism of our staff, services and contractors. We pride ourselves on being able to offer the highest quality recordings to large companies and government departments while still providing a supportive and friendly atmosphere for musicians doing their first recording, and for community groups.

This year we have worked with an impressive range of clients including private, corporate and Government. ArtSound Recording Studios also completed 6 full album projects for clients this year, including local singer Tony Haley and Canberra Big Band *In Full Swing*.

Professional Archiving and Transfer and Restoration Services

Over a twenty-five year period, ArtSound FM has assembled, arguably, Canberra's largest single collection of locally recorded music and oral history. This comprises many thousands of individual tapes of varying formats, some of which are now obsolete. In our own efforts to retain these recordings ArtSound FM has acquired a range of specialised equipment and operates a quality archiving studio in which we offer professional preservation and restoration audio services to the public.

ArtSound FM's achievements in audio restoration and preservation include both small and large assignments for individuals as well as distinguished institutions such as the Parliamentary Library, the ACT Heritage Library, the National Library of Australia, National Film and Sound Archive, the Australian War Memorial and the National Archives of Australia.

Ongoing collaboration between the ACT Heritage Library and ArtSound FM is expected to result in more comprehensive catalogues that document recorded media holdings with greater specificity and, through preservation programs, make unique historical sound recordings more accessible to the general public via radio.

Over the past year we have completed short term professional archiving projects for organisations such as Archive-IT consultants and are currently working on ongoing contracts with the Australian War Memorial.

Our transfer & restoration services have also become very popular with the local community. We have completed over 200 individual jobs transferring obscure LPs, personal recorded cassette tapes and reel-to-reel tape recordings for private clients. This has become an unexpected way of developing our audience. Many of our clients had not previously listened to ArtSound FM, having been referred to us through our website or from other clients.

TECHNICAL

Studio Development

Thanks to our major sponsor ACTEW Corporation, funding was provided which enabled us to complete construction of our new Production Studio 5.

Additional funding from Belconnen Rotary allowed us to complete the studio console and to undertake other technical fitout work, particularly associated with the use of this studio for the proposed "Silver Memories" service.

When complete (expected 4Q 2010), this will provide a much needed dedicated production and training workspace that will help to take some of the pressure off existing studios and allow for increased access for new community programmers. Capital budget restrictions, however, have meant that finalization of the fitout for some production applications has been delayed.

ArtSound's awards and posters have been displayed in the broadcast studio soundlock corridor thanks to the sponsorship of a local picture frame supplier – Ware House Framing.

Transmission facilities

ArtSound maintains an FM transmitter at Black Mountain (92.7MHz) and a translator at Mt Taylor (90.3 MHz), both of which have been operating flawlessly throughout the year.

Apart from an outage of several hours caused by a Telstra sub-contractor severing our main audio program feed at Black Mountain, the service has been off-air occasionally for only minor brief periods (typically 30 secs per incident) aggregating less than one hour in the 12 month period. These outages were for reasons outside ArtSound's control – i.e. short term power outages at Black Mountain Tower due to slow standby generator take up, or planned maintenance outages by Broadcast Australia due to antenna/combiner testing.

The antenna fault reported by ArtSound FM and other community broadcasters in June 2007 remains unresolved. Following engineering tests, Broadcast Australia acknowledged in late 2009 that the antenna was in need of replacement and proposed a transfer to a larger antenna currently used by the ABC. This was received with enthusiasm, subject to suitable commercial arrangements being negotiated, as it would provide superior reliability and coverage, with an increase in effective radiated power to 20KW.

At the time of publication of this report, Broadcast Australia was still to provide a satisfactory proposal and timeframe for the new antenna system. ArtSound FM, 2XX and CMS-FM continue to experience sub-optimal performance from the existing antenna, which we are required to use at reduced power in order to protect our own equipment from damage. The effect is to reduce the quality and coverage of our signal below our normal licensed technical operating conditions, having its greatest impact on listeners at the greatest distance from Black Mountain.

Broadcast Australia has advised that contract details and pricing would be offered in 1Q 2010. During the year, legal firm Mallesons Stephen Jacques has kindly assisted with advice concerning the renewal of our ten year transmission contract. Our annual transmission fees will increase substantially in FY 2010/11. A proportion of these fees may be refunded through a grant from the Community Broadcasting Foundation, but there are no guarantees, and the national funding pool is ever decreasing as more stations seek support.

'Silver Memories' Digital Audio Service Trial

Following the award of a \$15,000 grant from the ACT Dept of Health and Community Services, and a \$10,000 donation from Belconnen Rotary, ArtSound continued the pilot project to establish digital sub-carrier and streaming service. Called "Silver Memories", the trial, which began in June 2009, was aimed at testing technical and logistical aspects of delivering tailored entertainment, information and instructional audio programming to senior citizens and the frail aged using innovative digital transmission techniques.

Two delivery techniques were tested: (a) FM Digital sub-carriers and (b) internet streaming.

For (a) above, subcarrier encoder equipment and a number of receivers were kindly loaned by ARFC Ltd (approximate value \$25,000). The "FMExtra" system utilizes bandwidth that already exists within ArtSound's existing licensed FM transmission and can co-exist with other sub-carrier services to provide addressable digital stereo program feeds targeted to special interest groups and individuals. Unfortunately, problems with the performance of ArtSound's antenna at Black Mountain had a major impact on the reliability and digital coverage of the service.

Despite the preference of recipients for the radio solution, additional difficulties associated with receiver supply and poor reliability of the encoder PC in the Black Mountain environment lead us to adopt option (b), possibly in conjunction with some low-power FM re-broadcast, as the preferred delivery method. Similar to internet streaming of radio stations without the PC, option (b) uses low cost next generation digital audio devices to encode, distribute and decode in real time for point to multipoint streaming and delivery over the internet and other IP-based systems. Following the sponsorship support of internet service provider Infinite Networks, this technique was tested in a number of scenarios and will be employed for outside broadcast purposes for ArtSound's main service, as well as for this project.

In Phase 2 of the Project, there is potential to mount a permanent, non-profit internet based audio subscription service with content aimed at aged persons and retirees in retirement villages, hospitals, hospices and other locations. We envisage the content will consist of nostalgia oriented music and "old-time" radio, with English language information and special features for older Australians including: health and well-being, travel, U3A, State and Federal Government information, instructional programs (e.g. how to use computers, basic home repairs), social support services, legal, and financial planning/investment services. It is designed to recognise the important role older citizens play in our community, improve their quality of life, and acknowledge their worth and contribution as volunteers and retirees.

Further funds will be sought to support Phase 2 of the project, which will aim to equip an initial selection of suitable demonstration sites with a full-time service.

Canberra Digital Radio Trials

ArtSound continued to monitor developments in this field through contacts in the broadcasting industry and via the Community Broadcasting Association of Australia (CBAA).

ArtSound was disappointed it was not invited to participate in the digital audio broadcasting trials that emerged from discussions that had taken place between Commercial Radio Australia, SBS, ABC and CBAA. The CBAA would appear to be focusing its efforts on metropolitan stations, and the future of digital broadcasting for community stations in regional Australia (including the ACT) remains unclear.

Many technologists in the community radio sector remain sceptical of the listener benefits of digital radio under the government's presently proposed scheme, while CBAA and some of the larger capital city stations stand to benefit from large financial grants for sector coordination consultancy, and equipment roll-out.

COMMUNITY REPRESENTATION

Local Representation

ArtSound is often represented in the community by staff and volunteers. General Manager Isobel Griffin has been presenting the pre-concert talks for the Canberra Symphony Orchestra now for two seasons of the Llewellyn Series at Llewellyn Hall. She has been supported in these talks by long time ArtSound supporter Mr John Kalokerinos, and more recently by Mr Nikolai Blaskow. Attendees to the concerts are invited to attend the pre-concert talk and these have grown in popularity with lots of positive feedback to the CSO. This is an opportunity for ArtSound to distribute program guides, cultivate new listeners and reinforce the relationship we have with the CSO as Media Partners.

While it is not always possible for us to attend all of the events we are invited to see, we do make an attempt to have at least one staff member or volunteer attend an event. We know the value of this to ArtSound, but it also means a great deal to our Arts Partners and supporters to see us in attendance.

Each year ArtSound supports the CSO at the Proms Concert at Government House by handing out the programs at the gate. In 2010 it was the Stars and Stripes concert and the American Ambassador was the guest conductor.

ArtSound is often asked to provide a speaker or host for a special event. In 2009, Isobel Griffin was invited to host the Canberra Choral Societies Purcell Concert.

National Representation

ArtSound's General Manager of Engineering and Development, Chris Deacon, continued as an active member of the Technical Standing Committee of the Community Broadcasting Association of Australia, the national peak body for Community Broadcasting. The Committee's major focus has been to consider technology issues faced by community stations throughout Australia, including access to technical solutions and shared equipment and expertise, addressing the shortage of qualified broadcast engineering skills; creating a web forum and annual national conference. The first conference ("Technorama 2009") was held 3-5 September 2009 in Melbourne and attended by 60 technologists and managers from throughout Australia. It is expected a second conference will take place in Adelaide in 3Q 2010.

Chris Deacon, General Manager, Engineering and Development and Isobel Griffin, General Manager, Business and Administration, represented ArtSound at the Annual Conference of the Community Broadcasting Association of Australia held in Brisbane in November 2009.

ArtSound continued to participate in the Australian Fine Music Network, hosting a meeting in Canberra in 2009. Involvement in these meetings continues to reap benefits to ArtSound in terms of collaborative national projects and sponsorship, sharing of management, fundraising, operational and technical information and ideas.

International links

In line with its licence undertakings, ArtSound maintained its international programming links, scheduling the award-winning "Exploring Music" (presented by Bill McLaughlin from WFMT Chicago), the Putumayo Music Hour (New York), and jazz recordings from Radio Netherlands (Holland). ArtSound's Gershwin series was provided to the European Broadcasting Union and the National Library of Congress in the USA.

Attachment 1 – ArtSound Personnel

ArtSound Inc Board of Management – September 2009-October 2010

| | |
|------------------|-----------------------|
| Mr James Steele | President |
| Mr Brian Leonard | Senior Vice-President |
| Mr George Cora | Vice President |
| Mr Ian Tidy | Treasurer |
| Mr John Mitchell | Secretary |

Members

Dr Wendy Brazil
 Mr Rod Frazer
 Mr Eric Harrison
 Ms Evol McLeod OAM
 Ms Luisa Pauletto
 Mr Richard Scherer
 Mrs Kathy Syrette

ArtSound Community Advisory Council

Professor Don Aitkin, President, Pro Musica
 Ms Anne-Marie Britton, Director, ACT Writers Centre
 Ms Fay Cull, Proprietor, Duratone Hi-Fi
 Ms Harriet Elvin, CEO, ACT Cultural Facilities Corporation
 Mr Joseph Falsone, Director, M16 Gallery
 Mr John Frolich, Head, Media Training, Canberra Institute of Technology
 Mr Garth Mansfield, AO, Director, Wesley Music Centre
 Mr Michael Moore, President, Canberra Philharmonic
 Ms Margaret Moriarty, President, Canberra Jazz Club
 Ms Anne Murray, Woden Seniors Council
 Mr Stephen Pike, Program Manager, Queanbeyan Performing Arts Centre
 Mr Neil Roach, Director AusDance
 Dr Tony Stewart, President, Photo Access
 Ms Diana Streak, Arts Editor, The Canberra Times
 Professor Adrian Walter, Head of School, Australian National University School of Music
 Dr Susan West, Senior Lecturer in Music Education, Australian National University School of Music

Part-time Staff

| | |
|------------------|---|
| Isobel Griffin | General Manager Business and Administration |
| Chris Deacon OAM | General Manager Engineering and Development |
| Lauren Black | Sponsorship and Audio Services Manager |
| Vicki Murn | Arts Partnership Officer |

Administration Volunteers

| | |
|--------------------|--|
| Terry Gieseke | Weekly Roster Coordinator <i>Pink Peril</i> Newsletter Editor |
| John Mitchell | Documentation |
| Vicki Murn | Reception |
| Julianne Patterson | CD Librarian |
| Dilber Thwaites | Administration Assistant |
| Jeff Spencer | Membership |
| Maria Jameson | Membership Public Relations |
| Phil Birch-Marston | Reception |
| Marcele Martins | Graphic Design |
| Vince Robinson | CD of the week |
| John Fanning | CD Librarian Music Collector |
| Patricia Hogsbawn | Website management |

Technical Volunteers

| | |
|-----------------|--------------------|
| Neal Gowan | Audio Services |
| Rodger Bean | Technical Services |
| Floyd Patterson | IT Services |

Program Coordinators

| | |
|------------------|---|
| Lauren Black | Friday Night Live |
| Barbie Robinson | Sounds Early and Weekend Mix |
| Peter Crossing | Down in the basement |
| Chris Deacon OAM | The Music Works / The Sound Space / After Hours Jazz/News/Satellite/Specials |
| Eric Harrison | Classical Mood |
| Kathy Syrette | Disc Drive |
| Mick O'Donnell | Music Collector / Swingtime |
| Barbie Robinson | Weekend Mix |
| Greg Mitchell | Sounds Classical |
| Bill Oakes | Discovery |
| Alison Spence | World Vibe |
| Bill Stephens | Dress Circle |
| Judy Baker | Patchwork |
| David Webb | Tapestry |
| Annabel Wheeler | Concert Hall |

Volunteer Presenters

| | | |
|---------------------------|------------------|--------------------|
| Judi Baker | Richard Gate | Greg Mitchell |
| Lucy Baker | Terry Gieseke | Jim Mooney |
| Lauren Black | Mario Gordon | Bill Oakes |
| Nilkolai Blasko | Isobel Griffin | Mick O'Donnell |
| Bruce Bowman | Eric Harrison | Garth O'Loughlin |
| Phil Burch-Marston | Suzanne Hayes | Julianne Patterson |
| Wendy Brazil | John Henderson | David Pearson |
| Paul Bromley | Colleen Hills | Len Power |
| Christine Cansfield-Smith | Rebecca Hughes | Bill Quinn |
| | | David Rees |
| Peter Crossing | Alex Imaschew | Bill Robertson |
| David Curry | Maria Jamieson | Barbie Robinson |
| Stan D'Argeavel | Gerry Kay | John Rogers |
| Tim Dawson | Dean Klemic | Richard Scherer |
| Chris Deacon | James LeFevre | Krista Schmeling |
| Vic Dent | Brian Leonard | Rebecca Scouler |
| Bill Edwards | Catarina Llorens | Cameron Smith |
| John Fanning | Eric McDonald | Alison Spence |
| Barry Fankhauser | Graham McDonald | Bill Stephens |
| Peter Farrelly | Ian McLean | Jim Street |
| Peter Field | Frank Madrid | Kathy Syrette |
| Rosie Fleming | Tony Magee | Don Thomas |
| Monty Fox | Francis Mahanay | David Webb |
| Graham Freeman | Marcele Martins | Annabel Wheeler |
| | Jon Millard | Clinton White |

Life Members

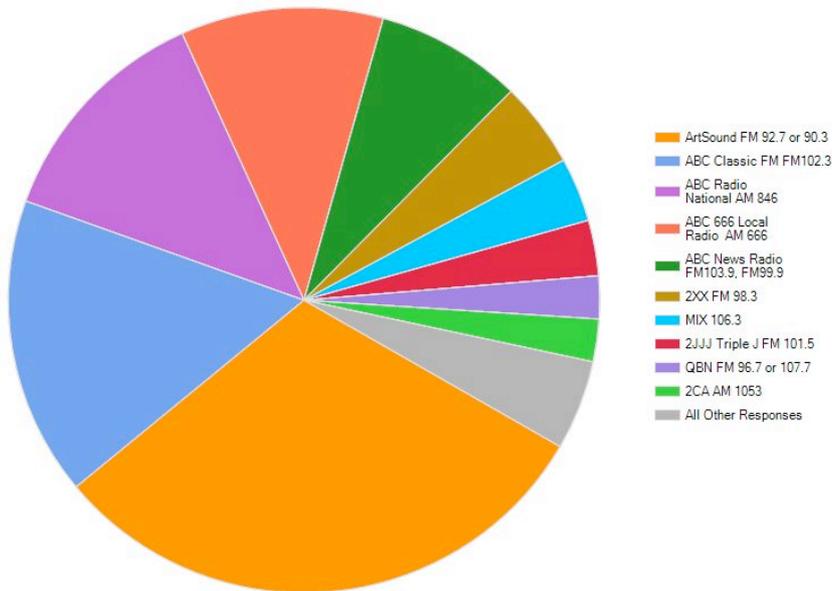
| | | |
|----------------|--------------------|---------------|
| Gillian Alcock | Phil Birch-Marston | Chris Deacon |
| Anne Edgeworth | Gary Knobel | Jenni Knobel |
| Terry McGee | Greg Mitchell | Bill Oakes |
| Philip O'Brien | Evan Shipe | Kathy Syrette |
| Clinton White | | |

Attachment 2 – Preliminary findings from online ArtSound Survey Listener Survey 2009/10

Analysis of selected responses

Note: Percentages shown are percentage of those who responded to the question; otherwise absolute values are shown. ArtSound received 127 responses to the survey as a whole. The survey was undertaken during 2010/11 as an online survey of listeners purely in order to gather qualitative and quantitative audience data. Accordingly, we do not claim true statistical validity.

Which radio stations do you listen to most often?



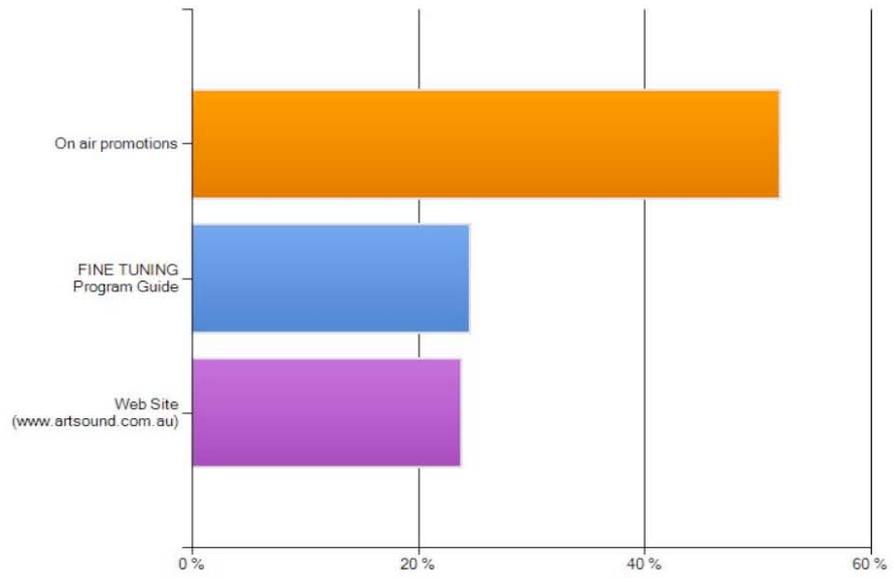
How did you discover ArtSound FM?

- Word of Mouth 32.6%
- Print Media 0.7%
- ArtSound FM Program Guide (FINE TUNING) 1.4%
- ArtSound FM Website (www.artsound.com.au) 1.4%
- By accident (twiddling the dial) 47.5%
- Other (please specify) 16.3%

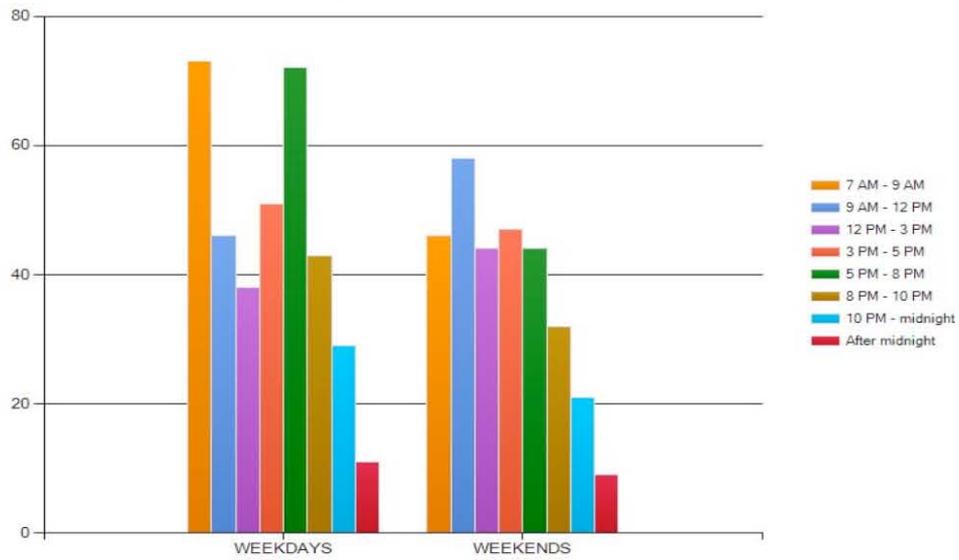
To which ArtSound FM frequency do you normally tune in?

- 92.7 87.5%
- 90.3 12.5%

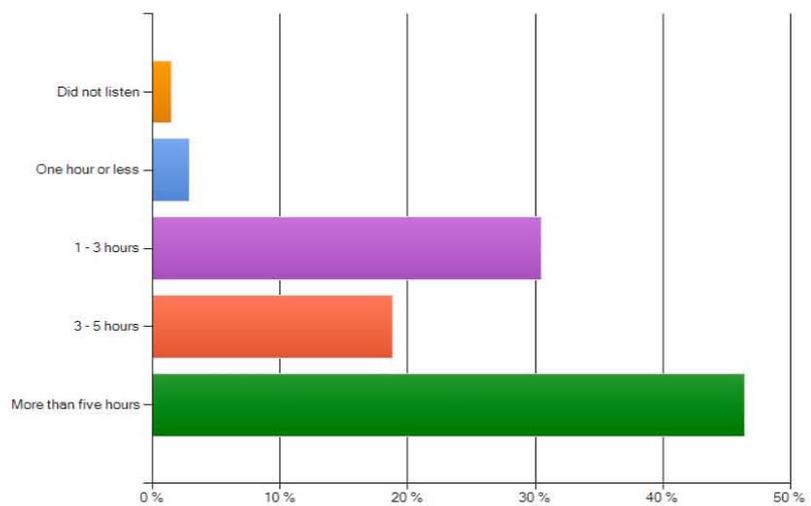
What is your preferred source of information about ArtSound FM programs?



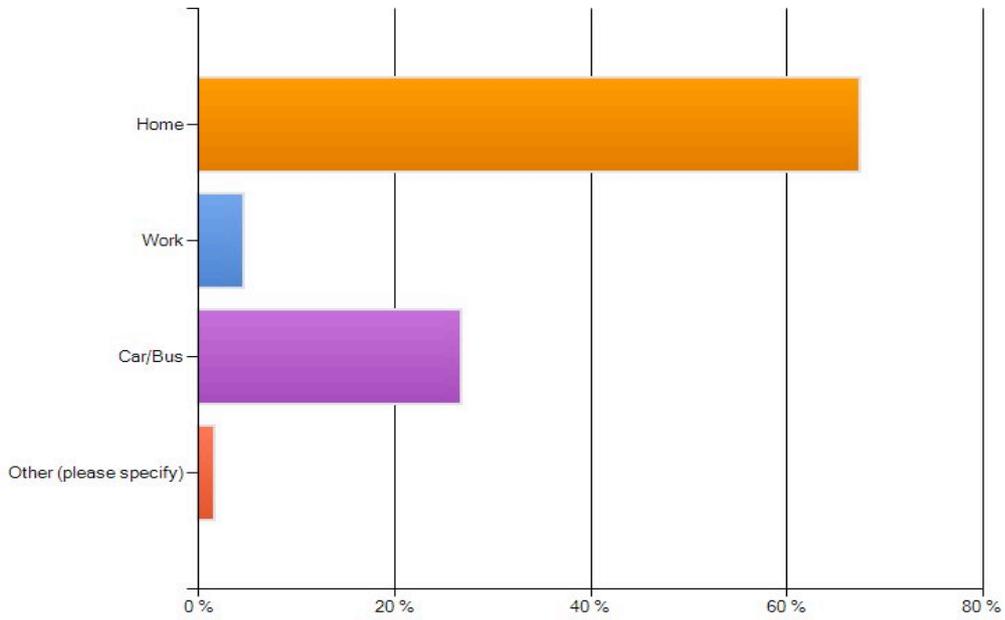
When do you usually listen to ArtSound FM?



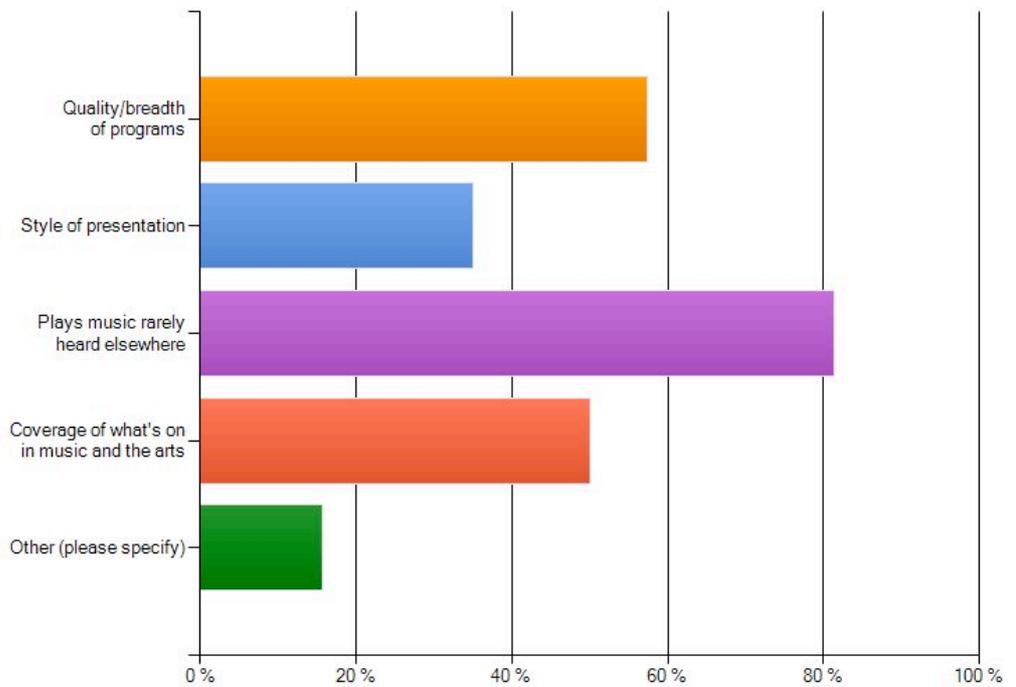
How many hours in the last 7 days did you listen to Artsound FM?



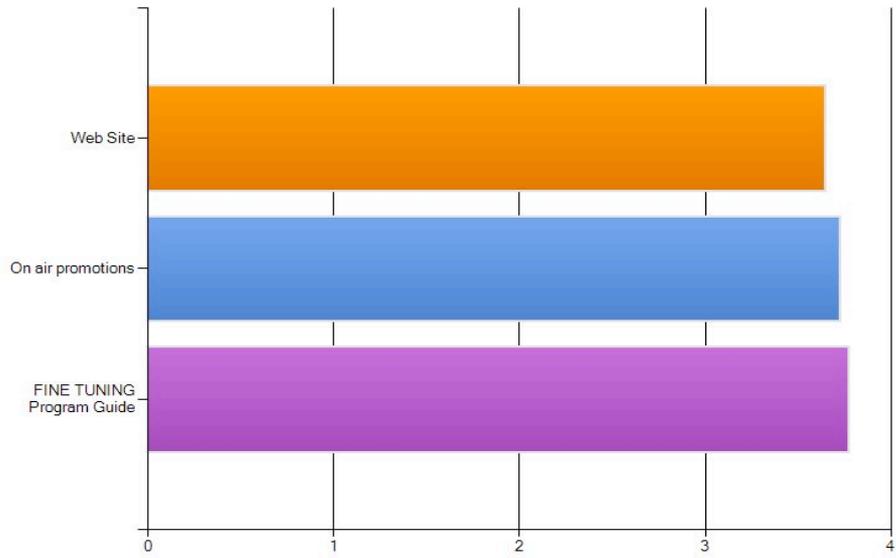
Where do you listen mostly?



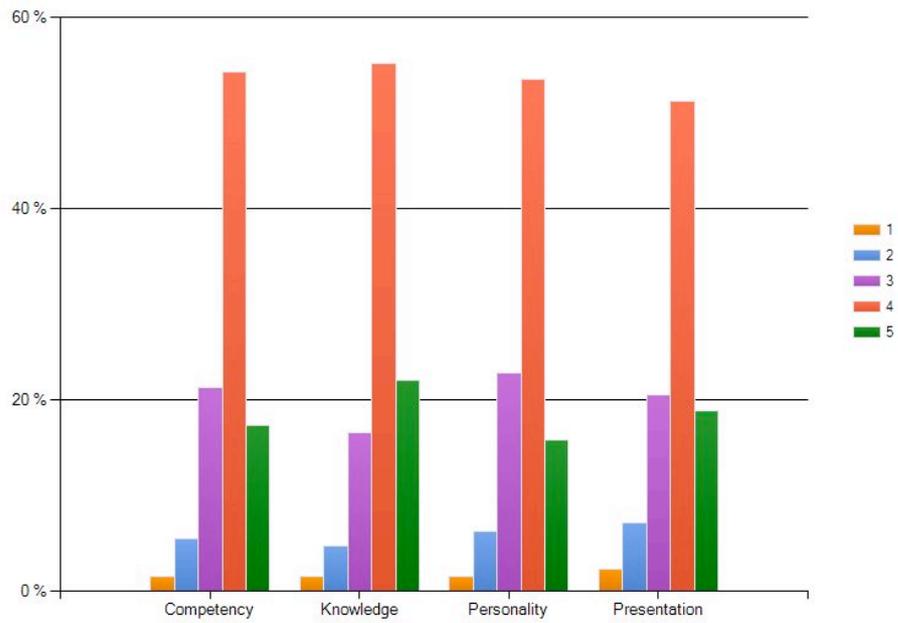
What do you like about ArtSound FM? (eg quality/range of programming, styles of music, presenters?)



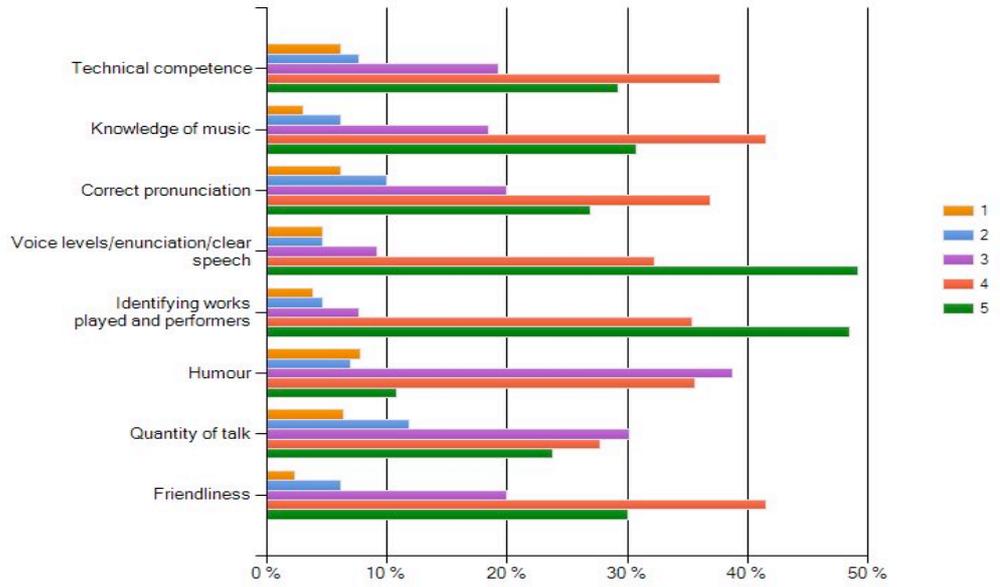
How would you rate the quality of presentation/content of each of the following? Please provide a rating on a scale of 1 to 5 where 1 = poor, 5 = excellent



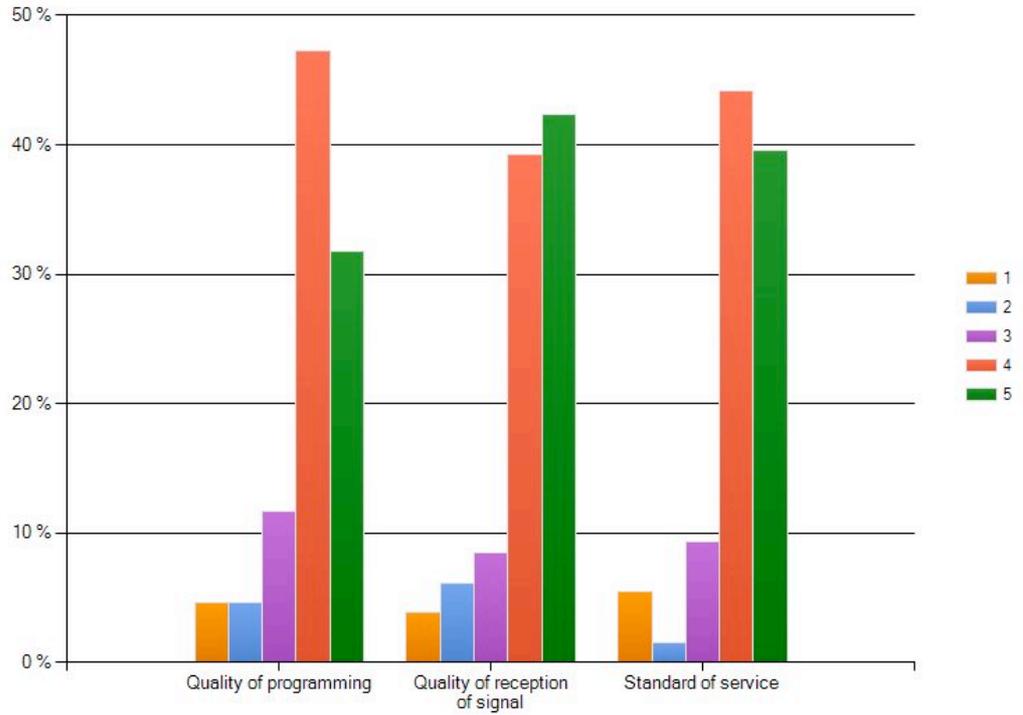
For each of the below, overall how would you rate on a scale of 1-5 the presenters on Artsound FM? 1= poor, 5 = excellent



Ignoring individual presenters, are the following aspects of presentation important to you? Please rate 1= not important to 5 = very important



Overall, how would you rate Artsound FM? 1= poor, 5 = excellent



Sample survey comments

I love "Down in the Basement". I wish it was more often, perhaps repeats of the previous nights show on during the day. But don't move it to the day! One of the highlights of my Wednesday evening is to drive home at 8:00PM, listening to "Down in the Basement".

Some programs are good to go to bed with but are then followed by louder/higher energy shows/music, eg "Ultima Thule" is perfect for late at night, but is then followed by "Faster Than Light", they should be broadcast in the reverse order.

Repeats can be good, if at appropriate day/time and that chosen to be different from the first broadcast (ie probably both different time and different day).

Less classical music during week days

It would be great to be able to 'podcast' some programs that especially historical, and even local concerts/studio things -- things that aren't available elsewhere. Many times, I'd like to look up who the artist was after I've been in the car.

Rebroadcast Friday Night Live to a midday time.

It would be great if you provide a daily list of music played on the radio as well as online listening. Sometimes I miss out the title of the piece of music I love and can never find it again.

Spoken programs are not suited to late night listening, especially after ambient music

Would like more of the jazz (even repeats) now aired in the later evening available during the morning/afternoon. As you might guess, I am retired

Too much heavy classics in the afternoon, esp on the weekends. Would prefer more lively, uplifting music. Less talk and more music would be great! Pop music is not at all suitable on this station and would tarnish the image of ArtSound

Jazz would have been better on Sunday afternoons rather than more classical. Exploring music is unsuitable at 9am, better suited to late night and replaced by a morning programme of music, interviews and information instead of Exploring music and Soundspace.

I usually listen to the radio in the car so would like driving music in the morning and in the late afternoon

I think that recorded music does not help to develop or maintain audiences. Also, the station should consider a music style that is inclusive and presenters should refrain from playing only the music they like (unless it is a specialist program), particularly during Disc Drive. If they like music from the 30s, fine, but they must think of those who don't and also play tracks for them.

THURSDAY AFTERNOON 1.30 - 5.00 IS A WRITE OFF

I'd like better access to who's on when via the website so I can identify the time my favourite performers will be on air

Attachment 3 – Community on-air program involvement

Arts Café

There are numerous opportunities for further interviews throughout the weekly ArtSound FM programming. Arts Café is the perfect opportunity for interviews and discussions about what is coming up in the Arts and music. This has also been a very popular program with our Arts Partners. Sounds Early, Disc Drive and Meridian also offer some prime opportunities to connect our listeners with the music and arts community.

Many of our presenters have strong and varying interests with groups across the ACT and Regions and this enables an eclectic mix of sounds and interviews. Interviews are chosen on the basis of topicality and availability.

Arts Diary

Arts Diary continues to be a very popular segment for community organisations to promote their events. Isobel Griffin, Barbie Robinson, Richard Scherer and Jeff Spencer produce these from information emailed to ArtSound FM through the address onair@artsound.com.au; and now also received directly through the new ArtSound website.

This year saw the sponsorship of the Arts Diary being taken up by long-time supporters of ArtSound, Abels Music in Manuka.

With the new Arts Partnership relationships now in place, the Diary provides the perfect opportunity for individuals and organisations to promote their local arts and music events. The Diary also promoted concerts, cinema, dance, exhibitions, family days, festivals, recitals and theatre events.

The Arts Diary is broadcast six times a day through the week, four times a day on weekends, 52 weeks a year and each contains up to four events. This creates close to 8,000 opportunities to promote local community arts events over the year.

artyFACTs

The artyFACTs program continues to bring topical, engaging information and opinion on visual and performing arts issues and events to the ArtSound FM audience. There is a strong emphasis on local artists and organisations, but stories are found wherever they present themselves.

Richard Scherer has been working on this program and its predecessor, Arts Around Canberra on Air, for ArtSound for nearly four years. Barbie Robinson works with Richard Scherer, scheduling and organising interviews and contacts, editing and sometimes interviewing. Bill Stevens regularly provides theatre interviews for the program, which also welcomes and uses contributions from other ArtSound presenters and CIT trainees

The half-hour program runs after the 9.00am news on Saturdays and usually includes four to five arts stories with music tracks when time and relevance permit. Interviews for the program are sought by local artistes and we have received feedback that both they and arts consumers find the program useful and entertaining.

Canberra Institute of Technology – CIT

At the beginning of 2010 ArtSound FM and CIT realised a training collaboration that had been in the wings for some time. ArtSound now plays a key role in mentoring CIT journalism and radio students by assigning presenters to individual students and giving them the opportunity to gain valuable experience and advice in a professional setting.

Student projects are set by ArtSound and by the end of the semester the highest quality productions are used for broadcast. Projects typically require the students to record and produce a series of interviews and informational segments on the following topics; Meet the

Artist, History of Canberra, Musician's Journey, Poetry and Writing, Food, Wine and Lifestyle, A Day in the Life and Tech Talk.

Classical recordings

Every year ArtSound volunteers record many live classical music performances by local and international artists in and around Canberra. After editing the recordings digitally, we give the artists a CD copy and broadcast highlights in Discovery (Saturdays 9.30-11am), and the full recitals in Concert Hall (Sundays 8-10pm, now repeated on Wednesdays 1.30-3.30pm). Special thanks are due to Bill Oakes and Gulielma Paton who do the lion's share of the recording and editing work.

Over the last twelve months, ArtSound has recorded 37 concerts including the 6 subscription concerts presented by Kathy Selby's piano trio Trioz, 8 Art Song Canberra recitals and 6 events from the Canberra International Music Festival in May. Other outstanding performances were given by clarinetist Eloise Fisher (now continuing her studies at the Juilliard School in New York), the visiting New Zealand Youth Choir and organist Sarah Kim. We cover all genres and forms of classical music performed by solo instruments and voices, ensembles, orchestras and choirs and work in venues such as the ANU School of Music, the Wesley Music Centre, the National Gallery, the National Library, the Polish Embassy, the Tuggeranong Arts Centre, University House and local churches.

Concert Recording

ArtSound continued to support live music ventures such as Jazz at the God's, the ANU School of Music, NewActon and the Street Theatre, by recording and packaging concerts for broadcast. In most cases, ArtSound has provided technical support, PA equipment and promotion at no cost, to support these non-profit cultural activities. Material from the above has also been used in ArtSound's award-winning live jazz program "Friday Night Live" which continued into its third year. Every two weeks the latter program offers a free two-hour time slot to local musicians to broadcast their works live.

ArtSound also supported the new Jazz Uncovered Festival (12 hours at each of 2 stages, plus a 5 hour live broadcast) and numerous other recording dates throughout the year.

We continued to contribute a number of programs to the national satellite network of the Community Broadcasting Association of Australia. These were:

- Folk Kitchen – specializing in Australian folk music
- Ozwrite – featuring Australian writers and writing

A team of volunteers participated in the 2010 National Folk Festival, recording many hours of Festival performances for later shared use by both ArtSound and 2XX. Material from the Festival is now incorporated in the program "At the National". ArtSound FM has negotiated "media partner" status for the 2011 National folk Festival and plans increased involvement in 2011 including a live broadcast and support for streaming the proposed ANZAC Day concert in conjunction with Infinite Networks.

Friday Night Live

Friday Night Live is now into its third year having presented over 120 live jazz and blues concerts from the ArtSound recording studios and from various locations in the Canberra music scene.

As part of the program many emerging artists, including students from the ANU School of Music, have benefited from two hours of free production and broadcast time. They also take away valuable lessons from being required to operate in a professional media environment. Musicians receive a recording of their concert to use for promotional purposes and the opportunity to distribute the concerts nationally and internationally.

Friday Night Live is co-hosted by long-standing jazz enthusiast and broadcaster Chris Deacon and local Jazz singer and broadcaster Lauren Black. ArtSound FM Volunteers and listeners are welcome to come in to the studio to experience a live broadcast and enjoy seeing the musicians first hand.

ArtSound FM believes Friday Night Live is key to helping emerging artists get exposure for their original compositions and the continued connection between Canberra audiences and its vibrant musical community. A full list of biographies and videos of Friday Night Live performances can be found on the webpage: artsound.fm/friday-night-live/

Plans are under development to present a similar classical music program, to be called 'In The Wings', which will showcase emerging classical music students in a weekday afternoon program when appropriate studio facilities are completed.

National Folk Festival recordings and the radio program, 'At the National'

ArtSound has been actively, and continually, associated with the National since its establishment in Canberra in 1993: we have been recording many live concert performances each year, and have undertaken many live/direct broadcasts from the Festival. A standard clause in the contract of all participants at the Festival provides for their agreement for their performance(s) to be recorded for subsequent broadcasting, or for direct broadcasting on community radio.

Initially, our recordings were used to provide selected folk music in various programs. In May 2009 an entirely new program, 'At the National', went to air – with the endorsement of the Festival. The 90 minute program is broadcast at 8pm on Saturdays and presents selected and/or entire concert performances, commonly two in each program, although sometimes with shorter performances from multiple-performer concerts.

The skills and efforts required of ArtSound volunteers in recording concerts and producing them for broadcasting is to be highly commended. These activities are a reflection of the ArtSound philosophy concerning involvement with the Canberra arts scene for the benefit of the total Canberra community.

Bill Oakes, since 1994, has been the co-ordinator of the small team of ArtSound volunteers who undertake recordings at the National Folk Festival. He is also the co-ordinator of the program 'At the National'.

Taste

TASTE is now two years old and continues to bring a wide range of stories from the culture, food, wine and lifestyle spheres to its Canberra audience. Stories are predominantly regional but come from further afield when they fit the program style and raison d'être. The program is conversational in style and eclectically catholic in content.

Richard Scherer contributes to every program with production and sometimes interviewing or editing. TASTE is now in the happy position of receiving requests for interviews.

The TASTE Diary, which is presented each week by Isobel Griffin, continues to be sponsored by Z4 Wines and a pleasing amount of positive feedback is regularly received from listeners. The program has also attracted partnership/sponsorship as well as in kind support during the Radiothon from some of our regular interviewees.

The program airs on Saturdays at 11.30am and is repeated on Tuesdays at 3.30pm.

Attachment 4 – ArtSound’s regular Sponsors and Arts Partners

Major Sponsors

ACT Government (ArtsACT)
ACTEW Corporation
Lennock Motors

Corporate Sponsors

Abels Music Manuka
Canberra Southern Cross Club
Civic Financial Planning
Cosmorex Coffee
National Gallery of Australia
Shapemaster
Wise Living Group

Communications Sponsors

- Encode Polymedia
- Infinite Networks

Legal Sponsor - Mallesons Stephen Jacques
Maintenance Sponsor - Applied Cleaning Services
Media Partner - City News
Printing Sponsor - Paragon Printers
Tuning Sponsor - Acoustic Piano Services
Wine Sponsor - Z4 Wines

Major Arts Partners

ANU School of Music
Canberra International Music Festival
Canberra Symphony Orchestra
Council of Polish Organisations in the ACT
CSIRO Discovery
Jazz Uncovered Festival
National Folk Festival
New Acton
PhotoAccess

Arts Partners

| | |
|---------------------------------------|---|
| ACT Singers | ACT Writer's Centre |
| Adore Tea | Alliance Française |
| ANU Choral Society (SCUNA) | Art Song Canberra |
| Asia Bookroom | Australian National Eisteddfod |
| Australian Railway Historical Society | Belconnen Arts Centre |
| Canberra Jazz Blog | Canberra Jazz Club |
| Canberra Philharmonic Society | Canberra Short Film Festival |
| Canberra Theatre Centre | Canberra Youth Music |
| Canberra Youth Theatre | David Pereira |
| Dejavu Indian Dance Studio | Jazz at The Gods |
| Marcela Fiorillio | Mirramu Creative Arts Centre |
| Monaro Folk Society | Music for Everyone |
| Queanbeyan Arts Society | Queanbeyan Performing Arts Centre "The Q" |
| Resonants Choir | Rotary Sunrise |
| Selby & Friends | Solander Gallery |
| The Front Gallery and Bar | Tuggeranong Arts Centre |
| University of Canberra Union | Wesley Music Centre |

Attachment 5 – Operating Statement for the Year Ended 30 June 2010

**ARTSOUND INCORPORATED
FINANCIAL STATEMENTS
FOR THE YEAR ENDING 30 JUNE 2010**

ARTSOUND INCORPORATED

**INCOME AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED 30 JUNE 2010**

| | <i>Note</i> | 2010 \$ | 2009 \$ |
|---|-------------|--------------|-------------|
| Income | | | |
| <i>Operating activities:</i> | | | |
| Membership fees | | 25,580 | 27,656 |
| Sponsorships | | 97,239 | 63,050 |
| Grants received | | 90,548 | 116,139 |
| Donations and fundraising | | 28,565 | 76,334 |
| Audio services | | 69,427 | 75,430 |
| FM Radio presenters courses | | 2,700 | 1,111 |
| Other income | | 1,143 | 338 |
| <i>Total Income from Operating Activities</i> | | 315,202 | 360,058 |
| <i>Non-operating activities:</i> | | | |
| Interest received | | 1,995 | 2,561 |
| <i>Total Income from Non-Operating Activities</i> | | 1,995 | 2,561 |
| Total Income | | 317,197 | 362,619 |
| Expenses | | | |
| Broadcast costs | | 58,917 | 50,314 |
| Audio services costs | | 33,287 | 43,638 |
| Employee expenses | | 105,816 | 52,311 |
| Contract management services | | 60,729 | 73,436 |
| Depreciation | (3) | 27,220 | 32,024 |
| Supplies and services | (2) | 87,166 | 73,356 |
| Total Expenses | | 373,135 | 325,079 |
| Net (deficit)/surplus | | (55,938) | 37,540 |
| Accumulated surplus at the beginning of the financial year | | 345,979 | 308,439 |
| Accumulated surplus at the end of the financial year | | 290,041 | 345,979 |

The accompanying notes form part of this financial report

ARTSOUND INCORPORATED
STATEMENT OF FINANCIAL POSITION
As at 30 June 2010

| | <i>Note</i> | 2010 \$ | 2009 \$ |
|----------------------------------|-------------|-------------------|-------------------|
| CURRENT ASSETS | | | |
| Cash | | 40,960 | 83,524 |
| Receivables | | 60,298 | 27,566 |
| Prepayments | | <u>2,375</u> | <u>12,092</u> |
| TOTAL CURRENT ASSETS | | <u>103,633</u> | <u>123,182</u> |
| NON-CURRENT ASSETS | | | |
| Property, plant and equipment | (3) | <u>295,686</u> | <u>278,529</u> |
| TOTAL NON-CURRENT ASSETS | | <u>295,686</u> | <u>278,529</u> |
| TOTAL ASSETS | | <u>399,319</u> | <u>401,711</u> |
| CURRENT LIABILITIES | | | |
| Payables | (4) | 99,968 | 42,383 |
| Employee Benefits | (5) | <u>9,310</u> | <u>13,349</u> |
| TOTAL CURRENT LIABILITIES | | <u>109,278</u> | <u>55,732</u> |
| TOTAL LIABILITIES | | <u>109,278</u> | <u>55,732</u> |
| NET ASSETS | | <u>290,041</u> | <u>345,979</u> |
| MEMBERS' FUNDS | | | |
| Accumulated surplus | | <u>290,041</u> | <u>345,979</u> |
| TOTAL MEMBERS' FUNDS | | <u>290,041</u> | <u>345,979</u> |

The accompanying notes form part of this financial report

ARTSOUND INCORPORATED

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 June 2010**

| | <i>Note</i> | 2010 | 2009 |
|--|-------------|----------------------|----------------------|
| | | \$ | \$ |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Receipts from members, sponsorship grants and operations | | 355,375 | 334,642 |
| Interest received | | 1,995 | 2,561 |
| Payments to suppliers and employees | | <u>(355,557)</u> | <u>(314,679)</u> |
| Net cash provided by/from operating activities | | <u>1,813</u> | <u>22,524</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Payments for plant and equipment | | <u>(44,377)</u> | <u>(28,919)</u> |
| Net cash (used by) investing activities | | <u>(44,377)</u> | <u>(28,919)</u> |
| Net increase / (decrease) in cash held | | (42,564) | (6,395) |
| Cash at the beginning of the financial year | | <u>83,524</u> | <u>89,919</u> |
| Cash at the end of the financial year | | <u><u>40,960</u></u> | <u><u>83,524</u></u> |

The accompanying notes form part of this financial report

ARTSOUND INCORPORATED NOTE INDEX

| | | |
|--------|--|---------|
| Note 1 | Summary of Significant Accounting Policies | Page 6 |
| Note 2 | Supplies and Services | Page 8 |
| Note 3 | Property, Plant and Equipment | Page 8 |
| Note 4 | Payables | Page 9 |
| Note 5 | Employee Benefits | Page 9 |
| Note 6 | Related Parties | Page 10 |
| Note 7 | Incorporated Association's Details | Page 10 |

ARTSOUND INCORPORATED

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 30 June 2010

Note 1: Summary of Significant Accounting Policies

The financial report is a special purpose financial report prepared in order to satisfy the financial reporting requirements of the *Associations Incorporation Act 1991*. The committee has determined that the association is not a reporting entity.

The financial report has been prepared on an accruals basis and is based on historic costs and does not take into account changing money values or, except where stated, current valuations of non-current assets.

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

(a) Property, Plant and Equipment

Each class of property, plant and equipment are carried at cost or fair value, less where applicable, any accumulated depreciation.

Plant and equipment

Plant and equipment are measured on the cost basis.

The carrying amount of plant and equipment is reviewed annually by the Association to ensure it is not in excess of the recoverable amount from those assets. The recoverable amount is assessed on the basis of expected net cash flows, which will be received from the assets' employment and subsequent disposal. The expected net cash flows have not been discounted to present values in determining the recoverable amounts.

Depreciation

The depreciable amounts of all fixed assets are depreciated on a straight line basis over the useful lives of the assets to the Association commencing from the time the asset is held ready for use.

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

| Class of Fixed Asset | Depreciation Rate |
|-------------------------|-------------------|
| Broadcast Equipment | 3.0% - 20.0% |
| Non-Broadcast Equipment | 4.8% - 33.3% |

ARTSOUND INCORPORATED

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 30 June 2010

Note 1: Summary of Significant Accounting Policies (continued)

(b) Leases

Lease payments under an operating lease, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods when they are incurred.

(c) Cash

For the purpose of the Statement of Cash Flows, cash includes cash on hand, at banks and on deposit.

(d) Revenue

Revenue from members, donations and fundraising, and audio services is recognised upon receipt. Revenue from sponsorships and grants is recognised over the period to which the grant or sponsorship services relate. Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

(e) 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 Australian Taxation Office. 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 Statement are shown inclusive of GST.

(f) Employee benefits

Provision is made for the association's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits have been measured at the amounts expected to be paid when the liability is settled.

ARTSOUND INCORPORATED

**NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 June 2010**

Note 2: Supplies and Services

| | 2010 | 2009 |
|--|---------------|---------------|
| | \$ | \$ |
| Remuneration of current year auditor for audit fees (accrued)* | 4,000 | - |
| Remuneration of previous auditor for audit fees* | 2,000 | 2,529 |
| Bank Fees and charges | 1,539 | 1,559 |
| Cleaning | 5,863 | 6,261 |
| Insurance | 5,922 | 5,294 |
| Printing, postage and stationery | 4,353 | 6,911 |
| Telecommunications | 16,365 | 10,002 |
| Utilities | 11,594 | 11,904 |
| Marketing and promotion | 10,894 | 10,816 |
| Volunteer expenses | 5,641 | - |
| Other administration expenses | 18,995 | 18,080 |
| Total Supplies and Services | 87,166 | 73,356 |

* Prior to 2009-10 audit fees had been recognised on a cash basis. For the year ended 30 June 2010, audit fees have been recognised on an accruals basis in accordance with the accounting policies set out in Note 1, with the audit fee for the year ended 30 June 2009 being recognised also in 2009-10 due to the change in recognition. The change will only impact 2009-10.

Note 3: Property, Plant and Equipment

| | 2010 | 2009 |
|--|----------------|----------------|
| | \$ | \$ |
| Broadcast equipment | 129,140 | 125,908 |
| Less: Accumulated depreciation | (40,042) | (34,017) |
| Total written down value of broadcast equipment | 89,098 | 91,891 |
| Non-Broadcast equipment | 523,681 | 482,536 |
| Less: Accumulated depreciation | (317,093) | (295,898) |
| Total written down value of non-broadcast equipment | 206,588 | 186,638 |
| Total Written Down Value of Property, Plant and Equipment | 295,686 | 278,529 |

ARTSOUND INCORPORATED

**NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 June 2010**

Note 3: Property, Plant and Equipment (continued)

Reconciliation of Property, Plant and Equipment

The following table shows the movement of Property, Plant and Equipment during 2009-10.

| | Broadcast Equipment \$ | Non-Broadcast Equipment \$ | Total \$ |
|--|------------------------------|----------------------------------|----------------|
| Carrying amount at the beginning of the reporting period | 91,891 | 186,638 | 278,529 |
| Additions | 3,232 | 41,145 | 44,377 |
| Depreciation | (6,025) | (21,195) | (27,220) |
| Carrying amount at the end of the reporting period | <u>89,098</u> | <u>206,588</u> | <u>295,686</u> |

Note 4: Payables

| | 2010 \$ | 2009 \$ |
|---|---------------|---------------|
| Trade creditors and accruals | 51,186 | 22,499 |
| Other payables / GST | 4,286 | 1,134 |
| Sponsorship revenue received in advance | 13,996 | 18,750 |
| Grants received in advance | 30,500 | - |
| Total Payables | <u>99,968</u> | <u>42,383</u> |

Note 5: Employee Benefits

| | 2010 \$ | 2009 \$ |
|--|--------------|---------------|
| <i>Current employee benefits</i> | | |
| Annual leave | 3,726 | 1,817 |
| Accrued salaries | 5,584 | 11,532 |
| Total Current Employee Benefits | <u>9,310</u> | <u>13,349</u> |
| Total Employee Benefits | <u>9,310</u> | <u>13,349</u> |

Employee benefits are expected to be settled within the next 12 months.

ARTSOUND INCORPORATED

**NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 June 2010**

Note 6: Related Parties

(a) The Board of Management members of the Association who held office during any part of the financial year are as follows:

| | |
|--|---|
| Wendy Brazil | Luisa Pauletto (commenced February 2010) |
| Barbara Byrne (ceased August 2009) | Richard Scherer |
| George Cora (commenced September 2009) | David Stephens (ceased September 2009) |
| Rod Frazer (commenced January 2010) | James Steele |
| Eric Harrison | Kathy Syrette (commenced September 2009) |
| Brian Leonard (commenced September 2009) | Richard Thwaites (ceased September 2009) |
| Ian McLean (ceased September 2009) | Ian Tidy |
| EvoI McLeod (commenced September 2009) | Christine Wallace (ceased September 2009) |
| John Mitchell | |

Note 7: Incorporated Body's Details

The principal place of business of the incorporated body is:

ArtSound Incorporated
Manuka Arts Centre
Griffith ACT 2603

ARTSOUND INCORPORATED

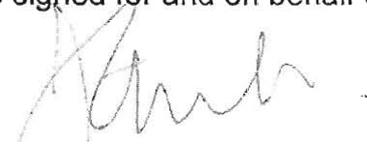
STATEMENT BY MEMBERS OF THE BOARD OF MANAGEMENT

The Board has determined that the association is not a reporting entity and that this special purpose financial report should be prepared in accordance with accounting policies outlined in Note 1 to the financial statements.

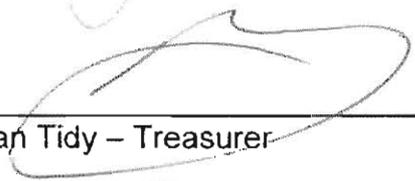
In the opinion of the Board the financial report set out in pages 1 to 10:

1. Presents a true and fair view of the financial position of ArtSound Incorporated as at 30 June 2010 and its performance for the year ended on that date.
2. At the date of this statement, there are reasonable grounds to believe that ArtSound Incorporated will be able to pay its debts as and when they fall due.

This statement is made in accordance with a resolution of the Board of Management and is signed for and on behalf of the Board by:



James Steele – President



Ian Tidy – Treasurer

Dated: 15 September 2010

INDEPENDENT AUDIT REPORT TO THE MEMBERS OF ARTSOUND INCORPORATED

PricewaterhouseCoopers
ABN 52 780 433 757

44 Sydney Avenue
Barton ACT 2600
GPO Box 447
CANBERRA ACT 2601
Australia
Telephone +61 2 6271 3000
Facsimile +61 2 6271 3999
www.pwc.com/au

Report on the Financial Report

We have audited the accompanying financial report, being a special purpose financial report, of the ArtSound Incorporated, which comprises the statement of financial position as at 30 June 2010, the income and expenditure statement, cash flow statement for the year ended on that date, a summary of significant accounting policies and other explanatory notes and the statement by members of the Board of Management.

Board of Management's Responsibility for the Financial Report

The Board of Management is responsible for the preparation and fair presentation of the financial report. 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. No opinion is expressed as to whether the accounting policies used, as described in Note 1, are appropriate to meet the needs of members. 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 committee, as well as evaluating the overall presentation of the financial report.

The financial report has been prepared for distribution to members for the purpose of fulfilling the Board of Management's reporting obligations under the Incorporated Associations Act 1991. We disclaim any assumption of responsibility for any reliance on this report or on the financial report to which it relates to any person other than the members, or for any purpose other than that for which it was prepared.

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

Independence

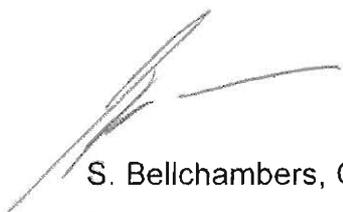
In conducting our audit, we have complied with the independence requirements of Australian professional ethical pronouncements.

Qualification

The value of property, plant and equipment could not be supported by detailed information for individual assets included in the total value of property, plant and equipment disclosed in the balance sheet and Note 3 in the financial statements.

Auditor's Opinion

Subject to the effect, if any, of the above qualification on the financial report, in our opinion, the financial report of the ArtSound Incorporated presents fairly, in all material respects the financial position of ArtSound Incorporated as at 30 June 2010 and of its financial performance for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements, and the *Associations Incorporation Act 1991*.



S. Bellchambers, CA
WalterTurnbull

Canberra, ACT

15 SEPTEMBER 2010