

THE WIRELESS INSTITUTE OF AUSTRALIA

ABN 56 004 920 745

Minutes Annual General Meeting

Adelaide Hills Convention Centre

145A Mount Barker Road, Hahndorf

Open 9.15 am Saturday 20 May 2017

Chairman Phil Wait opened the meeting and welcomed all.

Board members in attendance:

Phil Wait, Robert Broomhead, Fred Swainston, Ewan McCleod – an apology from Roger Harrison.

Jim Linton is Secretary.

192 signed the attendance register.

Apologies:

VK3ADW, VK3UV, VK2ZRH, VK4FAAR, VK3BDL, VK1DSH, VK5RF, VK5IS, VK3TL, VK2LJ, VK3FT, VK3EO, VK5KJJ and VK4JTW.

Recording of proxies:

The names of those present who have proxies recorded were displayed.

President's Address:

This was in the information pack, two-page address headed 'Handing over the reins'. It stated it had been a fairly difficult year in the WIA but there were a lot of very positive things that happened.

In summary the report covered:

- The recently released draft Radiocommunications Act with 17 sections and a submission was needed in 43 days, along with other related work by the Spectrum Strategy Committee.
- Amateur Radio magazine in paper format was popular and could not go to a digital format, but there were opportunities to cut costs with a report by PubCom given to the new Board.
- The WIA Bookshop has been uncompetitive, so in future will sell only WIA publications and act as a shop-front for another book provider.
- The WIA has been active in the young people and STEM area.
- A recommendation to the new Board to continue with an independent book-keeper and accountant.
- The Volunteer Charter is finalised.
- A new consultation portal is open to all in the Amateur Radio community.
- A voucher system where new radio amateurs can download free Amateur Radio magazine is now available.
- Trial theory and regulations exams are now available.

- The Wireless Men & Women @ War book is available, the first time a print-on-demand provider was used. Marketing including copies to the Australian War Memorial, Governor General and RSL was to begin.

He thanked the Board, Secretary, and office staff Bruce and Petra. Meeting responded with applause. In conclusion expressed appreciation for all the volunteers with many putting in a huge amount of effort.

Silent Keys:

Chairman noted that the WIA recorded 78 silent keys and read a few including Brenda Edmonds VK3KT a WIA Life Member.

In honour of those who became silent keys in the last 12 months the meeting observed a minute's silence.

Minutes of the WIA AGM held at Norfolk Island:

These were read to the meeting, comment and motion to accept were invited.

Chris Chapman VK3QB asked that answers to his two questions on notice be read. The Chairman replied that the answers had been sent, were publicised, and not at hand.

Chris VK3QB said there were still inconsistencies and discrepancies and submitted that the minutes could not be accepted as the financial report was materially incorrect.

David Carwana VK5DMC accepted the minutes to be an accurate record of that meeting and had no hesitation on accepting them.

Raffy Shamma VK2RF said as a chartered accountant and auditor himself, the role of an auditor was to be correct and fair, and to do this requires an audit of the previous year as well if it has not been done. The auditor has done that in his report.

The Chairman then called for a seconder to the motion.

Moved David Carwana VK5DMC, Sec Grahame O'Brien VK2FA

Chair then put it to a vote: "That the minutes of the 2016 AGM for the 2015 year be accepted."

Carried.

Chris Chapman VK3QB then raised counting the proxies. That was dismissed by the Chair. Colin Consiglio VK3NCC and Steve Ireland VK3VM also called for the proxies.

Eric Van De Weyer VK2VE and Trent Sampson VK4TS were against the use of proxies.

Greg Kelly VK2GPK suggested that unless there was a definite answer, a vote be taken both ways and seek advice post this meeting (if needed).

The Chairman then took votes without the proxies and with the proxies. Both were in favour.

The Chairman declared that the minutes from the previous meeting were accepted. He thanked Grant Willis VK5GR and Peter Freeman VK3PF for conducting the tally.

Auditors Financial Report For The Year Ended 31 December 2016:

The report had been circulated, and written questions had been received and answered, both were in the information pack. The Chairman invited discussion. Ian Jackson VK3BUF then read comments on it he received recently from Chris Hendry VK3PAT.

The Chairman in response referred to the answers to those questions for the AGM that were in the information pack.

Colin Consiglio VK3NCC felt there was not enough time to read the answers and they themselves raised further questions, and the concerns remained.

Liz Billiau VK2XSE said the information pack should have included a meeting agenda. Chairman replied that was correct and not having a program agenda was an oversight.

Andrew Smith VK6AS commented on the Presidents Report (already accepted) that it referred to a difficult period in 2016. He asked what in detail was the cause of this difficult period. Further no data had been entered into MYOB for six months. Why did this happen?

Chairman replied that question would be taken on notice.

Steve VK3VM sought a general comment from the Board on the efficacy and accuracy of the management review in view of the financial loss.

The Chairman replied that were a number of reasons for that financial loss, there had a reduction in membership, a reduction in the number of people doing assessments down by 15%, and an increase in book-keeping and accounting costs. The WIA Directors have spent about four hours a day. Four years ago may be three Directors meetings a year, now the Board meets each month and more recently every two weeks.

Steve VK3VM thought the Board had taken on too much and not relied on volunteers. Grant VK5GR commented that rather than look to the past, get on with the future of the newly elected Board. The meeting responded with applause.

The Chairman agreed with most sentiments expressed, adding that everyone had the WIA at heart, and that was good to build on.

A vote was not required to accept the Auditors Report.

Appoint of auditor:

The Auditors for 2017 would be Kidmans Pty Ltd.

Returning Officer:

John Henry Marshall has taken on the role for 2018.

Election of Directors:

The results of the election of Directors was announced. The seven were asked to introduce themselves and greeted with applause.

Raffy Shammay VK2RF proposed that the current Board be thanked for their hard work, whether you liked the results or not, they tried to do the absolute best they could, and the minutes should record the thanks of the meeting. Applause.

The Chairman on behalf of the Board appreciated the gesture, and everyone should give the new Board every bit of assistance they could want.

General Business:

Colin Consiglio VK3NCC asked who wrote the (information pack) answer section, how did it come about, and could be appended to the minutes.

The Chairman replied that it came from the Board, recommendations included were meant for the Board, and all would be a minute appendix.

There was no other matter, further discussion was then moved to the Open Forum.

Chairman declared the AGM closed at 10.45 am.

Questions and requests for further information relating to the WIA Financial Statement, Directors Report, and the Auditors Report for the 2016 Year

The WIA Board provides the following responses to questions and requests on notice received prior to the 8th May, 2017. Questions received after that date and from the AGM itself will be taken on notice.

The Secretary also received ten motions which, for procedural reasons, cannot be accepted for inclusion in the 2016 AGM. They have been treated as requests for information and responses are below.

A small number of items that require detailed responses from the WIA's accountants, which would incur substantial costs, have been referred to the new Board.

Item 1 – Income Reporting

Question - The WIA Financial Report as presented is highly abridged compared to previous years, making it very difficult for Members to gain a full picture of the true position of the WIA's finances. Is it possible to separate out income shown as \$520,064?

Question - Why does the President refer to "falling revenue" in his report in his report when Sales for 2016 were \$520,064 compared to \$506,856 for the previous year – an increase of 2.6%

Please provide a breakdown of sales revenue as follows:	Answers
a. Membership subscriptions	\$332,522 (inc. 5-year)
b. AR Magazines Sales	
i. Advertising	\$22,496
ii. Direct sales	\$12,306
iii. Club subscriptions	\$41
iv. Australian subscriptions	\$175
c. Bookshop sales - \$27,880 (not including freight)	
d. Callbook	
i. Advertising	\$700
ii. Sales	\$9,870 (not inc. freight)
e. Foundation Licence Manual	
i. Advertising	\$7,227
ii. Sales	\$12,473 (not inc. freight)
a. Examination fees	\$54,625
a. Callsign management fees	\$21,709
b. Merchandise sales	\$222 (not inc. freight)
c. Any other revenue	\$17,818 (calculated)

Answer – The income breakdown is shown. The statement of falling revenue was based on falling membership numbers and a falling number of assessment events. There may be some distortion in income due to the cycle of 5-year memberships. This has not been analysed.

WIA Recommendation - Future financial reports could show more detail on the various income sources.

Item 2 - Inventory

Question - Obsolete inventory write down \$15,581. Please provide details of precisely what items were written down, why they were written down and who authorised the write down.

Question - There appears to have been an extraordinarily significant 'write-off' of 'Inventory Obsolete' (totalling \$15,581). What inventory was this (given these are 'Member Assets') and what attempts were made to encourage some cost recovery on these items.

Answer - This item has two components:

- i) A stocktake adjustment took place at the end of 2016, based on the result of an end-of-year stocktake. The write down was \$8,140.

This adjustment was necessary for several reasons:

As there were no stock adjustments for the 2014 or 2015 years, the assumption is that there had not been a thorough stocktake performed by the office for some time. The 2016 physical stocktake was counted by the Executive Officer and documented, items to be written off were authorised by Director Fred Swainston and 2-Peas took up the adjustments in the MYOB file.

The WIA is transitioning out of selling non-WIA publications. Non-WIA produced product was removed from stock. Some of that product was sold at the Wyong Field day at a heavily discounted price. There is a small remaining stock of books and clothing which is now off-inventory and available for discounted sale at other events.

- ii) A journal adjustment took place at the end of 2016 of \$6,876

Our bookkeepers advise that further breakdown is not available without additional expense by the WIA's accountants. Mitchell Wilson have quoted their standard fees of \$250 per hour to extract this information. The question is to be referred to the first meeting of the incoming Board for their consideration.

Item 3 – All Costs in P&L

Question - Please confirm that the published P&L reflects all costs incurred in 2016 and that they include all invoices received and dated up to 31 December 2016. Are there any expenses or accruals relating to costs incurred in 2016 that have been carried forward into the 2017 financial year?

Answer – 2-Peas advise the only cost items that relate to FY2016 carried over into 2017 are:

1. The provision for international representation \$8,497, dated 6th May, that has been taken up in 2017.
2. Bookkeeping fees relating to 2016 have been incurred in 2017. These are increasing, too, as we respond to these questions on notice.
3. Auditor's and accountants fees for the preparation and audit of the 2016 accounts.

Item 4 – Trade Debtors

Question - The Balance Sheet shows Trade Debtors of \$25,700. In September 2016, the MYOB accounts showed that Trade Debtors stood at \$35,678. Most were over 90 days overdue and many considered unrecoverable. Please confirm whether \$10K worth of debtors have, in fact, been recovered. If not, why has the figure changed? What proportion of debtors as at 31 December 2016 were >90 days overdue? Are any of these Trade Debtors deemed irrecoverable?

Answer – A number of small debts were written-off as part of a debtor clean-up in late 2016. These were mostly very small amounts less than \$100 each that had accumulated over a long period, and were considered un-economical to pursue.

Larger debts were not written-off in 2016 as the President considered these had not been adequately followed-up by the office, and most should be recoverable.

At the 31st December 2016 there was \$5,428 outstanding over 90 days. The office is currently chasing up debtors as a matter of urgency.

Question - Please confirm whether all invoicing for advertising in WIA publications is up to date and whether there are any disputes with advertisers relating to payment.

Answer – Invoicing for advertising is performed quarterly by the WIA office. In accordance with this practice, the invoicing is up to date. Invoicing for the months of April, May and June 2017 will be performed at the end of June. The Board is not aware of any disputes relating to payment.

Item 5 – Bookkeeping Costs

Question - Please confirm whether Bookkeeping \$27,606 relates to payments to 2-Peas. Earlier in the year Murray Leadbetter, CPA, as well as another firm of bookkeepers were contracted. What were their full costs and where are they shown in the P&L?

Answer - 2-Peas advise the following:

Busy Bees Bookkeeping	\$17,029
2-Peas Bookkeeping	\$10,577
Total	\$27,606

Murray Leadbetter is reported under Accounting on the financial report.

Item 6 – Directors Fees - Other

Question - Please provide full details of Director's Fees - Other \$3,300

Answer – This was the cost of director's corporate governance training. It is expected to be an ongoing expense for new directors.

Item 7 – Insurance Costs

Question - Please explain why insurance costs have increased from \$18,163 to \$37,247. Did the WIA obtain competitive quotes from another broker? If not, why not?

Question - There appears to be an extraordinary increase in 'Insurance' expenses for the FY2016 (totalling \$37,247 for Fy2016 vs \$18,163 for FY2015 and \$11,021 for FY2014 – effectively a 100% increase from the previous year!). What has triggered this increase and how is the WIA attempting to limit the impact of this item in future years?

Answer – This is a result of incorrect journal entries in 2015. Actual Insurance payments for both years are listed below:

Insurance Type	2015 (\$)	2016 (\$)
Business Insurance	2,258.10	2,298.44
Public Liability – Clubs	34,640.55	35,286.92
Building Insurance	1,855.00	1,855.00
Professional Indemnity – Assessors	5632,38	5629.87
Management & Director Liability	1,755.34	1,826.60

Item 8 – Examination and Callsign Expenses

Question - Please explain why Examinations costs increased from \$5,311 (2015) to \$19,498 (2016) when the Directors' Report does not indicate any significant increase in the number of examinations undertaken.

Question - Exams are down 15%/30% but costs to run examinations are up 360%

Answer - This is the result of several accounting factors:

1. Some examination and callsign expenses during 2015 were combined into general expenses. For instance, insurance and postage were combined with non-contract expenses in the 2015 accounts. This explains the large difference between the 2015 and 2016 years.
2. Mitchell Wilson advise that there has since been an adjusting journal entry of approximately \$6,500 from out of the Exams Indemnity Insurance account.

The 2015 and 2016 financial reports to the ACMA were prepared from original documentation, and are based on actual expense receipts and records of examination events and callsign recommendations.

Item 9 – Software Costs

Question - Please explain why software maintenance has increased from \$10,470 to \$18,025

Question - There appears to be an extraordinary increase in the 'Software Maintenance' expenses for FY2016 (totalling \$18,025 for FY2016 vs \$10,470 for FY2015 and \$6736 for FY2014). What has triggered this increase and how is the WIA attempting to limit the impact of this item in future years?

Answer – During the year, the WIA engaged Omni Software to make improvements and some changes to Memnet to resolve specific problems that members were experiencing. Costs were also incurred for changes to accommodate the ACMA's new Spectra database. The breakdown is as follows:

Memnet Upgrades and licenses	\$11,328
MYOB Licence fees	\$910
Website Hosting	\$5350
Go-to-Meeting Teleconference	\$437

Item 10 – Bookkeeping - General

Question - Did the auditor comment on the standard of bookkeeping and financial records management of the WIA and were any recommendations made for the future?

Answer – No. We have not received any comment from the Auditor on that issue.

Question - The President commented in the April 2016 AR Magazine that the books would be handed over to the new Board “in perfect condition”. Please confirm that the WIA will be continuing to use the MYOB Cloud based accounting system and that:

a. All wrong posts have been corrected

Answer - The WIA has no plans to change from a cloud-based accounting system. However, this is a matter for the new Board.

Answer – *Response from 2-peas* - As best as they possibly can. However, future accounting systems and processes between various income portals need to be reviewed in order to streamline the process.

WIA Recommendation – investigate ways to simplify receipt of membership fees by reducing the number of payment portals, especially those that require manual intervention to match payments to members, such as B-pay and Direct-deposit.

b. All incorrect BAS returns have been corrected and amended BAS returns submitted and that BAS returns are up to date

Answer – *Response from 2-Peas* - FY2016 BAS returns were reviewed and adjusted as at 31 December 2016 and lodged with ATO, accordingly. 2017 BAS is up to date.

c. Employee Superannuation has been reconciled and payments are up-to-date

Answer – *Response from 2-Peas* - Yes, all up to date.

d. All Bank accounts have been reconciled and bank reconciliations are up to date

Answer – *Response from 2-Peas* - All bank accounts are correct and audited

e. The MYOB balance sheet now shows all inventory correctly.

Answer – *Response from 2-Peas* - The WIA is capturing all items as best as possible; however, some items like the Men and Women at War publication are produced in various components. MYOB does not cater for this type of inventory set up and therefore they are expensed directly to cost of goods sold. Inventory systems need further review by the new Board.

WIA Recommendation – An inventory system with more flexibility may be useful. Investigate enhancements and ways to improve integration of the inventory systems.

f. All revenue streams and accruals have been reconciled and are up to date

Answer – Response from 2-Peas – Yes.

g. Trade debtors are now under control

Answer – Response from 2-Peas - Trade debtor accounts are now under control.

h. All invoicing is up to date for FY 2017.

Answer - Trade invoices are up to date in accordance with the current practice of a three-monthly invoicing cycle for AR advertising.

Question - please provide copies of the MYOB Balance Sheet as at 31/3/2017 and the MYOB P&L for the period 1/1/17 to 31/3/17.

Answer – The WIA has not previously provided mid-term financial reports. These reports will be provided to the new Board for their decision on release.

Question - There appears to have been a disproportionate increase in 'other expenses' in the 2016 FY. Are these 'one off' or likely to continue at this level or likely to continue to increase? What factors are driving these costs and what is the WIA doing to slow or reverse this trend?

Answer – This information is not readily available. The accountant has quoted their standard fees of \$250 per hour to extract this information. The question is to be referred to the first meeting of the incoming Board for its consideration.

Question - There appears to be a year-on-year depletion of cash reserves. Is this an intentional strategy of the WIA or is the WIA heading towards a situation where it will be unlikely to make payments as and when due from its operational cash reserves? (It would appear that at the current rate of depletion that the WIA would not be able to see out its FY2017 without liquidating some assets).

Answer – No, this is not an intentional strategy. This issue will need to be addressed by the new Board. There were a number of payments in 2016 associated with the accounts, that should be significantly reduced in future years.

Item 11 – Employee expenses

Question - Why are employee expenses all over the place between 2014, 2015 and 2016?

Answer – During the latter part of 2015 and 2016, the office manager position was performed by a contractor and there was employment of temporary staff through an employment agency.

During 2015, there was a redundancy payment made to the then Office Manager. During 2015, termination payments were made to the departing Office Manager and the Administration Assistant. Termination payments other than the redundancy payment were a balance sheet liability carried forward from previous years.

Item 12 – ACMA licence fees

Question – Why are ACMA license fees higher in 2016?

Answer - In addition to the WIA callsigns, and some repeater licenses carried forward from the time of nationalisation, the WIA paid for a large number of special event callsigns during 2016. These include the VI(x)ANZAC series, VI(x)BLT Battle of Long-Tan, VI8BOD Bombing of Darwin, and VI90IARU 90 years of the IARU.

Item 13 - Contractor Expenses

Question - Contractor Expenses are \$14,606 - to whom was this amount paid, and for what services?

Answer: These payments were made to Trainsafe Australia for the management of the WIA office during late 2015 and up to February 2016.

Item 14 – Cost of Preparation of Accounts and the Audit

Question - The Audit Fees \$13,400. Why was the Audit conducted, did it achieve any additional benefit that a normal review would have given?

Answer – The Audit fees shown on the 2016 accounts refer to the costs of the Review (not an audit) carried out in 2015. The costs were higher than expected due to additional costs incurred by the Auditor to answer correspondence, attend meetings and hold conversations with WIA officers, and responding to some members who contacted the Auditor directly.

The cost of the preparation of Annual Financial Statements was \$4,840 inc. GST. The cost of the Review was \$9,900 inc. GST. This amount was higher than anticipated due to the need for the Auditor to attend additional meetings, give additional advice, and answer additional correspondence.

All forms of contact with the auditors, accountants, and bookkeepers incur significant costs.

The WIA Board understands there is a lot of suspicion being generated regarding the accuracy of the WIA's accounts following the resignation of several Treasurers. It was agreed that a full Audit was appropriate for the 2016 year.

The costs of the current 2016 account preparation and Audit will be shown in the 2017 year accounts. At the Auditors suggestion, the Board approved the additional expenditure of

\$3,000 for the 2016 year to answer queries submitted directly to the Auditor by some WIA members.

WIA Recommendation – It may be appropriate to carry out an Audit periodically, say, once every 4-5 years. Members submitting questions directly to the Auditor should be expected to pay the associated costs.

Comment - I am disappointed that it was necessary to appoint professional bookkeepers when there were several qualified volunteer treasurers available during the year, all of whom resigned citing various accusations.

Response - We all are. The amateur fraternity is an ageing cohort, and we need to be careful about placing unrealistic expectations on volunteers. In our modern times, the role of Board members and Office Bearers of membership organisations like WIA are not occasional spare-time activities. The WIA has benefited greatly over the past six months by seeking professional bookkeeping and accountancy services.

WIA Recommendation – That the WIA continues to use the services of professional bookkeepers and accountants.

Item 15 – Request for Further Financial Information

Request – That the Secretary provide to this meeting, in hard copy, the Performance and Financial Reports provided to the ACMA for Financial years 2015 and 2016.

Response – This item is to be referred to the incoming Board.

Request – The Secretary to provide in hard copy at the AGM of the Profit & Loss Statement and Balance Sheet for 2017 Year to date, ended 30 April 2017. Should the Directors be unable to fulfil this request then the same reports be provided for the first quarter of 2017 (ie. 1st January - 31 March 2017).

Response – This item is referred to the incoming Board. The new Board has been provided the Profit & Loss Statement and Trial Balance Sheet to the end of April 2017.

Item 16 – General Financial Management

Request – That the Secretary, declare in writing at this meeting, what actions, mechanisms and processes the Board followed to manage member's funds during 2016.

Response –

Some 40 WIA office procedures were documented during the latter part of 2015.

The WIA maintains investments in property as well as cash on term deposit.

All payments over \$1,000 require Board approval.

The Board maintains strict security of access to bank accounts.

Directors and officers do not have expense accounts or WIA credit cards.

The Board obtained the services of 2-Peas accounting in the latter part of 2016.
The Board obtained the services of Mitchell Wilson Accountants in 2016.
The 2016 accounts were audited on the direction of the Board.

Item 17 – Call for General Meeting

Request - That the Secretary, declare in writing at this meeting, the reason for each and every statement that was declared invalid in the call for a general meeting with a motion for the removal of Directors.

Response - To provide the requested information would be a breach of the Commonwealth Privacy Act. This item is referred to the incoming Board.

Comment - Section 15 of the Report states “A general meeting intending to force the removal of five directors from office.” A correction is required as the motion in the initial call was for the removal of four, not five, directors.

Noted – A correction will be made to the text of the Report.

Item 2 – AR Magazine

Question – What are the arrangements and contracts in place surrounding the publication of "Amateur Radio" magazine?

Who is the contractor, how was the contractor initially sought out and does the contractor have any direct or indirect association with any Board member past or present?

How much does the WIA pay monthly to the contractor and what are the outstanding liabilities for the duration of this contract? When was the contract last renewed, and what is the duration of the arrangement? What are the liabilities associated with exiting the arrangement?

Answer - Amateur Radio Magazine is produced by the Publications Committee. The only contract in existence is a contract between the WIA and Fontana Design for the production and lay-out work for eleven monthly publications of AR Magazine each year. All Publications Committee members, with the exception of Fontana Design, are unpaid volunteers. The Editor receives a small yearly honorarium. There are also existing business relationships with the printer and the mail-house, though these are not in the form of ongoing formal contracts.

The Board is not aware of any past associations between Board members and the contractor, other than casual associations, as the proprietor of Fontana Design is also a radio amateur. The contract is scheduled for review yearly, the last review taking place in 2016. The contract cost is shown in the costs below, (typesetting, artwork and pre-press costs).

Question - AR Magazine is the largest single annual cost. Please provide a breakdown for the year of:

	Answers
a. Typesetting, artwork and pre-press costs	\$61,476
b. Printing costs	\$53,636
c. Postage	\$58,761
d. Other, including Editors honorarium (\$4K) and expenses (\$1K)	\$7,102

Question - When competitive quotes were last obtained for AR Magazine typesetting, artwork pre-press, and printing, what were the results?

Answer – Prices for typesetting and pre-press layout for both AR Magazine and the ANZAC one-shot were obtained from multiple suppliers. The same brief was provided to each of the companies quoting.

To develop the quote for AR magazine, each company was provided with an identical sample PDF copy of AR magazine, the request asked for a quote for typesetting and pre-press layout and to produce the magazine to the same or higher standard as the supplied sample. The magazine was to be produced using text, photographs and commercial supplier PDF advertisements, instructions to be provided by the magazine editor, and with two rounds of proofs with corrections. The companies were advised that the creation of advertisements for others (radio club hamfest advertisements and commercial supplier advertisements) were to be quoted separately on a case-by-case basis and each to be based on the time and work involved.

Quotes for typesetting and pre-press layout only (ie. no additional services) for AR magazine were obtained from the following:

Wellcom Group, Contact – Michael Penglase. Australia’s largest production house, Wellcom produces the Coles and Woolies Catalogues, plus material for many other large corporates. (Disclosure – WIA Director Robert Broomhead is a past employee of this company 2003-2013)

Tidd Design, contact – Jamie Tidd. Until July 2016, Jamie was employed full time by World Vision as an in-house graphic designer, now owner-operator of Tidd Design.

Communique Graphics, contact - Ivan Smith. Produces the WIA Foundation Licence Manual, Annual WIA callbooks, Calling CQ Brochure, Join WIA Brochure, Centenary Logo, poster and promotional material, and numerous WIA award certificates.

Communique Graphics supplied a quote but indicated that it was not able to provide the services requested for a monthly publication at this time due to existing contractual commitments, which prevented it supplying the required services at the required time each month.

Fontana Design – A quote was not requested from Fontana Design as they are the existing supplier. Contact – Sergio Fontana. Current AR production supplier, commenced in 2010 (Fontana Design includes the design of radio club hamfest

advertisements ,and on occasion assistance with commercial supplier advertisements, in his monthly fee).

The request for quotations (RFQ) from Wellcom Group, Tidd Design and Communique Graphics were for the supply of services for typesetting and pre-press layout only. The Publications Committee has advised that the existing supplier (Fontana Design) also undertakes additional tasks, including liaison with both mailing and print houses, and liaison with advertisers. Such additional services have not yet been clearly specified nor costed, and all such costs would need to be met by the WIA in the event that the current arrangements were terminated.

The quotations in response to the RFQ were forwarded to the Publications Committee. The most expensive quote was from Wellcom. It was about 60% of the current supplier's costs. The least expensive quotes were from Tidd Design and Communique Graphics (each were very similar, at about 37% of the current costs). *The Publications Committee* has pointed out that the extra services provided by Fontana Design have not been quoted by others, as the RFQ from the Board did not specify the additional services. The obtained quotations will be forwarded to the new Board, together with comments prepared by the Publications Committee regarding the supplied quotations and job specifications.

Question - I note that the WIA has recently advertised for an Advertising Sales representative. Does that indicate that there is any doubt whether major advertisers, i.e. Icom and Yaesu will continue to support WIA publications?

Answer - The WIA office is more than fully occupied with other activities and has not been able to devote the time required for effective print advertising sales. The Board believes that the best option for advertising sales is to use an individual (not yet identified) with experience in that field.

There is no reason to believe that current advertisers will cease to support WIA publications because of the advertising sales position publicised recently. Naturally, all organisations face advertising budget pressures and changing market conditions.

Item 18 – Trainsafe Australia

Question - Please advise the total amount of payments to Trainsafe during the 2016 year and whether these costs are covered under Contractor Expenses \$14,606.

Answer -These payments were made to Trainsafe Australia for the management of the WIA office during late 2015 and up to February 2016. Trainsafe does not charge the WIA for their Nominated Training Organisation activities. This represents a very substantial voluntary contribution to amateur radio.

Question - Serious concerns were raised regarding payments to Mr Fred Swainston's business, Trainsafe, the standard of their invoicing and the value the WIA received for Mr Swainston's/Trainsafe's services. Did the auditor comment on this?

Answer – No. The WIA has not received any comment from the Auditor on this issue.

Question - An opinion has been expressed that Mr Swainston should have been deemed an employee, and not an independent contractor. Mr Swainston undertook to provide a letter from his accountant advising that they believed he should be treated as an independent contractor. Was this letter ever received and did the WIA auditor express a view on this matter?

Answer – Yes, the WIA board did receive a letter confirming his accountant's view that Mr Swainston was acting as an independent contractor. The WIA Auditor did not express a view.

Question - A concern was raised that none of the invoices submitted by Trainsafe Australia stated that they were GST inclusive, although they bore the ABN of an enterprise that is registered for GST. I also noted that the WIA bookkeepers had applied these invoices to three different expense accounts and claimed tax credits on some, but not all, of these invoices. Have these invoices been re-submitted in the correct format, wrong posts corrected and BAS returns amended?

Answer - 2-Peas advise that GST had been claimed on all the invoices and the BAS amended. Coding was corrected. Re-submission of the invoices was not required.

Request – That the Secretary declare in writing at this meeting, what actions the Board took to oversee the appointment, value for money, performance and remuneration including superannuation and any other costs to the WIA of Fred Swainston (Trainsafe) in the paid capacity of Office Administrator.

Response - Mr Fred Swainston's company, Silverdale Training and Development Pty Ltd, trading as Trainsafe Australia, was appointed at a face-to-face Board meeting at Tullamarine (Melbourne) in August 2015. This followed a review of the WIA office and receipt of certain recommendations. As required, Mr Swainston removed himself from the room during the vote on the issue. The decision was a unanimous one of the remainder of the WIA Board.

The Board considered the appointment to be urgent and Trainsafe Australia was appointed in the interests of expediency. The WIA is a very complex operation and Mr Swainston was prepared to perform the required work at short notice, at a cost approximately equal to the total employment costs of the previous Office Manager position, and did not require a long period of supervision, training or familiarisation which would have been the case with others.

As a contractor, Mr Swainston was responsible for his own overhead costs and this factor was negotiated into the agreed contract price. Payments to Trainsafe Australia were approximately equal to the gross wages and on-costs of the previous Office Manager position. Financial reporting relating to this agreement has been included in previously provided financial statements. Superannuation payments were not made by the WIA.

Payments made in the seven month period between the 17th August 2015 and the 26th February 2016 totalled \$51,500.

In reference to performance, at the Tullamarine face to face meeting, the Board, including the then Treasurer, Mr John Longayroux and then Secretary, Mr David Williams, unanimously agreed to employ Mr Swainston as a contractor to oversee the office operations and implement a change program. At this time, the then Office Manager was on sick leave. Following this meeting, a letter containing objectives was provided by Mr Swainston. It is the belief of the WIA Board that these objectives were not only achieved, but exceeded. The outgoing Board is of the opinion that the contracting of Trainsafe Australia was correct under the circumstances.

Question – What are the educational qualifications of Mr Fred Swainston?

Answer – Mr Swainston's educational qualifications are as follows:

- Masters in Technology Management, Univ. Western Sydney
- Graduate Certificate of Enterprise Management, Swinburne University
- Masters in Science (Astronomy) part completed, Swinburne University
- Bachelor of Education, LaTrobe University
- Diploma of Technical Teaching, Hawthorn Institute (Melbourne University)
- Certificate in Teaching, Hawthorn Institute (Melbourne University)
- Certificate of Change Management, University of Sydney
- Diploma of Training & Assessment,
- Certificate IV in Training & Assessment, Northern Met Institute of TAFE
- Certificate RPL Assessor, Holmesglen Institute
- OH&S Representative Certificate
- Certificate II in Public Safety
- Diploma of Frontline Management, Holmesglen Institute
- Technician Certificate
- Radio Trade Certificate III
- Long Range Marine Operators Certificate, University of Tasmania.

Question - How does Mr Fred Swainston assess potential assessors' educational qualifications and decide who receives "Recognition of Prior Learning" for their educational qualifications?

Answer - Any person who is a currently qualified teacher or holds a certificate IV in Training & Assessment, and if they choose to disclose this information to the NTO, are contacted by phone and are offered the opportunity to complete the 'check of understanding' without completing the assessment and training components of the Assessor training. This requirement ensures that all Assessors have access to and have read the Exam Instructions. Not all applicants choose to do this.

Item 19 – Foundation License Manuals

Question - Concern was raised during the year regarding the large print run for the Foundation Licence Manual (FLM). What was the inventory stock of the FLM (numbers of copies on hand and cost price) as at 31 December 2016 and how many copies of the FLM were sold during 2016?

Answer – A recent stocktake shows that 905 Foundation licence manuals have been sold in the 12 month period between receiving the stock on 12 April 2016 and the 14th of April 2017. The office advises that 615 were sold during 2016 to clubs and individuals. The income posted for 2016 was \$12,472. 2-Peas advise that some sales were not posted through the correct inventory system due to a misunderstanding by a previous book-keeper, and were put directly to costs of goods sold rather than the correct inventory code. An inventory adjustment was made at the end of 2016. 2-Peas could not rectify this as they were not responsible for all data entry prior to their engagement in September. This required a large amount of analysis by the bookkeeper.

This was a one-off error which was repaired at the end of the year and should not be repeated.

Item 20 – WIA Membership Information

Request – That the Secretary, declare in writing at this meeting, the total number of members on the register of the Association, in all categories, the number of AR magazines delivered by post on a monthly basis, the number of members that have elected to receive AR magazine electronically, and the number of final notices issued to members, by date of issue. All the data to be detailed for the years 2014, 2015, 2016 and up to 30th April 2017.

Response – The MEMNET management system does not provide long-term information in report form. Significant expense would be incurred to extract this historical information from Memnet archives. For membership information relating to previous years, please refer to the yearly Annual Reports. These are available at this meeting in digital format, and from the WIA website.

The office advises that 694 reminder notices were sent to members over the period 1st Jan to 1st May 2017. Of these, 85 members have failed to renew following final reminder notices. Regardless of that, the membership has slightly increased this year due to new members, or lapsed members re-joining.

The table below shows membership numbers at 8th May 2017. Total membership of the WIA at that date was 4185.

Full members	2769
Concessional members	1120
Student members	45
Non-AR members	104

Family members	85
Life members	26
Digital AR only members	214 (included in other memberships)
Overseas members	36
Number of final notices issued in 2017	See text
Number of AR Magazines delivered by post in April 2017	3580 plus 60 copies sent to, advertisers, other societies, the IARU and libraries. Un-financial members (~7%) do not receive AR Magazine.

Item 21 – Director Benefits

Request – That the Secretary, declare in writing at this meeting, all benefits whether financial or in kind provided to employees, consultants, directors or members of the WIA during the financial years of 2014, 2015, 2016 and up to 30th April 2017, together with the record of the processes and Board approvals for such benefits.

Response – Apart from salaries and wages paid to employees, and fees paid to Director Swainston in his period as a paid contractor, there are no benefits, financial or otherwise, provided to WIA employees or officers, other than honorariums paid to the Editor of AR Magazine and the WIA Treasurer. The Editor of AR magazine and the Treasurer both receive \$5,000 to cover expenses. The Treasurer honorarium was not paid in the last few years.

For a short period in 2015, a vehicle space was provided to Director Robert Broomhead within the WIA office for a market rent. That arrangement was terminated following member concern.

It is worth noting here that WIA Directors often do not claim legitimate expenses in their duties, and are usually significantly ‘out-of-pocket’. WIA Directors and officers are not provided with an expense account or a WIA credit card.

Item 22 – ACMA Contract - Financials & Assessments

Request – That the Secretary, declare in writing at this meeting, contemporaneous records of each and every meeting between the WIA and the ACMA in relation to the deed between the two organisations, together with all or any variations, as referred to in paragraph 27.1 of the deed, since the deed was originally signed.

Response – ACMA meetings are business discussions between the ACMA and representatives of the WIA. The WIA does not hold records of all meetings. This item will be referred to the incoming Board.

Question - Section 8 of the report states “as according with the Commonwealth cost recovery Guidelines”. An observation is that all costs currently being incurred in the conduct of assessments are not currently being passed on the WIA for accounting purposes but are

being borne by clubs and individual assessors. An example of this is the fact that assessment papers are typically 'express posted' back to the WIA however the cost of this is carried by clubs and/or individual assessors. The WIA noted that this cost for the sending of assessment materials was excessive and has chosen to reduce their direct and attributable cost in this area by not using 'Express Post' however the contrary has not been permitted for the returning of these material as required.

Answer - There is a process for a club to claim postage should they wish to do so. The office will also provide post bags, should they be asked to do so. The WIA understands that there are expenses borne by clubs, such as electricity and facility costs, that are not passed-on. The WIA thanks the clubs for their valuable contribution to the future of Amateur Radio.

Question - It is also noted that in the Open Forum reports that it is stated that the 'education and assessment administration, callsign and certificate or proficiency administration has run at a financial loss for several years' – how is this the case given it is to be on a 'cost recovery' basis? What is the WIA doing to truly capture the 'real costs' of the assessment system provided on behalf of the ACMA and have these appropriately recognised by the Commonwealth?

Answer – The WIA provides a financial analysis to the ACMA each year that tracks both expenses directly attributable to the Contract, and other expenses attributed as a percentage of the total costs. For instance, Assessor indemnity insurance and examination postage are 100% allocated to the contract, but things like electricity and general office expenses are allocated as a percentage. The calculation is complex and was negotiated with the ACMA many years ago.

Basically, there are two ways to improve the situation: put up the price of assessments, or reduce assessment costs. The outgoing Board believes that a rise in assessment price would be detrimental to the hobby, and should be considered a last resort. CPI increases, which are minimal, may be an option for the new Board to consider.

Another other option is to reduce staff-time assigned to contract activities. The number of examinations has fallen over 30% since the contract commencement, but staff resources have been consumed alternatively by increased customer services to assessors and candidates.

Where previously the WIA used to just bundle everything up and send it to ACMA licensing to accept or reject, Petra is now checking all the information submitted for errors and omissions, and liaising directly with the assessor if a problem is identified. This has resolved many issues on-the-spot, and has avoided long administrative holdups for some candidates in receiving a licence. The time to perform this service is costed to the contract. The current Board believes staff hours allocated to the Contract should be reduced in line with falling examination numbers. It may be advantageous if those free staff hours were devoted to marketing the assessment service to potential new radio amateurs.

The best option would be to use technology to reduce the administration time. In this regard, Trainsafe has been trialling an on-line documentation system that looks promising. Full on-line assessment is also possible, but it would need to meet all Commonwealth

requirements and would be slow to implement, and it still needs an Assessor present to properly identify the candidate. Also, many clubs do not have the computer resources necessary for multiple candidates.

Question – In Section 10 of the report there is the observation: “That VK2s appears to be grossly under-represented in terms of Nominated Assessors”. What is the WIA doing to rectify this situation given that when assessors have previously approached the WIA offering to train and become NAs they have been formally advised that: “There are limited positions for Nominated Assessors and these in NSW are all full at the moment”. The response above appears to be contradictory to logic and reason given that:

a) NSW has the highest number of Assessors registered in the system (75 excluding NAs)

b) NSW has the second highest number of Learning Facilitators registered in the system (12)

c) Approximately 27% of amateur licences are within the VK2 call area (4291 of 15749 based on ACMA database extract 08/05/2017)

d) Of the new licences issued (678, or 741 depending on your source of information, requiring assessments), in excess of 25% were conducted in NSW.

e) The ratio of Assessors to NAs in NSW is bordering on 22:1, nearly double that of the next nearest (VK3) being 13:1.

Answer – The distribution of Nominated Assessors across Australia is currently sufficient to handle the quantity of special exam requirements and audits. The Nominated Assessor role is a National role, and Nominated Assessors frequently cross State and Territory boundaries. It is correct that there are limited positions for Nominated Assessors, as we only need as many as required to complete the required work. As one leaves they are replaced – usually from a similar location.

Question - There appears to be a discontinuity between the assessment data provided and the ACMA database analysis. The ACMA database analysis appears to suggest that a total of 485 individuals ‘joined’ the database in FY2016 and that a further 193 licence upgrades were performed (nominally 678 assessable events). Given that each of these events would have required assessment (with the noted exception of reciprocal licencing arrangements), this appears to be contradictory with the information provided in the ‘Education Committee’ report which states:

a. 1 special assessment conducted

b. 6 remote assessments conducted

c. 4 RPL requests assessed

d. 392 Foundation Assessments (233 stated in the database analysis)

e. 90 Foundation -> Standard Upgrades (99 stated in the database analysis)

f. 30 Foundation -> Advanced Upgrades (28 stated in the database analysis)

And the Financial Report which states:

- a) 741 total assessments (successful)
- b) 374 Foundation Assessments
- c) 107 Standard Assessments (of which 90 were upgrades)
- d) 87 Advanced Assessments (of which 78 were upgrades)
- e) 14 Direct to Standard Assessments (although this does not correlate with 17 assessments identified above being 107 – 90)
- f) 13 Direct to Advanced Assessments (although this does not correlate with the 9 assessments above being 87-78)

Can the WIA provide clarification as to the most accurate representation with regards to these items?

Answer - This question was referred to Marc Hillman VK3OHM and Robert Broomhead VK3DN.

Marc Hillman is very confident that his analysis is correct. The data in the Financial Report is derived from the office records of actual assessment events, so that is also correct. An obvious discrepancy is that the Education Committee has recorded 392 Foundation Assessments, yet the ACMA data shows only 233 new Foundation licenses issued. It is possible that both are correct for the following reasons:

1. The examination service is reporting on the number of assessment conducted and Marc is measuring the number of licenses issued. Not every assessment is deemed as competent, so you would expect to see a higher number of assessments than the number of licences issued.
2. Each day there is a report produced that lists the callsign recommendations that are overdue, i.e. the callsign is not yet in the "Granted" state, and the recommendation has expired. At 31 Dec 2016 there were 50 overdue recommendations, broken down as 38 x Foundation, 4 x Standard, 5 x Advanced (3-letter), and 3 x Advanced (2-letter). As hard to believe as it may seem, it would appear that there is a large number of people who are not paying their licence fee, and therefore their licence is not transitioning to Granted. Why this would happen, we don't know.
3. The ACMA analysis is performed on an annual snapshot taken in December each year. It is theoretically possible for someone to do three assessments in that year by moving rapidly through Foundation, Standard and Advanced assessments. The Education Committee will see this as three assessments, yet the ACMA analysis will only see it as one (Advanced). There is no way of estimating how big this effect is, but it could explain some of the discrepancy between Education Committee and ACMA figures. This may also explain some of the other discrepancies in upgrades if they are done in the same calendar year.