



25 October 2013

Mr Andrew Kay
President
Australian Entertainment Industry Association
info@liveperformance.com.au

Dear Mr Kay,

**Australian Entertainment Industry Association
Financial Report for the year ended 30 June 2012 - [FR2012/405]**

I acknowledge receipt of the financial report of the Australian Entertainment Industry Association (the reporting unit). The documents were lodged with Fair Work Australia on 11 December 2012.

The financial report has now been filed. You are not required to take any further action in respect of the report lodged.

This financial report was filed based on a preliminary review. Please note that the reporting unit financial report for the year ending 30 June 2013 may be subject to a full compliance audit.

Old legislative references

References to 'Industrial Registrar' and 'Registrar' appearing in the Executive Council Statement should properly refer to the 'General Manager, Fair Work Commission.' Please ensure this is corrected in future year financial reports. This matter was raised in correspondence relating to the Association's 2011 financial report.

Changes to the legislation and reporting guidelines

I note with the change of legislation, references to Fair Work Australia will need to be updated to the Fair Work Commission.

Additionally, a third edition to the General Manager's s.253 reporting guidelines was gazetted on 26 June 2013. These guidelines will apply to all financial reports that end on or after 30 June 2013. Fair Work Commission has also developed a model set of financial statement for the 2012-2013 financial year. There is no requirement to use this model but it may be a useful resource to ensure compliance with the *Fair Work (Registered Organisations) Act 2009*, the s.253 reporting guidelines and the Australian Accounting Standards.

The guidelines and model financial statements are available on the website here:

<http://www.fwc.gov.au/index.cfm?pagename=regorgsfrguidelines#finance>

As stated previously, this financial report was filed based on a preliminary review. The financial report for the year ending 30 June 2013 may be subject to a full compliance audit.

If you have any queries regarding this letter, please contact me on (03) 8661 7942 or via email at melissa.garcia@fwc.gov.au.

Yours sincerely

Melissa Garcia
Adviser
Regulatory Compliance Branch



07 December 2012

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 08 November 2012; and
- that the full Financial Report and Auditors' Report was presented at the Annual General Meeting on 30 November 2012; in accordance with section 266 of the Fair Work (Registered Organisation) Act 2009.



**Andrew Kay
President**



DECLARATION

I, **ANDREW KAY**, of 32 Avoca Street, South Yarra, in the State of Victoria, do solemnly and sincerely declare:

1. I am the President of the Australian Entertainment Industry Association (AEIA) an organisation of employers registered under the Fair Work (Registered Organisations) Act 2009.
2. A register of members has, during the preceding calendar year, been kept and maintained in accordance with the requirements of s.230 (1) (a) and s.230 (2) of Chapter 8, Part 2 of the Fair Work (Registered Organisations) Act 2009. In accordance with Section 233(1)(b) a copy of the records required to be kept under paragraphs 230(1)(b), (c) and (d) have been certified by declaration by the secretary or other prescribed officer of the organization to be a correct statement of the information contained in those records.

I also certify that the information as set out in points 3 to 7 below is a correct statement of the information contained in the records of the AEIA.

3. In accordance with the AEIA rule 11(d), the Executive Council shall be elected for a term of two years. An election was conducted by the Australian Electoral Commission between 14 – 28 November 2011 and the results announced at the Annual General Meeting on 2th December 2011.
4. The list of offices in the Association for which nominations are called or may be made are as follows:

President (1)
Vice Presidents (2)
Members of Executive (not less than three or more than 15)

5. The names, postal addresses and occupations of the persons holding offices in the Association as at 30 June 2012 are as follows:

The address for all Office Holders and Committee Members is Level 1, 15 – 17 Queen Street, Melbourne 3000.

OFFICER	OCCUPATION
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President

Andrew Kay Director

Vice President

Maria O'Connor Executive Chairman

Executive Councillors

Bruce Carmichael	Director
Adrian Collette	Chief Executive
Michael Coppel	Company Director
Judith Isherwood	Chief Executive
Douglas Gautier	Chief Executive Officer
Michael Cassel	Head of International and Creative Affairs
John Kotzas	Chief Executive
Matthew Lazarus-Hall	Managing Director
Liza McLean	Director
Craig McMaster	Chief Executive
Rodney Phillips	Chief Executive
Phil Bathols	General Manager
Richard Fitzgerald	General Manager
Teena Munn	General Manager
Patrick McIntyre	General Manager

6. There are no branches or other divisions of the Association.
7. The Registered Office of the Association is at
Level 1, 15 – 17 Queen Street, Melbourne 3000 in the State of Victoria.
Phone: 03 9614 1111 Fax: 03 9614 1166 Email: info@liveperformance.com.au.
8. The documents filed herewith are copies of the Financial Statements for the year ended 30 June 2012 which were presented to the Annual General Meeting of Members held on 30 November 2012 in accordance with the provisions of the Act.



Andrew Kay
President

Signed at Melbourne this 7th day of December 2012

**AUSTRALIAN ENTERTAINMENT
INDUSTRY ASSOCIATION**

ABN 43 095 907 857

FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2012

**AUSTRALIAN ENTERTAINMENT
INDUSTRY ASSOCIATION**

Registered Office

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

**FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2012**

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AUSTRALIAN ENTERTAINMENT INDUSTRY ASSOCIATION

COUNCILLORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2012

Your Councillors submit the financial report of the Australian Entertainment Industry Association for the year ended 30 June 2012.

COUNCILLORS

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

B. Carmichael *	R Fitzgerald (appointed 02/12/11)
A. Collette *	T Munn (appointed 02/12/11)
M. Coppel *	J Isherwood (appointed 02/12/11)
D. Gautier *	
A. Kay *	P. Foulkes (resigned 02/12/11)
J. Kotzas *	A. Moon (resigned 02/12/11)
M. Lazarus-Hall *	A. Tonks (resigned 02/12/11)
L. McLean *	R. Rigby (resigned 02/12/11)
M. O'Connor *	M. Barker (resigned 02/12/11)
R. Phillips *	P. Prendergast (resigned 02/12/11)
	R. Blackwell (resigned 02/12/11)
P Bathols (appointed 02/12/11)	V. Lovett (resigned 02/12/11)
M Cassel (appointed 02/12/11)	R. Evans (resigned 31/01/12)
C McMaster (appointed 02/12/11)	
P McIntyre (appointed 02/12/11)	

*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 2011-2012 AEIA undertook 5 new initiatives. These include: Triennial Review and Implementation of the Live Performance Ticketing Code of Practice; launch of the Greener Live Performances pilot project in Brisbane; delivery of the Producer Development Program; review of industry implications of new Workplace Health and Safety Act; and completion of a Medical and Travel Insurance Scheme for members.
- ♦ These major initiatives have resulted in:
 - ♦ Membership base remains strong, diverse and national
 - ♦ Successful negotiation and registration of agreements on behalf of producers and performing arts companies
 - ♦ National review and implementation of the revised Live Performance Ticketing Code of Practice; including 5 seminars in Sydney, Melbourne, Brisbane, Perth and Adelaide
 - ♦ 3 Producer Development workshops/seminars in Melbourne, Sydney and Brisbane
 - ♦ 2 Greener Live Performances seminars in Brisbane
 - ♦ 5 Workplace Health and Safety seminars in Sydney, Melbourne, Brisbane, Perth and Adelaide.

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 2012

OPERATING RESULTS

The net result for the year amounted to a loss of \$10,833 (2011: profit \$2,487).

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 \$12,183 (2011: \$11,791) 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 2012 the Association had 367 members (2011: 364 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 2012

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 permanent Employees 10, (2011: 10).

AUSTRALIAN ENTERTAINMENT INDUSTRY ASSOCIATION

COUNCILLORS' REPORT (CONT'D)

FOR THE YEAR ENDED 30 JUNE 2012

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



Maria O'Connor
Vice President

19 October 2012

AUSTRALIAN ENTERTAINMENT INDUSTRY ASSOCIATION

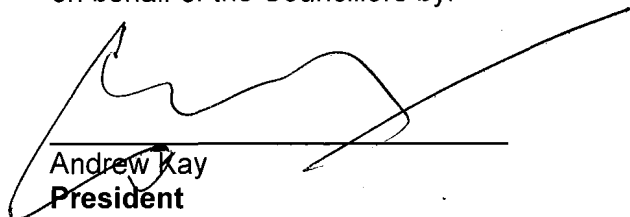
EXECUTIVE COUNCIL STATEMENT

FOR THE YEAR ENDED 30 JUNE 2012

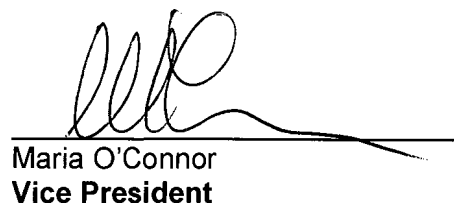
In the opinion of the Councillors, the financial report as set out on pages 7 to 26:

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 2012 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 2012, 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 2012 on 19 October 2012.

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



Maria O'Connor
Vice President

19 October 2012

**AUSTRALIAN ENTERTAINMENT INDUSTRY ASSOCIATION
STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2012**

	Notes	2012 \$	2011 \$
Revenue	4	<u>2,081,197</u>	<u>2,016,129</u>
Expenses			
AEIA – Administration Expenses		(1,531,496)	(1,480,809)
Depreciation and Amortisation Expenses		(15,596)	(22,320)
Helpmann Awards		<u>(544,938)</u>	<u>(510,513)</u>
	5	<u>(2,092,030)</u>	<u>(2,013,642)</u>
Profit/(Loss) before Income Tax Expense		<u>(10,833)</u>	<u>2,487</u>
Income tax expense	1(d)	<u>-</u>	<u>-</u>
Profit/(Loss) after Income Tax Expense		<u>(10,833)</u>	<u>2,487</u>
Other Comprehensive Income, net of tax		<u>-</u>	<u>-</u>
Total Comprehensive Income for the Year		<u><u>(10,833)</u></u>	<u><u>2,487</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 2012**

	Notes	2012 \$	2011 \$
CURRENT ASSETS			
Cash and cash equivalents	6	976,619	595,841
Trade and other receivables	7	396,716	274,652
Other	8	124,250	138,145
TOTAL CURRENT ASSETS		<u>1,497,585</u>	<u>1,008,638</u>
NON-CURRENT ASSETS			
Property, plant and equipment	9	30,188	34,822
Intangibles	10	4,630	4,630
TOTAL NON-CURRENT ASSETS		<u>34,818</u>	<u>39,452</u>
TOTAL ASSETS		<u>1,532,403</u>	<u>1,048,090</u>
CURRENT LIABILITIES			
Trade and other payables	11	1,053,886	583,538
Provisions	12	100,046	80,562
TOTAL CURRENT LIABILITIES		<u>1,153,932</u>	<u>664,100</u>
NON-CURRENT LIABILITIES			
Provisions	13	40,018	34,704
TOTAL NON-CURRENT LIABILITIES		<u>40,018</u>	<u>34,704</u>
TOTAL LIABILITIES		<u>1,193,950</u>	<u>698,804</u>
NET ASSETS		<u>338,453</u>	<u>349,286</u>
MEMBERS' EQUITY			
Retained profits		<u>338,453</u>	<u>349,286</u>
TOTAL MEMBERS' EQUITY		<u>338,453</u>	<u>349,286</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 2012**

	2012	2011
	\$	\$
Retained Profits at the beginning of year 1 July	349,286	346,799
Total Comprehensive Income/(Loss) for the year	<u>(10,833)</u>	<u>2,487</u>
Retained Profits at the end of year 30 June	<u><u>338,453</u></u>	<u><u>349,286</u></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 2012**

	Notes	2012 \$	2011 \$
Cash Flows from Operating Activities			
Receipts from members and non members		2,487,620	2,027,593
Payments to suppliers and employees		(2,130,454)	(1,997,304)
Interest received		35,732	49,508
Net Cash Provided By Operating Activities	15(b)	<u>392,898</u>	<u>79,797</u>
Cash Flows From Investing Activities			
Purchase of Property, Plant and Equipment		(12,120)	(12,019)
Net Cash Used In Investing Activities		<u>(12,120)</u>	<u>(12,019)</u>
Net Increase in Cash Held			
Cash at the beginning of the financial year		595,841	528,063
Cash at the end of the Financial Year	15(a)	<u><u>976,619</u></u>	<u><u>595,841</u></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 2012**

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 2012**

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 2012**

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 2012**

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 from July to June. The membership fees are invoiced a month prior to 1 July each year and Membership Fee income is recognised in equal monthly instalments over the twelve month period ending June.

(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 2012**

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 2012. 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 2012**

	2012	2011
	\$	\$
4. REVENUE FROM CONTINUING ACTIVITIES		
Operating Activities		
Members Subscription	386,478	382,598
Non-Members Subscription	-	16,806
Loose Leaf Industrial Award Update Subscription	8,947	514
Helpmann Awards	537,774	507,792
Industry Service Fee	1,009,497	1,014,275
	<u>1,942,696</u>	<u>1,921,985</u>
Non-Operating Activities		
Interest	26,268	39,512
Other	112,233	54,632
	<u>138,501</u>	<u>94,144</u>
Total Revenue	<u>2,081,197</u>	<u>2,016,129</u>

**AUSTRALIAN ENTERTAINMENT INDUSTRY ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012**

5. EXPENSES	2012	2011
	\$	\$
Expenses include the following items:		
Affiliation Fees	-	-
Auditors remuneration – Audit Services	12,860	11,720
Auditors remuneration – Other Services	-	-
Communication Expenses	23,472	29,757
Computer Expenses	17,160	6,177
Consultancy	55,055	21,635
Depreciation and Amortisation expenses	15,596	22,320
Loss on disposal of asset	1,158	-
Employment Benefits paid to Employees.	891,636	860,505
Employment Benefits paid to Office Holders	-	-
Helpmann Awards Expenses	544,938	510,513
Levies Imposed	-	-
Grants or Donations	-	-
Capitation Fees or Membership Subscriptions (Aust Chamber Commerce \$8,712, CCH \$8,663 & other Performing Arts related publications under \$1,000)	20,346	25,889
Subscription Fees to Political Parties or Industrial Bodies	-	-
Conference Expenses	1,827	8,697
Meeting Expenses - Executive Council	818	5,334
Meeting Expenses - Annual General	8,249	2,555
Meeting Expenses - Members Forum	18,743	11,675
Meeting Expenses – Other	-	-
Penalties	-	-
Legal Expenses	5,559	3,687
Insurance Expenses	28,134	21,141
Membership Development	84,945	175,071
Project DERM	37,254	-
Rent Payments	85,604	76,590
Other Expenses	127,315	114,127
Printing and Stationery	18,060	30,712
Travel and Entertainment	74,429	72,748
Advertising	10,545	1,729
Doubtful Debts	8,327	1,060
	<u>2,092,030</u>	<u>2,013,642</u>
6. CASH AND CASH EQUIVALENTS		
Cash at Bank	366,419	185,641
Cash on Hand	200	200
Short-term Deposit	600,000	400,000
Rent Guarantee – Term Deposit	10,000	10,000
	<u>976,619</u>	<u>595,841</u>

The short term deposits mature on 6 August 2012 (\$400,000) and 16 September 2012 (\$200,000). The effective interest rate on the short term deposit is 5.62% (2011: 6.2%).

**AUSTRALIAN ENTERTAINMENT INDUSTRY ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012**

7. TRADE AND OTHER RECEIVABLES (CURRENT)	2012	2011
	\$	\$
Trade Debtors	408,716	277,379
Allowance for Doubtful Debts	(12,000)	(2,727)
	<u>396,716</u>	<u>274,652</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 \$15,806 (2011: \$3,385) has been recognised by the entity in the current year.

Movements in the provision for impairment loss were as follows:

	2012	2011
	\$	\$
Opening Balance	2,727	5,052
Additional Provision	25,079	1,060
Amounts Written off	(15,806)	(3,385)
Amounts Recovered	-	-
Closing Balance	<u>12,000</u>	<u>2,727</u>

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

	As at 30 June 2012		As at 30 June 2011	
	Gross	Allowance	Gross	Allowance
	\$	\$	\$	\$
Current	181,634	-	111,049	-
31 – 60 days	69,684	(4,576)	31,262	(2,727)
61 – 90 days	137,330	(1,009)	2,603	-
91 days and over	20,068	(6,415)	132,465	-
Closing Balance	<u>408,716</u>	<u>(12,000)</u>	<u>277,379</u>	<u>(2,727)</u>

As at 30 June 2012 the Association had debts that were past due but not doubtful in the amount of \$215,082 (2011: \$163,603). 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 \$12,000 (2011: \$2,727).

**AUSTRALIAN ENTERTAINMENT INDUSTRY ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012**

	2012	2011
	\$	\$
8. OTHER (CURRENT)		
Prepayments	<u>124,250</u>	<u>138,145</u>
9. PROPERTY, PLANT AND EQUIPMENT	2012	2011
	\$	\$
Office Equipment - At Cost	57,319	99,133
Less: Accumulated Depreciation	<u>(34,026)</u>	<u>(73,863)</u>
	<u>23,293</u>	<u>25,270</u>
Furniture and Fittings - At Cost	20,089	20,685
Less: Accumulated Depreciation	<u>(13,194)</u>	<u>(11,133)</u>
	<u>6,895</u>	<u>9,552</u>
Total Property, Plant & Equipment	77,408	119,818
Total Accumulated Depreciation	<u>(47,220)</u>	<u>(84,996)</u>
	<u>30,188</u>	<u>34,822</u>

	Opening Written Down Value	Additions	Disposals	Depreciation	Transfers	Closing Written Down Value
	\$	\$	\$	\$	\$	\$
Office Equipment	25,270	12,120	(1,158)	(13,212)	273	23,293
Furniture and Fittings	9,552	-		(2,384)	(273)	6,895
	<u>34,822</u>	<u>12,120</u>	<u>(1,158)</u>	<u>(15,596)</u>	<u>-</u>	<u>30,188</u>

**AUSTRALIAN ENTERTAINMENT INDUSTRY ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012**

10. INTANGIBLES	2012	2011
	\$	\$
Trademarks – At Cost	4,630	4,630
Website – At Cost	58,400	58,400
Less : Accumulated Amortisation - Website	(58,400)	(58,400)
	<u>4,630</u>	<u>4,630</u>

	Opening Written Down Value \$	Additions \$	Disposals \$	Amortisation \$	Closing Written Down Value \$
Trademarks	4,630	-	-	-	4,630
Website	-	-	-	-	-
	<u>4,630</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,630</u>

	2012	2011
	\$	\$
11. TRADE AND OTHER PAYABLES		
Non Interest Bearing		
Trade and other payables	311,209	265,347
Accruals	9,188	7,500
Membership Subscriptions in Advance	446,865	12,757
Income in Advance –Helpmann’s Sponsorship	282,959	292,208
Income in Advance – LPA	3,665	5,726
	<u>1,053,886</u>	<u>583,538</u>
12. PROVISIONS (CURRENT)		
Annual Leave	37,260	39,985
Long Service Leave	62,786	40,577
	<u>100,046</u>	<u>80,562</u>
13. PROVISIONS (NON-CURRENT)		
Long Service Leave	<u>40,018</u>	<u>34,704</u>

**AUSTRALIAN ENTERTAINMENT INDUSTRY ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012**

	2012	2011
	\$	\$
14. LEASE COMMITMENTS		
Non-Cancellable Operating Leases Payable: Premises Rental		
Payable no later than one year	91,746	94,165
Payable later than one year but not later than five years	246,678	389,763
	<u>338,424</u>	<u>450,928</u>
15. NOTES TO CASH FLOW STATEMENT		
(a) Reconciliation of cash		
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	366,619	185,841
Short Term Deposits	610,000	410,000
	<u>976,619</u>	<u>595,841</u>
(b) Reconciliation of net cash provided by operating activities to profit after income tax		
(Loss)/Profit after Income Tax	(10,833)	2,487
Depreciation of Property, Plant & Equipment	15,596	17,240
Amortisation of Intangibles	-	5,080
Loss on Disposal of Assets	1,158	-
Changes in Assets and Liabilities		
(Increase)/Decrease in trade and other receivables	(131,337)	66,024
Increase/(Decrease) in allowance for doubtful debts	9,273	(2,325)
Decrease /(Increase) in other assets	13,895	(91,516)
Increase in trade and other payables	470,348	74,266
Increase in provisions	24,798	8,541
Net Cash Provided By Operating Activities	<u>392,898</u>	<u>79,797</u>

**AUSTRALIAN ENTERTAINMENT INDUSTRY ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012**

16. EXECUTIVE COUNCIL

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

B. Carmichael *	R Fitzgerald (appointed 02/12/11)
A. Collette *	T Munn (appointed 02/12/11)
M. Coppel *	J Isherwood (appointed 02/12/11)
D. Gautier *	
A. Kay *	P. Foulkes (resigned 02/12/11)
J. Kotzas *	A. Moon (resigned 02/12/11)
M. Lazarus-Hall *	A. Tonks (resigned 02/12/11)
L. McLean *	R. Rigby (resigned 02/12/11)
M. O'Connor *	M. Barker (resigned 02/12/11)
R. Phillips *	P. Prendergast (resigned 02/12/11)
	R. Blackwell (resigned 02/12/11)
P Bathols (appointed 02/12/11)	V. Lovett (resigned 02/12/11)
M Cassel (appointed 02/12/11)	R. Evans (resigned 31/01/12)
C McMaster (appointed 02/12/11)	
P McIntyre (appointed 02/12/11)	

*All held office for the full Financial Year

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 \$23,389 (2011: \$14,501) for venue and staging hire.

A. Moon – Executive, Victorian Arts Centre Trust. This entity received \$84 (2011: \$988) for parking charges and venue hire.

L. McLean – Director, Tinderbox Productions Pty Ltd. This entity received \$5,728 (2011: \$10,328) 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 \$941 (2011: \$1,380) for venue hire.

D. Gautier – CEO, Adelaide Festival Centre. This entity received \$827 (2011: \$1,285) for venue hire.

**AUSTRALIAN ENTERTAINMENT INDUSTRY ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012**

Related Party Transactions (Cont'd)

J.Kotzas – Chief Executive, Queensland Performing Arts Centre. This entity received \$4,660 (2011: \$1,902) for Venue Hire.

A. Collette – Chief Executive, Opera Australia. This entity received \$2,489 (2011: \$1,503) for Staging Hire.

P. McIntyre – General Manager, Sydney Theatre Company. This entity received \$2,330 (2011: Nil) for Venue Hire.

A. Tonks – General Manager, Melbourne Theatre Company. This entity received \$1,364 (2011: Nil) for Venue Hire.

M. Barker – General Manager, Ten Days on the Island. This entity received \$63 (2011: Nil) for reimbursement of expenses for the Helpmann Awards®.

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 2012**

17. KEY MANAGEMENT PERSONNEL COMPENSATION

	2012	2011
	\$	\$
The following table discloses the aggregate of Key Management personnel compensation:		
Short term employee benefits	183,580	170,452
Post employment benefits - superannuation	19,443	14,631
Total remuneration	<u>203,023</u>	<u>185,083</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, and short-term deposits. 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:

	2012	2011
	\$	\$
Financial Assets		
Cash and cash equivalents	976,619	595,841
Trade and other receivables	396,716	274,652
Total Financial Assets	<u>1,373,335</u>	<u>870,493</u>
Financial Liabilities		
Trade and other payables	1,053,886	583,538
Total Financial Liabilities	<u>1,053,886</u>	<u>583,538</u>
Net exposure	<u>319,449</u>	<u>286,955</u>

**AUSTRALIAN ENTERTAINMENT INDUSTRY ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012**

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 2012**

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

Maturities of financial assets and liabilities

The table below analyses 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.

Year ended 30 June 2012	< 6 months \$	6 – 12 months \$	1 – 5 years \$	> 5 years \$	Total \$
Financial assets					
Bank	976,619	-	-	-	976,619
Trade and other receivables	396,716	-	-	-	396,716
	<u>1,373,335</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,373,335</u>
Financial liabilities					
Trade and other payables	830,454	223,432	-	-	1,053,886
	<u>830,454</u>	<u>223,432</u>	<u>-</u>	<u>-</u>	<u>1,053,886</u>
Net maturity	<u>542,881</u>	<u>(223,432)</u>	<u>-</u>	<u>-</u>	<u>319,449</u>



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INDEPENDENT AUDITOR'S REPORT

To the members of The Australian Entertainment Industry Association

Report on the Financial Report

We have audited the accompanying financial report of The Australian Entertainment Industry Association, which comprises the statement of financial position as at 30 June 2012, 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 presents fairly 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 presents fairly and 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.

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 2012 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.

BDO East Coast Partnership

James Mooney

Partner

Registered Company Auditor #311052

Melbourne, 19 October 2012