AUSA MEDIA TRUST

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2004
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AUDIT REPORT TO THE TRUSTEES OF

AUSA MEDIA TRUST

We have audited the financial reports on pages 4 to 9. The financial report provides information about the past financial performance of the Trust and its financial position as at 31 December 2004. This information is stated in accordance with the accounting policies set out on pages 7 - 8.

Trustees' Responsibilities

The Trustees are responsible for the preparation of a financial report which gives a true and fair view of the financial position of the Trust as at 31 December 2004 and of the results of its operations for the year ended on that date.

Auditors' Responsibilities

It is our responsibility to express an independent opinion on the financial report presented by the Trustees and report our opinion to you.

Basis of Opinion

An audit includes examining, on a test basis, evidence relevant to the amounts and disclosures in the financial report. It also includes assessing:

- the significant estimates and judgements made by the Trustees in the preparation of the financial report, and

- whether the accounting policies are appropriate to the Trusts circumstances, consistently applied and adequately disclosed.

We conducted our audit in accordance with New Zealand Auditing Standards. We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial report is free from material misstatements, whether caused by fraud or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial report.

We have no relationship with or interests in the Trust other than in our capacity as auditors.
Unqualified Opinion

We have obtained all the information and explanations we have required.

In our opinion:

• proper accounting records have been kept by the Trust as far as appears from our examination of those records; and

• the financial report on pages 4 to 9:
  - complies with generally accepted accounting practice in New Zealand
  - gives a true and fair view of the financial position of the Trust as at 31 December 2004 and the results of operations for the year ended on that date.

Our audit was completed on 20 July 2005 and our unqualified opinion is expressed as at that date.

[Signature]

CHARTERED ACCOUNTANTS
AUCKLAND
AUSA MEDIA TRUST

STATEMENT OF FINANCIAL PERFORMANCE

FOR THE YEAR ENDED 31 DECEMBER 2004

<table>
<thead>
<tr>
<th>Note</th>
<th>2004</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dividend Income</td>
<td>(4)</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Less OPERATING EXPENSE</td>
<td></td>
<td>-</td>
</tr>
<tr>
<td>NET SURPLUS</td>
<td></td>
<td>-</td>
</tr>
<tr>
<td>Less DISTRIBUTION TO BENEFICIARY</td>
<td>(4)</td>
<td>-</td>
</tr>
<tr>
<td>NET SURPLUS</td>
<td></td>
<td>$</td>
</tr>
</tbody>
</table>

The attached notes form part of and are to be read in conjunction with these financial statements.
AUSA MEDIA TRUST

STATEMENT OF MOVEMENTS IN ACCUMULATIONS & CORPUS

FOR THE YEAR ENDED 31 DECEMBER 2004

<table>
<thead>
<tr>
<th>Note</th>
<th>2004</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>BALANCE AT BEGINNING OF YEAR</td>
<td>10</td>
<td>10</td>
</tr>
<tr>
<td>Add Net Surplus for the Year</td>
<td>-</td>
<td>100,000</td>
</tr>
<tr>
<td>Less Distributions to Auckland University Students' Association Inc</td>
<td>(4)</td>
<td>-</td>
</tr>
<tr>
<td>BALANCE AT END OF YEAR</td>
<td>$10</td>
<td>$10</td>
</tr>
</tbody>
</table>

The attached notes form part of and are to be read in conjunction with these financial statements.
AUSA MEDIA TRUST

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2004

Note 2004 2003

CORPUS & ACCUMULATIONS

Total Corpus $ 10 $ 10

This is represented by:

CURRENT ASSETS
Related Party Receivable (4) 9 9

WORKING CAPITAL

Add NON-CURRENT ASSET
Investments (5) 1 1

NET ASSETS

$ 10 $ 10

Approved by the Trustees, dated 20 July 2005.

[Signatures]

Trustee

Trustee

The attached notes form part of and are to be read in conjunction with these financial statements.
1. STATEMENT OF ACCOUNTING POLICIES

Reporting Entity

AUSA Media Trust is registered under the Charitable Trust Act 1957.

The financial statements of AUSA Media Trust have been prepared in accordance with the Generally Accepted Accounting Practices.

Measurement Base

Auckland University Students' Association Incorporated is the ultimate beneficiary of the Trust, including its investment in Campus Radio bFM Limited. Accordingly, the financial statements of Campus Radio bFM Limited are not consolidated in these financial statements.

The general accounting policies for the measurement and reporting of results and financial position under the historical cost method have been adopted in the preparation of these financial statements.

Particular Accounting Policies

The particular accounting policies adopted in these financial statements and that materially affect the statement of financial performance and statement of financial position are:

a) Taxation

The income taxation expense charged to the statement of financial performance includes both the current period's provision and the income taxation effects of timing differences calculated using the liability method.

Taxation effect accounting has been applied on a comprehensive basis to all timing differences. A debit balance in the deferred taxation account, arising from timing differences or income taxation benefits from taxation losses, is only recognised if there is virtual certainty of realisation.

b) Investments

Investments are recorded at cost.

c) Differential Reporting

The Trust has applied differential reporting in respect of:

Financial Reporting Standard No. 9 - Information to be Disclosed in Financial Statements.
1. **STATEMENT OF ACCOUNTING POLICIES** Continued

   **Particular Accounting Policies** Continued

c) **Differential Reporting** Continued
Statement of Standard Accounting No. 12 - Accounting for Income Tax.
Statement of Standard Accounting Practice No. 22 - Related Party Disclosures.

The Trust is a qualifying entity for differential reporting by virtue of the fact that it is not large and not publicly accountable.

d) **Goods and Services Taxation**
These financial statements have been prepared exclusive of goods and services taxation.

e) **Changes in Accounting Policies**
There have been no changes in accounting policies during the year. All policies have been applied on bases consistent with those used in previous years.

2. **SETTLEMENT**

The Trust was settled on 27 November 2002 and has not traded since that date.

3. **PRINCIPAL ACTIVITY**

The principal activity of the Trust is that of Investment.

4. **RELATED PARTY BALANCES AND TRANSACTIONS**

a) **Related Party Balances and Transactions**

The Trust received advances from Auckland University Students' Association that are unsecured, non-interest bearing and repayable on demand. Auckland University Students' Association is the ultimate beneficiary of the AUSA Media Trust.

No related party debts have been written off or forgiven during the year.

Last year the Trust received dividends from Campus Radio bFM Limited and the Trust paid a dividend to Auckland University Students' Association.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2004

5. INVESTMENTS

<table>
<thead>
<tr>
<th></th>
<th>2004</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>Auckland University Students' Association</td>
<td>1</td>
<td>1</td>
</tr>
</tbody>
</table>

$1

6. CONTINGENT LIABILITIES

The Trust has no contingent liabilities as at 31 December 2004.

7. SUBSEQUENT EVENTS

There were no material subsequent events.