



FAIR WORK  
AUSTRALIA

13 March 2012

Mr Andrew Kay  
President  
Australian Entertainment Industry Association  
email: [info@liveperformance.com.au](mailto:info@liveperformance.com.au)

Dear Mr Kay

**Re: Financial Report for the Australian Entertainment Industry Association for year ended 30 June 2011 – FR2011/2727**

I acknowledge receipt of the financial report for the Australian Entertainment Industry Association (the Association) for the year ended 30 June 2011. The report was lodged with Fair Work Australia (FWA) on 14 February 2012.

The financial report has now been filed.

I make the following comments to assist you when you next prepare a financial report. You are not required to take any further action in respect of the report lodged.

**Timing of Financial Documents - Lodgement of documents with Fair Work Australia**

[Section 268](#) of the Act requires the Branch lodge its financial documents with FWA within 14 days of the date of the general meeting of members at which they were presented (that is, 16 December 2011). The documents were not lodged with FWA until 14 February 2012. In future years please ensure that financial reports are lodged with FWA within 14 days of the general meeting of members.

**Old legislative references**

References to 'Industrial Registrar' and 'Registrar' where appearing in the Committee of Management statement and note 3 of the notes to the financial statements should properly refer to the 'General Manager, Fair Work Australia'.

If you wish to discuss any of the matters referred to above I can be contacted on (03) 8661 7764.

Yours sincerely

Kevin Donnellan  
Organisations, Research and Advice  
Fair Work Australia  
Email: [kevin.donnellan@fwa.gov.au](mailto:kevin.donnellan@fwa.gov.au)



13<sup>TH</sup> February 2011

Industrial Registrar  
Fair Work Australia  
GPO Box 1994  
MELBOURNE VIC 3001

**Annual Return - Secretary's Certificate**

Dear Sir/Madam,

I, Andrew Kay, President of the Australian Entertainment Industry Association, certify that:

- the documents so lodged herewith are copies of the full report, the Financial Report, referred to in s268 of the Fair Work (Registered Organisations) Act 2009; and
- that the full Financial Report and Auditors' Report, was provided to the members on 21<sup>th</sup> October 2011; and
- that the full Financial Report and Auditors' Report was presented at the Annual General Meeting on 2nd December 2011; in accordance with section 266 of the Fair Work (Registered Organisation) Act 2009.

A handwritten signature in black ink, appearing to be 'Andrew Kay', written over a large, stylized 'S' shape that serves as a signature line or flourish.

**Andrew Kay  
President**

**AUSTRALIAN ENTERTAINMENT  
INDUSTRY ASSOCIATION**

**ABN 43 095 907 857**

**FINANCIAL REPORT**

**FOR THE YEAR ENDED 30 JUNE 2011**

**AUSTRALIAN ENTERTAINMENT  
INDUSTRY ASSOCIATION**

**Registered Office**

**Level 1  
15-17 Queen Street  
MELBOURNE VIC 3000**

**FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2011**

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## AUSTRALIAN ENTERTAINMENT INDUSTRY ASSOCIATION

### COUNCILLORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2011

Your Councillors submit the financial report of the Australian Entertainment Industry Association for the year ended 30 June 2011.

#### COUNCILLORS

The names of the Councillors during the year and up to the date of this report are:

B. Carmichael (appointed 4/12/09) *	R. Rigby (appointed 4/12/09) *
A. Collette (appointed 4/12/09) *	M. Barker (appointed 11/06/10) *
M. Coppel (appointed 4/12/09) *	P. Prendergast (appointed 11/06/10) *
P. Foulkes (appointed 4/12/09) *	
D. Gautier (appointed 4/12/09) *	T. Brookman (resigned 2/12/10)
A. Kay (appointed 4/12/09) *	R. Healy (resigned 5/11/10)
J. Kotzas (appointed 4/12/09) *	R. Blackwell (resigned 31/12/10)
M. Lazarus-Hall (appointed 4/12/09) *	
L. McLean (appointed 4/12/09) *	R. Blackwell (appointed 17/09/10)
A. Moon (appointed 4/12/09) *	R. Evans (appointed 18/11/10)
M. O'Connor (appointed 4/12/09) *	V. Lovett (appointed 14/03/11)
R. Phillips (appointed 4/12/09) *	
A. Tonks (appointed 4/12/09) *	

\*All held office for the full Financial Year

#### PRINCIPAL ACTIVITIES

The principal activities of the Association during the financial year were:

- ♦ The provision of benefits and support to members in the areas of industrial relations, human resource services and a broad range of other industry related issues.
- ♦ In 2011 AEIA undertook five new initiatives. These include: Executive Council development of a 3 year Strategic Plan 2011-2014; Triennial Review of the Ticketing Code of Practice for the Ticketing of Live Entertainment in Australia; delivery of the Producer Development Program; support for the Venue and Live Music research commissioned by APRA; and scoping of a Medical and Health Insurance Scheme for members.
- ♦ These major initiatives have resulted in;
  - ♦ Increased membership, particularly emerging producers and promoters who require industrial relations, immigration and business support
  - ♦ Successful negotiation of agreements on behalf of producers and performing arts' companies, including the Performers Collective Agreement with MEAA
  - ♦ National review of key issues in relation to the Code of Practice for the Ticketing of Live Entertainment in Australia
  - ♦ Provision of Strategic Plan to all members which outlines strategic goals of AEIA for the next 3 years
  - ♦ Eight Producer workshops/seminars held in Melbourne, Sydney, Brisbane, Adelaide and Perth.

There are no other significant changes in the nature of the Association's principal activities during the financial year.

**AUSTRALIAN ENTERTAINMENT INDUSTRY ASSOCIATION**

**COUNCILLORS' REPORT (CONT'D)**

**FOR THE YEAR ENDED 30 JUNE 2011**

**OPERATING RESULTS**

The net result for the year amounted to a profit of \$2,487 (2010: \$4,039).

There have been no significant changes in the financial affairs of the association.

**AFTER BALANCE DATE EVENTS**

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Association, the results of those operations, or the state of affairs of the Association in future financial years.

**FUTURE DEVELOPMENTS**

The Association expects to maintain the present status and level of operations and hence there are no likely developments in the Association's operations.

**INDEMNIFYING OFFICERS, EXECUTIVES OR AUDITORS**

The Association has obtained insurance in respect of councillors, officers and executives against all liabilities to other persons that may arise from their positions as councillors, officers or executives. A premium of \$11,791 (2010: \$12,098) has been paid for this insurance.

The Association has not during or since the end of the financial year, in respect of an auditor of the Association:

- ♦ Indemnified or made any relevant agreement for indemnifying a liability, including costs and expenses in successfully defending legal proceedings; or
- ♦ Paid or agreed to pay a premium in respect of a contract insuring against a liability for the costs or expenses to defend legal proceedings.

**MEMBERSHIP**

As at 30 June 2011 the Association had 364 members (2010: 346 members).

Under section 174 of the *Fair Work (Registered Organisations) Act 2009* members have the right to resign from Australian Entertainment Industry Association by providing written notice.

Under AEIA's Rules – Rule 9 Retirement and expulsion of members:

- a) A member may resign from membership of the Association by written notice addressed and delivered to the Chief Executive.

**AUSTRALIAN ENTERTAINMENT INDUSTRY ASSOCIATION**

**COUNCILLORS' REPORT (CONT'D)**

**FOR THE YEAR ENDED 30 JUNE 2011**

**MEMBERSHIP (CONT'D)**

- b) A notice of resignation from membership shall take effect:
- (i) where a member ceases to be eligible to become a member of the Association:
    - (1) on the day on which the notice is received by the Association; or
    - (2) on the day specified in the notice, which is a day not earlier than the day when the member ceases to be eligible to become a member;whichever is later; or
  - (ii) in any other case:
    - (1) at the end of two weeks after the notice is received by the Association; or
    - (2) on the day specified in the notice;whichever is later.
- c) Any dues payable but not paid by a former member in relation to a period before such resignation takes effect, may be sued for and recovered in the name of the Association, in a court of competent jurisdiction, as a debt due to the Association.
- d) A notice delivered to the Chief Executive in accordance with subsection (a) of this Rule shall be taken to have been received by the Association when it was delivered.
- e) A notice of resignation that has been received by the Association is not invalid because it was not addressed and delivered in accordance with subsection (a) of this Rule.
- f) A resignation from membership of the Association is valid even if it is not effected in accordance with this Rule if the member is informed in writing by or on behalf of the Association that the resignation has been accepted.

**PERSONNEL**

Number of Employees 9 Full time & 1 Part time (equivalent to 0.9 full time), (2010: 9 Full time & 1 Part time).

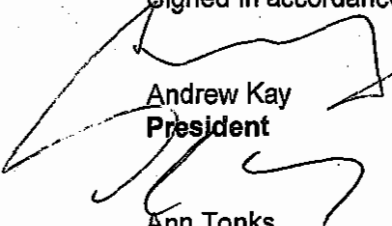
**AUSTRALIAN ENTERTAINMENT INDUSTRY ASSOCIATION**

**COUNCILLORS' REPORT (CONT'D)**

**FOR THE YEAR ENDED 30 JUNE 2011**

No other officer or member of the reporting unit holds a position as a trustee or director of a superannuation entity or exempt public sector superannuation scheme where the criterion for holding such position is that they are an officer or member of an organisation.

Signed in accordance with a resolution of the Councillors.



**Andrew Kay**  
**President**

**Ann Tonks**  
**Vice President**

**21 October 2011**



**AUSTRALIAN ENTERTAINMENT INDUSTRY ASSOCIATION**

**EXECUTIVE COUNCIL STATEMENT**

**FOR THE YEAR ENDED 30 JUNE 2011**

In the opinion of the Councillors, the financial report as set out on pages 7 to 26:

1. Presents a true and fair view of the financial performance, financial position and cash flows of the Australian Entertainment Industry Association as at 30 June 2011 for the year ended on that date in accordance with reporting guidelines of the Industrial Registrar, Australian Accounting Standards, mandatory professional reporting requirements and other authoritative pronouncements of the Australian Accounting Standards Board;
2. During and since the end of the financial year ended 30 June 2011, the;
  - a) meetings of the Executive Council were held in accordance with the rules of the Association;
  - b) financial affairs have been managed in accordance with the rules of the Association and financial records have been kept and maintained in accordance with the *Fair Work (Registered Organisation) Act 2009*; and
  - c) information sought in any request of a member of the Australian Entertainment Industry Association or a Registrar has been provided to the member or Registrar in accordance with the *Fair Work (Registered Organisations) Act 2009*, and any order for inspection of financial records made by the Commission under Section 273 of the Act has been complied with.
3. In relation to recovery of wages activity:
  - a) in accordance with the requirements of the reporting guidelines of the Industrial Registrar there was no recovery of wage activities in this financial year; and
  - b) prior to engaging in any recovery of wages activity, the organisation will disclose to members by way of a written policy all fees to be charged or reimbursement of expenses required for recovery of wages activity, and any likely request for donations or other contributions in acting for a worker in recovery of wages activity.
4. At the date of this statement, there are reasonable grounds to believe that the Australian Entertainment Industry Association will be able to pay its debts as and when they fall due.
5. The Committee of Management of AEIA passed the resolution to approve and accept the Financial Statements for the year ended 30 June 2011 on 21 October 2011.

This statement is made in accordance with a resolution of the Councillors and is signed for and on behalf of the Councillors by:

  
Andrew Kay  
President

  
Ann Tonks  
Vice President

21 October 2011

**AUSTRALIAN ENTERTAINMENT INDUSTRY ASSOCIATION  
STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2011**

	Notes	2011 \$	2010 \$
<b>Revenue</b>	4	<u>2,016,129</u>	<u>1,766,059</u>
<b>Expenses</b>			
AEIA – Administration Expenses		(1,480,809)	(1,322,666)
Depreciation and Amortisation Expenses		(22,320)	(34,068)
Helpmann Awards		<u>(510,513)</u>	<u>(405,286)</u>
	5	<u>(2,013,642)</u>	<u>(1,762,020)</u>
<b>Profit before Income Tax Expense</b>		<u>2,487</u>	<u>4,039</u>
Income tax expense	1(d)	<u>-</u>	<u>-</u>
<b>Profit after Income Tax Expense</b>		<u>2,487</u>	<u>4,039</u>
Other Comprehensive Income, net of tax		<u>-</u>	<u>-</u>
<b>Total Comprehensive Income for the Year</b>		<u><u>2,487</u></u>	<u><u>4,039</u></u>

The above Statement of Comprehensive Income is to be read in conjunction with the notes to the financial statements.

**AUSTRALIAN ENTERTAINMENT INDUSTRY ASSOCIATION  
STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2011**

	Notes	2011 \$	2010 \$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	6	595,841	528,063
Trade and other receivables	7	274,652	338,351
Other	8	138,145	46,629
<b>TOTAL CURRENT ASSETS</b>		<u>1,008,638</u>	<u>913,043</u>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	9	34,822	40,043
Intangibles	10	4,630	9,710
<b>TOTAL NON-CURRENT ASSETS</b>		<u>39,452</u>	<u>49,753</u>
<b>TOTAL ASSETS</b>		<u>1,048,090</u>	<u>962,796</u>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	11	583,538	509,272
Provisions	12	80,562	98,583
<b>TOTAL CURRENT LIABILITIES</b>		<u>664,100</u>	<u>607,855</u>
<b>NON-CURRENT LIABILITIES</b>			
Provisions	13	34,704	8,142
<b>TOTAL NON-CURRENT LIABILITIES</b>		<u>34,704</u>	<u>8,142</u>
<b>TOTAL LIABILITIES</b>		<u>698,804</u>	<u>615,997</u>
<b>NET ASSETS</b>		<u>349,286</u>	<u>346,799</u>
<b>MEMBERS' EQUITY</b>			
Retained profits		349,286	346,799
<b>TOTAL MEMBERS' EQUITY</b>		<u>349,286</u>	<u>346,799</u>

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

**AUSTRALIAN ENTERTAINMENT INDUSTRY ASSOCIATION  
STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 JUNE 2011**

	<b>2011</b>	<b>2010</b>
	<b>\$</b>	<b>\$</b>
Retained Profits at the beginning of year 1 July	346,799	342,760
Total Comprehensive Income for the year	<u>2,487</u>	<u>4,039</u>
Retained Profits at the end of year 30 June	<u>349,286</u>	<u>346,799</u>

The above Statement of Changes in Equity is to be read in conjunction with the notes to the financial statements.

**AUSTRALIAN ENTERTAINMENT INDUSTRY ASSOCIATION  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30 JUNE 2011**

	Notes	2011 \$	2010 \$
<b>Cash Flows from Operating Activities</b>			
Receipts from members and non members		2,027,593	1,600,371
Payments to suppliers and employees		(1,997,304)	(1,728,171)
Interest received		49,508	13,552
<b>Net Cash (Used in)/Provided By Operating Activities</b>	<b>15(b)</b>	<u><b>79,797</b></u>	<u><b>(114,248)</b></u>
<b>Cash Flows From Investing Activities</b>			
Purchase of Property, Plant and Equipment		<u>(12,019)</u>	<u>(11,615)</u>
<b>Net Cash Used In Investing Activities</b>		<u><b>(12,019)</b></u>	<u><b>(11,615)</b></u>
<b>Net Increase/(Decrease) in Cash Held</b>			
Cash at the beginning of the financial year		<u>528,063</u>	<u>653,926</u>
<b>Cash at the end of the Financial Year</b>	<b>15(a)</b>	<u><b>595,841</b></u>	<u><b>528,063</b></u>

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

**AUSTRALIAN ENTERTAINMENT INDUSTRY ASSOCIATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2011**

**INTRODUCTION**

The Australian Entertainment Industry Association (AEIA) is an incorporated association, incorporated and domiciled in Australia. AEIA's principal activities are the provision of benefits and support to its members in the areas of industrial relations, human resource services and a broad range of other issues.

The registered office and principal place of business is Level 1, 15-17 Queen Street, Melbourne, Victoria. The financial statements are presented in Australian dollars.

The financial report was authorised for issue by the Executive Council of AEIA on the date shown on the Executive Council Statement attached to the Financial Statements.

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, including Australian Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board and the Fair Work (Registered Organisations) Act 2009.

The financial report has been prepared on a going concern and an accrual basis and is based on historical costs and does not take into account changing money values or, except where stated, current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets.

The AEIA is considered to be a Not for Profit entity and has prepared the financial statements in accordance with the requirements regarding Not for Profit entities as contained in Australian Accounting Standards.

The following is a summary of the material accounting policies adopted by the company in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

**1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

**(a) Depreciation and Amortisation**

Items of property plant and equipment are depreciated 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	37.5% - 40%
- Furniture and Fittings	19.0% - 37.5%

**AUSTRALIAN ENTERTAINMENT INDUSTRY ASSOCIATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2011**

**1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**(b) Plant and Equipment**

Plant and equipment is measured on the cost basis less depreciation and impairment losses.

The carrying amount of plant and equipment is reviewed annually by Councillors to ensure it is not in excess of the recoverable amount from the assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

**(c) Intangibles**

**Trademarks**

Trademarks are stated at cost and are not amortised as the Councillors believe they have an indeterminate life and are not expected to diminish in value over time. The carrying amounts of the trademarks are reviewed at the end of each accounting period to ensure they are not valued in excess of their recoverable amounts.

**Websites**

The AEIA Members' website is initially measured at cost. Following initial recognition it is carried at cost less accumulated amortisation and any accumulated impairment losses. The useful life of the website is amortised over three years.

**(d) 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.

**(e) 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.

**AUSTRALIAN ENTERTAINMENT INDUSTRY ASSOCIATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2011**

**1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**(e) Leases (Cont'd)**

Operating lease payments are charged to expense on a basis which is representative of the pattern of benefits derived from the leased property.

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.

**(f) Cash and Cash Equivalents**

Cash and cash equivalents include cash on hand, deposits held at call with banks and other short term liquid investments.

**(g) Goods and Service Tax**

Revenue, expenses and assets are recognised net of the amount of GST, except where the amount of GST is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the balance sheet are shown inclusive of GST.

**(h) Employee Benefits**

**Wages, Salaries and Annual Leave**

The provisions for employee benefits 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.

**(i) Long Service Leave**

The liability for employees' benefits 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 benefits 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.



**AUSTRALIAN ENTERTAINMENT INDUSTRY ASSOCIATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2011**

**1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**(i) Long Service Leave (Cont'd)**

In determining the liability for employee benefits, 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.

**(j) Allowance for Doubtful Debts**

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

**(k) Trade and Other 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 allowances for doubtful accounts.

**(l) Trade and Other Payables**

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

**(m) Revenue Recognition**

Memberships are generally for a period of twelve months. The membership fees are invoiced on 1 July each year and income is recognised in equal monthly instalments over the twelve month period.

**(n) Impairment**

At each reporting date the Association reviews the carrying amounts of assets to determine whether there is any indication that those assets have suffered an impairment loss. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss if any. The Councillors are satisfied that the carrying amounts of assets do not exceed the net amounts that are expected to be recovered through the cash inflows and outflows arising from the continued use and subsequent disposal of the assets.

**AUSTRALIAN ENTERTAINMENT INDUSTRY ASSOCIATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2011**

**1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**(o) Comparative Figures**

Comparatives have been reclassified where necessary so as to be consistent with the figures presented in the current year.

**(p) Accounting Standards Not Yet Effective**

AEIA has applied all accounting standards that are effective at 30 June 2011. Accounting standards and amendments to Accounting Standards that have been issued, but not effective until later dates have not been applied. The Councillors believe there will be no significant impact on AEIA's accounting policies.

**2. EVENTS SUBSEQUENT TO BALANCE DATE**

No matter or 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 Section 253 of the Fair Work (Registered Organisations) Act 2009, 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 a reporting unit, or the General Manager, may apply to the reporting unit for specified prescribed information in relation to the reporting unit to be made available to the person making the application.
- (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 unit.
- (3) A reporting unit must comply with an application made under subsection (1).

**AUSTRALIAN ENTERTAINMENT INDUSTRY ASSOCIATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2011**

	2011 \$	2010 \$
<b>4. REVENUE FROM CONTINUING ACTIVITIES</b>		
<b>Operating Activities</b>		
Members Subscription	382,598	342,514
Non-Members Subscription	16,806	30,077
Loose Leaf Industrial Award Update Subscription	514	8,870
Helpmann Awards	507,792	406,336
Industry Service Fee	1,014,275	927,527
Workplace Relations Fee	-	10,400
	<u>1,921,985</u>	<u>1,725,724</u>
<b>Non-Operating Activities</b>		
Interest	39,512	13,552
Other	54,632	26,783
	<u>94,144</u>	<u>40,335</u>
Total Revenue	<u>2,016,129</u>	<u>1,766,059</u>

**AUSTRALIAN ENTERTAINMENT INDUSTRY ASSOCIATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2011**

<b>5. EXPENSES</b>	<b>2011</b>	<b>2010</b>
	<b>\$</b>	<b>\$</b>
Expenses include the following items:		
Affiliation Fees	-	-
Auditors remuneration -- Audit Services	11,720	10,800
Auditors remuneration -- Other Services	-	-
Communication Expenses	29,757	29,574
Computer Expenses	6,177	9,003
Depreciation and Amortisation expenses	22,320	34,068
Employment Benefits paid to Employees.	860,505	793,541
Employment Benefits paid to Office Holders	-	-
Helpmann Awards Expenses	510,513	405,286
Levies Imposed	-	-
Grants or Donations	-	-
Capitation Fees or Membership Subscriptions (Aust Chamber Commerce \$8,610, CCH \$8,134 & other Performing Arts related publications under \$1,000)	25,889	24,574
Subscription Fees to Political Parties or Industrial Bodies	-	-
Conference Expenses	8,697	6,992
Meeting Expenses - Management Committee	-	-
Meeting Expenses - Executive Council	5,334	4,764
Meeting Expenses - Annual General	2,555	2,847
Meeting Expenses - Members Forum	11,675	13,329
Meeting Expenses -- Other	-	2,868
Penalties	-	-
Legal Expenses	3,687	8,144
Insurance Expenses	21,141	18,060
Membership Development	175,071	134,237
Operating Lease Payments	76,590	66,509
Other Expenses	135,762	113,581
Printing and Stationery	30,712	12,140
Travel and Entertainment	72,748	61,692
Advertising	1,729	300
Doubtful Debts	1,060	9,711
	<u>2,013,642</u>	<u>1,762,020</u>

**6. CASH AND CASH EQUIVALENTS**

Cash at Bank	185,641	117,271
Cash on Hand	200	200
Car Park Deposit	-	592
Short-term Deposit	410,000	410,000
	<u>595,841</u>	<u>528,063</u>

The short term deposit matures on 4 February 2012.  
The effective interest rate on the short term deposit is  
6.2% (2010: 6.0%).

**AUSTRALIAN ENTERTAINMENT INDUSTRY ASSOCIATION  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2011**

<b>7. TRADE AND OTHER RECEIVABLES (CURRENT)</b>	<b>2011</b>	<b>2010</b>
	<b>\$</b>	<b>\$</b>
Trade Debtors	277,379	343,403
Allowance for Doubtful Debts	(2,727)	(5,052)
	<u>274,652</u>	<u>338,351</u>

**Allowance for Impairment Loss**

Trade receivables are non-interest bearing and are generally on 30-60 day terms. A provision for impairment loss is recognised when there is objective evidence that an individual trade receivable is impaired. An impairment loss of \$3,385 (2010: \$18,659) has been recognised by the entity in the current year.

Movements in the provision for impairment loss were as follows:

	<b>2011</b>	<b>2010</b>
	<b>\$</b>	<b>\$</b>
Opening Balance	5,052	14,000
Additional Provision	1,060	9,711
Amounts Written off	(3,385)	(18,659)
Amounts Recovered	-	-
Closing Balance	<u>2,727</u>	<u>5,052</u>

At 30 June, the ageing analysis of trade receivables is as follows:

	<b>As at 30 June 2011</b>		<b>As at 30 June 2010</b>	
	<b>Gross</b>	<b>Allowance</b>	<b>Gross</b>	<b>Allowance</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Current	111,049	-	205,037	-
31 – 60 days	31,262	(2,727)	49,651	(5,052)
61 – 90 days	2,603	-	87,022	-
91 days and over	132,465	-	1,693	-
Closing Balance	<u>277,379</u>	<u>(2,727)</u>	<u>343,403</u>	<u>(5,052)</u>

As at 30 June 2011 the Association had debts that were past due but not doubtful in the amount of \$163,603 (2010: \$133,314). These trade receivables comprise trade receivables that have a reasonable paying history and are considered recoverable.

The Association also had debts that were past due and are recognised as doubtful so the provision has adjusted accordingly to provide for those debtors \$2,727 (2010: \$5,052).

**AUSTRALIAN ENTERTAINMENT INDUSTRY ASSOCIATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2011**

	2011 \$	2010 \$
<b>8. OTHER (CURRENT)</b>		
Prepayments	<u>138,145</u>	<u>46,629</u>
<b>9. PROPERTY, PLANT AND EQUIPMENT</b>		
Office Equipment - At Cost	99,133	91,646
Less: Accumulated Depreciation	<u>(73,863)</u>	<u>(59,885)</u>
	25,270	31,761
Furniture and Fittings - At Cost	20,685	16,154
Less: Accumulated Depreciation	<u>(11,133)</u>	<u>(7,872)</u>
	9,552	8,282
Total Property, Plant & Equipment	119,818	107,800
Total Accumulated Depreciation	<u>(84,996)</u>	<u>(67,757)</u>
	<u>34,822</u>	<u>40,043</u>

	Opening Written Down Value \$	Additions \$	Depreciation \$	Closing Written Down Value \$
Office Equipment	31,761	7,488	(13,979)	25,270
Furniture and Fittings	8,282	4,531	(3,261)	9,552
	<u>40,043</u>	<u>12,019</u>	<u>(17,240)</u>	<u>34,822</u>

**AUSTRALIAN ENTERTAINMENT INDUSTRY ASSOCIATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2011**

<b>10. INTANGIBLES</b>	<b>2011</b>	<b>2010</b>
	<b>\$</b>	<b>\$</b>
Trademarks – At Cost	4,630	4,630
Website – At Cost	58,400	58,400
Less : Accumulated Amortisation - Website	(58,400)	(53,320)
	<u>4,630</u>	<u>9,710</u>

	Opening Written Down Value \$	Additions \$	Amortisation \$	Disposals \$	Closing Written Down Value \$
Trademarks	4,630	-	-	-	4,630
Website	5,080	-	(5,080)	-	-
	<u>9,710</u>	<u>-</u>	<u>(5,080)</u>	<u>-</u>	<u>4,630</u>

	<b>2011</b>	<b>2010</b>
	<b>\$</b>	<b>\$</b>
<b>11. TRADE AND OTHER PAYABLES</b>		
<b>Non Interest Bearing</b>		
Trade and other payables	265,347	242,595
Accruals	7,500	8,250
Subscriptions in Advance	12,757	22,750
Income in Advance –Helpmann’s Sponsorship	292,208	235,677
Income in Advance – Awards	5,726	-
	<u>583,538</u>	<u>509,272</u>
<b>12. PROVISIONS (CURRENT)</b>		
Annual Leave	39,985	39,965
Long Service Leave	40,577	58,618
	<u>80,562</u>	<u>98,583</u>
<b>13. PROVISIONS (NON-CURRENT)</b>		
Long Service Leave	<u>34,704</u>	<u>8,142</u>

**AUSTRALIAN ENTERTAINMENT INDUSTRY ASSOCIATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2011**

	2011 \$	2010 \$
<b>14. LEASE COMMITMENTS</b>		
Non-Cancellable Operating Leases Payable: Premises Rental		
Payable no later than one year	94,165	33,788
Payable later than one year but not later than five years	389,763	-
	<u>450,928</u>	<u>33,788</u>
<b>15. NOTES TO CASH FLOW STATEMENT</b>		
<b>(a) Reconciliation of cash</b>		
For the purposes of the cash flow statement, 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 cash flow statement is reconciled to the related items in the balance sheet as follows:		
Cash at Bank and on hand	185,841	117,471
Short Term Deposit	410,000	410,592
	<u>595,841</u>	<u>528,063</u>
<b>(b) Reconciliation of net cash provided by operating activities to profit after income tax</b>		
Profit after Income Tax	2,487	4,039
Depreciation of Property, Plant & Equipment	17,240	18,468
Amortisation of Intangibles	5,080	15,600
Bad Debts	2,727	5,052
<b>Changes in Assets and Liabilities</b>		
Decrease(Increase) in trade and other receivables	60,972	(132,855)
(Increase)/Decrease in other assets	(91,516)	18,336
Increase/(Decrease) in trade and other payables	74,266	(60,409)
Increase in provisions	8,541	17,521
Net Cash (Used In)/Provided By Operating Activities	<u>79,797</u>	<u>(114,248)</u>



**AUSTRALIAN ENTERTAINMENT INDUSTRY ASSOCIATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2011**

**16. EXECUTIVE COUNCIL**

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

B. Carmichael  
A. Collette  
M. Coppel  
P. Foulkes

Resigned:

T. Bookman (resigned 2/12/10)  
R. Healy (resigned 5/11/10)  
R. Blackwell (resigned 31/12/10)

D. Gautier  
A. Tonks  
A. Kay  
J. Kotzas  
M. Lazarus-Hall  
L. McLean  
A. Moon  
M. O'Connor  
R. Phillips  
R. Rigby

Appointed:

R. Blackwell (appointed 17/09/10)  
R. Evans (appointed 18/11/10)  
V. Lovett (appointed 14/03/11)

No members of the Executive Council received any remuneration for services as Executive Councillors.

**Related Party Transactions**

The following related party transactions occurred during the financial year:

R. Evans – Chief Executive, Sydney Opera House. This entity received \$14,501 (2010: \$29,561) for venue hire.

A. Moon – Executive, Victorian Arts Centre Trust. This entity received \$988 (2010: \$221) for parking charges and venue hire.

L. McLean – Director, Tinderbox Productions Pty Ltd. This entity received \$10,328 (2010: \$12,141) for services contracted as the Strategic Manager and reimbursement of expenses for the Helpmann Awards®.

R. Phillips – Chief Executive, AEG Ogden (Perth) Pty Ltd. This entity received \$1,380 (2010: \$2,196) for venue hire.

D. Gautier – CEO, Adelaide Festival Centre. This entity received \$1,285 (2010 Nil) for venue hire.

**AUSTRALIAN ENTERTAINMENT INDUSTRY ASSOCIATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2011**

**Related Party Transactions (Cont'd)**

J.Kotzas – Chief Executive, Queensland Performing Arts Centre. This entity received \$1,902 (2010: \$3,247) for Venue Hire.

The above transactions were on normal commercial terms and conditions.

**AUSTRALIAN ENTERTAINMENT INDUSTRY ASSOCIATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2011**

**17. KEY MANAGEMENT PERSONNEL COMPENSATION**

	2011 \$	2010 \$
The following table discloses the aggregate of Key Management personnel compensation:		
Short term employee benefits	170,452	167,709
Post employment benefits - superannuation	<u>14,631</u>	<u>21,397</u>
Total remuneration	<u>185,083</u>	<u>189,106</u>

**18. CONTINGENT LIABILITIES**

AEIA maintains a security deposit of \$10,000 as part of the lease agreement of the office premises at 15-17 Queen Street, Melbourne.

**19. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES**

The Association's principal financial instruments comprise receivables, payables, cash, short-term deposits and investment in Building Society shares. These activities expose the Association to a variety of financial risks: market risk (including interest rate risk and price risk), credit risk and liquidity risk.

Although the Association does not have documented policies and procedures, the Councillors manage the different types of risks to which it is exposed by considering risk and monitoring levels of exposure to interest rate risk and by being aware of market forecasts for interest rates. Ageing analyses and monitoring of specific credit allowances are undertaken to manage credit risk, liquidity risk is monitored through general business budgets and forecasts.

The Association holds the following financial instruments:

	2011 \$	2010 \$
<b>Financial Assets</b>		
Cash and cash equivalents	595,841	528,063
Trade and other receivables	<u>274,652</u>	<u>338,351</u>
Total Financial Assets	<u>870,493</u>	<u>866,414</u>
<b>Financial Liabilities</b>		
Trade and other payables	<u>583,538</u>	<u>509,272</u>
Total Financial Liabilities	<u>583,538</u>	<u>509,272</u>
<b>Net exposure</b>	<u><u>286,955</u></u>	<u><u>357,142</u></u>

**AUSTRALIAN ENTERTAINMENT INDUSTRY ASSOCIATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2011**

**19. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)**

**RISK EXPOSURE AND RESPONSES**

***Interest rate risk***

The Association's exposure to market interest rates relates primarily to the entity's short term deposits held. The effect of volatility of interest rates within expected reasonable possible movements would not be material.

***Credit risk***

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets is the carrying amount of those assets, net of any allowance for doubtful debts, as disclosed in the balance sheet and notes to the financial report.

The Association trades only with recognised, creditworthy third parties, and as such collateral is not requested nor is it the entity's policy to securitise its trade and other receivables. It is the Association's policy to consider the credit worthiness of all customers who wish to trade on credit terms.

In addition, receivable balances are monitored on an ongoing basis with the result that the Association's exposure to bad debts is not significant. There are no significant concentrations of credit risk.

***Price risk***

The Association's exposure to commodity and equity securities price risk is minimal.

***Liquidity Risk***

The Association manages liquidity risk by monitoring cash flow and maturity profiles of financial assets and liabilities.

**AUSTRALIAN ENTERTAINMENT INDUSTRY ASSOCIATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2011**

**19. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)**

**Maturities of financial assets and liabilities**

The tables below analyse the Association's financial liabilities, net and gross settled derivative financial instruments into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

<b>Year ended 30 June 2011</b>	<b>&lt; 6 months \$</b>	<b>6 – 12 months \$</b>	<b>1 – 5 years \$</b>	<b>&gt; 5 years \$</b>	<b>Total \$</b>
<b>Financial assets</b>					
Bank	595,841	-	-	-	595,841
Trade and other receivables	274,652	-	-	-	274,652
	<u>870,493</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>870,493</u>
<b>Financial liabilities</b>					
Trade and other payables	583,538	-	-	-	583,538
	<u>583,538</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>583,538</u>
<b>Net maturity</b>	<b><u>286,955</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>286,955</u></b>



Chartered Accountants  
& Business Advisers

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF  
THE AUSTRALIAN ENTERTAINMENT INDUSTRY ASSOCIATION**

We have audited the accompanying financial report of The Australian Entertainment Industry Association, which comprises the statement of financial position as at 30 June 2011, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the period ended on that date, a summary of significant accounting policies, other explanatory notes and the executive council statement.

*The Responsibility of the Councillors for the Financial Report*

The Councillors are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Fair Work (Registered Organisations) Act 2009* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

*Auditor's Responsibility*

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the councillors, as well as evaluating the overall presentation of the financial report.

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

*Independence*

In conducting our audit, we have complied with the independence requirements of the Australian Professional Accounting bodies.

*Auditor's Opinion*

In our opinion, the financial report presents fairly, in all material respects, the financial position of the Australian Entertainment Industry Association as of 30 June 2011 and of its performance and its cash flows for the year ended on that date; and is in accordance with:

- (a) the Fair Work (Registered Organisations) Act 2009, including complying with Accounting Standards in Australia and the requirements of the Fair Work (Registered Organisations) Act 2009, Schedule 1, Chapter 8, Part 3 – Accounts and Audit; and
- (b) other mandatory financial reporting requirements in Australia.

PKF

J A Mooney  
Partner

Registered Company Auditor # 311052

21 October 2011  
Melbourne

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