Progressive Broadcasting Service Co-operative Ltd

ABN 35 055 984 865

Financial Report

For the year ended 30 June 2026

Progressive Broadcasting Service Co-operative Ltd
Directors' report
30 June 2026

The directors present their report, together with the financial statements, on the Progressive Broadcasting Service Co-operative (the "Co-operative") for the year ended 30 June 2026.

Directors
The following persons were officers of the Co-operative during the whole of the financial year and up to the date of this report, unless otherwise stated:

Fiona Mary McNally – Chair
Kieran Rivett – Treasurer
Lucy Tehan – Secretary
Suzi Hutchings – Director
Elise Beacom – Director
Sarita Ryan – Director
Claire Stuchbery – Director (Resigned 26 November 2025)
Ed Prendergast - Director (Appointed 26 November 2025)

Significant Changes in the State of Affairs
No significant changes in the Co-operative's state of affairs occurred during the financial year.

Principal activities
The principal activity of the Co-operative during the financial year was radio broadcasting. No significant change in the nature of these activities occurred during the year.

Review of Operations
The deficit for the financial year was $323,798 (2025: $221,406 deficit).

PBS 106.7FM is a not-for-profit community broadcaster dedicated to championing diverse, independent and underrepresented music and voices. The station delivers more than 80 programs each week across a broad spectrum of genres and communities and continues to play an important role in Melbourne's music, arts and cultural landscape.

Throughout the 2025/26 financial year, PBS continued to deliver against its five-year Strategic Plan, with a focus on long-term sustainability, audience development, revenue diversification and investment in the infrastructure required to support the station's future. Listenership remained strong across broadcast and digital platforms, while the programming grid continued to provide a diverse and distinctive schedule of specialist music programming supported by PBS's community of announcers, volunteers and staff.

A significant focus during the year was investment in critical infrastructure and digital development. PBS developed a new website designed to improve the listener experience, strengthen access to programs and content, and provide a more robust digital platform for future audience growth and engagement. This formed part of a broader program of capital investment intended to strengthen the station's operational resilience and future-proof key systems and infrastructure.

The year closed with a small deficit, reflecting this planned period of capital expenditure and strategic investment. With the major projects associated with this investment substantially progressed and no comparable level of capital expenditure currently anticipated in the near term, PBS expects to return to building a modest financial reserve while maintaining a stable operating position.

PBS also continued to strengthen its approach to fundraising and revenue diversification. A Philanthropy Lead was appointed during the year to develop philanthropic activity and establish a more structured approach to major gifts, donor engagement and longer-term financial sustainability.

Radio Festival performed strongly, with the overall membership base retained and a small increase in members compared with the previous year. This result reflects the continued commitment of the PBS community at a time when cost-of-living pressures continue to affect household spending. Sponsorship income remained softer during the year, reflecting challenging conditions across the broader music and cultural sectors. Encouragingly, activity strengthened as the year progressed, alongside continued work to diversify the station's sponsorship client base and reduce reliance on individual sectors or revenue sources.

Events performed well, with successful activity contributing to increased event income compared with the previous financial year. Grant funding also remained healthy and supported a number of important strategic initiatives, allowing PBS to undertake work that may otherwise have required operating funds.

Grant support also enabled PBS to replace some previous alcohol-related sponsorship associated with events and activities. This has supported the station's objective of creating more inclusive and accessible events, broadening participation and developing future audiences while maintaining the financial capacity to deliver high-quality programming and community activity.

PBS continued to strengthen its organisational and governance frameworks during the year. A range of policies and procedures were reviewed and updated to support ongoing compliance with legislative and regulatory obligations, strengthen workplace practices and ensure internal frameworks remain current and fit for purpose.

Overall, PBS remained in a stable position throughout the year. Membership was resilient, event income increased, grant funding supported critical strategic work, and listenership and digital reach remained strong. The station's programming continues to be a particular strength, reflecting the depth of knowledge, creativity and commitment of PBS announcers and the breadth of music and communities represented across the schedule.

Looking ahead, PBS will focus on consolidating the benefits of its recent infrastructure and digital investment, further developing philanthropic activity, strengthening and diversifying sponsorship, and rebuilding modest financial reserves. Audience development, inclusive participation and the delivery of distinctive, high-quality music programming will remain central to the station's work. PBS enters the next financial year with strong foundations, an engaged community, strengthened infrastructure and a clear strategic direction. With the ongoing support of its members, donors, sponsors, volunteers, staff and broader community, PBS is well placed to continue its role as an independent and vital part of Melbourne's music and cultural landscape.

Events Subsequent to the End of the Reporting Period
No matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the Co-operative, the results of those operations or the state of affairs of the Co-operative in future financial years.

Likely Developments and Expected Results of Operations
The Co-operative will continue to pursue its strategic objectives to increase market share and sponsorship, membership, and donations. This will entail continuing to provide specialist music programs and nurturing, inspiring and championing Melbourne's diverse music community.

Environmental Issues
The Co-operative's operations are not regulated by any significant environmental regulations under a law of the Commonwealth or of a state or territory of Australia.

Indemnification and Insurance of Officers
During the financial year, the Co-operative paid premiums in respect of insurance contracts to insure the directors and officers of the Co-operative from liability for proceedings brought against them.

Proceedings on behalf of the Co-operative
No person has applied for leave of court to bring proceedings on behalf of the Co-operative or intervene in any proceedings to which the Co-operative is a party for the purpose of taking responsibility on behalf of the Co-operative for all or any part of those proceedings. The Co-operative was not a party to any such proceedings during the year.

Progressive Broadcasting Service Co-operative Ltd
Directors' report
30 June 2026

Information on Directors

Fiona Mary McNally	Director (appointed 30/11/2022)
Qualifications	Senior Executive Integrity and Ethical, Leadership Program Graduate 2021 - Institute of Public Administration Australia (IPAA) – 2021 Victorian Government.
Experience	Current Director of People Services at Department of Education. Former Change and Transformation Arts Centre Melbourne; Senior Positions in Victorian Government; Departments managing people capability and HR functions Advisory, Talent management, Covid response surge recruitment, employment graduate programs, Diversity and Inclusion committees. Audit lead on sensitive Employee relation data projects; Risk and Governance management responsibilities across people and technology in government and corporate sectors; Corporate experience Senior experience in Banking and Finance and Government, Consulting, Leadership and people management, Enterprise wide transformation, from strategy to implementation across technology, people and process; Committee Lead on national cybersecurity data breach response talent systems at Bendigo and Adelaide Bank; Committee Secretary on IT Change Committee Bendigo and Adelaide Bank, and Subcommittee volunteer GM search PBS. Community Radio: Volunteer Career coach and mentor across various industries from graduate to executive. Fiona joined the PBS Board in November 2022 after serving for 4 months in the General Manager Search Board Subcommittee.
Kieran Rivett	Treasurer (appointed 23/02/2022)
Qualifications	B.Commerce, Melbourne University; Qualified CPA 25 years; CFO and COO; Director of over 15 companies across 10 countries; PWC Alumni.
Experience	An ingrained part of Kieran's experience is an extensive background working in creative industries including music. A common thread in Kieran's career is bringing subtle commercial & financial reflection to these creative environments without changing the underlying culture that makes it so special. Ultimately whether it be financial, commercial, or even governance, helping create a trusted and safe atmosphere can assist in driving good decision making at both an operational and strategic level. Current CFO of Mecca. Global CFO Aesop – 13 years; Sony Music Publishing London – 6 years; PwC – 2 years. Kieran joined the PBS Board in February 2022.
Lucy Tehan	Secretary (appointed 30/11/2022)
Qualifications	Juris Doctor, B.A. Arts – Melbourne University, B.A. of Business/Marketing in Music Industry (yrs. 1&2)
Experience	Lucy is an employment and industrial relations lawyer, currently working as an Employment Relations Specialist and has worked in both private practice (Lawyer/Associate at Minter Ellison and Senior Associate at Allens) and in-house roles at large organizations. She advises on a range of employment and IR matters, industrial action, and organizational change. She has worked in the local music community including as a venue booker for Rob Roy, Pony, and Bar Open (2003-2006).
Suzi Hutchings	Director (appointed 30/10/2023)
Qualifications	PHD in Social Anthropology. BA (Hons) Social Anthropology. Cert III Media.
Experience	Director at S H Hutchings Consulting Services. Associate Professor, School of Global, Urban and Social Studies, RMIT University. Co-director, Yoonggana Ma Nga Indigenous Incubator Project. Presenter and producer of Subway Sound on PBS 106.7FM since 2018. Former presenter and producer at Radio Adelaide. Ilbijerri Theatre Board – 2021 – 2023 (Treasurer) President, Australian Anthropological Society 2021 - 2023
Elise Beacom	Director (appointed on 7/08/2023)
Qualifications	Journalist in print and community radio. International development and humanitarian sector with the United Nations and non-governmental organizations.
Experience	Elise's work with the UN took her from Copenhagen, Denmark, to the Ebola outbreak response in Sierra Leone, and long-term development projects in Afghanistan. After returning to Melbourne, Elise turned her attention to securing government and philanthropic funding for not-for-profits. At Monash University, she facilitated a major campaign to raise $500m from 50,000 donors over 10 years. More recently at Oxfam Australia, Elise led a team of business development professionals who co-designed proposals with country teams and local partners to create impact for people worldwide. Bringing a people-centered approach and authentic leadership style to every role,

Elise's professional experience spans communications, project and people management, strategy design, donor reporting, proposal development and resource mobilization.

Sarita Ryan
Director (appointed 27/11/202)

Qualifications
- Certificate in School Management and Leadership (HarvardUniversity)
- Master of Education, (The University of Jyvaskyla, Finland)
- Graduate Diploma of Education (RMIT)
- Bachelor of Creative Arts (The University of Melbourne)

Experience
One year serving as a PBS Board Member, one year serving as the PBS PPG Chair, two years as Principal of Candlebark and Alice Miller School, eight years as Head of Campus of Alice Miller School, 16 years DJing and event production, and six years broadcasting on PBS.
Sarita is the Principal of two progressive schools with a strong music focus: Candlebark and Alice Miller School. She manages an annual budget of over $11M and a staff of over 70 in this role. She's also been a broadcaster at PBS FM since 2020 and, as a DJ, is an active member of Melbourne's music scene.

Before this, Sarita worked as a researcher and consultant for several non-governmental and international agencies, including the United Nations' International Labour Organisation and City & Guilds. She has served on the PBS Board as a Director for the past year and is currently serving as the PPG Chair.

Claire Stuchbery
Director (appointed 23/02/2022, previously on the Board between 2010 and 2013).

Qualifications
University of Melbourne - Master of Public Policy & Management; Australian Institute of Company Directors - Company Directors Course (GAICD); Swinburne University - Bachelor of Media and Communications; Box Hill Institute - Certificate IV in Training and Assessment (to become a radio trainer); and NSW Tafe - Aboriginal Cultural Education.

Experience
Claire has been involved in community broadcasting since 1992 as a volunteer presenter on 3APL, 3SSR and PBS FM. She has contributed to PBS as a volunteer, presenter, staff member (Sponsorship Manager) and Board member (2010-2013), varying roles since 1996. She is a lifetime member and currently presents Firewater on Tuesdays from 5-7pm. Claire's professional career has centered around independent media, including the following roles: Executive Director at LINA; Policy & Stakeholder Engagement at First Nations Media Australia, the peak body for the First Nations media and communications industry (current); Trainer at the Community Media Training Organisation (current); Grants Manager at Community Broadcasting Foundation, the funding body for the community media sector (2013-2018); Director of 4PeopleMedia, a sponsorship sales agency that represented 135 community radio stations (2006-2013); Sales & Editorial support at Furst Media, primarily working on Beat Magazine.

Ed Pendergrast
Director (appointed 26/11/2025)

Qualifications
Bachelor of Economics, Grad Dip Commercial Law, Grad Dip Applied Finance

Experience
33 years in finance and investments, including 21 years managing a private business in finance.
4 years weekly show on PSFM ("Swinging Doors"), and 6 years prior fill-in announcer
15 years playing in locally performing bands.
Length of service as a Director of PBS or other Co-operatives:
- 11 years chairman of the Surf Life Saving Foundation investment fund committee
- 7 years treasurer, board member and investment committee Mirabel Foundation
- 8 years investment committee member Tim Gates Foundation

Progressive Broadcasting Service Co-operative Ltd
Directors' report
30 June 2026

Meetings of Directors

During the financial year 8 meetings of directors were held. Attendances by each director were as follows:

Name	Meetings as Board Member	Apology	Present
Kieran	7	1	6
Claire	3	1	2
Fiona	7	1	6
Lucy	7	1	6
Suzi	7	1	6
Elise	7	1	6
Sarita	3	0	3
Ed	7	0	7
Kristen (GM)	7	1	6

Auditor's Independence Declaration

A copy of the auditor's independence declaration is set out on the following page. The Directors' Report is signed in accordance with a resolution of the Board of Directors.

Fiona McNally (Chair)
Director

Kieran Rivett (Treasurer)
Director

26 October 2026

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Auditor's Independence Declaration

Under Section 60-40 of the Australian Charities and Not-for-profits Commission Act 2012

To the Board of Directors of Progressive Broadcasting Service Co-operative Limited

As lead auditor for the audit of the financial statements of Progressive Broadcasting Service Co-operative Limited for the financial year ended 30 June 2026, I declare that to the best of my knowledge and belief, there have been no contraventions of:

(a) the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and

(b) any applicable code of professional conduct in relation to the audit.

Nexia Melbourne Audit Pty Ltd
Melbourne

Andrew S. Wehrens
Director

Dated: 26th October 2026

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Registered Audit Company 291969

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Progressive Broadcasting Service Co-operative Ltd
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General information

The financial statements cover Progressive Broadcasting Service Co-operative Ltd as an individual entity. The financial statements are presented in Australian dollars, which is Progressive Broadcasting Service Co-operative Ltd's functional and presentation currency.

Progressive Broadcasting Service Co-operative Ltd is an individual Co-operative, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Registered office and principal place of business

B1 & B2, Collingwood Yards,
35 Johnston Street,
Collingwood VIC 3066

A description of the nature of the Co-operative's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on _____October 2026. The directors have the power to amend and reissue the financial statements.

Progressive Broadcasting Service Co-operative Ltd
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2026

	Note	2026 $	2025 $
Revenue	3	**2,244,891**	2,220,266
Interest income		**8,317**	12,854
		2,253,208	2,233,120
Expenses			
Employee benefits expense	4	**(1,592,667)**	(1,498,792)
Depreciation and amortisation expense		**(280,009)**	(281,207)
Premises, maintenance and administration		**(187,798)**	(191,786)
Broadcasting expenses and copyright fees		**(132,411)**	(106,755)
Marketing and promotional expenses		**(77,272)**	(74,408)
Events expenses		**(54,559)**	(92,205)
Bank fees and charges		**(29,635)**	(23,985)
Service expense		**(3,185)**	(3,299)
Finance costs		**(55,227)**	(58,645)
Other expenses		**(164,243)**	(123,444)
Deficit for the year	19	**(323,798)**	(221,406)
Other comprehensive income for the year		**-**	-
Total comprehensive loss for the year		**(323,798)**	(221,406)

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

Progressive Broadcasting Service Co-operative Ltd
Statement of financial position
As at 30 June 2026

	Note	2026 $	2025 $
Assets			
Current assets			
Cash and cash equivalents	5	**1,966,602**	2,075,943
Trade and other receivables	6	**46,855**	84,665
Inventories	7	**6,192**	8,003
Other assets	10	**12,899**	29,096
Total current assets		**2,032,548**	2,197,707
Non-current assets			
Financial assets	8	**500**	500
Property, plant and equipment	11	**2,051,210**	2,186,995
Right-of-use assets	9	**1,493,962**	1,586,921
Intangibles	12	**105,455**	76,364
Total non-current assets		**3,651,127**	3,850,780
Total assets		**5,683,675**	6,048,487
Liabilities			
Current liabilities			
Trade and other payables	13	**146,964**	179,405
Lease liabilities	14	**87,977**	82,122
Employee benefits	15	**196,957**	147,269
Deferred revenue	16	**53,566**	30,182
Total current liabilities		**485,464**	438,978
Non-current liabilities			
Lease liabilities	14	**1,721,423**	1,792,253
Employee benefits	15	**63,420**	79,790
Total non-current liabilities		**1,784,843**	1,872,043
Total liabilities		**2,270,307**	2,311,021
Net assets		**3,413,368**	3,737,466
Equity			
Issued capital	17	**14,630**	14,930
Reserves	18	**-**	2,200
Retained surpluses	19	**3,398,738**	3,720,336
Total equity		**3,413,368**	3,737,466

The above statement of financial position should be read in conjunction with the accompanying notes

Progressive Broadcasting Service Co-operative Ltd
Statement of changes in equity
For the year ended 30 June 2026

	Issued capital $	Reserves $	Retained surpluses $	Total equity $
Balance at 1 July 2024	14,430	2,200	3,941,742	3,958,372
Shares issued during the year (note 17)	500	-	-	500
Deficit for the year	-	-	(221,406)	(221,406)
Other comprehensive income for the year	-	-	-	-
Total comprehensive loss for the year	-	-	(221,406)	(221,406)
Balance at 30 June 2025	14,930	2,200	3,720,336	3,737,466

	Issued capital $	Reserves $	Retained surpluses $	Total equity $
Balance at 1 July 2025	14,930	2,200	3,720,336	3,737,466
Shares issued during the year (note 17)	300	-	-	300
Shares bought back during the year (note 17)	(600)	-	-	(600)
Deficit for the year	-	-	(323,798)	(323,798)
Other comprehensive income for the year	-	-	-	-
Total comprehensive loss for the year	-	-	(323,798)	(323,798)
Transfer from reserve (note 19)	-	(2,200)	2,200	-
Balance at 30 June 2026	14,630	-	3,398,738	3,413,368

The above statement of changes in equity should be read in conjunction with the accompanying notes

Progressive Broadcasting Service Co-operative Ltd
Statement of cash flows
For the year ended 30 June 2026

	Note	2026 $	2025 $
Cash flows from operating activities			
Receipts from customers and donors		**2,306,085**	2,218,528
Payments to suppliers (inclusive of GST)		**(2,200,987)**	(2,070,495)
Interest received		**8,317**	12,854
Interest on lease liabilities		**(55,227)**	(58,645)
Net cash from operating activities		**58,188**	102,242
Cash flows from investing activities			
Payments for property, plant and equipment	11	**(60,374)**	(29,384)
Payments for intangible assets	12	**(29,091)**	(76,364)
Net cash used in investing activities		**(89,465)**	(105,748)
Cash flows from financing activities			
Proceeds from issue of shares	17	**300**	500
Share buy-back payment	17	**(600)**	-
Repayment of leases (principal)		**(77,764)**	(75,552)
Net cash used in financing activities		**(78,064)**	(75,052)
Net decrease in cash and cash equivalents		**(109,341)**	(78,558)
Cash and cash equivalents at the beginning of the financial year		**2,075,943**	2,154,501
Cash and cash equivalents at the end of the financial year	5	**1,966,602**	2,075,943

The above statement of cash flows should be read in conjunction with the accompanying notes

Progressive Broadcasting Service Co-operative Ltd
Notes to the financial statements
30 June 2026

Note 1. Material accounting policy information

The accounting policies that are material to the Co-operative are set out below. The accounting policies adopted are consistent with those of the previous financial year, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

The Co-operative has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Basis of preparation

These general purpose financial statements have been prepared in accordance with the Australian Accounting Standards - Simplified Disclosures issued by the Australian Accounting Standards Board ('AASB'), the Australian Charities and Not-for-profits Commission Act 2012 and Co-operatives National Law Application Act 2013, as appropriate for not-for profit oriented entities.

Historical cost convention

The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of financial assets and liabilities at fair value through profit or loss, financial assets at fair value through other comprehensive income, investment properties, certain classes of property, plant and equipment and derivative financial instruments.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Co-operative's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

Revenue recognition

The Co-operative recognises revenue as follows:

Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the Co-operative is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the Co-operative: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as a refund liability.

Sales revenue

Events, fundraising and raffles are recognised when received or receivable.

Donations

Donations are recognised at the time the pledge is made.

Note 1. Material accounting policy information (continued)

Grants
Grant revenue is recognised in profit or loss when the Co-operative satisfies the performance obligations stated within the funding agreements.

If conditions are attached to the grant which must be satisfied before the Co-operative is eligible to retain the contribution, the grant will be recognised in the statement of financial position as a liability until those conditions are satisfied.

Interest
Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Other revenue
Other revenue is recognised when it is received or when the right to receive payment is established.

Income tax
The Co-operative is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997.*

Current and non-current classification
Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the Co-operative's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the Co-operative's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no right at the end of the reporting period to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Cash and cash equivalents
Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities 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.

Trade and other receivables
Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

Contract assets
Contract assets are recognised when the Co-operative has transferred goods or services to the customer but where the Co-operative is yet to establish an unconditional right to consideration. Contract assets are treated as financial assets for impairment purposes.

Investments and other financial assets
Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless an accounting mismatch is being avoided.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the Co-operative has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, its carrying value is written off.

Note 1. Material accounting policy information (continued)

Financial assets at amortised cost
A financial asset is measured at amortised cost only if both of the following conditions are met: (i) it is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and (ii) the contractual terms of the financial asset represent contractual cash flows that are solely payments of principal and interest.

Financial assets at fair value through profit or loss
Financial assets not measured at amortised cost or at fair value through other comprehensive income are classified as financial assets at fair value through profit or loss. Typically, such financial assets will be either: (i) held for trading, where they are acquired for the purpose of selling in the short-term with an intention of making a profit, or a derivative; or (ii) designated as such upon initial recognition where permitted. Fair value movements are recognised in profit or loss.

Financial assets at fair value through other comprehensive income
Financial assets at fair value through other comprehensive income include equity investments which the Co-operative intends to hold for the foreseeable future and has irrevocably elected to classify them as such upon initial recognition.

Impairment of financial assets
The Co-operative recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the Co-operative's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

For financial assets mandatorily measured at fair value through other comprehensive income, the loss allowance is recognised in other comprehensive income with a corresponding expense through profit or loss. In all other cases, the loss allowance reduces the asset's carrying value with a corresponding expense through profit or loss.

Property, plant and equipment
Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

Buildings	40 years
Leasehold improvements	3-10 years
Plant and equipment	3-7 years

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

Leasehold improvements are depreciated over the unexpired period of the lease or the estimated useful life of the assets, whichever is shorter.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the Co-operative. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

Right-of-use assets
A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Note 1. Material accounting policy information (continued)

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the Co-operative expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The Co-operative has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

Intangible assets
Intangible assets acquired as part of a business combination, other than goodwill, are initially measured at their fair value at the date of the acquisition. Intangible assets acquired separately are initially recognised at cost. Indefinite life intangible assets are not amortised and are subsequently measured at cost less any impairment. Finite life intangible assets are subsequently measured at cost less amortisation and any impairment. The gains or losses recognised in profit or loss arising from the derecognition of intangible assets are measured as the difference between net disposal proceeds and the carrying amount of the intangible asset. The method and useful lives of finite life intangible assets are reviewed annually. Changes in the expected pattern of consumption or useful life are accounted for prospectively by changing the amortisation method or period.

Website
Significant costs associated with the development of the revenue generating aspects of the website, including the capacity of placing orders, are deferred and amortised on a straight-line basis over the period of their expected benefit, being their finite life of 10 years.

Impairment of non-financial assets
Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

Trade and other payables
These amounts represent liabilities for goods and services provided to the Co-operative prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Contract liabilities
Contract liabilities represent the Co-operative's obligation to transfer goods or services to a customer and are recognised when a customer pays consideration, or when the Co-operative recognises a receivable to reflect its unconditional right to consideration (whichever is earlier) before the Co-operative has transferred the goods or services to the customer.

Lease liabilities
A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Co-operative's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

Note 1. Material accounting policy information (continued)

Finance costs
Finance costs attributable to qualifying assets are capitalised as part of the asset. All other finance costs are expensed in the period in which they are incurred.

Provisions
Provisions are recognised when the Co-operative has a present (legal or constructive) obligation as a result of a past event, it is probable the Co-operative will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. If the time value of money is material, provisions are discounted using a current pre-tax rate specific to the liability. The increase in the provision resulting from the passage of time is recognised as a finance cost.

Employee benefits

Short-term employee benefits
Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Other long-term employee benefits
The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Defined contribution superannuation expense
Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.

Fair value measurement
When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Issued capital
Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction from the proceeds.

Goods and Services Tax ('GST') and other similar taxes
Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Note 1. Material accounting policy information (continued)

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

Note 2. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Allowance for expected credit losses
The allowance for expected credit losses assessment requires a degree of estimation and judgement. It is based on the lifetime expected credit loss, grouped based on days overdue, and makes assumptions to allocate an overall expected credit loss rate for each group. These assumptions include recent sales experience and historical collection rates.

Estimation of useful lives of assets
The Co-operative determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Impairment of non-financial assets other than goodwill and other indefinite life intangible assets
The Co-operative assesses impairment of non-financial assets other than goodwill and other indefinite life intangible assets at each reporting date by evaluating conditions specific to the Co-operative and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.

Impairment of property, plant and equipment
The Co-operative assesses impairment of property, plant and equipment at each reporting date by evaluating conditions specific to the Co-operative and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.

Lease term
The lease term is a significant component in the measurement of both the right-of-use asset and lease liability. Judgement is exercised in determining whether there is reasonable certainty that an option to extend the lease or purchase the underlying asset will be exercised, or an option to terminate the lease will not be exercised, when ascertaining the periods to be included in the lease term. In determining the lease term, all facts and circumstances that create an economical incentive to exercise an extension option, or not to exercise a termination option, are considered at the lease commencement date. Factors considered may include the importance of the asset to the Co-operative's operations; comparison of terms and conditions to prevailing market rates; incurrence of significant penalties; existence of significant leasehold improvements; and the costs and disruption to replace the asset. The Co-operative reassesses whether it is reasonably certain to exercise an extension option, or not exercise a termination option, if there is a significant event or significant change in circumstances.

Employee benefits provision
As discussed in note 1, the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

Note 3. Revenue

	2026 $	2025 $
Corporate sponsorship	**433,907**	461,096
Subscription	**1,462,268**	1,413,955
Events	**83,411**	105,120
Donations	**214,825**	220,824
Grants	**24,538**	-
Service revenue	**7,900**	7,500
Other income	**18,042**	11,771
	2,244,891	2,220,266

Disaggregation of revenue
The disaggregation of revenue from contracts with customers is as follows:

	2026 $	2025 $
Geographical regions		
Australia	**2,244,891**	2,220,266

Note 4. Expenses

	2026 $	2025 $
Deficit includes the following specific expenses:		
Finance Costs	**55,227**	58,645
Superannuation expense*	**166,041**	153,143

*Included in the employee benefit expense.

Note 5. Cash and cash equivalents

	2026 $	2025 $
Current assets		
Cash on hand	**5,321**	5,102
Cash at bank	**1,961,281**	2,070,841
	1,966,602	2,075,943

Note 6. Trade and other receivables

	2026 $	2025 $
Current assets		
Trade receivables	**58,855**	98,092
Less: Allowance for expected credit losses	**(12,000)**	(13,427)
	46,855	84,665

The carrying value of trade receivables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

Note 7. Inventories

	2026 $	2025 $
Current assets		
Inventories - at cost	**6,192**	8,003

Note 8. Financial assets

	2026 $	2025 $
Non-current assets		
Investment in shares	**500**	500

The Co-operative owns shares in Community DigitalRadio (Melb) Pty. Ltd. The principal activity of this entity is to operate a joint radio transmissions facility on behalf of its shareholders. The Co-operative has a minority ownership interest.

Note 9. Right-of-use assets

	2026 $	2025 $
Non-current assets		
Broadcast lease - right-of-use	**470,574**	462,669
Less: Accumulated depreciation	**(150,322)**	(122,093)
	320,252	340,576
Office lease - right-of-use	**1,557,882**	1,549,200
Less: Accumulated depreciation	**(385,074)**	(305,467)
	1,172,808	1,243,733
Equipment lease - right-of-use	**8,554**	8,554
Less: Accumulated depreciation	**(7,652)**	(5,942)
	902	2,612
	1,493,962	1,586,921

Note 10. Other assets

	2026 $	2025 $
Current assets		
Prepayments	**2,066**	11,542
Other assets	**10,833**	17,554
	12,899	29,096

Note 11. Property, plant and equipment

	2026 $	2025 $
Non-current assets		
Leasehold improvements - at cost	**2,765,087**	2,965,087
Less: Accumulated depreciation	**(814,818)**	(867,320)
	1,950,269	2,097,767
Furniture and equipment - at cost	**924,634**	864,260
Less: Accumulated depreciation	**(823,693)**	(775,032)
	100,941	89,228
	2,051,210	2,186,995

Reconciliations
Reconciliations of the written down values at the beginning and end of the current financial year are set out below:

	Furniture & equipment $	Leasehold improvements $	Total $
Balance at 1 July 2025	89,228	2,097,767	2,186,995
Additions	60,374	-	60,374
Disposals	-	(21,898)	(21,898)
Depreciation expense	(48,661)	(125,600)	(174,261)
Balance at 30 June 2026	100,941	1,950,269	2,051,210

Note 12. Intangibles

	2026 $	2025 $
Non-current assets		
Website - at cost	**105,455**	76,364

Reconciliations
Reconciliations of the written down values at the beginning and end of the current financial year are set out below:

	Website $	Total $
Balance at 1 July 2025	76,364	76,364
Additions	29,091	29,091
Amortisation expense	-	-
Balance at 30 June 2026	105,455	105,455

The Co-operative entered into a contract to develop and improve its website, which was still not fully completed as at 30 June 2026. Refer to note 23 for information on related commitments.

Note 13. Trade and other payables

	2026 $	2025 $
Current liabilities		
Trade payables	**64,663**	71,953
GST payables	**26,765**	26,203
Accrued expenses	**19,766**	19,366
PAYG and superannuation payable	**35,770**	61,883
	146,964	179,405

Trade and other payables are unsecured, non-interest bearing and are normally settled within 30 days. The carrying value of trade and other payables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

Note 14. Lease liabilities

	2026 $	2025 $
Current liabilities		
Lease liability	**87,977**	82,122
Non-current liabilities		
Lease liability	**1,721,423**	1,792,253
Future lease payments		
Future lease payments are due as follows:		
Within one year	**140,675**	136,844
One to five years	**742,273**	570,316
More than five years	**1,342,583**	1,634,587
	2,225,531	2,341,747

Note 15. Employee benefits

	2026 $	2025 $
Current liabilities		
Annual leave	**122,609**	100,830
Long service leave	**74,348**	46,439
	196,957	147,269
Non-current liabilities		
Long service leave	**63,420**	79,790

Note 16. Deferred revenue

	2026 $	2025 $
Current liabilities		
Deferred revenue	**53,566**	30,182

Note 17. Issued capital

	2026 Shares	2025 Shares	2026 $	2025 $
Ordinary shares - fully paid	**1,463**	1,493	**14,630**	14,930

Movements in issued capital

	2026 $	2025 $
Issued and paid-up ordinary shares at $10 per share		
Opening balance	**1,493**	1,443
Shares issued during the year	**30**	50
Shares bought back or cancelled	**(60)**	-
	1,463	1,493

Terms and conditions of ordinary shares
Members must hold a minimum of five (5) shares with a nominal value of $10 each. At a meeting of members of the Co-operative, each member has one vote. In the event of winding up, any surplus assets must not be distributed among the members and must be given or transferred to an institution:

1. with similar objectives;
2. whose constitution prohibits distribution of property among its members; and
3. which has been chosen by the members at or before the time of the dissolution.

Note 18. Reserves

	2026 $	2025 $
Statutory reserve	-	2,200

Note 19. Retained surpluses

	2026 $	2025 $
Retained surpluses at the beginning of the financial year	**3,720,336**	3,941,742
Deficit for the year	**(323,798)**	(221,406)
Transfer from statutory reserves	**2,200**	-
Retained surpluses at the end of the financial year	**3,398,738**	3,720,336

Note 20. Key management personnel disclosures

The directors received no remuneration from the Co-operative during the financial year. During the financial year, the directors had the following types of transactions with the Co-operative, where applicable:

- payment of annual subscriber fees: and
- payment of sponsorship fees.

These transactions occurred within a normal subscriber relationship on terms and conditions no more or less favourable than those applying to other subscribers/announcers.

Note 21. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by Nexia Melbourne Audit Pty Ltd, the auditor of the Co-operative:

	2026 $	2025 $
Audit services		
Audit of the financial statements - *Nexia Melbourne Audit Pty Ltd*	9,000	-
Audit of the financial statements - *McPhail & Partners Pty Ltd*	-	8,300
	9,000	8,300
Other services		
Assistance with preparation of financial statements	1,000	1,200
	10,000	9,500

Note 22. Contingent liabilities

The Co-operative had no contingent liabilities as at 30 June 2026 and 30 June 2025.

Note 23. Commitments

The Co-operative had entered into a contract to develop its website (note 12). The contract had approximately $42,500 to $54,000 of remaining commitments as at 30 June 2026 and 30 June 2025.

Note 24. Related party transactions

Key management personnel
Disclosures relating to key management personnel are set out in note 20.

Transactions with related parties
There were no transactions with related parties during the current and previous financial year.

Receivable from and payable to related parties
There were no trade receivables from or trade payables to related parties at the current and previous reporting date.

Loans to/from related parties
There were no loans to or from related parties at the current and previous reporting date.

Note 25. Events after the reporting period

No matter or circumstance has arisen since 30 June 2026 that has significantly affected, or may significantly affect the Co-operative's operations, the results of those operations, or the Co-operative's state of affairs in future financial years.

Progressive Broadcasting Service Co-operative Ltd
Directors' declaration
30 June 2026

In the directors' opinion:

- the attached financial statements and notes comply with the Australian Accounting Standards - Simplified Disclosures, the Australian Charities and Not-for-profits Commission Act 2012 and Co-operative National Law Application Act 2013;
- the attached financial statements and notes give a true and fair view of the Co-operative's financial position as at 30 June 2026 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the Co-operative will be able to pay its debts as and when they become due and payable.

On behalf of the directors



Fiona McNally (Chair)
Director



Kieran Rivett (Treasurer)
Director

26 October 2026

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Independent Auditor's Report
To the Members of Progressive Broadcasting Service Co-operative Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Progressive Broadcasting Service Co-operative Limited (the Company), which comprises the statement of financial position as at 30 June 2026, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information, and the directors' declaration.

In our opinion, the accompanying financial report of Progressive Broadcasting Service Co-operative Limited is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

(i) giving a true and fair view of the Company's financial position as at 30 June 2026 and of its financial performance for the year then ended; and

(ii) complying with Australian Accounting Standards – Simplified Disclosures and Division 60 of the *Australian Charities and Not-for-profits Commission Regulations 2022*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Company in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Other Information

The directors are responsible for the other information. The other information comprises the information in the Company's annual report for the year ended 30 June 2026 but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact. We have nothing to report on in this regard.

Registered Audit Company 291969

Nexia Melbourne Audit Pty Ltd (ABN 86 005 105 975) is a firm of Chartered Accountants. It is affiliated with, but independent from Nexia Australia Pty Ltd. Nexia Australia Pty Ltd is a member of Nexia International, a leading, global network of independent accounting and consulting firms. For more information please see www.nexia.com. au/legal. Neither Nexia International nor Nexia Australia Pty Ltd provide services to clients.

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Nexia Australia

Independent Auditor's Report
To the Members of Progressive Broadcasting Service Co-operative Limited

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 *Australian Charities and Not-for-profits Commission Act 2012* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

Nexia Australia

Independent Auditor's Report
To the Members of Progressive Broadcasting Service Co-operative Limited

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

Nexia

Nexia Melbourne Audit Pty Ltd
Melbourne

A. Wehrens

Andrew S. Wehrens
Director

Dated: 26th October 2026