



FAIR WORK
COMMISSION

14 December 2015

Mr Andrew Kay
President
Australian Entertainment Industry Association

Sent via email: info@liveperformance.com.au

Dear Mr Kay,

Re: Lodgement of Financial Statements and Accounts – Australian Entertainment Industry Association - for year ended 30 June 2015 (FR2015/277)

I refer to the financial report for the Australian Entertainment Industry Association. The report was lodged with the Fair Work Commission on 2 December 2015.

The financial report has been filed based on a primary review. This involved confirming that the financial reporting timelines required under s.253, s.265, s.266 and s.268 of the *Fair Work (Registered Organisations) Act 2009* (RO Act) have been satisfied, all documents required under s.268 of the RO Act were lodged and that various disclosure requirements under the Australian Accounting Standards, RO Act and Reporting Guidelines have been complied with. A primary review does not examine all disclosure requirements.

Please note that the financial report for the year ending 30 June 2016 may be subject to an advanced compliance review.

Reporting Requirements

On the FWC website a number of factsheets in relation to the financial reporting process and associated timelines are available. The most recent copy of the Reporting Guidelines and a model set of financial statements can also be found. The FWC recommends reporting units use this model as it will assist in ensuring compliance with the *Fair Work (Registered Organisations) Act 2009*, the s.253 Reporting Guidelines and the Australian Accounting Standards. Access to this information may be obtained via [this link](#).

If you require further information on the financial reporting requirements of the Act, I may be contacted by email at stephen.kellett@fwc.gov.au

Yours sincerely

Stephen Kellett
Senior Adviser
Regulatory Compliance Branch

AUSTRALIAN ENTERTAINMENT INDUSTRY ASSOCIATION

ABN 43 095 907 857

FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2015

AUSTRALIAN ENTERTAINMENT INDUSTRY ASSOCIATION

Registered Office

Level 1, 15-17 Queen Street
MELBOURNE VIC 3000

FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2015

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AUSTRALIAN ENTERTAINMENT INDUSTRY ASSOCIATION

DESIGNATED OFFICERS CERTIFICATE

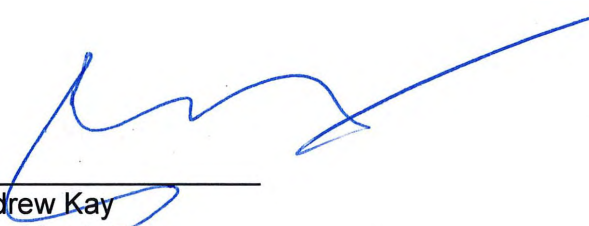
s. 268 Fair work (Registered Organisations) Act 2009

CERTIFICATE BY PRESCRIBED DESIGNATED OFFICER

FOR THE YEAR ENDED 30 JUNE 2015

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

- that the documents lodged herewith are copies of the full report for the Australian Entertainment Industry Association for the Year ended 30 June 2015 referred to in s.268 of the *Fair Work (Registered Organisations) Act 2009*; and
- that the full report was provided to members of the reporting unit on 30 October 2015; and
- that the full report was presented to a general meeting of members of the reporting unit on 26 November 2015 in accordance with s.266 of the *Fair Work (Registered Organisations) Act 2009*.



Andrew Kay
President

26 November 2015

AUSTRALIAN ENTERTAINMENT INDUSTRY ASSOCIATION

COUNCILLORS' OPERATING REPORT

FOR THE YEAR ENDED 30 JUNE 2015

Your Councillors submit the financial report of the Australian Entertainment Industry Association for the year ended 30 June 2015.

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 2014-15 AEIA undertook 5 new initiatives. These include: preparation of Strategic Plan (2015-18) by the Executive Council; completed negotiation with APRA regarding Live Music Event Blanket Licence Agreement and Festival Licence to take effect 1 January 2016; commenced negotiation of new Performers Collective Agreement; continued development of new Workplace Health and Safety Guidelines; commenced major review of Ticketing Code; and launch of Asian Producers Platform project.
- ◆ These major initiatives have resulted in:
 - ◆ Membership base remains strong, diverse and national
 - ◆ Strategic priorities for the next 3 years established
 - ◆ Successful negotiation and registration of Agreements on behalf of producers and performing arts' companies
 - ◆ New tariff structures for contemporary music sector agreed on behalf of Members
 - ◆ Draft Workplace Health and Safety Guidelines prepared
 - ◆ Ticketing Code of Practice (Consumer and Industry Codes) revised in line with Australian consumer law
 - ◆ First Asian Producers Platform Camp hosted in Korea with 5 Australian producers

SIGNIFICANT CHANGES IN FINANCIAL AFFAIRS

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

OPERATING RESULTS

The net result for the year amounted to a profit \$1,176 (2014: profit \$121,501).

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

EVENTS SINCE THE END OF THE FINANCIAL YEAR

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.

NUMBER OF MEMBERS

As at 30 June 2015 the Association had 415 members (2014: 396 members).

NUMBER OF EMPLOYEES

Number of Employees 10, (2014: 10).

AUSTRALIAN ENTERTAINMENT INDUSTRY ASSOCIATION

RIGHT OF MEMBERS TO RESIGN

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.
- 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.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS OF OPERATIONS

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

AUSTRALIAN ENTERTAINMENT INDUSTRY ASSOCIATION

COMMITTEE OF MANAGEMENT - EXECUTIVE COUNCILLORS

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

B. Carmichael *	J Bielski *
M. Coppel *	R Evans *
D. Gautier *	C Hassall *
A. Kay *	L. McLean *
J. Kotzas *	T Munro *
M. O'Connor *	R Pilbeam *
P Bathols *	
M Cassel *	
P McIntyre *	
T Munn *	
L Withers *	
V Lovett *	

*All held office for the full Financial Year

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 \$10,819 (2014: \$14,765) 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.

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

16 October 2015

AUSTRALIAN ENTERTAINMENT INDUSTRY ASSOCIATION


EXECUTIVE COUNCIL STATEMENT

FOR THE YEAR ENDED 30 JUNE 2015


In the opinion of the Councillors, the financial report as set out on pages 7 to 29:

1. Presents a true and fair view of the financial performance, financial position, cash flows and notes of the Australian Entertainment Industry Association as at 30 June 2015 for the year ended on that date are in accordance with the reporting guidelines of the General Manager, 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 2015, the;
 - a) meetings of the Executive Council were held in accordance with the rules of the Association; and
 - b) financial affairs have been managed in accordance with the rules of the Association; and
 - c) financial records have been kept and maintained in accordance with the *Fair Work (Registered Organisation) Act 2009*; and
 - d) where information has been sought in any request by a member of the Australian Entertainment Industry Association or General Manager made under section 272 of the RO Act has been provided to the member or General Manager in accordance with the *Fair Work (Registered Organisations) Act 2009*, and
 - e) any order for inspection of financial records made by the Fair Work Commission under Section 273 of the RO 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 General Manager, Fair Work Commission 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 2015 on 16 October 2015.

This declaration 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

16 October 2015

AUSTRALIAN ENTERTAINMENT INDUSTRY ASSOCIATION

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2015**

	Notes	2015 \$	2014 \$
Revenue			
Membership Subscription *		457,007	434,489
Capitation fees *		-	-
Levies *		-	-
Interest	3A	21,055	23,886
Helpmann Awards		650,393	798,153
EEIG Project		342,263	363,538
Other Revenue	3B	1,346,007	1,308,468
Total Revenue		<u>2,816,725</u>	<u>2,928,534</u>
Other Income			
Grants		2,450	-
Total Other Income		<u>2,450</u>	<u>-</u>
Total Income		<u><u>2,819,175</u></u>	<u><u>2,928,534</u></u>
Expenses			
Employee Expenses	4A	1,160,363	1,104,277
Capitation fees *		-	-
Affiliation fees *		-	-
Administration expenses	4B	643,178	570,980
Grants and/or donations *		-	-
Depreciation and amortisation	4C	64,072	32,763
Legal costs	4D	27,357	(23,887)
Audit fees	14	17,000	12,500
Net Losses from sale of assets		-	-
Other expenses *	4E	-	-
Helpmann Awards		646,949	795,919
EEIG Project		259,080	314,481
Total expenses		<u>2,817,999</u>	<u>2,807,033</u>
Profit for the year		<u><u>1,176</u></u>	<u><u>121,501</u></u>
Income tax expense	1(q)	-	-
Profit after Income Tax Expense		<u>1,176</u>	<u>121,501</u>
Other Comprehensive Income, net of tax		-	-
Total Comprehensive Income for the Year		<u><u>1,176</u></u>	<u><u>121,501</u></u>

The above Statement should be read in conjunction with the notes.

* As required by the reporting Guidelines. Item to remain even if 'nil'.

AUSTRALIAN ENTERTAINMENT INDUSTRY ASSOCIATION

**STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2015**

	Notes	2015 \$	2014 \$
CURRENT ASSETS			
Cash and cash equivalents	5A	1,333,068	1,317,382
Trade and other receivables	5B	300,686	376,256
Other current assets	5C	193,374	150,399
TOTAL CURRENT ASSETS		<u>1,827,128</u>	<u>1,844,037</u>
NON-CURRENT ASSETS			
Office equipment	6A	11,824	17,452
Furniture and fittings	6B	12,228	11,676
Intangibles	6C	81,881	111,967
TOTAL NON-CURRENT ASSETS		<u>105,933</u>	<u>141,095</u>
TOTAL ASSETS		<u>1,933,061</u>	<u>1,985,132</u>
CURRENT LIABILITIES			
Trade payables	7A	295,725	289,722
Other payables	7B	1,020,094	1,065,862
Employee provisions	8A	143,371	160,401
TOTAL CURRENT LIABILITIES		<u>1,459,190</u>	<u>1,515,985</u>
NON-CURRENT LIABILITIES			
Employee provisions	8A	7,337	3,789
Other non-current liabilities *	9A	-	-
TOTAL NON-CURRENT LIABILITIES		<u>7,337</u>	<u>3,789</u>
TOTAL LIABILITIES		<u>1,466,527</u>	<u>1,519,774</u>
NET ASSETS		<u>466,534</u>	<u>465,358</u>
MEMBERS' EQUITY			
General Funds	10A	120,000	120,000
Retained earnings		346,534	345,358
TOTAL MEMBERS' EQUITY		<u>466,534</u>	<u>465,358</u>

The above Statement should be read in conjunction with the notes.

* As required by the reporting Guidelines. Item to remain even if 'nil'.

AUSTRALIAN ENTERTAINMENT INDUSTRY ASSOCIATION

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2015**

	Notes	General Funds \$	Retained Earnings \$	Total Equity \$
Balance as at 01 July 2013		-	343,857	343,857
Adjustment for errors		-	-	-
Adjustment for changes in accounting policies		-	-	-
Profit for the Year		-	121,501	121,501
Other comprehensive income for the year		-	-	-
Transfer to/from Legal expense reserve	10A	120,000	-	120,000
Transfer from retained earnings		-	(120,000)	(120,000)
Closing balance as at 30 June 2014		<u>120,000</u>	<u>345,358</u>	<u>465,358</u>
Adjustment for errors		-	-	-
Adjustment for changes in accounting policies		-	-	-
Profit for the Year		-	1,176	1,176
Other comprehensive income for the year		-	-	-
Transfer to/from Legal expense Reserve		-	-	-
Transfer from retained earnings		-	-	-
Closing balance as at 30 June 2015		<u>120,000</u>	<u>346,534</u>	<u>466,534</u>

The above Statement should be read in conjunction with the notes.

AUSTRALIAN ENTERTAINMENT INDUSTRY ASSOCIATION

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2015**

	Notes	2015 \$	2014 \$
Cash Flows from Operating Activities			
Cash received			
Receipts from other reporting units/ controlled entity(s) *		-	-
Receipts from members and non members		2,862,782	2,838,337
Interest received		<u>21,415</u>	<u>27,601</u>
Cash Used			
Payment to other reporting units/controlled entity(s) *		-	-
Payments to suppliers and employees		<u>(2,839,601)</u>	<u>(2,760,973)</u>
Net Cash Provided By Operating Activities	11	<u>44,596</u>	<u>104,965</u>
 Cash Flows From Investing Activities			
Cash Used			
Purchase of Property, Plant and Equipment		(12,358)	(14,235)
Purchase of Website		<u>(16,552)</u>	<u>(90,280)</u>
Net Cash Used In Investing Activities		<u>(28,910)</u>	<u>(104,515)</u>
 Net Increase in Cash Held			
		<u>15,686</u>	<u>450</u>
Cash & cash equivalents the beginning of the financial year		1,317,382	1,316,932
Cash & cash equivalents at the end of the Financial Year	5A	<u>1,333,068</u>	<u>1,317,382</u>

The above Statement should be read in conjunction with the notes.

* As required by the reporting Guidelines. Item to remain even if 'nil'.

AUSTRALIAN ENTERTAINMENT INDUSTRY ASSOCIATION

**RECOVERY OF WAGES ACTIVITY *
FOR THE YEAR ENDED 30 JUNE 2015**

	2015	2014
	\$	\$
Cash assets in respect of recovered money at beginning of year	-	-
	-	-
Total Receipts	-	-
	-	-
Payments	-	-
	-	-
Total Payments	-	-
	-	-
Cash assets in respect of recovered money at end of year	-	-
	-	-
Number of workers to which the monies recovered relates	-	-
Aggregate payables to workers attributable to recovered monies but not yet distributed		
Payable balance	-	-
Number of workers the payable relates to	-	-
	-	-
Fund or account operated in recovery of wages	-	-
	-	-

The above Statement should be read in conjunction with the notes.

* As required by the reporting Guidelines. Item to remain even if 'nil'.

AUSTRALIAN ENTERTAINMENT INDUSTRY ASSOCIATION

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AUSTRALIAN ENTERTAINMENT INDUSTRY ASSOCIATION

NOTE 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

1(a) Basis of preparation of the financial statements

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.

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(b) Comparative Figures

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

1(c) Significant Accounting Judgements and Estimates

There are no key accounting assumptions or estimates that have been identified that have a significant risk.

1(d) New Australian Accounting Standards

AEIA has applied all accounting standards that are effective at 30 June 2015. 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.

1(e) 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 in the year to which it relates.

AUSTRALIAN ENTERTAINMENT INDUSTRY ASSOCIATION

1(f) Government Grants

Government grants are not recognised until there is reasonable assurance that AEIA will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which AEIA recognises as expenses the related costs for which the grants are intended to compensate.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to AEIA with no future related costs are recognised in profit or loss in the period in which they become receivable.

1(g) Gains

Gains and losses from disposal of assets are recognised when control of the asset has passed to the buyer.

1(h) 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.

1(i) 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

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 website is amortised over a useful life of three years.

1(j) Employee Benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave, long service leave and termination benefits when it is probable that settlement will be required and they are capable of being measured reliably.

Liabilities for short-term employee benefits (as defined in AASB 119 *Employee Benefits*) and termination benefits due within twelve months of the end of reporting period are measured at their nominal amounts. The nominal amount is calculated with regard to the rates expected to be paid on settlement of the liability.

Other long-term employee benefits are measured as the present value of the estimated future cash outflows to be made by the reporting unit in respect of services provided by employees up to reporting date.

AUSTRALIAN ENTERTAINMENT INDUSTRY ASSOCIATION

1(k) 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.

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.

1(l) Cash and Cash Equivalents

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

1(m) Allowance for Doubtful Debts

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

1(n) Trade and Other Receivables

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

1(o) Trade and Other Payables

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

1(p) Depreciation and Amortisation

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

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

- Office Equipment 1 to 5 years
- Furniture and Fittings 4 to 10 years

1(q) Impairment of non-financial assets

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

1(r) Taxation

AEIA is exempt from income tax under Section 50.1 of the Income Tax Assessment Act 1997 however still has obligation for Fringe Benefits Tax (FBT) and the Goods and Services Tax (GST).

Revenues, expenses and assets are recognised net of GST except:

- where the amount of GST incurred is not recoverable from the Australian Taxation Office; and
- for receivables and payables.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables.

Cash flows are included in the cash flow statement on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the Australian Taxation Office is classified within operating cash flows.

1(s) Investment in Associates, Business Combinations.

There were no investments in Associates or any Business Combinations during the Year ended 30 June 2015.

1(t) Levies, financial support.

AEIA has not raised any compulsory levies from members or received any financial support from another reporting unit.

1(u) Expenses – Capitation, Affiliation

AEIA has not incurred or paid any capitation fees or any affiliation fees.

1(v) Receivables or payables with another reporting unit

There have been no receivable or payable transactions with another reporting unit.

Note 2 EVENTS AFTER THE REPORTING PERIOD

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.

AUSTRALIAN ENTERTAINMENT INDUSTRY ASSOCIATION

Note 3 INCOME

	2015	2014
	\$	\$
3A. Interest		
Deposits	21,055	23,886
Total interest	<u>21,055</u>	<u>23,886</u>
3B. Other revenue		
Industry Service Fee	1,264,704	1,190,197
Other	81,303	118,271
Total other revenue	<u>1,346,007</u>	<u>1,308,468</u>

Note 4 EXPENSES

	2015	2014
	\$	\$
4A. Employee expenses *		
Holders of office:		
Wages and Salaries	-	-
Superannuation	-	-
Separation and redundancies	-	-
Subtotal employee expenses holders of office	<u>-</u>	<u>-</u>
Employees other than office holders:		
Wages and Salaries	1,004,022	970,651
Superannuation	91,737	81,233
Leave and other entitlements	9,660	2,184
Separation and redundancies	-	-
Other employee expenses	54,944	50,209
Subtotal employee expenses employees other than office holders	<u>1,160,363</u>	<u>1,104,277</u>
Total employee expenses	<u>1,160,363</u>	<u>1,104,277</u>
4B. Administration expenses		
Consideration to employers for payroll deductions	-	-
Compulsory levies	-	-
Conference Expenses	4,053	6,557
Meeting Expenses - Executive Council	5,569	5,890
Meeting Expenses - Annual General Meeting	2,167	3,725
Meeting Expenses - Members Forum	31,811	21,286
Rent	99,211	86,044
Other Expenses	500,367	447,478
Total Administration expenses	<u>643,178</u>	<u>570,980</u>

* As required by the reporting Guidelines. Item to remain even if 'nil'.

AUSTRALIAN ENTERTAINMENT INDUSTRY ASSOCIATION

	2015	2014
	\$	\$
4C. Depreciation and amortisation		
Depreciation		
Office equipment	10,061	10,707
Furniture & Fittings	7,373	2,379
Total depreciation	<u>17,434</u>	<u>13,086</u>
Amortisation		
Intangibles	46,638	19,677
Total amortisation	<u>46,638</u>	<u>19,677</u>
Total depreciation and amortisation	<u><u>64,072</u></u>	<u><u>32,763</u></u>
4D. Legal costs *		
Litigation	-	-
Other legal general matters	27,357	(23,887)
Total legal costs	<u><u>27,357</u></u>	<u><u>(23,887)</u></u>
4E. Other expenses		
Penalties – via RO Act or RO Regulations *	-	-
Total other expenses	<u><u>-</u></u>	<u><u>-</u></u>

* As required by the reporting Guidelines. Item to remain even if 'nil'.

AUSTRALIAN ENTERTAINMENT INDUSTRY ASSOCIATION

Note 5 CURRENT ASSETS

5A. CASH AND CASH EQUIVALENTS	2015	2014
	\$	\$
Cash at Bank	659,472	664,236
Cash on Hand	200	400
Short-term Deposit	663,396	642,746
Rent Guarantee – Term Deposit	10,000	10,000
Total cash and cash equivalents	<u>1,333,068</u>	<u>1,317,382</u>

The short term deposits mature on 07 November 2015 (\$322,467) and 15 December 2015 (\$320,279). The effective interest rate on the short term deposit is 3.15% (2014: 3.95%).

5B. TRADE AND OTHER RECEIVABLES (CURRENT)	2015	2014
	\$	\$
Receivables from other reporting unit(s) *	-	-
Total Receivables from other reporting unit(s)	<u>-</u>	<u>-</u>
Less provision for doubtful debts *	-	-
Total Provision for Doubtful Debts	<u>-</u>	<u>-</u>
Net Receivables from other reporting unit(s)	<u>-</u>	<u>-</u>
Other receivables		
Trade Debtors	320,189	393,959
Allowance for Doubtful Debts	(19,503)	(17,703)
Net Total Other receivables	<u>300,686</u>	<u>376,256</u>
Total trade and other receivables	<u>300,686</u>	<u>376,256</u>

* As required by the reporting Guidelines. Item to remain even if 'nil'.

AUSTRALIAN ENTERTAINMENT INDUSTRY ASSOCIATION

Allowance for Impairment Loss

Trade receivables are non-interest bearing and are generally on 7 - 30 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 \$ nil (2014: \$3,333) has been recognised by the entity in the current year.

Movements in the provision for impairment loss were as follows:

	2015	2014
	\$	\$
Opening Balance	17,703	13,707
Additional Provision	1,800	3,996
Amounts Written off	-	-
Amounts Recovered	-	-
Closing Balance	19,503	17,703

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

	As at 30 June 2015		As at 30 June 2014	
	Gross	Allowance	Gross	Allowance
	\$	\$	\$	\$
Current	97,636	-	183,115	-
31 – 60 days	200,236	(15,503)	199,582	(6,703)
61 – 90 days	4,232	(4,000)	11,262	(11,000)
91 days and over	18,085	-	-	-
Closing Balance	320,189	(19,503)	393,959	(17,703)

As at 30 June 2015 the Association had debts that were past due but not doubtful in the amount of \$18,317 (2014: \$262). 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 \$19,503 (2014: \$13,707).

	2015	2014
	\$	\$
5C. OTHER (CURRENT)		
Helpmann Awards prepaid expenses	162,150	133,135
Other prepaid expenses	31,224	17,264
Total Prepayments	193,374	150,399

AUSTRALIAN ENTERTAINMENT INDUSTRY ASSOCIATION

Note 6 NON-CURRENT ASSETS

6A. OFFICE EQUIPMENT	2015 \$	2014 \$
Office Equipment - At Cost	45,650	79,091
Less: Accumulated Depreciation	<u>(33,826)</u>	<u>(61,639)</u>
Total Office Equipment	<u><u>11,824</u></u>	<u><u>17,452</u></u>

Reconciliation of the Opening and Closing Balances of Office Equipment

As at 01 July

Gross book value	79,091	72,719
Accumulated depreciation	<u>(61,639)</u>	<u>(50,932)</u>
Net book value 01 July	<u>17,452</u>	<u>21,787</u>
Additions	4,433	6,372
Depreciation expense	(10,061)	(10,707)
Disposals	-	-
Transfers	-	-
Net book value 30 June	<u>11,824</u>	<u>17,452</u>

Net book value as of 30 June represented by:

Gross book value	45,650	79,091
Accumulated depreciation	<u>(33,826)</u>	<u>(61,639)</u>
Net book value 30 June	<u>11,824</u>	<u>17,452</u>

6B. FURNITURE AND FITTINGS

6B. FURNITURE AND FITTINGS	2015 \$	2014 \$
Furniture and Fittings - At Cost	35,437	32,062
Less: Accumulated Depreciation	<u>(23,209)</u>	<u>(20,386)</u>
Total Furniture and Fittings	<u><u>12,228</u></u>	<u><u>11,676</u></u>

Reconciliation of the Opening and Closing Balances of Furniture and Fittings

As at 01 July

Gross book value	32,062	24,198
Accumulated depreciation	<u>(20,386)</u>	<u>(18,007)</u>
Net book value 01 July	<u>11,676</u>	<u>6,191</u>
Additions	7,925	7,864
Depreciation expense	(7,373)	(2,379)
Disposals	-	-
Transfers	-	-
Net book value 30 June	<u>12,228</u>	<u>11,676</u>

Net book value as of 30 June represented by:

Gross book value	35,437	32,062
Accumulated depreciation	<u>(23,209)</u>	<u>(20,386)</u>
Net book value 30 June	<u>12,228</u>	<u>11,676</u>

AUSTRALIAN ENTERTAINMENT INDUSTRY ASSOCIATION

6C. INTANGIBLES	2015	2014
	\$	\$
Trademarks – At Cost	<u>4,630</u>	<u>4,630</u>
Website – At Cost	143,566	127,014
Less : Accumulated Amortisation - Website	(66,315)	(19,677)
Total Website	<u>77,251</u>	<u>107,337</u>
Total Website and Trademarks	<u>81,881</u>	<u>111,967</u>

Reconciliation of the Opening and Closing Balances of Website

As at 01 July		
Gross book value	127,014	36,734
Accumulated depreciation	(19,677)	-
Net book value 01 July	<u>107,337</u>	<u>36,734</u>
Additions	16,552	90,280
Depreciation expense	(46,638)	(19,677)
Disposals	-	-
Transfers	-	-
Net book value 30 June	<u>77,251</u>	<u>107,337</u>
Net book value as of 30 June represented by:		
Gross book value	143,566	127,014
Accumulated depreciation	(66,315)	(19,677)
Net book value 30 June	<u>77,251</u>	<u>107,337</u>

Note 7 CURRENT LIABILITIES

	2015	2014
	\$	\$
7A. TRADE PAYABLES		
Non-Interest Bearing		
Trade creditors	167,604	147,652
Accruals	128,121	142,070
Subtotal Trade Creditors and Accruals	<u>295,725</u>	<u>289,722</u>
Payables to other reporting unit(s)	-	-
Subtotal Payables to other reporting unit(s)	<u>-</u>	<u>-</u>
Total trade payables	<u>295,725</u>	<u>289,722</u>
Settlement is usually made within 30 days.		

AUSTRALIAN ENTERTAINMENT INDUSTRY ASSOCIATION

7B. OTHER PAYABLES

	2015	2014
	\$	\$
Wages and Salaries	60,463	48,459
Superannuation	-	-
Consideration to employers for payroll deductions *	-	-
Legal costs *	-	-
Prepayments received/ unearned revenue	849,958	802,161
EEIG Project	-	99,545
GST payable	78,160	85,684
Other	31,513	30,013
Total Other payables	1,020,094	1,065,862
Total other payables are expected to be settled in:		
No more than 12 months	1,020,094	1,065,862
More than 12 months	-	-
Total Other payables	1,020,094	1,065,862

Note 8 PROVISIONS

	2015	2014
	\$	\$
8A. EMPLOYEE PROVISIONS*		
Office holders		
Annual Leave	-	-
Long Service Leave	-	-
Separation and Redundancies	-	-
Other Employee Provisions	-	-
Subtotal employee provisions – office holders	-	-
Employees other than office holders		
Annual Leave	43,689	52,357
Long Service Leave	107,019	111,833
Separation and Redundancies	-	-
Other Employee Provisions	-	-
Subtotal employee provisions – employees other than office holders	150,708	164,190
Total employee provisions	150,708	164,190
Current	143,371	160,401
Non-current	7,337	3,789
Total employee provisions	150,708	164,190

* As required by the reporting Guidelines. Item to remain even if 'nil'.

AUSTRALIAN ENTERTAINMENT INDUSTRY ASSOCIATION

Note 9 NON-CURRENT LIABILITIES

	2015	2014
	\$	\$
9A. OTHER NON-CURRENT LIABILITIES *		
	-	-
Total Other non-current Liabilities	<u>-</u>	<u>-</u>

Note 10 EQUITY

10A. General Funds

	2015	2014
	\$	\$
Legal Expense Reserve		
Balance at start of year	120,000	-
Transferred to reserve	-	120,000
Transferred from Reserve	-	-
Balance as at end of year	<u>120,000</u>	<u>120,000</u>

Note 11 STATEMENT OF CASH FLOWS

11A. CASH FLOW RECONCILIATION

**Reconciliation of cash and cash equivalents as per
Statement of Financial Position to Cash Flow Statement:**

	2015	2014
	\$	\$
Cash and cash equivalents as per:		
Statement of Cash Flows	1,333,068	1,317,382
Statement of Financial Position	<u>1,333,068</u>	<u>1,317,382</u>
Difference	<u>-</u>	<u>-</u>

* As required by the reporting Guidelines. Item to remain even if 'nil'.

AUSTRALIAN ENTERTAINMENT INDUSTRY ASSOCIATION

Note 11 STATEMENT OF CASH FLOWS

Reconciliation of profit/ (deficit) to net cash from operating activities:

Profit for the year	1,176	121,501
Adjustments for non-cash items		
Depreciation of Property, Plant & Equipment	17,434	13,085
Amortisation of Intangibles	46,638	19,677
Loss on Disposal of Assets	-	-
Changes in Assets and Liabilities		
(Increase)/Decrease in trade and other receivables	73,771	255,018
Increase in allowance for doubtful debts	1,800	3,996
Decrease /(Increase) in other assets	(42,975)	24,096
Increase/(Decrease) in trade and other payables	(39,766)	(334,593)
Increase/(Decrease) in employee provisions	(13,482)	2,185
Net Cash Provided By Operating Activities	<u>44,596</u>	<u>104,965</u>

Note 12 CONTINGENT LIABILITIES AND COMMITMENTS

	2015	2014
	\$	\$
12A. LEASE COMMITMENTS		
Non-Cancellable Operating Leases Payable:	-	-
Premises Rental		
Payable no later than one year	53,692	98,361
Payable later than one year but not later than five years	90,064	143,365
	<u>143,756</u>	<u>241,726</u>

12B. 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.

AUSTRALIAN ENTERTAINMENT INDUSTRY ASSOCIATION

Note 13 RELATED PARTY DISCLOSURES

13A. RELATED PARTY TRANSACTIONS - EXECUTIVE COUNCIL

Related Party Transactions

The following related party transactions occurred during the financial year:

Revenue received from:

All Executive Councillors' Organisations pay a membership subscription fee at the standard commercial rates set for the membership.

Expenses paid to:

	2015	2014
	\$	\$
D. Gautier – CEO, Adelaide Festival Centre. -for Venue Hire/ Catering.	500	820
J.Kotzas – Chief Executive, Queensland Performing Arts Centre. - for Venue Hire/ Catering.	1,298	10,592
R. Pilbeam – Executive Director, AEG Ogden – for Catering.	-	1,154
P. McIntyre – General Manager, Sydney Theatre Company. - for Venue Hire.	-	373
T. Munro – Chief Executive – Theatre Royal – Publicist Service.	550	-
J. Bielski – Director Programming – Sydney Opera House – for catering.	1,960	2,166

Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms to those that prevail in arm's length transactions. Outstanding balances for sales and purchases at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 30 June 2015, the Australian Entertainment Industry Association has not recorded any impairment of receivables relating to amounts owed by related parties and declared person or body (2014 \$Nil).

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

No employee provisions have been made for any Office holders - Executive Councillors.

AUSTRALIAN ENTERTAINMENT INDUSTRY ASSOCIATION

13B. KEY MANAGEMENT PERSONNEL REMUNERATION

	2015	2014
	\$	\$
Short-term employee benefits		
Salary (including annual leave taken)	201,739	195,804
Annual leave accrued	12,714	12,332
Performance Bonus	15,000	14,000
Total Short-term employee benefits	<u>229,453</u>	<u>222,136</u>
Post-employment benefits		
Superannuation	<u>16,704</u>	<u>15,086</u>
Total post-employment benefits	<u>16,704</u>	<u>15,086</u>
Other long-term benefits		
Long service leave	<u>33,568</u>	<u>28,345</u>
Total Other long-term benefits	<u>33,568</u>	<u>28,345</u>
Total	<u><u>279,725</u></u>	<u><u>265,567</u></u>

Note 14. REMUNERATION OF AUDITORS

	2015	2014
	\$	\$
Financial statement audit services	14,000	12,500
Other services	3,000	-
Total remuneration of Auditors	<u>17,000</u>	<u>12,500</u>

AUSTRALIAN ENTERTAINMENT INDUSTRY ASSOCIATION

Note 15. FINANCIAL INSTRUMENTS

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.

15A. Categories of financial Instruments

The Association holds the following financial instruments:

	2015	2014
	\$	\$
Financial Assets		
Cash and cash equivalents	1,333,068	1,317,382
Trade and other receivables	<u>300,686</u>	<u>376,256</u>
Total Financial Assets	<u>1,633,754</u>	<u>1,693,638</u>
Financial Liabilities		
Trade and other payables	<u>1,315,819</u>	<u>1,355,584</u>
Total Financial Liabilities	<u>1,315,819</u>	<u>1,355,584</u>
Net exposure	<u><u>317,935</u></u>	<u><u>338,054</u></u>

15B. RISK EXPOSURE AND RESPONSES

Market 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.

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.

Credit risk

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

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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.

15C. 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 2015	< 6 months \$	6 – 12 months \$	1 – 5 years \$	> 5 years \$	Total \$
Financial assets					
Bank	1,333,068	-	-	-	1,333,068
Trade and other receivables	300,686	-	-	-	300,686
Total Financial assets	1,633,754	-	-	-	1,633,754
Financial liabilities					
Trade and other payables	1,054,745	261,074	-	-	1,315,819
Total Financial liabilities	1,054,745	261,074	-	-	1,315,819
Net maturity	579,009	(261,074)	-	-	317,935

Note 16. SECTION 272 FAIR WORK (REGISTERED ORGANISATIONS) ACT 2009

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) to (3) of section 272, which reads as follows:

Information to be provided to members or the General Manager of Fair Work Commission:

- (1) A member of a reporting unit, or the General Manager of Fair Work Commission, 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 to the reporting unit.
- (3) A reporting unit must comply with an application made under subsection (1).

INDEPENDENT AUDITOR'S REPORT

To the members of Australian Entertainment Industry Association

Report on the Financial Report

We have audited the accompanying financial report of Australian Entertainment Industry Association, which comprises the statement of financial position as at 30 June 2015, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and executive council statement.

Councillors' Responsibility for the Financial Report

The Councillors are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards, the Fair Work (*Registered Organisations*) Act 2009 and the reporting guidelines of the General Manager, and for such internal control as the councillors' determine is necessary to enable the preparation and fair presentation 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. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about 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 of 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 Australian Entertainment Industry Association as at 30 June 2015, and its financial performance and cash flows for the year then ended in accordance with Australian Accounting Standards, the Fair Work (*Registered Organisations*) Act 2009 and the reporting guidelines of the General Manager.

Use of Going Concern Assumption

As part of our audit of the financial report, we have concluded that managements use the going concern assumption as set out in Note 1 in the preparation of the financial statements is appropriate. Because not all future events or conditions can be predicted, this statement is not a guarantee as to the entity's ability to continue as a going concern.

Declaration by the auditor

I James Mooney declare the following:

- i. I am a registered auditor;
- ii. I am a member of the Institute of Chartered Accountants in Australia; and
- iii. I hold a current Public Practice Certificate.

BDO East Coast Partnership



James Mooney
Partner

Register company auditor #311052

Melbourne, 16 October 2015