ANNUAL REPORT 10 11

Australian Communications Consumer Action Network
Who we are
ACCAN is the peak body representing consumers on issues relating to telecommunications, broadband and emerging new services. We provide a strong, unified voice to industry and government as we work towards availability, accessibility and affordability of communications services for all Australians.

We aim to empower consumers so that they are well informed and can make good choices about products and services. As a peak body, ACCAN will activate its broad and diverse membership base to campaign to get a better deal for all communications consumers.

Our 175 or so members are a diverse bunch. Our 100 organisational members include community legal centres, disability advocates, farmers’ federations, financial counsellors, parents groups, regional groups, seniors’ organisations and research bodies. We are also grateful to have 75 individual members whom the market is not working with members, our community, industry, regulators, and government is critical to achieving our mission.

Our mission
Communications are increasingly essential to participation in society, and we believe that communications consumers are entitled to rights drawn from the principles of consumer and human rights. In short, we exist to:

- Campaign for consumers and the public interest.
- Place emphasis on the needs of consumers for whom the market is not working.
- Inspire, inform, enable and equip consumers to act in their own interests.
- Research consumer issues to produce sound information and evidence.
- Build partnerships and work across jurisdictions to optimise positive outcomes.

Our values
As an organisation we will:

- Act with courage, integrity and honesty.
- Operate efficiently, effectively and ethically.
- Value diversity and demonstrate best practice in inclusion and accessibility in our work.
- Value volunteers, staff and members for their crucial role in our work.
- Recognise that building constructive relationships with members, our community, industry, regulators, and government is critical to achieving our mission.

Communications is a key element in the fabric of Australian society. It is essential that the communications markets are competitive and robust so as to provide high quality and reliable services. It’s equally important that communications consumers are treated fairly and receive clear information so as to be able to make informed decisions about products and services.

ACCAN is an independent advocate for our members and the interests of all communications consumers. We currently receive $2 million funding per annum from the Australian Government under Section 593 of the Telecommunications Act 1997 (the Act). This funding is recouped from telecommunications carriers as part of their obligation under the Telecommunications (Carrier Licence Charges) Act 1997.

We are fortunate to have a strong Board comprised of a group of highly qualified Directors elected by our members. During the year Heron Loban, Len Bytheway, Nan Bosler, Su Robertson, Sue Salthouse and Kyle Miers stepped down from the Board. I’d like to sincerely thank our former directors for their contribution to the organisation.

Alex Varley, Kat Lane, George Perry and Johanna Plante were welcomed as new Directors in addition to Sue Salthouse and Kyle Miers, who were re-elected. I’d also like to acknowledge the tremendous contribution of Sue Salthouse as our previous chair and thank all of our Directors for their dedication, expertise and collegial goodwill in our work for ACCAN over the past 12 months.

We extend our thanks and best wishes to Allan Asher, ACCAN’s founding CEO who resigned during the year to take up the role of Commonwealth Ombudsman. ACCAN was fortunate to have Allan for a resoundingly strong start. One of the most important decisions the Board has taken this year is the appointment of our Chief Executive Officer, Teresa Corbin. Prior to her appointment, Teresa had been deputy chief executive of ACCAN, and her great experience in the industry and outstanding management ensured a smooth transition for the organisation.

ACCAN’s mission is to advocate for available, affordable and accessible communications for all Australians. In the context of broadband policy, which has been front and centre of political and public debate this year, we will continue to strongly advocate for all Australians to have access to reliable, high-speed broadband at an affordable price.

“We will continue to strongly advocate for all Australians to have access to reliable, high-speed broadband at an affordable price.”
In October 2010 I was honoured to be appointed Chief Executive Officer of ACCAN, an organisation I helped establish. We were fortunate to have Allan Asher as our chief executive in the first year for ACCAN and I want to personally thank Allan for his dedication and his work, which put fairness and equity back on the communications policy agenda in Australia.

As ACCAN's new CEO, I am honoured to take up the baton to ensure consumer concerns continue to be at the top of the industry's priority list. My personal commitment has always been in advocating for consumers and ACCAN's goal remains to ensure those interests are at the heart of policy making in this sector. Having seen the rapid evolution of new communications products and services during my 15 years as an advocate in this sector, it is both a great responsibility and challenge to lead the peak consumer body in 2011 – a moment in time I have referred to as a perfect storm – where government reforms, regulatory action and industry change have all come at once.

I am very grateful that ACCAN's work is supported by an ever growing number of member organisations and individuals. Many are advocates who represent people the most disadvantaged in Australia when it comes to accessing telecommunications services.

Our submissions and member endorsements influenced all six recommendations made in the ACMA Reconnecting the Customer Draft Report (page 7)

We held Vodafone to account for network issues that led to major customer service and complaint handling problems, and used mainstream and social media to inform customers of their right to make complaints to the TIO

Our grant report, Communications Privacy Complaints: In Search of the Right Path, was highlighted in the Senate Inquiry into the Privacy of Australians Online

Key recommendations in ACCAN's submission on Telstra structural separation instruments exposure drafts were adopted by the Government in the final instruments

Our Fair Calls submission on the cost of calling 1800, 1300 and 13 calls from mobiles attracted endorsements from 27 individuals and organisations (page 6)

Our lobbying played a part in the increase in TV caption quotas to 18 hours per day on all free-to-air networks and the inclusion of quality standards for captions in the Broadcasting Services Act

We received a record 71 applications for the 2011 Round of the Grants Scheme (page 10)

We played a critical communications role when the Queensland flood disaster disrupted the National Relay Service, and ensured that information was available to the Deaf community in Auslan (page 7)

Our Research Linkage Forum, showcasing ACCAN's grants and research work, was attended by over 70 participants

We launched a new ACCAN website, which is easier to navigate, has greater functionality and ensures web content is accessible by conforming to an 'AA' rating against Web Content Accessibility Guidelines (WCAG) 2.0. Our online NBN: Guide for Consumers received 8,000 individual hits in one day

Ongoing endorsement of our submissions and participation in our campaigns.

We are pleased to have a seat at the table in many government, industry and regulatory forums. Many of the individuals we work with in these forums share our vision for a better communications market and can see the benefits for consumers and industry alike. We look forward to continuing to build on these relationships in the coming year.

I'd like to thank our volunteer Board of Directors, led by Professor Michael Fraser, for their stewardship over the past year and their support of me in my role as CEO.

Finally, I'd like to acknowledge our staff team who consistently go above and beyond the call of duty. Our thanks go to founding ACCAN staff members, Sarah Wilson, Ebony Thomas and Maria Chetcuti. Most especially I want to thank our senior management group of Elissa Freeman, Yuriko Hoshi and Ryan Sengara. It’s with sadness that we farewell Ryan this year and thank him for his efforts in establishing a best-practice grants scheme and building an exemplary portfolio of consumer-driven research. The entire ACCAN team gives me the inspiration and drive to continue to strive for better outcomes. They are, one and all, dedicated and talented individuals and I thank them for their hard work and dedication.

Teresa Corbin
Chief Executive Officer
ACCAN
Throughout the year our dedicated team of advocates has written, spoken, researched and even tweeted about how communications markets and regulations can better serve all Australians.

I feel proud of how much our policy team has been able to achieve. Changes to government policy, industry practice and consumer behaviour typically take a great deal of time to realise. Yet ACCAN has enjoyed many significant successes for consumers in a relatively short space of time.

For example, our submissions to the Australian Communications & Media Authority’s Reconnecting the Customer inquiry (into telco’s customer service and complaint handling practices) heavily influenced the six recommendations that were made by the regulator to address bill shock, the quality of industry’s internal complaints processes and the governance structure of the Telecommunications Industry Ombudsman.

Our representations to the Federal Government ensured that new consumer protections relating to the customer service guarantee and universal service obligations, as well as structural separation of Telstra, were enshrined in the Telecommunications (Competition and Consumer Safeguards) Act passed in November 2010.

We have also ensured that policy makers engage with the most egregious shortfalls of communications policy. Through our super-complaint we succeeded in getting the ACMA to prioritise the costs of freecall and local rate numbers in its review of the numbering plan. We have also worked closely with the DBCDE to ensure that the review of the National Relay Service would include a broad remit to plan. We have also worked closely with the DBCDE to ensure that the review of the National Relay Service would include a broad remit to plan. We have also worked closely with the DBCDE to ensure that the review of the National Relay Service would include a broad remit to plan.

One critical consequence of the flooding experienced in Brisbane was that the National Relay Service (NRS), an essential phone service for the Deaf and hearing impaired communities, was disrupted throughout Australia for a period of almost 24 hours from 12 January 2011. During this period emergency service calls remained available to some, but not all, NRS users.

As a result ACCAN published a report titled The Queensland Flood Disaster: Access for People with Disability, which includes recommendations for a number of agencies to improve access to emergency call services and information for people with disability.

Elissa Freeman
Director of Policy & Campaigns

The Queensland Flood Disaster

The tragic floods in Queensland in January of this year demonstrated many of the strengths and weaknesses of Australia’s emergency services and warnings systems.

One critical consequence of the flooding experienced in Brisbane was that the National Relay Service (NRS), an essential phone service for the Deaf and hearing impaired communities, was disrupted throughout Australia for a period of almost 24 hours from 12 January 2011. During this period emergency service calls remained available to some, but not all, NRS users.

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Elissa Freeman
Director of Policy & Campaigns

Reconnecting the Customer Inquiry

In September 2010 ACCAN lodged its submission to the ACMA’s Reconnecting the Customer Inquiry. It was a bold submission that called for mandatory consumer protection regulation to address the pressing consumer issues like bill shock, contract complexity and the timely resolution of complaints. Around 20 consumer organisations either made their own submissions or supported ACCAN’s recommendations.

ACCAN appeared at the first hearing in October. Our evidence highlighted the failures of the current Telecommunications Consumer Protection Code and our doubts that the Code’s process would make headway, especially in improving compliance with a voluntary code.

In June 2011 the ACMA released its draft report which was scathing of the standards of customer service and complaint handling. It acknowledged widespread failures to protect customers. The report proposed six action areas including bill shock, unit pricing, internal and external dispute handling and pre-contract information statements. ACCAN’s submission to the draft report also received widespread endorsement from members.

The ACMA has now put the industry on notice to implement these reforms within five months or have regulations imposed.

ACCAN Chair Chris Chapman, ACCAN CEO Teresa Corbin and Communications Alliance CEO John Stanton

Fair Calls for All Campaign

ACCAN has led a campaign lobbying for fair calls to 1800, 1300 and 13 numbers from mobile phones. We, and many other parts of the community, believe that it is unfair that a free or local-rate call from a mobile phone can cost anywhere between 22 cents and $1.78 per minute.

In September 2010 ACCAN, Financial Counselling Australia and the Australian Council of Social Services issued Australia’s first super-complaint outlining the industry-wide problem, particularly for the 14% of Australians who only have access to a mobile phone.

In May 2011 we launched our public campaign, Fair Calls for All, led by Number Woman. She’s the super hero with the power of connection who has been helping us explain why both businesses and consumers will benefit from free-to-call numbers that work from mobile phones. With her help we’ve lobbied industry, regulators and government bodies. Sixty-two organisations have endorsed the campaign, including the National Union of Students, Homelessness Australia and the National Association of Community Legal Centres (NACLC).

Number Woman is continuing to help us fight for Fair Calls for All. Watch this space for exciting developments in 2011.
ACCAN’s policy team represent consumers on a number of industry, regulatory and government committees. Following is the list of committees our team has contributed to over the past 12 months.

- Australian Communication Exchange - National Relay Service Consumer Consultative Committee
- Australian Communications and Media Authority – Closed Captioning Committee
- Australian Communications and Media Authority – Consumer Consultative Forum
- Australian Communications and Media Authority – Emergency Call Service Advisory Committee
- Australian Communications and Media Authority – Numbering Advisory Committee
- Australian Competition and Consumer Commission – Consumer Consultative Committee
- Australian Competition and Consumer Commission – Telstra – Disability Forum (observer status only)
- Australian Competition and Consumer Commission – Australian Radiation Protection and Nuclear Safety Agency (ARPANSAD) – Electromagnetic Energy Reference Group
- COAG – Online Communications Council National Broadband Development Group
- Communications Alliance – Accessibility Features Information Code Working Committee
- Communications Alliance – Emergency Call Service Requirements Code Revision Committee
- Communications Alliance – Mobile Premium Services Working Committee
- Communications Alliance – NBN Consumer Education Group
- Communications Alliance – Telecommunications Consumer Protection Code Steering Group
- Communications Alliance – Telecommunications Consumer Protection Code Working Groups
- Digital Switchover Taskforce – Consumer Expert Group
- Optus – Consumer Liaison Forum
- Telecommunications Industry Ombudsman – Council
- Telstra – Disability Forum (observer status only)

Standing Advisory Committees

ACCAN has two Standing Advisory Committees whose members help inform our policy positions and campaign areas. We’d like to thank the following individuals for their time and expertise over the past year.

Standing Advisory Committee Consumer Affairs
- Nan Bosler (Director (former), ACCAN Board)
- Johanna Plante (Deputy Chair (current), ACCAN Board)
- Jo Benvenuti (Consumer Utilities Advocacy Centre)
- Ian Butterworth (Telecommunications Consumers Group SA)
- David Lawson (Australian Financial Counselling and Credit Reform Association)
- Loretta Kreet (Legal Aid Queensland)
- Paul Harrison (Deakin University)
- Holly Raiche (Internet Society of Australia)
- Victoria Rubensohn
- Heather Wieland (Country Women's Association)

Standing Advisory Committee Disability Issues
- Denise Wood (University South Australia)
- Leah Hobson (Australian Federation of Disability Organisations)
- Lynnda Beaumont (Deafness Forum Australia)
- Nick Rushworth (Brain Injury Australia)
- Scott Hollier (Media Access Australia)
- Zel Iscel (National Ethnic Disability Alliance)
- Sue Salthouse (Chairperson (former), ACCAN Board)
- David Parker (Deaf Australia)
- Kyle Miers (Chairperson (current), ACCAN Board)
- Hank Wyllie

CONSUMER AWARENESS

It’s part of our mission to inspire, inform and enable consumers to act in their own best interests. This year we did this through a number of communication channels: our weekly WebNews email bulletin, tip sheets on our website, Twitter, Tumblr and – of course – through traditional media channels, such as newspapers, radio and television.

The spotlight has been on telco customer service and complaint handling, with the ACMA Reconnecting the Customer inquiry continuing and complaint numbers to the Telecommunications Industry Ombudsman (TIO) ever increasing. In late 2010 ACCAN conducted research around how many of the millions of telco customers who have unresolved complaints actually make their way to the TIO and the answer was startling – only about one in ten.

To this end, we published a tip sheet called ‘How to make a complaint that gets heard’, which offers a straightforward guide for consumers on complaint resolution. It’s been made available in a number of ways: via our website, through WebNews and even via social media. As complaints about Vodafone’s well-publicised network problems grew to a roar towards the end of 2010, we began sharing the tip sheet with consumers via Twitter and encouraged media outlets to link to it on their websites.

There were also a number of high-profile privacy breaches this year and our research and tip sheets made us a popular media commentator regarding what to do if you believe your privacy has been compromised. Global roaming charges was another strong theme, and we’ve contributed to a number of articles and published advice about how to prevent global roaming charges ruining your holiday.

The rollout of the National Broadband Network dominated telecommunications discourse. While much of the discussion in mainstream media was about the politics of the NBN, we were listening to the important questions consumers were asking about more practical considerations. To this end, we researched and published an NBN guide in conjunction with the Internet Society of Australia that provided those answers.

Finally, we continued to demonstrate best practice in accessibility. Our new website, launched in April 2011, meets WCAG 2.0 guidelines; we’ve issued a number of media releases in Auslan [Australian sign language] and published some of our tip sheets in Easy English. ACCAN’s reputation as a go-to point for media to get independent opinion on telecommunications issues continues to grow, and, as more people hear about ACCAN, I have no doubt in the coming year we’ll be able to reach even greater numbers of consumers.

Elise Davidson
Media & Communications Manager

In April, ACCAN published this Plain English guide in print, web, Easy English and Auslan versions to answer some of the questions we were hearing from consumers about the NBN.
This was the first full year for ACCAN’s Grants Scheme and research program, and both have been successful in building a strong evidence base to underpin ACCAN’s advocacy and policy work.

Eight grant projects were completed during the year, representing a diverse mix of research and education initiatives. Scams, privacy complaints, information about accessible products and basic access issues for a range of vulnerable consumer groups were researched by expert groups.

The Grants Scheme is already delivering outcomes. The Home Internet for Remote Indigenous Communities project has been successful in securing three further years of funding through the Australia Research Council program. Our communications privacy complaints report was highlighted in the Senate Committee Report into the online privacy of Australians, and helped us respond to privacy issues during the year. The Internet Scams: How to Protect Yourself videos are now posted on the Australian Competition & Consumer Commission’s SCAMwatch website.

To ensure the Scheme is meeting or exceeding best practice, we conducted a post-implementation review which concluded that we’re delivering well but can do even better. We made some changes, including an online application form, and received a record 71 applications for the 2011 round.

Through ACCAN’s research program we produced case studies, policy research and analysis, and profile raising activities to support our advocacy and campaigns work.

Ryan Sengara
Director of Research & Development


ACCAN, 2010. Research reveals telco complaints are underreported Australian Communications Consumer Action Network (ACCAN), Sydney.

Fraser, M and Barnes, S. Communications Law Centre (CLC) 2010. Consumers First: Smart Regulation for Digital Australia, Australian Communications Consumer Action Network (ACCAN), Sydney.


July 2010
- DBCDE, Trans-Tasman Mobile Roaming
- Senate Standing Committee on Environment, Communications and the Arts, Privacy of Australians Online

August
- Communications Alliance, Mobile Premium Services Code Review
- Productivity Commission, Disability Care and Support Inquiry

September
- ACMA, Reconnecting the Customer
- ACMA, Supplementary submission to Telecommunications (Emergency Call Service) Determination

October
- Victorian Department of Justice, Australian Consumer Law Guides
- Federal Treasury, Draft Australian Consumer Law regulations (joint submission with Australian Financial Counselling and Credit Reform Association, Consumer Utilities Advocacy, Consumer Action Law Centre, Consumer Credit Legal Centre NSW and Consumer Law Centre ACT)
- Communications Alliance, Accessibility features for telephone equipment

November
- DBCDE, Implementation of Universal Service Policy Discussion Paper
- ACMA, Response to the draft Telecommunications (Emergency Call Service) Amendment Determination

January 2011
- ACMA, Structure of Australia’s telephone numbering plan
- DBCDE, Submission on Convergence Review Terms of Reference

February
- Telephone Information Services Standards Council (TISSEC), Code of Practice Remedies Review
- Senate Committee Inquiry, NBN Companies and Access Bills 2010

March
- ACMA, Customer location information and numbering data
- Attorney General’s Department, Universal Periodic Review

April
- DBCDE, Modernising the TIO
- Senate Standing Committee on Environment and Communications, The capacity of communication networks and emergency warning systems to deal with emergencies and natural disasters
- Communications Alliance, Disability Care and Support, Emergency Call Service Requirements
- Productivity Commission, Disability Care and Support Inquiry

May
- Joint Committee on NBN, Telecommunications Legislation Amendment (Fibre Deployment) Bill
- ACMA, Numbering Paper 3 – Allocation and charging of numbers

June
- DBCDE, Telecommunications (Customer Service Guarantee, Retail Performance Benchmarks) Instrument (No.1) 2011 Exposure Draft
- DBCDE, Convergence Review Framing Document
- DBCDE, Telecommunications (Acceptance of Undertaking about Structural Separation Matters) Instrument 2011

Position statements:
- Super Complaint: 1800/13/1300 Call costs from Mobile Phones, lodged 10 September 2010
- NBN fibre opt-out, 15 February 2011
Financial Report
For the year ended 30 June 2011

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Australian Communications Consumer Action Network Limited
A.B.N. 42 133 719 678

Directors’ Report

Your Directors present their report together with the financial report of Australian Communications Consumer Action Network Limited ("the Company") for the financial year ended 30 June 2011 and the auditor’s report thereon.

Directors

The Directors of the Company at any time during or since the end of the financial year are:

Name Qualifications and Experience
Michael Fraser Professor of Law
Chairperson
Director, Communications Law Centre, UTS, Sydney
Vice-President, Australian Copyright Council
Director, Law Faculty Board, UTS, Sydney
Chair, Stolen Generations Foundation
President, Board of PEN International Sydney
 Solicitor, Supreme Court of NSW
Member, Telephone Information Services Standards Council
Member, Steering Group, Telecommunications Consumer Protection Code Review
AM, FAICD, BA (Hons), LLB (Hons)
Director since 4 November 2009
Appointed Chairperson on 10 November 2010

Johanna Plante Volunteer Coordinator, TafeSA Education Training - Deaf (ETD)
Deputy Chairperson
Programme and Audited Programme
Director since 10 November 2010
Appointed Deputy Chairperson on 10 November 2010

Katherine Obremayer Deputy Chair, Deafness Forum of Australia
Secretary
Online Content Manager, Zurich Financial Services
BA (Comms)
Director since 15 October 2008
Deputy Chairperson from 4 November 2009 to 10 November 2010
Appointed Secretary on 10 November 2010

George Perry Bachelor of Economics (Finance & Accounting)
Treasurer
Director since 10 November 2010
Appointed Treasurer on 10 November 2010

Susan Salhouse Director, Didactic Enterprises
Director
President, Women With Disabilities Australia
Member, Advance Personnel Board
Member, Women in Adult & Vocational Education Board
BAppSci, DipEd
Director since 15 October 2008
Chairperson from 4 November 2009 to 10 November 2010

Director

Name Qualifications and Experience
Kyle Miers Manager, Information and Community Relations
(Deaf Children Australia)
Director since 15 October 2008

Douglas Kelso Consultant in Telecommunications and Broadcasting
Director
BEng (Hons), MEngSc, GradDip Media, Comms & IT Law, PhD
Director since 4 November 2009

Katherine Lane Principal Solicitor, Consumer Credit Legal Centre (NSW) Inc.
Director
BA LLM
Director since 10 November 2010

Alex Varley Chief Executive, Media Access Australia
Director
Director, ASIX
Director, ACC Enterprises Pty Ltd
BBusiness (Marketing)
GradDip Urban Planning
Director since 10 November 2010

Nancy Bosler President of Australian Senior Computer Clubs Association
Retired Director
AssDipAdult Education, AssDipCommunity Organisation, BEd,
Grad Dip LocalApp.History, MUCGovMgmt, JP
Director from 15 October 2008 to 10 November 2010
Secretary from 4 November 2009 to 10 November 2010

Leonard Bytheway Principal Consultant, Bytheway Consulting
Retired Director
MBA, Grad Dip Spec Ed, B.Ed, Dip Teach, MAICD, Churchill Fellow
Director from 15 October 2008 to 10 November 2010
Treasurer from 4 November 2009 to 10 November 2010

Heron Loban Director, Indigenous Consumer Assistance Network
Retired Director
LLM, DipLegPrac, LLB, BA
Director from 4 November 2009 to 10 November 2010

Si Robertson Lecturer, Chair of Equity Committee
Retired Director
Postgraduate Coursework Coordinator, Victoria University
Academic Supervisor, Magistrates’ Court Program &
Connected Law, Victoria Law School
Director from 4 November 2009 to 10 November 2010

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.
Australian Communications Consumer Action Network Limited
A.B.N. 42 133 719 678

Directors’ Report

Company Secretary
Ms Teresa Corbin was appointed to the position of Company Secretary in October 2008. She was the former Chief Executive Officer of Consumers’ Telecommunications Network and has a Bachelor of Arts majoring in linguistics.

Directors’ Meetings
The number of Directors’ meetings and the number of meetings attended by each of the Directors’ of the Company during the financial year are:

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<tr>
<th>Current Directors</th>
<th>Directors’ Meetings</th>
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<tbody>
<tr>
<td></td>
<td>Meetings Eligible to Attend</td>
<td>Meetings Attended</td>
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<tr>
<td>Michael Fraser</td>
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<td>Johanna Plante</td>
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<tr>
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<tr>
<td>George Perry</td>
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<tr>
<td>Susan Salthouse</td>
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<tr>
<td>Kyle Miers</td>
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<tr>
<td>Douglas Kelso</td>
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</tr>
<tr>
<td>Katherine Lane</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>Alex Varley</td>
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<tr>
<td>Nancy Bosler</td>
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<td>Leonard Bytheway</td>
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<td>Heron Loban</td>
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<td>Su Robertson</td>
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Committee Memberships

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<th>Committee</th>
<th>Members’ for 2011</th>
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<tbody>
<tr>
<td>Finance &amp; Audit</td>
<td>George Perry (chairperson)</td>
<td>Leonard Bytheway (chairperson)</td>
</tr>
<tr>
<td></td>
<td>Alex Varley</td>
<td>Kyle Miers</td>
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<tr>
<td></td>
<td>Michael Fraser</td>
<td>Michael Fraser</td>
</tr>
<tr>
<td>Membership</td>
<td>Katherine Obermayer (chairperson)</td>
<td>Nan Bosler (chairperson)</td>
</tr>
<tr>
<td></td>
<td>Susan Salthouse</td>
<td>Susan Salthouse</td>
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<tr>
<td></td>
<td>Douglas Kelso</td>
<td>Douglas Kelso</td>
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<tr>
<td>Remuneration &amp; Performance</td>
<td>Michael Fraser</td>
<td>Susan Salthouse</td>
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<tr>
<td></td>
<td>George Perry</td>
<td>Leonard Bytheway</td>
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<tr>
<td>Governance &amp; Constitution</td>
<td>Katherine Lane</td>
<td>Leonard Bytheway</td>
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<tr>
<td></td>
<td>Susan Salthouse</td>
<td>Su Robertson</td>
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<td></td>
<td>Johanna Plante</td>
<td>Heron Loban</td>
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Financial report

Principal Activities
The principal activity of the Company during the financial year was to be the peak body that represents all consumers on communications issues including telecommunications, broadband and emerging new services. ACCAN provides a strong unified voice to industry and government as consumers works towards availability, accessibility and affordability of communications services for all Australians. Consumers need ACCAN to promote better consumer protection outcomes ensuring speedy responses to complaints and issues. ACCAN aims to empower consumers so that they are well informed and can make good choices about products and services. As a peak body, ACCAN will activate its broad and diverse membership base to campaign to get a better deal for all communications consumers.

No significant changes in the nature of the Company’s activity occurred during the financial year.

Operating Results
The surplus of the Company amounted to $30,756.

Events Subsequent to Reporting Date
There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors of the Company, to affect significantly the operations of the Company, the results of those operations, or the state of affairs of the Company, in future financial years.

Dividends
The Company’s Constitution prohibits the payment of dividends to the Members of the Company.

The Company is limited by guarantee and does not issue shares or options to purchase shares.

Likely Developments
The Company will further develop the level of operations through the receipt of grants and the acquittal of those grants through various programs and projects.

No likely change in the Company’s direction is projected.

Environmental Regulations
The Company’s operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a state or territory.

Indemnification of Officers or Auditor
No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or has been an officer or auditor of the Company.

Proceedings on Behalf of the Company
No person has applied for leave of Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings. The Company was not a party to any such proceedings during the year.
Financial report

Australian Communications Consumer Action Network Limited
A.B.N. 42 133 719 678

Directors’ Report

Auditor’s Independence Declaration
The auditor’s independence declaration is set out on page 6 and forms part of the Directors’ report for the financial year ended 30 June 2011.

Signed in accordance with a resolution of the Board of Directors

Michael Fraser
Director

Johanna Plante
Director

Dated this 17th day of August 2011
Sydney, NSW

Auditor’s Independence Declaration
Under Section 307C of the Corporations Act 2001

I declare that, to the best of my knowledge and belief, during the financial year ended 30 June 2011 there has been:

(i) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and

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

MOSAIC AUDIT & CONSULTING

Vanessa Patrido
Principal
Registered Company Auditor # 333315

Dated this 17th day of August 2011
Sydney, NSW
Australian Communications Consumer Action Network Limited
A.B.N. 42 133 719 678

Statement of Comprehensive Income
For The Year Ended 30 June 2011

<table>
<thead>
<tr>
<th>Note</th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Revenue</td>
<td>2</td>
<td>2,078,199</td>
</tr>
<tr>
<td>Employee benefits expenses</td>
<td>(1,042,350)</td>
<td>(854,966)</td>
</tr>
<tr>
<td>Project and program expenses</td>
<td>(349,653)</td>
<td>(159,903)</td>
</tr>
<tr>
<td>Occupancy expenses</td>
<td>(146,835)</td>
<td>(139,033)</td>
</tr>
<tr>
<td>Accommodation and travel</td>
<td>(76,138)</td>
<td>(96,348)</td>
</tr>
<tr>
<td>Depreciation and amortisation</td>
<td>3 (60,904)</td>
<td>(39,441)</td>
</tr>
<tr>
<td>Information technology</td>
<td>(46,914)</td>
<td>(66,623)</td>
</tr>
<tr>
<td>Training and development</td>
<td>(42,714)</td>
<td>(25,294)</td>
</tr>
<tr>
<td>Printing, postage and stationary</td>
<td>(41,248)</td>
<td>(47,136)</td>
</tr>
<tr>
<td>Marketing and advertising</td>
<td>(29,050)</td>
<td>(33,042)</td>
</tr>
<tr>
<td>Conferences and events</td>
<td>(26,617)</td>
<td>(115,921)</td>
</tr>
<tr>
<td>Audit, legal and accountancy fees</td>
<td>(18,663)</td>
<td>(29,697)</td>
</tr>
<tr>
<td>Interest paid</td>
<td>(1,686)</td>
<td>(1,695)</td>
</tr>
<tr>
<td>CTN Transfer</td>
<td>-</td>
<td>(13,297)</td>
</tr>
<tr>
<td>Other expenses</td>
<td>3 (164,671)</td>
<td>(143,733)</td>
</tr>
<tr>
<td>Profit before income tax</td>
<td>30,756</td>
<td>218,315</td>
</tr>
<tr>
<td>Income tax expense</td>
<td>1(k)</td>
<td>-</td>
</tr>
<tr>
<td>Profit after income tax</td>
<td>30,756</td>
<td>218,315</td>
</tr>
</tbody>
</table>

The accompanying notes form part of these financial statements.

Australian Communications Consumer Action Network Limited
A.B.N. 42 133 719 678

Statement of Financial Position
As At 30 June 2011

<table>
<thead>
<tr>
<th>Note</th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>ASSETS</td>
<td></td>
<td></td>
</tr>
<tr>
<td>CURRENT ASSETS</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>5</td>
<td>427,346</td>
</tr>
<tr>
<td>Trade and other receivables</td>
<td>6</td>
<td>88,262</td>
</tr>
<tr>
<td>Prepayments</td>
<td>7</td>
<td>9,189</td>
</tr>
<tr>
<td>TOTAL CURRENT ASSETS</td>
<td></td>
<td>524,797</td>
</tr>
<tr>
<td>NON-CURRENT ASSETS</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Property, plant and equipment</td>
<td>8</td>
<td>121,458</td>
</tr>
<tr>
<td>Intangible assets</td>
<td>9</td>
<td>58,319</td>
</tr>
<tr>
<td>TOTAL NON-CURRENT ASSETS</td>
<td></td>
<td>179,777</td>
</tr>
<tr>
<td>TOTAL ASSETS</td>
<td></td>
<td>704,574</td>
</tr>
<tr>
<td>LIABILITIES</td>
<td></td>
<td></td>
</tr>
<tr>
<td>CURRENT LIABILITIES</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade and other payables</td>
<td>10</td>
<td>177,754</td>
</tr>
<tr>
<td>Loans and borrowings</td>
<td>11</td>
<td>6,961</td>
</tr>
<tr>
<td>Employee benefits</td>
<td>12</td>
<td>99,549</td>
</tr>
<tr>
<td>Deferred income</td>
<td>13</td>
<td>555</td>
</tr>
<tr>
<td>TOTAL CURRENT LIABILITIES</td>
<td></td>
<td>284,819</td>
</tr>
<tr>
<td>NON-CURRENT LIABILITIES</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Loans and borrowings</td>
<td>11</td>
<td>-</td>
</tr>
<tr>
<td>Employee benefits</td>
<td>12</td>
<td>1,453</td>
</tr>
<tr>
<td>TOTAL NON-CURRENT LIABILITIES</td>
<td></td>
<td>1,453</td>
</tr>
<tr>
<td>TOTAL LIABILITIES</td>
<td></td>
<td>286,272</td>
</tr>
<tr>
<td>NET ASSETS</td>
<td></td>
<td>418,302</td>
</tr>
<tr>
<td>EQUITY</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Retained earnings</td>
<td>418,302</td>
<td>387,546</td>
</tr>
<tr>
<td>TOTAL EQUITY</td>
<td></td>
<td>418,302</td>
</tr>
</tbody>
</table>

The accompanying notes form part of these financial statements.
### Statement of Changes in Equity
**For The Year Ended 30 June 2011**

<table>
<thead>
<tr>
<th></th>
<th>Retained Earnings</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance at 1 July 2009</td>
<td>185,832</td>
<td>185,832</td>
</tr>
<tr>
<td>Profit for the year</td>
<td>218,315</td>
<td>218,315</td>
</tr>
<tr>
<td>CTN equity transfer</td>
<td>(16,601)</td>
<td>(16,601)</td>
</tr>
<tr>
<td>Balance at 30 June 2010</td>
<td>387,546</td>
<td>387,546</td>
</tr>
<tr>
<td>Profit for the year</td>
<td>30,756</td>
<td>30,756</td>
</tr>
<tr>
<td></td>
<td>418,302</td>
<td>418,302</td>
</tr>
</tbody>
</table>

The accompanying notes form part of these financial statements.
Notes to the Financial Statements
For The Year Ended 30 June 2011

Note 1 - Statement of Significant Accounting Policies
The financial report is for Australian Communications Consumer Action Network Limited as an individual entity, incorporated and domiciled in Australia. Australian Communications Consumer Action Network Limited is a company limited by guarantee.

Member Guarantee
ACCAN is a company limited by Members’ guarantee under the Corporations Act 2001. The Company is incorporated and domiciled in Australia. If the Company is wound up, the Constitution states that each member is required to contribute a maximum of $10 each towards meeting any outstanding obligations of the Company.

Basis of Preparation
The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards (AASBs) adopted by the Australian Accounting Standards Board (AASB) and the Corporations Act 2001. The financial report has been prepared on a historical cost basis, modified, where applicable by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

The financial statements were authorised for issue by the Board of Directors on 17 August 2011.

Accounting Policies
(a) Revenue
Revenue from the sale of goods is recognised upon the delivery of goods to customers.

Grant revenue is recognised in the statement of comprehensive income when the Company obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the Company and the amount of the grant can be measured reliably. If conditions are attached to the grant which must be satisfied before it is eligible to receive the contribution, the recognition of the grant as revenue will be deferred until those conditions are satisfied. When grant revenue is received whereby the Company incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the statement of financial position as a liability until the service has been delivered to the contributor, otherwise the grant is recognised as income on receipt.

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

Donations and bequests are recognised as revenue when received.

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

Interest revenue is recognised using the effective interest rate method, which for floating rate financial assets is the rate inherent in the instrument.

All revenue is stated net of the amount of goods and services tax (GST).
Australian Communications Consumer Action Network Limited
A.B.N. 42 133 719 678

Notes to the Financial Statements
For The Year Ended 30 June 2011

Note 1 - Statement of Significant Accounting Policies (continued)

(c) Intangibles

Website
Expenditure incurred for Websites acquired by the Company have finite lives which are measured at cost, less any accumulated amortisation and impairment losses.

Website Subsequent expenditure
Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in the statement of comprehensive income as incurred.

Website Amortisation
Amortisation is recognised in the statement of comprehensive income on a straight-line basis over the estimated useful lives of intangible assets from the date they are available for use. The estimated useful life for the website is 4 years. Amortisation methods, useful lives and residual values are reviewed at each reporting date.

(d) Leases

Leases in terms of which the Company assumes substantially all the risks and rewards of ownership are classified as finance leases. Upon initial recognition the leased asset is measured at an amount equal to the lower of its fair value and the present value of the minimum lease payments. Subsequent to initial recognition the asset is accounted for in accordance with the accounting policy applicable to that asset.

Leased assets are depreciated on a straight-line basis over their estimated useful lives where it is likely that the Company will obtain ownership of the asset. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

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

Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

Financial instruments

Initial Recognition and Measurement
Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the Company commits itself to either purchase or sell the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transactions costs except where the instrument is classified as at fair value through profit or loss in which case transaction costs are expensed to profit or loss immediately.

Classification and Subsequent Measurement
Finance instruments are subsequently measured at either fair value or amortised cost using the effective interest rate method or cost. Fair value represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties. Quoted prices in an active market are used to determine fair value, where available. In other circumstances, valuation techniques are adopted.

Amortised cost is calculated as:
(i) the amount at which the financial asset or financial liability is measured at initial recognition;
(ii) less principal repayments;
(iii) plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the effective interest method; and
(iv) less any reduction for impairment.

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

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

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

(ii) Loans and receivables
Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost.

(iii) Held-to-maturity investments
Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the Company’s intention to hold these investments to maturity. They are subsequently measured at amortised cost.
Australian Communications Consumer Action Network Limited
A.B.N. 42 133 719 678

Notes to the Financial Statements
For The Year Ended 30 June 2011

Note 1 - Statement of Significant Accounting Policies (continued)

(f) Impairment of Assets

At each reporting date, the Company reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset’s fair value less costs to sell and value in use, is compared to the asset’s carrying value. Any excess of the asset’s carrying value over its recoverable amount is expensed to the statement of comprehensive income.

Where the future economic benefits of the asset are not primarily dependent upon the asset’s ability to generate net cash inflows and when the Company would, if deprived of the asset, replace its remaining future economic benefits, value in use is determined as the depreciated replacement cost of an asset.

Where it is not possible to estimate the recoverable amount of an assets class, the Company estimates the recoverable amount of the cash-generating unit to which the class of assets belong.

Where an impairment loss on a revalued asset is identified, this is debited against the revaluation reserve in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation reserve for that same class of asset.

(g) Employee Benefits

Defined Contribution Plans

A defined contribution plan is a post-employment benefit plan under which an Company pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognised as an employee benefits expense in the statement of comprehensive income when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

Other Long-term Employee Benefits

The Company’s net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods plus related on-costs; that benefit is discounted to determine its present value, and the fair value of any related assets is deducted.

Short-Term Employee Benefits

Liabilities for employee benefits for wages, salaries, annual leave represent present obligations resulting from employee’s services provided to reporting date and are calculated at undiscounted amounts based on remuneration wage and salary rates that the Company expects to pay at reporting date including related on-costs, such as workers compensation insurance and superannuation.

(h) Provisions

A provision is recognised if, as a result of a past event, the Company has a present legal obligation or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows that reflect current market assessments of the time value of money and the risks specific to the liability.

Australian Communications Consumer Action Network Limited
A.B.N. 42 133 719 678

Notes to the Financial Statements
For The Year Ended 30 June 2011

Note 1 - Statement of Significant Accounting Policies (continued)

(i) Cash and Cash Equivalents

Cash and cash equivalents in the statement of financial position comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents defined above, net of outstanding bank overdrafts. Bank overdrafts are included within interest-bearing loans and borrowings in current liabilities on the statement of financial position.

(j) 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 acquisition of the asset or as part of an item of expense.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the statement of financial position.

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

(k) Income Tax

No income tax is payable by the Company for the financial year and subsequent years due to the ATO endorsement as a Charitable Institution. The Company has income tax exempt status under subsection 50- B of the Income Tax Assessment Act 1997. The income tax exempt status is subject to annual self-reviews.

(l) Critical Accounting Estimates and Judgments

The Directors evaluate estimates and judgments incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Company.

It has not been necessary for the Directors to make any key estimates or judgements in the report.

(m) Economic Dependence

ACCAN is dependent on the Department of Broadband, Communications and the Digital Economy (DBDCE) for the majority of its revenue used to operate the business. At the date of this report the Board of Directors has no reason to believe the DBDCE will not continue to support ACCAN.

(n) New Standards and Interpretations Not Yet Adopted

A number of new standards, amendments to standards and interpretations are effective for annual reporting periods beginning after 1 July 2010, and have not been applied in preparing these financial statements. None of these are expected to have a significant effect on the financial statements of the Company.
Notes to the Financial Statements
For The Year Ended 30 June 2011

Note 2 – Revenue
Revenue from Government Grants and Other Grants
- Federal Government Grants 2,032,000 1,840,300
- Sitting Fees 18,215 35,729
- Interest Revenue 16,366 11,174
- Membership Fees 5,020 4,355
- Conference Registration Revenue 921 47,590
- Sponsorship Revenue - 41,997
- Other Revenue 5,677 3,507

Total Revenue 2,078,199 1,984,652

Note 3 – Expenses
Other expenses
- Board & Committee Expenses 33,530 41,162
- Recruitment Costs 32,924 3,930
- Planning & Policy 30,123 68,442
- Sundry Expenses 27,617 9,131
- Broadband & Consumer Handbook 20,000 -
- Other Office Expenses 13,206 13,460
- Insurance 5,099 5,260
- Repairs & Maintenance 1,355 1,248
- Bank Fees 857 1,098

Total Other Expenses 164,671 143,731

Depreciation and Amortisation
- Furniture and Equipment 38,094 26,849
- Leasehold Improvements 5,352 4,940
- Website 17,458 7,652

Total Depreciation and Amortisation 60,904 39,441

Rental Expense on Operating Lease 132,485 124,284

Note 4 – Auditors Remuneration
Remuneration of the auditor of the Company for:
- Audit and Review of the Financial Report 11,000 11,000

Total Auditors Remuneration 11,000 11,000

Note 5 – Cash and Cash Equivalents
Cash on hand 315 300
Cash at bank 427,031 147,876

Total Cash and Cash Equivalents 427,346 148,176

The Company’s exposure to interest rate risk and a sensitivity analysis for financial assets and financial liabilities are disclosed in note 15.
### Notes to the Financial Statements

#### For the Year Ended 30 June 2011

<table>
<thead>
<tr>
<th>2011 $</th>
<th>2010 $</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Note 8 – Property, Plant and Equipment (continued)</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Carrying Amounts</strong></td>
<td></td>
</tr>
<tr>
<td>At 1 July 2009</td>
<td>90,762</td>
</tr>
<tr>
<td>At 30 June 2010</td>
<td>141,895</td>
</tr>
<tr>
<td>At 1 July 2010</td>
<td>141,895</td>
</tr>
<tr>
<td>At 30 June 2011</td>
<td>115,798</td>
</tr>
</tbody>
</table>

#### Leased Equipment

The company leases a telephone system under a finance lease arrangement. The leased equipment secures lease obligations. At 30 June 2011 the net carrying amount of leased equipment was $13,362 (2010: $20,302). During the year, the Company acquired leased assets of $Nil (2010: $20,880) (see note 11).

#### Note 9 – Intangibles

<table>
<thead>
<tr>
<th>2011 $</th>
<th>2010 $</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Website - at cost</strong></td>
<td>84,165</td>
</tr>
<tr>
<td>Accumulated amortisation</td>
<td>(25,846)</td>
</tr>
<tr>
<td>Total intangibles</td>
<td>58,319</td>
</tr>
</tbody>
</table>

#### Movements in Carrying Amounts

Movement in the carrying amounts for intangibles between the beginning and the end of the current financial year:

<table>
<thead>
<tr>
<th>2011 $</th>
<th>2010 $</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Website</strong></td>
<td></td>
</tr>
<tr>
<td>Balance at 1 July 2009</td>
<td>29,835</td>
</tr>
<tr>
<td>Acquisitions at cost</td>
<td>10,866</td>
</tr>
<tr>
<td>Balance at 30 June 2010</td>
<td>40,701</td>
</tr>
<tr>
<td>Acquisitions at cost</td>
<td>43,464</td>
</tr>
<tr>
<td>Balance at 30 June 2011</td>
<td>84,165</td>
</tr>
</tbody>
</table>

#### Amortisation and impairment losses

<table>
<thead>
<tr>
<th>2011 $</th>
<th>2010 $</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Balance at 1 July 2009</strong></td>
<td>736</td>
</tr>
<tr>
<td><strong>Amortisation for the year</strong></td>
<td>7,652</td>
</tr>
<tr>
<td><strong>Impairment loss</strong></td>
<td>8,388</td>
</tr>
<tr>
<td><strong>Balance at 30 June 2010</strong></td>
<td>17,458</td>
</tr>
<tr>
<td><strong>Amortisation for the year</strong></td>
<td>25,846</td>
</tr>
<tr>
<td><strong>Impairment loss</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Balance at 30 June 2011</strong></td>
<td></td>
</tr>
</tbody>
</table>

#### Carrying Amounts

<table>
<thead>
<tr>
<th>2011 $</th>
<th>2010 $</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>At 1 July 2009</strong></td>
<td>29,099</td>
</tr>
<tr>
<td><strong>At 30 June 2010</strong></td>
<td>32,313</td>
</tr>
<tr>
<td><strong>At 1 July 2010</strong></td>
<td>32,313</td>
</tr>
<tr>
<td><strong>At 30 June 2011</strong></td>
<td>58,319</td>
</tr>
</tbody>
</table>

### Note 10 – Trade and Other Payables

<table>
<thead>
<tr>
<th>2011 $</th>
<th>2010 $</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Trade payables</strong></td>
<td>9,751</td>
</tr>
<tr>
<td><strong>Other payables</strong></td>
<td>168,003</td>
</tr>
<tr>
<td><strong>Total trade and other payables</strong></td>
<td>177,754</td>
</tr>
</tbody>
</table>

### Note 11 – Loans and Borrowings

This note provides information about the contractual terms of the Company’s interest-bearing loans and borrowings, which are measured at amortised cost. For more information about the Company’s exposure to interest rate and liquidity risk, see note 15.

**Current**

- Finance lease liability: 6,961
- Non-current: -

#### Terms and Debt Repayment Schedule

<table>
<thead>
<tr>
<th>30 June 2011</th>
<th>30 June 2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nominal Face</td>
<td>Carrying Value</td>
</tr>
<tr>
<td>Finance lease liabilities</td>
<td>19.11%</td>
</tr>
<tr>
<td>Total interest-bearing liabilities</td>
<td></td>
</tr>
</tbody>
</table>

### Finance Lease Liabilities

Finance lease liabilities of the Company are payable as follows:

<table>
<thead>
<tr>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Future minimum lease payments</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Interest</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Present value minimum lease payments</strong></td>
<td></td>
</tr>
<tr>
<td>Less than one year</td>
<td>8,647</td>
</tr>
<tr>
<td>Between one and five years</td>
<td>8,647</td>
</tr>
</tbody>
</table>
Financial report

Australian Communications Consumer Action Network Limited
A.B.N. 42 133 719 678

Notes to the Financial Statements
For The Year Ended 30 June 2011

<table>
<thead>
<tr>
<th>Note 12 – Employee Benefits</th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Liability for annual leave</td>
<td>60,850</td>
<td>55,103</td>
</tr>
<tr>
<td>Liability for long service leave</td>
<td>38,699</td>
<td>34,384</td>
</tr>
<tr>
<td>NON-CURRENT</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Liability for long service leave</td>
<td>99,549</td>
<td>89,487</td>
</tr>
<tr>
<td>Movement in employee benefits</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Opening balance at 1 July</td>
<td>89,487</td>
<td>-</td>
</tr>
<tr>
<td>Additional provisions raised during the year</td>
<td>80,726</td>
<td>126,739</td>
</tr>
<tr>
<td>Amounts used</td>
<td>(69,211)</td>
<td>(37,252)</td>
</tr>
<tr>
<td>Closing balance at 30 June</td>
<td>101,002</td>
<td>89,487</td>
</tr>
</tbody>
</table>

Note 13 – Deferred Income

Membership fees received in advance | 555 | 460 |

Note 14 – Cash Flow Information

(a) Reconciliation of cash

| Cash on hand | 315 | 300 |
| Cash at bank | 427,031 | 147,876 |
| Total cash and cash equivalents | 427,346 | 148,176 |

(b) Reconciliation of cash flow from operating activities

Cash flows from operating activities
Profit after income tax for the year | 30,756 | 218,315 |
Adjustments for:
Depreciation and amortisation | 60,904 | 39,441 |
CTN equity transfer | - | (16,601) |
Change in assets and liabilities:
Change in trade and other receivables | 357,692 | (336,533) |
Change in prepayments | (6,609) | (1,550) |
Change in trade and other payables | (112,761) | 217,096 |
Change in employee benefits | 11,515 | 89,487 |
Change in deferred income | 95 | 460 |
Net cash from operating activities | 341,592 | 210,115 |

Financial report

Australian Communications Consumer Action Network Limited
A.B.N. 42 133 719 678

Notes to the Financial Statements
For The Year Ended 30 June 2011

Note 15 - Financial Risk Management

The Company’s financial instruments consist mainly of short-term deposits with banks, short-term investments, accounts receivable, accounts payable and finance leases.

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

<table>
<thead>
<tr>
<th>Note</th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial Assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>5</td>
<td>427,346</td>
</tr>
<tr>
<td>Trade and other receivables</td>
<td>6</td>
<td>88,262</td>
</tr>
<tr>
<td></td>
<td></td>
<td>515,608</td>
</tr>
<tr>
<td>Financial Liabilities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade and other payables</td>
<td>10</td>
<td>177,754</td>
</tr>
<tr>
<td>Loans and borrowings</td>
<td>11</td>
<td>6,961</td>
</tr>
<tr>
<td></td>
<td></td>
<td>184,715</td>
</tr>
</tbody>
</table>

Financial Risk Management Policies

The Company’s overall risk management strategy seeks to assist the Company in meeting its financial targets, whilst minimising potential adverse effects on financial performance. An implicit risk management policy exists and includes credit risk policies and future cash flow requirements.

Specific Financial Risk Exposures and Management

The main risks the Company is exposed to through its financial instruments are interest rate risk, liquidity risk, credit risk and net fair values.

a) Interest Rate Risk

The Company’s exposure to interest rate risk, which is the risk that a financial instrument’s value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rate for classes of financial assets and financial liabilities, is set out below:

<table>
<thead>
<tr>
<th>Note</th>
<th>Fixed Interest Rate Maturing in</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial Assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>5</td>
<td>327,992</td>
</tr>
<tr>
<td>Trade and other receivables</td>
<td>6</td>
<td>-</td>
</tr>
<tr>
<td>Total Financial Assets</td>
<td></td>
<td>327,992</td>
</tr>
<tr>
<td>Weighted Average Interest Rate of cash and cash equivalents</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Financial Liabilities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade and other payables</td>
<td>10</td>
<td>-</td>
</tr>
<tr>
<td>Loans and borrowings</td>
<td>11</td>
<td>-</td>
</tr>
<tr>
<td>Total Financial Liabilities</td>
<td></td>
<td>-</td>
</tr>
</tbody>
</table>
Financial Report

Australian Communications Consumer Action Network Limited
A.B.N. 42 133 719 678

Notes to the Financial Statements
For the Year Ended 30 June 2011

Note 15 - Financial Risk Management (continued)

a) Interest Rate Risk (continued)

<table>
<thead>
<tr>
<th></th>
<th>Floating Interest Rate</th>
<th>1 Year or Less $</th>
<th>1 to 5 Years $</th>
<th>Over 5 Years $</th>
<th>Non-Interest Bearing $</th>
<th>Total $</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Financial Assets</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>5</td>
<td>51,736</td>
<td>96,140</td>
<td>-</td>
<td>300</td>
<td>148,176</td>
</tr>
<tr>
<td>Trade and other receivables</td>
<td>6</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>445,954</td>
<td>445,954</td>
</tr>
<tr>
<td><strong>Total Financial Assets</strong></td>
<td></td>
<td>51,736</td>
<td>96,140</td>
<td>-</td>
<td>475,854</td>
<td>594,120</td>
</tr>
</tbody>
</table>

Weighted Average Interest Rate of cash and cash equivalents 4.9%

|                          |                        |                  |                |                |                        |         |
| **Financial Liabilities**|                        |                  |                |                |                        |         |
| Trade and other payables| 10                     | -                | -              | -              | 290,515                | 290,515 |
| Loans and borrowings    | 11                     | -                | 6,961          | 6,961          | -                      | 13,922  |
| **Total Financial Liabilities**|                  | -                | 6,961          | 6,961          | 290,515                | 304,437 |

b) Liquidity Risk

Liquidity risk arises from the possibility that the Company might encounter difficulty in settling its debts or otherwise. Liquidity risk is minimised by:

- preparing forward looking cash flow analysis in relation to its operational, investing and financing activities;
- maintaining a reputable credit profile;
- managing credit risk related to financial assets; and
- investing only in surplus cash with major financial institutions.

Cash flows realised from financial assets reflect management’s expectation as to the timing of realisation. Actual timing may therefore differ from that disclosed. The timing of cash flows to settle financial liabilities is presented in the table below.

Financial Asset and Financial Liability Maturity Analysis

<table>
<thead>
<tr>
<th></th>
<th>2011 $</th>
<th>2011 $</th>
<th>2010 $</th>
<th>2010 $</th>
<th>2010 $</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Financial Assets - cash flow realised</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>427,346</td>
<td>427,346</td>
<td>148,176</td>
<td>-</td>
<td>148,176</td>
</tr>
<tr>
<td>Trade and other receivables</td>
<td>88,262</td>
<td>88,262</td>
<td>445,954</td>
<td>-</td>
<td>445,954</td>
</tr>
<tr>
<td><strong>Total anticipated inflows</strong></td>
<td>515,608</td>
<td>515,608</td>
<td>594,130</td>
<td>-</td>
<td>594,130</td>
</tr>
</tbody>
</table>

**Financial Liabilities - due for payment**

<table>
<thead>
<tr>
<th></th>
<th>2011 $</th>
<th>2011 $</th>
<th>2010 $</th>
<th>2010 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade and other payables</td>
<td>177,754</td>
<td>177,754</td>
<td>290,515</td>
<td>-</td>
</tr>
<tr>
<td>Loans and borrowings</td>
<td>6,961</td>
<td>6,961</td>
<td>6,961</td>
<td>6,961</td>
</tr>
<tr>
<td><strong>Total expected outflows</strong></td>
<td>184,715</td>
<td>184,715</td>
<td>297,476</td>
<td>6,961</td>
</tr>
</tbody>
</table>

Net inflow/(outflow) on financial instruments

<table>
<thead>
<tr>
<th></th>
<th>2011 $</th>
<th>2011 $</th>
<th>2010 $</th>
<th>2010 $</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>330,893</td>
<td>330,893</td>
<td>296,654</td>
<td>6,961</td>
</tr>
</tbody>
</table>
**Australian Communications Consumer Action Network Limited**

**A.B.N. 42 133 719 678**

**Notes to the Financial Statements**
For The Year Ended 30 June 2011

**Note 15 - Financial Risk Management (continued)**

d) Net Fair Values

The net fair value of financial assets and financial liabilities approximates their carrying values. No financial assets and financial liabilities are readily traded on organised markets in standardised form. Financial assets where the carrying amount exceeds net fair values have not been written down as the Company intends to hold these assets to maturity.

The aggregate net fair values and carrying amounts of financial assets and financial liabilities are disclosed in the statement of financial position and in the notes to the financial statements.

Aggregate net fair values and carrying amounts of financial assets and financial liabilities at balance date.

<table>
<thead>
<tr>
<th></th>
<th>Carrying Amount 2011</th>
<th>Net Fair Value 2011</th>
<th>Carrying Amount 2010</th>
<th>Net Fair Value 2010</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Financial Assets</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>427,346</td>
<td>427,346</td>
<td>148,176</td>
<td>148,176</td>
</tr>
<tr>
<td>Trade and other receivables</td>
<td>88,262</td>
<td>88,262</td>
<td>445,954</td>
<td>445,954</td>
</tr>
<tr>
<td></td>
<td>515,608</td>
<td>515,608</td>
<td>594,130</td>
<td>594,130</td>
</tr>
<tr>
<td><strong>Financial Liabilities</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade and other payables</td>
<td>177,754</td>
<td>177,754</td>
<td>290,515</td>
<td>290,515</td>
</tr>
<tr>
<td>Loans and borrowings</td>
<td>6,961</td>
<td>6,961</td>
<td>13,922</td>
<td>13,922</td>
</tr>
<tr>
<td></td>
<td>184,715</td>
<td>184,715</td>
<td>304,437</td>
<td>304,437</td>
</tr>
</tbody>
</table>

Fair values are materially in line with carrying values.

**Note 16 – Operating Leases**

Non-cancellable operating lease rentals are payable as follows:

<table>
<thead>
<tr>
<th></th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Payable – minimum lease payments</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Less than one year</td>
<td>145,123</td>
<td>150,545</td>
</tr>
<tr>
<td>- Between one and five years</td>
<td>11,931</td>
<td>157,054</td>
</tr>
<tr>
<td></td>
<td>157,054</td>
<td>307,599</td>
</tr>
</tbody>
</table>

The company leases office and car parking facilities and office equipment under operating leases. The leases typically run for a period between three to five years, with an option to renew the lease after that date. Lease payments are reviewed every year for changes in the consumer price index.

During the year and amount of $132,485 was recognised as an expense in the statement of comprehensive income in respect of operating leases (2010: $124,284).
Australian Communications Consumer Action Network Limited
A.B.N. 42 133 719 678

Directors’ Declaration

In the opinion of the Directors of the Australian Communications Consumer Action Network Limited (“the Company”):

1. The financial statements and notes, as set out on pages 22 to 41, are in accordance with the Corporations Act 2001; including
   (a) Giving a true and fair view of the Company’s financial position as at 30 June 2011 and of the performance, for the year ended on that date; and
   (b) Complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001.

2. There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Board of Directors

Michael Fraser
Director

Dated this 17th day of August 2011
Sydney, NSW

Independent Auditor’s Report

To the Members of
Australian Communications Consumer Action Network Limited
A.B.N. 42 133 719 678


We have audited the accompanying financial report of Australian Communications Consumer Action Network Limited, which comprises the statement of financial position as at 30 June 2011 and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the Directors’ declaration.

Directors Responsibility for the Financial Report

The Directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such internal control as the Directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

Auditor’s Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those 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 judgement, 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 Company’s preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company’s internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial report.

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

Independence

In conducting our audit, we have complied with applicable independence requirements of the Corporations Act 2001. We confirm that the independence declaration required by the Corporations Act 2001, which has been given to the Directors of the Australian Communications Consumer Action Network Limited, would be in the same terms if given to the Directors as at the time of the auditor’s report.
Independent Auditor’s Report

To the Members of
Australian Communications Consumer Action Network Limited
A.B.N. 42 133 719 678

Auditor’s Opinion

In our opinion the financial report of the Australian Communications Consumer Action Network Limited is in accordance with the Corporations Act 2001, including:

(a) Giving a true and fair view of the Company’s financial position as at 30 June 2011 and of its performance for the year ended on that date; and

(b) Complying with Australian Accounting Standards and the Corporations Regulations 2001.

MOSAIC AUDIT & CONSULTING

Vanessa Patricio
Principal
Registered Company Auditor # 333315

Dated this 17th day of August 2011
Sydney, NSW