



# 2008 - 2009 Annual Report

Building a healthy fund to support Canada's  
campus and community radio sector



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It is our pleasure to report to our stakeholders on the second year of operation of the Community Radio Fund of Canada (CRFC). Since electing our first board of directors in September 2008, we launched our first call for funding applications to the campus and community radio sector. Both staff and board helped make this first funding year a success, with nineteen stations and one association receiving just under \$160,000.

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## INFRASTRUCTURE AND GOVERNANCE

### **About the CRFC**

The CRFC was officially incorporated as the Community Radio Fund of Canada Inc. / Le Fonds canadien de la radio communautaire inc. (CRFC/FCRC) in November 2007. It was founded by the National Campus and Community Radio Association (NCRA/ANREC), the Alliance des radios communautaires du Canada (ARC du Canada) and the Association des radiodiffuseurs communautaires du Québec (ARCQ). The purpose of the CRFC is to provide support to the more than 140 campus and community radio stations in Canada and to foster a well-resourced, dynamic, and accessible sector. It is a not-for-profit funding organization that distributes funds geared toward the development and sustainability of local community radio broadcasting.

The CRFC is a membership-driven non-profit organization. Its members are the community-oriented licenced stations and representing associations it has been set up to serve. Any licenced community broadcaster and their representative associations can apply for membership. Currently, stations pay \$20/year in membership fees, and stations do not need to be a member of the CRFC in order to apply for and receive funding. As of November 23, 2009, we have eighty members, an increase of seventeen from last year. Forty-one members have officially renewed their memberships to date.

The CRFC holds an Annual General Meeting (AGM) each fall. The second AGM was on Thursday, November 26, 2009 at the Arts Court Library. Each year, the CRFC invites members to participate in person or by proxy. With respect to agenda items requiring a vote from the membership, detailed information and ballots are distributed at least three weeks prior to the meeting. To facilitate this distribution, the CRFC created a private members' only website. For now, it includes all of the relevant AGM materials and information. In the future, the CRFC intends to work with the membership to expand the site to meet everyone's needs.

This year's AGM focused on the presentation of this annual report as well as its first audit. As well, the annual board elections were held during the meeting. Finally, the CRFC Board proposed six by-law amendments that clear up confusing sections, outline a timeline and process for making by-law amendments, and reduce quorum requirements. The membership approved the amendments.

## The CRFC Board of Directors

The CRFC Board of Directors is made up of five to nine regular members as well as three ex officio positions reserved for representatives of each of the founding associations. The regular directors cannot be directors, officer, staff, or active volunteers with any potential recipient. The ex officio directors are non-voting, cannot hold officer positions, and cannot participate in the grant selection process. Their role is offer advice and context when it comes to community broadcasting in Canada.

For the first year of operations, the CRFC membership elected five directors and each association appointed their executive directors to sit on the first board.



From left to right: **Jean Léger**, Vice-president (Secrétaire général, Fédération acadienne de la Nouvelle-Écosse, Halifax NS); **François Coté**, Ex officio ARC du Canada (Secrétaire général, ARC du Canada, Ottawa ON); **Ian Pringle**, Director (Education Specialist, Media; Commonwealth of Learning, Vancouver BC); **Victoria Fenner**, President (Owner/Creative Director of Sound Out Media, Hamilton ON); **Kevin Matthews**, Ex officio NCRA (Executive Director, NCRA, Ottawa ON); **Jean-**

**Francois Côté**, Director (Agent Senior de Développement des Collectivités, Service Canada, New Richmond QC); **Serge Quinty**, Secretary/Treasurer (Communications Director, Fédération des communautés francophones et acadiennes du Canada, Ottawa ON); **Martin Bougie**, Ex officio ARCQ (Directeur général, ARCQ, Montreal QC)

The CRFC Board held its first meeting in Ottawa from October 28-29, 2008 and has met monthly since then (with two exceptions). Among the accomplishments of the CRFC Board:

- Established an internal Program Committee. This committee is responsible for developing programs under the CRFC's program priorities, overseeing the funding application process, developing the relevant application and assessment documentation, and appointing a selection committee, or jury, to assess incoming applications and make recommendations to the CRFC Board as to who should receive funding.
- Created a key policy statement regarding the CRFC's position on neutrality regarding political activities, including its work and communications with the CRTC and its processes.
- Created a key policy statement regarding working with directed eligible recipients.
- Developed a timeline and action plan for the application and distribution process and met all targets on time.

## Board Elections

Following last year's election, two of our board members, Serge Quinty and Ian Pringle, agreed to be one-year members. Prior to this year's call for nominations, Serge and Ian were asked if they would be standing for re-election for two-year terms, to which they responded they would. The Nominations Committee, comprised of Victoria Fenner, François Coté, and Martin Bougie, then put out the call for nominations of other candidates from our members in July. They did not receive any nominations from the members at that time, and so re-opened the call in August. Again, they did not receive nominations

from this second call. Therefore, the CRFC Board accepted the recommendation from the committee that Serge and Ian be put forth as candidates for the board elections to be held at the 2009 AGM. The CRFC is pleased to announce that both Ian and Serge were elected and will each be serving two-year terms on the board.

## Human Resources

The CRFC Board appointed Melissa Kaestner to the position of Executive Director in October 2008, following her Development Consultant contract (April-October 2008). The contract ended on June 30, 2009. Following a performance evaluation, the CRFC Board voted to extend her contract to June 30, 2010. She currently works out of our office in Ottawa and is the only CRFC employee.



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## CRFC FUNDING PARTNERSHIPS

### Astral Media Radio



Astral Media Radio is the first funder of the CRFC. Their contribution comes to us through the Astral Media / Standard Broadcasting transaction approved in August 2007 (please see Broadcasting Decision CRTC 2007-359, dated 8 September 2007). At that time, the CRTC encouraged Astral Media to support community broadcasting and to work with the founding associations to make it happen. In April 2008, the CRTC approved the funding partnership between Astral Media and the CRFC, and officially recognized the CRFC as an eligible recipient for Canadian Content Development (CCD) Contributions. The resulting contribution to the CRFC from Astral Media is \$1.4 million, spread out over seven years, beginning with the CRFC's 2007-2008 fiscal year.

This funding has been instrumental in the creation of the CRFC. Without it, we would not have been able to establish our office, employ staff, elect the first board, develop programs, and of course, distribute funding to our stations. With this support, the CRFC is "standing on its own two feet" and is now in the position to cultivate new funding opportunities and raise our profile with all of our stakeholders, both in the community radio sector and the industry at large.

This partnership has worked so well that Astral approached us in Summer 2009 with another potential CCD opportunity totalling \$300,000. At the time of this report, this contribution is pending a CRTC decision. Please see Broadcasting Notice of Consultation CRTC 2009-589, dated 21 September 2009.

## **Other Private Broadcaster Partnerships**

In January 2008, CHUM Radio approached the CRFC to see if we were interested in managing a cultural diversity program as part of their benefits package for a new Edmonton application. They received conditional approval and are now seeking a viable frequency. If approved, the CRFC will receive a total of \$700,000 over 7 years.

Rogers Broadcasting submitted its own Edmonton application during that same proceeding. They approached us to discuss possible news-oriented grants for our stations and proposed to contribute \$525,000 to the CRFC over seven years. While their application was not approved, the CRFC was encouraged by their approach. Rogers also considered working with the CRFC as part of an application in British Columbia they filed earlier this year. However, the CRFC was not able to enter into the agreement due to our current policies regarding working with contributions directed at specific recipients.

In Spring 2009, Torres Media Group approached the CRFC to receive contributions that would be directed at a specific community radio applicant in Ottawa. After communicating our policy with respect to directed recipients, they approached us with a new offer that would allow us to open up the proposed funding to other recipients. The CRFC accepted the offer with a letter that was to have been submitted with their application, but the resulting decision noted that the funding would instead be going directly to the newly-licensed community station Torres Media had originally proposed to support. While the CRFC did not receive that funding, we still count it as a success as Torres Media did originally see the value in working with us, and, of course, we are happy that a community station received the support.

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## **HOW FUNDING WAS DISTRIBUTED**

The CRFC currently manages two programs that were originally to be administered by Astral Media in 2007 – the Radio Talent Development Program and the Youth Internship Program. While there were differences in criteria, each program required recipients to incorporate training/education/mentorship and programming components to their proposed projects and initiatives. The CRFC recognizes that the sector is in need of core funding. To that end, we left the door open in terms of types of initiatives that would be eligible within the criteria, so long as the learning and programming components were present. The result was a list of funded projects that were as diverse as the stations themselves.

The Program Committee worked through December 2008 to January 2009 to establish the process for receiving applications and distributing funding. They also created an application guide and form, which applicants submitted along with their letters patent, a copy of their CRTC licence, operating budget and audited statements (where available), a list of their board of directors, and various biographical information. The call went out to stations in the first week of February with a March 27 deadline.

## The Selection Committee



To assess the applications, the Program Committee appointed the following three people to form the Selection Committee, or jury:

- Jonathan Browns, Cultural Planner, Arts Collections of the Public Arts Program of the City of Ottawa
- Annabelle Cloutier, Directrice générale of l'Association des producteurs francophones du Canada
- Carolyn Brown, Manager, Journals Program of the National Research Council Canada

To facilitate the assessment process, the CRFC created a private online space where all of the applications and relevant material were posted that also allowed for online participation and collaboration. Thanks to this resource, the jury could assess each application in full over a period of four weeks. In the future, once we have adequate funding resources, this space will allow us to have a jury that is comprised of more members across the country as we would only need to bring all the members together in person for one to two days to make the final decisions.

The jury assessed a total of 54 applications over the course of five weeks. Each application was reviewed and scored in areas such as: applicant financial situation (15%), the training, mentorship, and/or educational component of the application (25%), programming content (20%), relevance and quality of the application (30%), and the project budget (10%). In terms of relevance and quality, the selection committee looked at: how applications met CRFC, CRTC, and applicant goals; whether the project, action plan, and budget seemed realistic; and how the project benefited the applicant, its staff and volunteers, and the community it serves. The committee also considered the capacity of the applicant as well as the clarity and originality of each application. However, even though everyone received a score, each individual application was also fully discussed during the final decision process.

The jury recommended a total of \$158,460 to twenty recipients. Ten stations and one association received \$78,840 through the Radio Talent Development Program while nine stations received \$79,620 through the Youth Internship Program. The jury also chose three runner-up applicants under each program. The CRFC Board ratified the jury decisions on May 12. Notification was given to all those who were approved. Once they accepted, notification was then sent to all of those applicants who were not chosen for funding. Finally, on May 20, the CRFC announced the first round of recipients on May 20.

## CRFC Recipients

CFAD 92.1 FM, Salmo BC: **“Salmo Community Radio Local News/Public Affairs Forum”** \$4,700: Developing a weekly local news and community interest program

CFRG 93.1 FM, Gravelbourg SK: **“Stage radiophonique pour un jeune”** \$8,000: Training an intern who will then produce a series of radio programs on the Francophone musicians of the community

CFRO 102.7 FM, Vancouver BC: **“Aboriginal Language Learning Programming Mentorship”** \$10,000: Providing training and mentorship opportunities for aboriginal youth who will produce a live, weekly program about aboriginal language learning

### Fast Facts

Number of Spoken word projects: 11

Number of News- training projects: 7

CFUV 101.9 FM, Victoria BC: **“Women's Collective Coordinator - Summer Position”** \$2,970: Expanding the training and recruitment arms of the station's Women's Collective to more quickly integrate women volunteers into the training process and to outreach in particular to young women in high schools

CHES 101.5 FM, Erin ON: **“EDHS Partnership”** \$10,000: Creating a partnership with the high school to incorporate radio broadcasting in the school's Communication Technology courses and set-up student run radio programs and training opportunities

CHLI 101.1 FM, Rossland BC: **“Be The Voice”** \$9,960: Exposing youth to the roles of operations within a community radio station, including developing an outreach-marketing plan and initiating a recruiting and training program that is created by youth for youth

CHLS 100.5 FM, Lillooet BC: **“Radio Legends”** \$9,750: Training youth in the production of new St'at'imc radio plays, other historical monologues, and current news

CHOQ 105.1 FM, Toronto ON: **“Dossiers Choq”** \$7,350: Producing 30-minute reports on local interest topics that stimulate public curiosity, part of an open content community education initiative designed to inform listeners, foster their critical judgement, and prompt them to action

CIVR 103.5 FM, Yellowknife NT: **“Recueillir et diffuser l'information locale, territoriale”** \$10,000: Hiring a full time Francophone reporter to open a window on the Francophone community activities

**Fast Facts**  
Rural and remote communities: 11  
Chéticamp NS  
Erin ON  
Gaspé QC  
Glace Bay NS  
Gravelbourg SK  
Lillooet BC  
Rossland BC  
Salmo BC  
Stella ON  
Wôlinak QC  
Yellowknife NT

**Fast Facts**  
Stations operating in an official language minority setting (including both English and French): 6

CJAI 92.1 FM, Stella ON: **“Local Oral History Broadcast Project”** \$2,320: Recording a new series of historical community remembrances for radio broadcast and for the local primary school library, history museum, and County Archives and with transcripts

CJPN 90.5 FM, Fredericton NB: **“Jeunesse radiophonique”** \$7,500: Providing training to eighth-grade students as part of an overall mandate to promote the inclusion of youth within Francophone media and to promote individual and collective pride in Francophone culture

CJRG 94.5 FM, Gaspé QC: **“La tournée régionale”** \$9,160: Training current communications and/or media technology students to produce and air interviews from which newscasts and audio clips will be derived

CKBN 90.5 FM, Wôlinak QC: **“Culture rurale”** \$9,600: Producing a program on the cultural relationship between humans and the land, featuring those involved in the agricultural world as well as scientific reports and agricultural press reviews

CKDU 88.1 FM, Halifax NS: **“Youth Now Radio”** \$10,000: Training eight interns to produce 20-30 minute segments for the ongoing program Youth Now Radio, focused on the voices of youth talking about their issues, in their voices, in their way

CKOA 89.7 FM, Glace Bay NS: **“The Celtic Connection Documentary Series”** \$10,000: Producing a series showcasing the Celtic connection between Cape Breton and Scotland & Ireland, including in-depth coverage about/from festivals/local centres and preservation of Gaelic

CKJM 106.1 FM, Chéticamp NS: **“Formation de jeunes pour la relève”** \$5,000: Training a young university student in all aspects of radio programming with the goal of running the station on their own for a day or two at a time

**Fast Facts**  
Francophone stations: 8  
Projects aimed at languages other than English or French: 3



CKRH 98.5 FM, Halifax NS: **“Drive Home Host Project”** \$10,000: Training a youth to produce a drive home show featuring local news and information that is relevant to the Halifax Francophone community

CKUT 90.3 FM, Montréal QC: **“Training Track at June 2009 NCRC”** \$8,650: Offering bilingual, hands-on radio technical production workshops at a national radio conference, including sessions for women and those from cultural minorities

CKUW 95.9 FM, Winnipeg MB: **“The Winnipeg Files module of Green Planet Monitor”** \$5,000: Producing documentaries/dispatches on the global environment and development agenda from a Winnipeg perspective, reporting from Winnipeg streets, offices, schools and homes

NCRA (national): **“GroundWire Community News Network Capacity Improvement”** \$8,500: Hiring a coordinator to further develop a national collaborative news program made up of contributions of local news, headlines, reports and features not covered in other media

#### Fast Facts

Programs aimed at specific gender and cultural groups (other than Francophone): 5

Projects serving youth communities: 3

### Changes in the Recipients

One of the stations that was awarded funding in May, CJBE in Port Menier, Québec, had to turn down the \$10,000 offered to them by the CRFC. They had proposed to hire and train a youth production intern who would then be able to train other volunteers and produce spoken word programming that reflected matters of concern to Île d’Anticosti. But the core staff person at the station had to take a leave of absence until next spring, which left the station without their employee and therefore no ability to supervise and train the intern.

Each recipient receives 90% of the total contribution when they sign a funding agreement with the CRFC. Upon receipt of a final report, the CRFC issues the remaining 10%. To date, there have been two recipients that have applied in writing for changes to their funding agreements. Both changes involved a small extension of the agreement that were well within the program parameters. One of the changes involved a reallocation of expenses from transportation to remote equipment costs, and again, within the parameters of approved expenses. The CRFC Program Committee approved both requests.

### Final Reports

To date, the CRFC has received five final reports. The Program Committee developed an assessment tool that allows for reporting on the financial aspects and the nature of the management and supervision of the project. We are happy to report that these first projects have successfully met their proposed objectives. The CRFC will be publishing a summary report in 2010 once all of the projects have been completed and final reports have been received.

### Feedback

The CRFC asked for feedback from everyone who applied for funding as well as stations who were members of the CRFC but did not submit an application. Many of the stations that did not apply indicated that they either were not in a position to or did not want to create specific projects that would

be considered eligible. There is a general desire for the CRFC to develop programs that will meet their operational and administrative needs. As well, it was suggested that the CRFC should have multiple deadlines throughout the year. A number of stations, including those that did apply, indicated that their annual funding drives take place in February and March, which tend to involve a lot of time and energy from all station staff and volunteers.

The feedback we received from those that did apply was generally good. Of note, they indicated:

- The process seemed to work and the application materials were fairly easy to understand and complete.
- There is an overlap between the two programs. They both involve training and producing content.
- Applicants echoed the sentiments from non-applicants regarding operational funding and multiple deadlines.

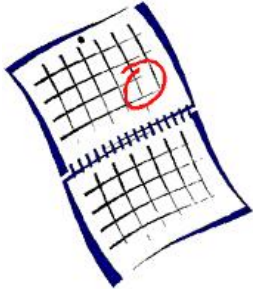
The Program Committee has completed an initial review process. Based on its findings as well as feedback from the applications, we will be doing the following.

- The CRFC stated broad program criteria but had to reject some applications based on technicalities. The CRFC will try to clear up the ambiguous areas while remaining open to receiving a diverse range of applications.
- Some stations had questions about what kinds of expenses would be eligible. The CRFC provided a general list of both eligible and ineligible expenses, but will work to clarify those that could be open to interpretation.
- Towards the end of the decision process, the jury determined that there were a number of applications that were unclear in the areas of the program budget and action plan. They did devise a list of applicants who were then asked to provide further clarification, but as it was so late in the process, applicants could only be given a couple of days to provide their answers. To alleviate these problems, the CRFC will provide a form or template for both the budget and the action plan. We will also ensure that jury provides any follow-up questions early enough in the assessment process that allows for adequate time for responses.
- The jury attempted to provide useful feedback to applicants that were not approved, but in some cases, the feedback was not clear. The CRFC will create tools to make this task easier for the jury and more meaningful to the applicants.

Finally, the CRFC sought feedback on whether or not stations would participate in an online application process. While there was some hesitancy, most stations indicated that they would prefer an online process, especially one that would allow them to save the application and come back to it later. Once the CRFC has the adequate resources, we will create an online application process that is easy to use while offering support to those who have difficulty.

## Timeline

The Program Committee has created the following timeline for the coming application year. These dates are subject to change.



December: Finalize new application documents

January 11: Launch call for applications

March 2: Deadline for Applications

March 15: Orientation of the Selection Committee

March 25: Deadline for Jury to request information from applicants

April 1: Deadline for applicants to submit additional info

April 12: Selection Committee Decisions

April 19: Announce decisions

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## CURRENT FUNDING STATUS AND THE FUTURE

With any CCD contribution received, the CRFC retains an administrative allocation for the purpose of managing the distribution of funding and operating the fund. As Astral Media is our only funder at this time, this means we have limited sources of operational revenue, currently averaging at \$43,000 per year. This is to cover all administrative costs, including human resources, our office, and program management, as well as typical operating activities such as phone, Internet, postage, etc.

Currently, ARC du Canada is donating us office space, Internet access, access to their fax machine and photocopier, and general office supplies. The NCRA is also donating office supplies. This is not a sustainable way of operating, however, and the CRFC Board has placed a high priority on revenue generation.

There are three main avenues we will be working on in the coming year regarding revenue generation:

1. Private Broadcasters and the CRTC: The CRFC is a CRTC-certified recipient of CCD Contributions and we are in a good position to work with multiple private broadcasters. We have been reaching out to the private sector, and as noted above, this has resulted in a few opportunities. This is encouraging, as at least four broadcasters have seen the value of collaborating with us as part of their benefits packages. We will continue to reach out to as many broadcasters as possible to create new connections and forge new funding partnerships. In the long term, the CRFC Board is committed to finding a more stable solution. We are participating in the CRTC review of the campus and community radio policies, and we have submitting recommendations regarding existing CCD mechanisms and how they could be amended to allocate mandatory contributions to the fund. Please see our website for a copy of our submission to the CRTC on October 16, 2009. Preparations are underway to attend the subsequent hearing beginning January 18, 2010.

2. Canadian Heritage: As reported last year, the CRFC Board is committed to working with the associations as necessary to communicate with Canadian Heritage to secure funding. The associations have been working on this kind of funding for the last five years and will continue their efforts. The work of the CRFC Board is meant to compliment these efforts, at least in the short term.
3. Other government agencies, foundations, and donations: The CRFC Board has already identified a number of possible government and private programs to which the fund could apply. We have not been able to pursue these options as we are currently operating with one part time staff person. Once we find a solution to this problem, we expect to have more time and energy to devote to this area.

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## FINANCIAL REPORT

### Overview

The financial activity of the CRFC is administered by our executive director, reviewed and approved by our treasurer, and reported to the board on a monthly basis.

All accounting and bookkeeping is done by CRFC staff. ARC du Canada's Financial Consultant Maurice St-Pierre has consulted on several issues since the CRFC's inception including Simply Accounting, establishing budget forecast documents, and advising us on a variety of issues concerning for our first audit. This has all been done at no expense to the CRFC, and we thank ARC du Canada for their continuing contribution.

Each month, our treasurer reviews various reconciliations, invoices, and credit card expenses, as well as signs cheques. He reviews the monthly financial report and statements and approves them for distribution to the board.

The CRFC Board receives the financial report one week prior to its monthly meeting. Following an overview from Serge and an opportunity for questions, the board approves the report.

Our major financial activities and transactions are in the area of the distribution of funding. The remainder of transactions are in the way of human resources, our website, board and selection committee meetings, and other general overhead expenses.

While it is not noted in the 2008-09 audited statements, the CRFC also receives in kind contributions, primarily from ARC du Canada and the NCRA/ANREC. Of note, ARC du Canada provides us with an office space, time with their accountant, and Internet.

Our fiscal year is September 1 to August 31.

## **Banking and Investments**

The CRFC has an account with Caisse Populaire (Desjardins) in Ottawa. It is a cooperative rather than a traditional private bank. We have a standard operating/chequeing account, a line of credit, and a credit card (VISA). We also have a cashable term deposit, or GIC, which will mature in January 2010.

## **Overview of Revenues and Expenses**

The following is a brief overview of our revenues and expenses.

### Revenue

Astral Media Radio provides a total of \$200,000 to the CRFC to manage two funding programs: the Radio Talent Development Program and the Youth Internship Program. As per an agreement with the CRTC, the CRFC retains 20% of the first \$200,000 of funding received through Canadian Content Development Contributions (CCD) for administration. At the end of our last fiscal year, we had received our first payment from Astral. The \$160,000 that was to be distributed was deferred. After conducting our first distribution process, a total of \$134,479 had been paid to stations and the remainder was deferred, along with the second year of instalments received from Astral. For a detailed breakdown, please see the first paragraph under "Expenses."

Interest Revenue reflects the interest earned through our operating account and term deposit. We currently have a GIC of \$150,000 earning 1.5%, which will be maturing in January 2010.

Membership Fees are the yearly fees paid by our members. Each member pays \$20/year.

### Expenses

As noted in the section outlining the activities of the selection committee, the CRFC awarded a total of \$158,460 out of a total \$160,000, leaving a reminder of \$1,540. With the exception of the change regarding CJBE and CKRH, all of the recipients received their initial 90% by August 31, amounting to \$133,614. One station had completed their project and received their final 10% payment, or \$865. The total amount paid out in the 2008-2009 fiscal year was \$134,479, leaving a payable of \$23,981. The \$1,540 remainder and the \$23,981 payable has been deferred to the 2009-2010 fiscal year. As well, the CRFC received the second year of funding from Astral. This \$200,000 has also been deferred to the 2009-2010 fiscal year.

Salaries and Benefits reflect the costs associated with having our executive director. Melissa Kaestner is a salaried part time employee at 21 hours per week. The CRFC Board intends to make this a full time position as soon as resources are available.

Professional Fees include accountants, consultants, the annual audit, and professional development (such as training for staff, CASE membership, etc.). From April 2008 to October 2008, the CRFC was engaged in contract with Melissa Kaestner as a Development Consultant. \$10,750 was paid out in the 2007-08 fiscal year and \$5,250 was paid out in 2008-09. The remaining \$4,725 is for the 2008-09 audit.

Meeting Expenses include the costs associated with the annual board in-person meeting, our AGM, attending the conferences of the three founding associations, and other board travel. It also includes the

costs associated with the Program Committee, such as jury honoraria and a day-long in-person selection meeting. Last year's AGM was \$665, and the board held its first in person meeting involving 10 people for approximately \$5200. Each of our three jury members received honoraria of \$499. The CRFC also attended the 2008 CAB Convention for approximately \$1200. The remaining \$300 was for various meetings, including a meeting between our president, Victoria Fenner, and various CRTC personnel last fall.

Our website was a significant expense for both 2008-09 and 2009-10 as the site was created and developed. Once the CRFC secures additional operational resources, we intend to invest more money in our website and create a secure area for applicants and jury members.

The translation of all of our materials is another significant cost. The CRFC ensures that all materials, both internal and external, and provided in both official languages. In addition to press releases, newsletters, and communications with stations and our membership, we also undertook translating our by-laws, all internal policies, and all materials involving our call for applications and relevant reports. We are fortunate to also have a director well experienced in translations who has undertaken translations where he can, whether it be press releases or submissions to the CRTC.

Office expenses include annual fees, bank charges, office supplies, printing and photocopying, postage, and our annual membership with Volunteer Canada.

Telecommunications includes our telephone costs. In addition to regular telephone charges, the CRFC board uses a teleconferencing service for its monthly meetings. Some of our committees also use this service.

As to insurance, we currently have Directors' and Officers' Liability Insurance through Aon Reed Stenhouse. We receive a discount thanks to our membership with Volunteer Canada.

Finally, there are depreciation costs associated with the CRFC's laptop computer.

### **Audited Statements**

The CRFC engaged Marcil Lavallée to conduct our first audit.

[Notice to reader: this report was written prior to the directors and auditor signing the audit. For a complete and signed copy, please contact the CRFC.]

**AUDITORS' REPORT**

To the Members  
Community Radio Fund of Canada Inc.

We have audited the statement of financial position of the Community Radio Fund of Canada Inc. as at August 31, 2009 and the statements of operations and changes in net assets for the year then ended. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Organization as at August 31, 2009 and the results of its operations for the year then ended in accordance with Canadian generally accepted accounting principles.

The comparative figures are unaudited. We do not express any opinion on these comparative figures.

Chartered Accountants, Licensed Public Accountants

Ottawa, Ontario  
September 30, 2009

**RAPPORT DES VÉRIFICATEURS**

Aux membres  
Le Fonds canadien de la radio communautaire Inc.

Nous avons vérifié l'état de la situation financière du Fonds canadien de la radio communautaire Inc. au 31 août 2009 ainsi que les états des résultats et de l'évolution des actifs nets de l'exercice terminé à cette date. La responsabilité de ces états financiers incombe à la direction de l'organisme. Notre responsabilité consiste à exprimer une opinion sur ces états financiers en nous fondant sur notre vérification.

Notre vérification a été effectuée conformément aux normes de vérification généralement reconnues du Canada. Ces normes exigent que la vérification soit planifiée et exécutée de manière à fournir l'assurance raisonnable que les états financiers sont exempts d'inexactitudes importantes. La vérification comprend le contrôle par sondages d'éléments probants à l'appui des montants et des autres éléments d'information fournis dans les états financiers. Elle comprend également l'évaluation des principes comptables suivis et des estimations importantes faites par la direction, ainsi qu'une appréciation de la présentation d'ensemble des états financiers.

À notre avis, ces états financiers donnent, à tous les égards importants, une image fidèle de la situation financière de l'organisme au 31 août 2009, ainsi que des résultats de ses activités pour l'exercice terminé à cette date selon les principes comptables généralement reconnus du Canada.

Les chiffres donnés à des fins de comparaisons n'ont pas été vérifiés. Notre opinion ne s'y rapporte pas.

Comptables agréés, experts-comptables autorisés

Ottawa (Ontario)  
Le 30 septembre 2009

**COMMUNITY RADIO FUND OF CANADA INC. /  
LE FONDS CANADIEN DE LA RADIO COMMUNAUTAIRE INC.**

**STATEMENT OF OPERATIONS  
FOR THE YEAR ENDED AUGUST 31, 2009**

**ÉTAT DES RÉSULTATS**

**EXERCICE TERMINÉ LE 31 AOÛT 2009**

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	2009	2008 (unaudited)
<b>REVENUE</b>		
Grant – Astral Media		
- Programs	\$ 134,479	\$ -
- Operations	40,000	40,000
Interest	2,800	207
Membership fees	620	900
	<b>177,899</b>	<b>41,107</b>
<b>EXPENSES</b>		
Programs	134,479	-
Salaries and benefits	27,612	-
Professional fees	9,975	10,750
Meeting expenses	8,851	-
Website	6,437	2,259
Translations	6,070	3,175
Office expenses	1,659	807
Telecommunications	1,319	350
Insurance	778	-
Amortization of capital assets	335	201
	<b>197,515</b>	<b>17,542</b>
<b>EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES</b>	<b>\$ (19,616)</b>	<b>\$ 23,565</b>
		<b>EXCÉDENT (INSUFFISANCE) DES PRODUITS PAR RAPPORT AUX CHARGES</b>



**COMMUNITY RADIO FUND OF CANADA INC. /  
LE FONDS CANADIEN DE LA RADIO COMMUNAUTAIRE INC.**

**ÉTAT DE LA SITUATION FINANCIÈRE  
31 AOÛT 2009**

**STATEMENT OF FINANCIAL POSITION  
AUGUST 31, 2009**

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	2009	2008 (unaudited)	
<b>ASSETS</b>			<b>ACTIF</b>
<b>CURRENT ASSETS</b>			<b>ACTIF À COURT TERME</b>
Cash	\$ 42,333	\$ 182,560	Encaisse
Redeemable term deposit, 1.5%, maturing January 29, 2010	151,645	-	Dépôt à terme rachetable, 1,5%, échéant le 29 janvier 2010
	193,978	182,560	
<b>CAPITAL ASSETS (note 4)</b>	670	1,005	<b>IMMOBILISATIONS (note 4)</b>
	194,648	183,565	
<b>LIABILITIES</b>			<b>PASSIF</b>
<b>CURRENT LIABILITIES</b>			<b>PASSIF À COURT TERME</b>
Accounts payable and accrued liabilities	\$ 5,178	-	Créditeurs et frais courus
<b>DEFERRED REVENUE</b>	185,521	160,000	<b>PRODUITS REPORTÉS</b>
	190,699	160,000	
<b>NET ASSETS</b>	3,949	23,565	<b>ACTIFS NETS</b>
	\$ 194,648	\$ 183,565	

ON BEHALF OF THE BOARD

AU NOM DU CONSEIL

Director, \_\_\_\_\_, administrateur

Director, \_\_\_\_\_, administrateur

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## CONCLUSION

The CRFC, its members, and founding associations are excited about this first full year of operation. The feedback from everyone who has received funding has been very positive, and even those who were not funded had kind words of encouragement and recognition of a good process.

We have also had an amazing year with our board of directors. Each director has been contributing significant time and energy, and the CRFC is stronger because of them. They are highly dedicated as individuals and as a team. The Board is also very happy to have Melissa, who has done a great job in helping the board to build a transparent and accountable funding body. She has done an excellent job at carrying out and managing the day-to-day operations of the CRFC while helping the organization to realise its mandate and vision. The Board appreciates her knowledge and expertise with respect to administration, communications, project management, the Canadian broadcasting industry, and the community-oriented radio sector.

The CRFC is also pleased with the partnership between the fund and Astral. It is an excellent example of what can exist between the private and community sectors. This partnership is one that will only continue to develop and grow for years to come. As our industry continues to meet the challenges of a new media landscape, these kinds of partnerships are essential in ensuring that Canada has a healthy, vital, and relevant broadcasting system.

Sincerely,



Melissa Kaestner  
Executive Director  
(613) 321-3513, [m.kaestner@communityradiofund.org](mailto:m.kaestner@communityradiofund.org)



Victoria Fenner  
President  
[fennerv@communityradiofund.org](mailto:fennerv@communityradiofund.org)