



Australian Government
Australian Industrial Registry

Level 35, Nauru House
80 Collins Street, Melbourne, VIC 3000
GPO Box 1994S, Melbourne, VIC 3001
Telephone: (03) 8661 7777
Fax: (03) 9654 6672

Our Ref: 031N: FR2003/497

Andrew Kay
President
Australian Entertainment Industry Association
8th Floor West Tower
608 St Kilda Road
MELBOURNE 3004

Dear Mr Kay,

**Re: Australian Entertainment Industry Association
Financial returns for years ending 30 June 2003
(FR2003/497)**

Receipt is acknowledged of the financial documents for the financial year ending 30 June 2003. The documents were lodged in the Registry on 28 January 2004.

The documents have been filed.

The following matter is drawn to your attention, however, no further action is necessary:

Documents not lodged in Registry within 14 days of second meeting

Unless an extension is granted, financial documents should be lodged in the Industrial Registry within 14 days of the meeting at which they were presented (refer to s280(1)).

New Legislation

As you know a number of amendments to the Act came into operation on 12 May 2003. The Registration and Accountability of Organisations Schedule (Schedule 1B to the Workplace Relations Act 1996) alters the arrangements under which organisations are required to provide financial and other information to members and the Industrial Registrar. You will recall that a number of explanatory pamphlets were sent to you on 8 May 2003 setting out in detail the relevant changes.

It is strongly recommend that the organisation acquaint itself with the new requirements of the RAO Schedule, particularly as the Act now provides for penalties for non-compliance.

Should you wish to discuss this letter or if you require further information, I can be contacted on (03) 86617985.

Yours sincerely,

Daniel Mammone
RIA Team 4
Statutory Services Branch
24 August 2004



**AUSTRALIAN ENTERTAINMENT
INDUSTRY ASSOCIATION**
8th Floor West Tower
608 St Kilda Road Melbourne
Victoria 3004 AUSTRALIA
ABN 43 095 907 857

TO Daniel Mammone - AUSTRALIAN INDUSTRIAL REGISTRY

FAX 9654 6672

FROM JODIE ANGLISS- AEIA FINANCE & MEMBERSHIP

DATE August 24, 2004 **No of pages (incl this page)** 2

Dear Daniel,

Further to our phone conversation today, please find attached a copy of the signed Independent Audit Report as requested.

If you have any queries, I can be contacted on (03) 9521 1900 Ex.5.

Regards,

A handwritten signature in black ink, appearing to read 'Jodie Angliss', is written over a horizontal line.

Jodie Angliss
Finance & Membership

61 (3) 9521 1900 61 (3) 9521 2285 jangliss@aeia.org.au

The AEIA's Website address is <http://www.aeia.org.au>

The information contained in this facsimile is confidential and may be legally privileged. If you have received this communication in error, please phone us on 61 (3) 9521 1900. Thank you.

A Member Firm of PKF International

PKF

Chartered Accountants
& Business Advisers

Level 11, CGU Tower
485 La Trobe Street
Melbourne 3000
GPO Box 5099BB
Melbourne 3001

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**INDEPENDENT AUDIT REPORT TO THE MEMBERS OF THE
AUSTRALIAN ENTERTAINMENT INDUSTRY ASSOCIATION**

Scope

We have audited the report of the Australian Entertainment Industry Association for the year ended 30 June 2003 as set out on pages 2 to 16. The Executive Council of the Association is responsible for the report. We have conducted an independent audit of this financial report in order to express an opinion on it to the Members of the Association.

Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance as to whether the accounts are free of material misstatement. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the accounts and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion, whether, in all material respects, the financial report is presented fairly in accordance with Accounting Standards and other mandatory professional reporting requirements and the Workplace Relations Act 1996 so as to present a view which is consistent with our understanding of the Association's financial position and performance as represented by the results of its operations and its cash flows.

The audit opinion expressed in this report has been formed on the above basis.

Audit Opinion

In our opinion:

- (a) Satisfactory accounting records have been kept by the Association so far as appears from our examination of these records, including:
 - (i) records of the sources and nature of the income of the Association (including income from members); and,
 - (ii) records of the nature and purposes of the expenditure of the Association.
- (b) The accounts and statements prepared under the Workplace Relations Act 1996 have been properly drawn up so as to give a true and fair view of:
 - (i) the financial affairs of the Association as at 30 June 2003, and
 - (ii) the income and expenditure and any surplus or deficit of the Association for the year.
- (c) The Accounts have been prepared in accordance with applicable Accounting Standards and other mandatory professional reporting requirements.

Where necessary we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit.

PKF.

PKF
Chartered Accountants
A Victorian Partnership

13 November 2003
Melbourne

G P Andreola

G P Andreola
Partner
Registered Company Auditor

A Victorian Partnership



20 January 2004

Industrial Registrar
Australian Industrial Relations Commission
Level 35
Nauru House
80 Collins Street
MELBOURNE VIC 3000

Dear Sir/Madam,

Annual Return - Secretary's Certificate

I, Andrew Kay, President of the Australian Entertainment Industry Association, certify that the documents so lodged are copies of the auditors' report, accounts and statement which were presented at the Annual General Meeting on 5 December 2003. This information was sent to members on 14 November 2003.

Yours faithfully,

A handwritten signature in black ink, appearing to read 'Andrew Kay', with a long, sweeping horizontal stroke extending to the right.

**Andrew Kay
President**

AUSTRALIAN ENTERTAINMENT INDUSTRY ASSOCIATION

8th Floor, West Tower, 608 St Kilda Road, Melbourne VIC 3004

Telephone 61 (3) 9521 1900 Facsimile 61 (3) 9521 2285 E-mail aeia@aeia.org.au

Web www.aeia.org.au or www.oncueonline.com.au

Registered since 1917 ABN 43 095 907 857

**AUSTRALIAN ENTERTAINMENT
INDUSTRY ASSOCIATION**

ABN 43 095 907 857

FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2003

**AUSTRALIAN ENTERTAINMENT
INDUSTRY ASSOCIATION**

Registered Office

**Level 8
West Tower
608 St Kilda Road
MELBOURNE VIC 3004**

**FINANCIAL REPORT
YEAR ENDED 30 JUNE 2003**

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**AUSTRALIAN ENTERTAINMENT INDUSTRY ASSOCIATION
STATEMENT BY THE ACCOUNTING OFFICER**

I, SUE NATTRASS, being the officer responsible for keeping the accounting records of the Australian Entertainment Industry Association certify that, as at 30 June 2003, the number of members of the Association was 253.

In my opinion:

- (i) the attached accounts show a true and fair view of the financial position of the Association as at 30 June 2003 and of its performance for the year ended on that date;
- (ii) a record has been kept of all monies paid by, or collected from, Members and all monies so paid or collected have been credited to the bank account to which those monies are to be credited, in accordance with the Rules of the Association;
- (iii) before any expenditure was incurred by the Association, approval of the incurring of the expenditure was obtained in accordance with the Rules of the Association;
- (iv) with regard to funds of the Association raised by compulsory levies or voluntary contributions from Members, or funds other than the General Fund operated in accordance with the Rules of the Association, no payments were made out of any such fund for purposes other than those for which the fund was operated;
- (v) no loans or other financial benefits, other than remuneration in respect of their full-time employment with the Association, were made to persons holding office in the Association;
- (vi) the register of Members of the Association was maintained in accordance with the Act; and
- (vii) the attached accounts have been prepared in accordance with applicable Australian Accounting Standards.


.....
SUE NATTRASS
PRESIDENT

12 November 2003


Melbourne

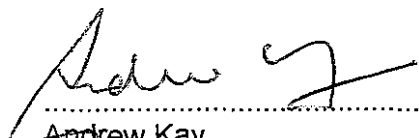
**AUSTRALIAN ENTERTAINMENT INDUSTRY ASSOCIATION
STATEMENT OF THE EXECUTIVE COUNCIL**

We, SUE NATTRASS and ANDREW KAY, being two members of the Executive Council of the Australian Entertainment Industry Association do state on behalf of the Council and in accordance with a resolution passed by the Council, that:

- (i) in the opinion of the Executive Council, the attached accounts show a true and fair view of the financial position of the Association as at 30 June 2003 and of its performance for the year ended on that date;
- (ii) in the opinion of the Executive Council, meetings of the Council were held during the year ended 30 June 2003 in accordance with the Rules of the Association;
- (iii) to the knowledge of any member of the Executive Council, there have been no instances where records of the Association or other documents (not being documents containing information made available to a Member of the Association under the Workplace Relations Act 1996, as amended) or copies of those records or documents, or copies of the Rules of the Association, have not been furnished or made available to Members in accordance with the requirements of the Workplace Relations Act 1996, the Regulations thereto, or the Rules of the Association; and
- (iv) the Association has complied with the Workplace Relations Act 1996 in relation to the financial accounts in respect of the preceding financial year and the Auditors' Report thereon.

Signed on behalf of the Executive Council


.....
Sue Nattrass
President


.....
Andrew Kay
Vice President

12 November 2003
Melbourne

**AUSTRALIAN ENTERTAINMENT INDUSTRY ASSOCIATION
STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 30 JUNE 2003**

	Notes	2003 \$	2002 \$
Revenue from Ordinary Activities			
AEIA	4	1,007,820	1,064,663
Helpmann Awards	4	109,954	76,784
		<u>1,117,774</u>	<u>1,141,447</u>
Expenses from Ordinary Activities			
AEIA – Administration Expenses	5	(1,012,390)	(963,977)
Helpmann Awards		(150,485)	(109,634)
Borrowing cost		(5,193)	(6,663)
		<u>(1,168,068)</u>	<u>(1,080,274)</u>
Profit/(Loss) from Ordinary Activities before Income Tax Expenses			
		<u>(50,294)</u>	<u>61,173</u>
Income tax expense relating to ordinary activities	1c	<u>-</u>	<u>-</u>
Profit/(Loss) from Ordinary Activities after Income Tax Expense			
		<u>(50,294)</u>	<u>61,173</u>

The profit from ordinary activities represents total changes in equity.

The above Statement of Financial Performance is to be read in conjunction with the notes to and forming part of the financial statements.

**AUSTRALIAN ENTERTAINMENT INDUSTRY ASSOCIATION
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2003**

	NOTES	2003 \$	2002 \$
CURRENT ASSETS			
Cash Assets	6	473,825	513,335
Investments	8	10	10
Receivables	7	161,060	243,085
Other	9	3,665	1,162
TOTAL CURRENT ASSETS		<u>638,560</u>	<u>757,592</u>
NON-CURRENT ASSETS			
Property, Plant and Equipment	10	87,974	94,595
TOTAL NON-CURRENT ASSETS		<u>87,974</u>	<u>94,595</u>
TOTAL ASSETS		<u>726,534</u>	<u>852,187</u>
CURRENT LIABILITIES			
Payables	11	372,457	447,937
Provisions	12	91,211	66,630
Interest Bearing Liabilities	13	7,166	13,836
TOTAL CURRENT LIABILITIES		<u>470,834</u>	<u>528,403</u>
NON-CURRENT LIABILITIES			
Provisions	15	46,849	37,564
Interest Bearing Liabilities	14	26,605	53,680
TOTAL NON-CURRENT LIABILITIES		<u>73,454</u>	<u>91,244</u>
TOTAL LIABILITIES		<u>544,288</u>	<u>619,647</u>
NET ASSETS		<u>182,246</u>	<u>232,540</u>
MEMBERS' EQUITY			
Retained Profits	16	182,246	232,540
TOTAL MEMBERS' EQUITY		<u>182,246</u>	<u>232,540</u>

The above Statement of Financial Position is to be read in conjunction with the notes to and forming part of the financial statements.

**AUSTRALIAN ENTERTAINMENT INDUSTRY ASSOCIATION
STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2003**

	Notes	2003 Inflows (Outflows) \$	2002 Inflows (Outflows) \$
Cash Flows from Operating Activities			
Receipts from members and non members		1,015,069	1,012,983
Payments to suppliers and employees		(1,002,580)	(898,451)
Interest received		17,616	16,829
Interest and other costs of finance		(5,193)	(6,663)
Commonwealth Funding		-	88,000
Net Cash Provided/By (Used)/In Operating Activities	2	<u>24,912</u>	<u>212,698</u>
Cash Flows From Investing Activities			
Proceeds on disposal of Property, Plant and Equipment		14,084	-
Purchase of Property, Plant and Equipment		(44,761)	(10,885)
Net Cash used in Investing Activities		<u>(30,677)</u>	<u>(10,885)</u>
Cash Flows from Financing Activities			
Hire purchase liability repaid		(33,745)	(39,163)
Net Cash used in Financing Activities		<u>(33,745)</u>	<u>(39,163)</u>
Net increase/(decrease) in cash held		(39,510)	162,650
Cash at the beginning of the financial year		513,335	350,685
Cash at the End of the Financial Year	1	<u>473,825</u>	<u>513,335</u>

The above Statement of Cash Flows is to be read in conjunction with the notes to and forming part of the financial statements.

**AUSTRALIAN ENTERTAINMENT INDUSTRY ASSOCIATION
NOTES TO THE STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2003**

	2003	2002
	\$	\$
1. RECONCILIATION OF CASH		
For the purposes of the statement of cash flows, cash includes cash on hand and in banks, net of outstanding bank overdrafts. Cash at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the balance sheet as follows:		
Cash at Bank and on hand	347,590	393,282
Short Term Deposit	126,235	120,053
	<u>473,825</u>	<u>513,335</u>
2. RECONCILIATION OF NET CASH PROVIDED BY OPERATING ACTIVITIES TO PROFIT AFTER INCOME TAX		
Profit/(Loss) after Income Tax	(50,294)	61,173
Depreciation of Property, Plant & Equipment	29,977	26,023
Loss on Disposal of Property, Plant & Equipment	7,321	3,047
Doubtful Debt	(3,064)	-
Changes in Assets and Liabilities		
Decrease/(Increase) in receivables	85,089	(31,635)
(Increase)/Decrease in other assets	(2,503)	2,881
(Decrease)/Increase in payables	(75,480)	144,428
Increase/(Decrease) in current provisions	24,581	147
Increase/(Decrease) in non current provisions	9,285	6,634
Net Cash provided/(used) by Operating Activities	<u>24,912</u>	<u>212,698</u>

3. NON CASH FINANCING AND INVESTING ACTIVITIES

During the year the entity acquired motor vehicles with a fair value of \$nil (2002:\$50,386) by means of finance lease. Consideration was settled in part by a trade-in of a disposed motor vehicle.

**AUSTRALIAN ENTERTAINMENT INDUSTRY ASSOCIATION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2003**

1. STATEMENT OF ACCOUNTING POLICIES

(a) Basis of Preparation

The financial report is a general purpose financial report which has been drawn up in accordance with Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board and Urgent Issues Group Consensus Views.

It has been prepared on the basis of historical costs and except where stated, does not take into account changing money values or current valuations of non-current assets.

These accounting policies adopted are consistent with those of the previous year.

Where necessary, comparative information has been reclassified to achieve consistency in disclosure with current financial year amounts and other disclosures.

(b) Depreciation and Amortisation

Items of property plant and equipment are depreciated/amortised using the reducing balance method and the straight line method over their useful lives.

The depreciation rates used for each class of asset are as follows:

- Office Equipment	8 - 30%
- Furniture and Fittings	9 - 40%
- Motor Vehicles	15%

(c) Income Tax

No provision for income tax has been made in the Financial Statements, as income earned by the Association is considered to be exempt from income tax in accordance with Section 50-15 of the Income Tax Assessment Act, 1997.

(d) Leases

A distinction is made between finance leases which effectively transfer from the lessor to the lessee substantially all the risks and benefits incidental to ownership of the leased property, and operating leases under which the lessor effectively retains all such risks and benefits.

Where fixed assets are acquired by means of finance leases, the present value of minimum lease payments, including any guaranteed residual value, are established as assets at the beginning of the lease term and are amortised on a straight line basis over their expected economic life. A corresponding liability is also established and each lease payment is allocated between such liability and interest expense. Operating lease payments are charged to expense on a basis which is representative of the pattern of benefits derived from the leased property.

**AUSTRALIAN ENTERTAINMENT INDUSTRY ASSOCIATION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2003**

1. STATEMENT OF ACCOUNTING POLICIES (Cont'd)

(d) Leases (Cont'd)

Payments under a non-cancellable operating lease for surplus leased space are recognised as a liability and expense when it is probable that a loss will be incurred. The amount recognised is the total expected outlay, net of sub-lease revenue, discounted at the interest rate implicit in the lease.

(e) Employee Entitlements

Wages, Salaries and Annual Leave

The provisions for employee entitlements to wages, salaries and annual leave represents the amount which the Association has a present obligation to pay resulting from employees' services provided up to the balance date. The wages and salaries provisions have been calculated at undiscounted amounts based on current wage and salary rates and include related on-costs. The annual leave provision has been calculated at undiscounted amounts based on wage and salary rates expected at settlement and include related on-costs.

Long Service Leave

The liability for employees' entitlements to long service leave represents the present value of the estimated future cash outflows to be made by the Association resulting from employees' services provided up to the balance date.

Liabilities for employee entitlements which are not expected to be settled within twelve months are discounted using the rates attaching to national government securities at balance date, which most closely match the terms of maturity of the related liabilities.

In determining the liability for employee entitlements, consideration has been given to future increases in wage and salary rates, and the Association's experience with staff departures. Related on-costs have also been included in the liability.

(f) Provision for Doubtful Debts

The collectability of debts is assessed at year-end and provision is made if required for any specific doubtful debts.

(g) Receivables

Trade accounts receivable, amounts due from related parties and other receivables represent the principal amounts outstanding at balance date plus accrued interest and less, where applicable, any unearned income and provisions for doubtful accounts.

(h) Payables

Accounts payable represent the principal amounts outstanding at balance date plus, when applicable, any accrued interest.

**AUSTRALIAN ENTERTAINMENT INDUSTRY ASSOCIATION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2003**

1. STATEMENT OF ACCOUNTING POLICIES (Cont'd)

(i) Number of Employees

As at 30 June 2003 there were 5 equivalent full time employees.

(j) Revenue recognition

Memberships are generally for a period of twelve months. The membership fees are invoiced on the anniversary of membership and income is recognised in equal monthly instalments over the term of the membership.

2. EVENTS SUBSEQUENT TO BALANCE DATE

No matter of circumstance has arisen since the end of the financial year that has significantly affected or may significantly affect the operations of the Association, the results of those operations, or the state of the affairs of the Association in future financial reports.

3. INFORMATION TO BE PROVIDED TO MEMBERS OR REGISTRAR

In accordance with the requirements of Schedule 1B of Section 253 of the Workplace Relations Act 1996, the attention of members is drawn to the provisions of sub-sections (1), (2) and (3) of section 272, which read as follows: -

- (1) a member of the Association, or a Registrar, may apply to the Association for specified prescribed information in relation to the Association to be made available;
- (2) this application must be in writing and must specify the period within which, and the manner in which, the information is to be made available. The period must not be less than 14 days after the application is given to the Association; and
- (3) the Association must comply with an application made under this subsection.

**AUSTRALIAN ENTERTAINMENT INDUSTRY ASSOCIATION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2003**

	2003	2002
	\$	\$
4. REVENUE FROM ORDINARY ACTIVITIES		
Crediting as Revenue		
Operating Revenue		
Members Subscription	349,163	372,225
Non-Members Subscription	56,409	67,406
Entertainment Industry Service Fee	560,308	557,049
	<u>965,880</u>	<u>996,680</u>
Non-Operating Revenue		
Interest	17,616	16,829
Loose Leaf Industrial Award Update Subscription	19,509	30,477
Other	4,815	20,677
Helpmann Awards	109,954	76,784
	<u>151,894</u>	<u>144,767</u>
Total Revenue from Ordinary Activities	<u>1,117,774</u>	<u>1,141,447</u>

5. EXPENSES FROM ORDINARY ACTIVITIES

Expenses from Ordinary Activities includes the following items:

Bad debt expense	2,004	10,000
Operating lease payments	45,245	48,230
Depreciation	29,977	26,023
Loss on disposal of non-current assets	7,321	3,047

6. CASH

Cash at Bank	276,987	309,923
Cash at Bank – Commonwealth Funding	70,503	83,259
Cash on Hand	100	100
Short-term Deposit	126,235	120,053
	<u>473,825</u>	<u>513,335</u>

- (a) Monies held in the Commonwealth Funding account were received pursuant to a funding deed between the Association and the Commonwealth of Australia as represented by the Department of Communications, Information Technology and the Arts.

The funds are held on the trust for the Commonwealth and are to be expended only for the purpose of the project and in accordance with the terms and conditions set out in the Funding Deed. Refer also Note 11.

**AUSTRALIAN ENTERTAINMENT INDUSTRY ASSOCIATION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2003**

	2003	2002
	\$	\$
7. RECEIVABLES (CURRENT)		
EIS Fees in Arrears	133,172	183,945
Other Debtors	3,757	7,617
Subscriptions in Arrears	42,164	72,620
	<u>179,093</u>	<u>264,182</u>
Provision for Doubtful Debts	(18,033)	(21,097)
	<u>161,060</u>	<u>243,085</u>
8. INVESTMENTS (CURRENT)		
Investment in Endeavour Credit Union	<u>10</u>	<u>10</u>
9. OTHER (CURRENT)		
Prepayments	<u>3,665</u>	<u>1,162</u>
10. PROPERTY, PLANT AND EQUIPMENT		
Office Equipment - At Cost	205,056	161,327
Less: Accumulated Depreciation	<u>(153,926)</u>	<u>(135,603)</u>
	<u>51,130</u>	<u>25,724</u>
Furniture and Fittings - At Cost	62,012	60,980
Less: Accumulated Depreciation	<u>(61,068)</u>	<u>(60,782)</u>
	<u>944</u>	<u>198</u>
Motor Vehicles - At Cost	50,386	88,453
Less: Accumulated Depreciation	<u>(14,486)</u>	<u>(19,780)</u>
	<u>35,900</u>	<u>68,673</u>
Total Property Plant & Equipment	317,454	310,760
Total Accumulated Depreciation	<u>(229,480)</u>	<u>(216,165)</u>
	<u>87,974</u>	<u>94,595</u>

**AUSTRALIAN ENTERTAINMENT INDUSTRY ASSOCIATION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2003**

10. PROPERTY PLANT AND EQUIPMENT

Movement in Property Plant and Equipment

	Opening Written Down Value	Additions	Depreciation and Amortisation	Disposals	Closing Written Down Value
Office Equipment	25,724	43,729	(18,323)	-	51,130
Furniture and Fittings	198	1,032	(286)	-	944
Motor Vehicle	68,673	-	(11,368)	(21,405)	35,900
	<u>94,595</u>	<u>44,761</u>	<u>(29,977)</u>	<u>(21,405)</u>	<u>87,974</u>

	2003 \$	2002 \$
11. PAYABLES		
Trade Creditors	59,548	93,454
Accruals	24,769	47,553
Subscriptions in Advance	215,709	227,671
Unexpended Commonwealth Funding	6(a) <u>72,431</u>	<u>79,259</u>
	<u>372,457</u>	<u>447,937</u>
12. PROVISIONS (CURRENT)		
Annual Leave	<u>91,211</u>	<u>66,630</u>
13. INTEREST BEARING LIABILITIES (CURRENT)		
Hire Purchase Liabilities	<u>7,166</u>	<u>13,836</u>
14. INTEREST BEARING LIABILITIES (NON-CURRENT)		
Hire Purchase Liabilities	<u>26,605</u>	<u>53,680</u>
15. PROVISIONS (NON-CURRENT)		
Long Service Leave	<u>46,849</u>	<u>37,564</u>

**AUSTRALIAN ENTERTAINMENT INDUSTRY ASSOCIATION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2003**

	2003 \$	2002 \$
16. RETAINED PROFITS		
Retained Profits at beginning of year	232,540	171,367
Profit/(Loss) for the year	<u>(50,294)</u>	<u>61,173</u>
Retained Profits at end of year	<u>182,246</u>	<u>232,540</u>
17. EXPENDITURE COMMITMENTS		
(a) Non-Cancellable Operating Leases Payable:		
Payable no later than one year	39,650	39,650
Payable later than one year but not later than five years	<u>6,608</u>	<u>46,258</u>
	<u>46,258</u>	<u>85,908</u>
(b) Hire Purchase Liabilities:		
Payable not later than one year	10,348	18,638
Payable later than one year but not later than five years	<u>30,052</u>	<u>61,060</u>
	40,400	79,698
Future finance charges	<u>(6,629)</u>	<u>(11,823)</u>
Net liability	<u>33,771</u>	<u>67,875</u>
Current liability	7,166	13,836
Non-Current liability	<u>26,605</u>	<u>53,680</u>
	<u>33,771</u>	<u>67,516</u>

**AUSTRALIAN ENTERTAINMENT INDUSTRY ASSOCIATION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2003**

18. FINANCIAL INSTRUMENTS

INTEREST RATE RISK EXPOSURE

The Association's exposure to interest rate risk and the effective weighted average interest rate for classes of financial assets and financial liabilities is set out below:

2003	Non Interest Bearing \$	Floating Interest Rate \$	Fixed Interest Rate Maturing 1-5 Years \$	Total \$
Financial Assets				
Cash	100	347,490	126,235	473,825
Receivables	161,060	-	-	161,060
	<u>161,160</u>	<u>347,490</u>	<u>126,235</u>	<u>634,885</u>
Weighted Average interest rate		1.68%	5%	
Financial Liabilities				
Payables	372,457	-	-	372,457
Interest Bearing Liabilities	-	-	33,771	33,771
	<u>372,457</u>	<u>-</u>	<u>33,771</u>	<u>406,228</u>
Weighted Average interest rate			7.4%	
Net Financial Assets/ (Liabilities)	<u>(211,297)</u>	<u>347,490</u>	<u>92,464</u>	<u>228,657</u>
2002	Non Interest Bearing \$	Floating Interest Rate \$	Fixed Interest Rate Maturing 1-5 Years \$	Total \$
Financial Assets				
Cash	100	393,182	120,053	513,335
Receivables	243,085	-	-	243,085
	<u>243,185</u>	<u>393,182</u>	<u>120,053</u>	<u>756,420</u>
Weighted Average interest rate		2.99%	5.15%	
Financial Liabilities				
Payables	447,937	-	-	447,937
Interest Bearing Liabilities	-	-	67,516	67,516
	<u>447,937</u>	<u>-</u>	<u>67,516</u>	<u>515,453</u>
Weighted Average interest rate			7.4%	
Net Financial Assets/ (Liabilities)	<u>(204,752)</u>	<u>393,182</u>	<u>52,537</u>	<u>240,967</u>

The carrying amounts of financial assets and liabilities approximate net fair values. The maximum credit risk exposure of financial assets is represented by the carrying amount of assets recognised in the Statement of Financial Position, net of any provisions for losses.

**AUSTRALIAN ENTERTAINMENT INDUSTRY ASSOCIATION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2003**

	2003	2002
	\$	\$
19. AUDITOR'S REMUNERATION		
Audit Fees	<u>6,000</u>	<u>5,500</u>

20. FINANCIAL REPORTING BY SEGMENTS

The Association principally operates in the entertainment business. The principal activity of the Association is to promote, protect and further the interests of employers in the entertainment industry who are Members.

The Association operates throughout all states and territories of Australia.

21. EXECUTIVE COUNCIL

Members of the Executive Council in office at any time during the financial year were:

S. Natrass	E. Robinson	J. Nicholls
A. Collette	A. Tonks	K. Brennan
M. Coppel	M. Lynch (Resigned 6/12/02)	G. Hodges
K. McWhinnie	A. Kay	M. Coad (Resigned 6/12/02)
I. Fraser	I. McRae (Resigned 19/07/02)	R. Rigby (Appointed 19/07/02)
R. Cunningham	T. McFarlane	R. Evans (Appointed 20/09/02)

No members of the Executive Council received any remuneration.