



4 December 2018

Mr Andrew Kay
President
Australian Entertainment Industry Association

By e-mail: info@liveperformance.com.au
CC: james.mooney@bdo.com.au

Dear Mr Kay,

Australian Entertainment Industry Association

Financial Report for the year ended 30 June 2018 - [FR2018/137]

I acknowledge receipt of the financial report of the Australian Entertainment Industry Association. The documents were lodged with the Registered Organisations Commission (**the ROC**) on 23 November 2018.

The financial report has now been filed.

The financial report was 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 2019 may be subject to an advanced compliance review.

You are not required to take any further action in respect of the report lodged. I make the following comments to assist you when you next prepare a financial report. The ROC will confirm these matters have been addressed prior to filing next year's report.

General Purpose Financial Report (GPFR)

Officer's declaration statement – to include all nil activity disclosures not elsewhere disclosed.

Item 21 of the reporting guidelines (**RGs**) states that if any of the activities identified within items 10-20 of the RGs have not occurred in the reporting period, a statement to this effect must be included either in the financial statements, the notes or in the officer's declaration statement. I note that the officer's declaration statement includes the following nil activity disclosures for which there was already an equivalent form of disclosure in the body of the notes:

- "Nil agreement to receive financial support from another reporting units to continue as going concern" was disclosed in both Note 1(t) and the officer's declaration statement;
- "Receiving capitation fees from another reporting unit", "receiving any other revenue from another reporting unit", "receiving donations or grants" were disclosed in both Statement of Profit and Loss and Other Comprehensive Income and the officer's declaration statement;
- "Receiving revenue via compulsory levies" was both disclosed in Note 1(t), Statement of Profit and Loss and Other Comprehensive Income and the officer's declaration statement;
- "Receiving revenue from undertaking recovery of wages activity" was disclosed in the Committee of Management Statement, Statement of Profit and Loss and Other Comprehensive Income and the officer's declaration statement;

- "Incurring fees as consideration for employers making payroll deductions of membership subscriptions", "paying compulsory levies", "paying to a person fees or allowances to attend conferences or meetings as a representative of the reporting unit" were disclosed in both Note 4B and the officer's declaration statement;
- "Paying capitation fees to another reporting entity" and "paying affiliation fees to another entity" were disclosed in the Statement of Profit and Loss and other Comprehensive Income, Note 1(u) and the officer's declaration statement;
- "Paying a grant that was \$1,000 or less", "paying a grant that exceeded \$1,000", "paying a donation that was \$1,000 or less" and "paying a donation that exceeded \$1,000" were disclosed in Statement of Profit and Loss and other Comprehensive Income, Note 4E and the officer's declaration statement;
- "Paying legal costs relating to litigation" was disclosed in both Note 4D and the officer's declaration statement;
- "Having a receivable with another reporting unit" was disclosed in Note 1(v), Note 5B and the officer's declaration statement;
- "Having a payable with another reporting unit" was disclosed in Note 1(v), Note 7A and the officer's declaration statement;
- "Having a payable to employer as consideration for that employer making payroll deductions of membership subscriptions", "having a payable in respect of legal costs relating to litigation and other legal matters" were disclosed in Note 7B and the officer's declaration statement; and
- "Providing cash flows to another reporting unit and/or controlled entity" and "receiving cash flows from another reporting unit and/or controlled entity" were disclosed in both the Statement of Cash Flow and the officer's declaration statement.

Please note that nil activities only need to be disclosed once.

Auditor's Statement

Audit scope to include officer's declaration statement

Where nil activity disclosures are contained in an officer's declaration statement, in accordance with RG 21, the officer's declaration statement also forms part of a GPFR prepared under section 253 of the RO Act (see subsection 253(2)(c) of the RO Act.)

Please also note that an officer's declaration statement must, where one is prepared, be identified by title in the auditor's statement in accordance with paragraph 24(c) of Australian Auditing Standard ASA 700 *Forming an Opinion and Reporting on a Financial Report*.

An officer's declaration statement was included in the copy of the documents lodged with the ROC but the auditor did not refer to the statement in the auditor's report.

Reporting Requirements

The ROC website provides a number of factsheets in relation to the financial reporting process and associated timelines. The website also contains the s.253 reporting guidelines and a model set of financial statements. The ROC recommends that reporting units use these model financial statements to assist in complying with the RO Act, the s.253 reporting guidelines and Australian Accounting Standards. Access to this information is available via [this link](#).

If you have any queries regarding this letter, please contact me on (03) 9603 0764 or via email at Kylie.Ngo@roc.gov.au.

Yours sincerely,



Kylie Ngo
Financial Reporting Assistant
Registered Organisations Commission

AUSTRALIAN ENTERTAINMENT INDUSTRY ASSOCIATION

AUSTRALIAN ENTERTAINMENT INDUSTRY ASSOCIATION

ABN 43 095 907 857

FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2018

AUSTRALIAN ENTERTAINMENT INDUSTRY ASSOCIATION

Registered Office

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

**FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2018**

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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 2018

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 2018 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 25 October 2018; and
- that the full report was presented to a general meeting of members of the reporting unit on 22 November 2018 in accordance with s.266 of the *Fair Work (Registered Organisations) Act 2009*.



Andrew Kay AM
President

22 November 2018

AUSTRALIAN ENTERTAINMENT INDUSTRY ASSOCIATION


**CATEGORIES OF EXPENDITURE
REPORT REQUIRED UNDER SUBSECTION 255(2A)**

FOR THE YEAR ENDED 30 JUNE 2018

The Executive Council presents the expenditure report as required under subsection 255(2A) on Australian Entertainment Industry Association for the year ended 30 June 2018.

Categories of expenditures	2018 \$	2017 \$
Remuneration and other employment-related costs and expenses - employees	1,202,469	1,162,864
Advertising	-	675
Operating costs	347,806	311,492
Donations to political parties	-	-
Legal costs	11,530	31,810

Signed in accordance with a resolution of the Councillors.



Andrew Kay AM
President



Maria O'Connor
Vice President

15 October 2018

AUSTRALIAN ENTERTAINMENT INDUSTRY ASSOCIATION

OFFICER DECLARATION STATEMENT

I, Andrew Kay, being the President of Australian Entertainment Industry Association, declare that the following activities did not occur during the reporting period ending 30 June 2018.


Australian Entertainment Industry Association did not:

- agree to receive financial support from another reporting unit to continue as a going concern (refers to agreement regarding financial support not dollar amount)
- agree to provide financial support to another reporting unit to ensure they continue as a going concern (refers to agreement regarding financial support not dollar amount)
- acquire an asset or liability due to an amalgamation under Part 2 of Chapter 3 of the RO Act, a restructure of the branches of an organisation, a determination or revocation by the General Manager, Fair Work Commission
- receive capitation fees from another reporting unit
- receive any other revenue from another reporting unit
- receive revenue via compulsory levies
- receive donations or grants
- receive revenue from undertaking recovery of wages activity
- incur fees as consideration for employers making payroll deductions of membership subscriptions
- pay capitation fees to another reporting unit
- pay affiliation fees to another entity
- pay compulsory levies
- pay a grant that was \$1,000 or less
- pay a grant that exceeded \$1,000
- pay a donation that was \$1,000 or less
- pay a donation that exceeded \$1,000
- pay to a person fees or allowances to attend conferences or meetings as a representative of the reporting unit
- pay legal costs relating to litigation
- pay a penalty imposed under the RO Act or the *Fair Work Act 2009*
- have a receivable with another reporting unit
- have a payable with another reporting unit
- have a payable to employer as consideration for that employer making payroll deductions of membership subscriptions
- have a payable in respect of legal costs relating to litigation
- have a fund or account for compulsory levies, voluntary contributions or required by the rules of the organisation or branch

AUSTRALIAN ENTERTAINMENT INDUSTRY ASSOCIATION

OFFICER DECLARATION STATEMENT

- transfer to or withdraw from a fund (other than the general fund), account, asset or controlled entity
- provide cash flows to another reporting unit and/or controlled entity
- receive cash flows from another reporting units and/or controlled entity
- have another entity administer the financial affairs of the reporting unit
- make a payment to a former related party of the reporting unit



Andrew Kay AM
President

15 October 2018

AUSTRALIAN ENTERTAINMENT INDUSTRY ASSOCIATION

COUNCILLORS' OPERATING REPORT

FOR THE YEAR ENDED 30 JUNE 2018

Your Councillors submit the financial report of the Australian Entertainment Industry Association for the year ended 30 June 2018.

REVIEW OF PRINCIPAL ACTIVITIES, THE RESULTS OF THOSE ACTIVITIES AND ANY SIGNIFICANT CHANGES IN THE NATURE OF THOSE ACTIVITIES DURING THE YEAR

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, policy and a broad range of other industry related issues.
- ◆ In 2017-18 AEIA undertook 8 major initiatives. These include: detailed submissions to the Fair Work Commission regarding award modernisation; development of an industry Code to prevent workplace discrimination, harassment, sexual harassment and bullying; secondary ticket market: government submissions and advocacy regarding proposed 'anti-scalping' legislation, revised the Ticketing Code to include provisions focused on the secondary ticket market, and launched a consumer awareness campaign nationally; advocated for new theatre venues in Sydney; completed negotiation with APRA regarding a new definition and tariff for Dramatic Context Licence; delivered member briefings nationally on the new Workplace Health and Safety Guidelines; celebrated AEIA's Centenary through presenting 10 2017 Centenary Awards (5 JC Williamson & 5 Sue Natrass Awards) and celebrated the industry's achievements through presenting the 2018 Helpmann Awards.
- ◆ These major initiatives have resulted in:
 - ◆ Membership base remains strong, diverse and national
 - ◆ Release of an industry Code and member resources to support safe and respectful workplaces
 - ◆ Legislative changes with respect to the secondary ticket market
 - ◆ Implementation of a consumer awareness campaign with respect to risks when buying tickets in the secondary market
 - ◆ Implementation and education regarding a new APRA licence
 - ◆ Implementation and education regarding the new Workplace Health and Safety Guidelines
 - ◆ Raised profile of live performance industry and the association nationally.

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 \$7,919 (2017: profit \$81,200).

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 2018 the Association had 414 members (2017: 414 members).

AUSTRALIAN ENTERTAINMENT INDUSTRY ASSOCIATION

NUMBER OF EMPLOYEES

Number of Employees 10, (2017: 10).

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:

T Brookman *
M Cassel *
M Coppel *
R Evans *
D Gautier *
A Kay *
J Kotzas *
P McIntyre *
L McLean *
S McGrath *
M O'Connor *
R Pilbeam *

L Withers *

Alexander Budd (appointed 01/12/17)
Lisa Campbell (appointed 01/12/17)
Susan Donnelly (appointed 01/12/17)
Melanie Smith (appointed 01/12/17)
Fiona Winning (appointed 01/12/17)

B Carmichael (term ended 01/12/17)
T McGregor (term ended 01/12/17)
C Spencer (term ended 01/12/17)
J Vince (term ended 01/12/17)

*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 \$13,783 (2017: \$13,538) 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 AM
President



Maria O'Connor
Vice President

15 October 2018

AUSTRALIAN ENTERTAINMENT INDUSTRY ASSOCIATION

EXECUTIVE COUNCIL STATEMENT

FOR THE YEAR ENDED 30 JUNE 2018

1. In the opinion of the Executive Councillors, the financial statements and notes as set out on pages 10 to 33:
 - a) comply with the Australian Accounting Standards;
 - b) comply with any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the *Fair Work (Registered Organisations) Act 2009* (the RO Act);
 - c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;
 - d) there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable;

2. During and since the end of the financial year ended 30 June 2018, 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 RO Act; *and*
 - d) where information has been sought in any request by a member of the Australian Entertainment Industry Association or Commissioner duly made under section 272 of the RO Act has been provided to the member or Commissioner, and
 - e) where any order for inspection of financial records has been made by the Fair Work Commission under Section 273 of the RO Act, there has been compliance.

3. In relation to recovery of wages activity:
 - a) in accordance with the requirements of the reporting guidelines 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. The Committee of Management of AEIA passed the resolution to approve and accept the Financial Statements for the year ended 30 June 2018 on 15 October 2018.

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 AM
President


Maria O'Connor
Vice President

15 October 2018

AUSTRALIAN ENTERTAINMENT INDUSTRY ASSOCIATION

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2018**

	Notes	2018 \$	2017 \$
Revenue			
Membership Subscription *		496,296	480,579
Capitation fees and other revenue from another reporting unit*		-	-
Levies *		-	-
Interest	3A	18,603	19,389
Helpmann Awards		600,885	659,107
Other Revenue	3B	1,396,623	1,400,855
Total Revenue		<u>2,512,407</u>	<u>2,559,930</u>
Other Income			
Grants and/or donations*		-	-
Revenue from recovery of wages activity *		-	-
Total Other Income		<u>-</u>	<u>-</u>
Total Income		<u><u>2,512,407</u></u>	<u><u>2,559,930</u></u>
Expenses			
Employee Expenses	4A	1,239,814	1,199,770
Capitation fees and other expense to another reporting unit *		-	-
Affiliation fees *		-	-
Administration expenses	4B	570,108	539,717
Depreciation and amortisation	4C	26,755	37,402
Legal costs	4D	11,530	31,810
Audit fees	14	16,751	16,240
Grants and/or Donations *	4E	-	-
Other expenses *	4F	-	-
Helpmann Awards		639,530	653,791
Total expenses		<u>2,504,488</u>	<u>2,478,730</u>
Profit for the year		<u>7,919</u>	<u>81,200</u>
Income tax expense		-	-
Profit after Income Tax Expense		<u>7,919</u>	<u>81,200</u>
Other Comprehensive Income, net of tax		-	-
Total Comprehensive Income for the Year		<u><u>7,919</u></u>	<u><u>81,200</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 2018**

	Notes	2018 \$	2017 \$
CURRENT ASSETS			
Cash and cash equivalents	5A	1,338,886	1,407,061
Trade and other receivables *	5B	349,411	335,682
Other current assets	5C	204,735	241,822
TOTAL CURRENT ASSETS		<u>1,893,032</u>	<u>1,984,565</u>
NON-CURRENT ASSETS			
Office equipment	6A	14,664	5,643
Furniture and fittings	6B	3,181	6,305
Intangibles	6C	51,889	27,986
TOTAL NON-CURRENT ASSETS		<u>69,734</u>	<u>39,934</u>
TOTAL ASSETS		<u>1,962,766</u>	<u>2,024,499</u>
CURRENT LIABILITIES			
Trade payables *	7A	193,161	266,674
Other payables *	7B	1,035,344	1,033,902
Employee provisions	8A	173,144	180,312
TOTAL CURRENT LIABILITIES		<u>1,401,649</u>	<u>1,480,888</u>
NON-CURRENT LIABILITIES			
Employee provisions	8A	23,485	13,898
Other non-current liabilities *	9A	-	-
TOTAL NON-CURRENT LIABILITIES		<u>23,485</u>	<u>13,898</u>
TOTAL LIABILITIES		<u>1,425,134</u>	<u>1,494,786</u>
NET ASSETS		<u>537,632</u>	<u>529,713</u>
MEMBERS' EQUITY			
General Funds	10A	120,000	120,000
Retained earnings		417,632	409,713
TOTAL MEMBERS' EQUITY		<u>537,632</u>	<u>529,713</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 2018**

	General Funds \$	Retained Earnings \$	Total Equity \$
Balance as at 01 July 2016	120,000	328,513	448,513
Adjustment for errors	-	-	-
Adjustment for changes in accounting policies	-	-	-
Profit for the Year	-	81,200	81,200
Other comprehensive income for the year	-	-	-
Transfer to/from Legal expense reserve	-	-	-
Transfer from retained earnings	-	-	-
Closing balance as at 30 June 2017	120,000	409,713	529,713
Adjustment for errors	-	-	-
Adjustment for changes in accounting policies	-	-	-
Profit for the Year	-	7,919	7,919
Other comprehensive income for the year	-	-	-
Transfer to/from Legal expense Reserve	-	-	-
Transfer from retained earnings	-	-	-
Closing balance as at 30 June 2018	120,000	417,632	537,632

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 2018**

	Notes	2018 \$	2017 \$
Cash Flows from Operating Activities			
Cash received			
Receipts from other reporting units/ controlled entity(s) *		-	-
Receipts from members and non members		2,591,791	2,488,136
Interest received		<u>18,559</u>	<u>19,532</u>
Cash Used			
Payment to other reporting units/controlled entity(s) *		-	-
Payments to suppliers and employees		<u>(2,621,969)</u>	<u>(2,481,883)</u>
Net Cash (Used)/ Provided by Operating Activities	11	<u>(11,620)</u>	<u>25,785</u>
Cash Flows From Investing Activities			
Cash Used			
Purchase of Property, Plant and Equipment	6A	(13,475)	(2,945)
Purchase of Website	6C	<u>(43,080)</u>	<u>(16,140)</u>
Net Cash Used In Investing Activities		<u>(56,555)</u>	<u>(19,085)</u>
Net (Decrease)/ Increase in Cash Held		<u>(68,175)</u>	<u>6,700</u>
Cash & cash equivalents the beginning of the financial year		1,407,061	1,400,361
Cash & cash equivalents at the end of the Financial Year	5A	<u>1,338,886</u>	<u>1,407,061</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

Index to the Notes of the Financial Statements

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AUSTRALIAN ENTERTAINMENT INDUSTRY ASSOCIATION

Notes to the financial statements for year ended 30 June 2018

NOTE 1. SUMMARY 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, rounded to the nearest \$1.

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.

AUSTRALIAN ENTERTAINMENT INDUSTRY ASSOCIATION

Notes to the financial statements for year ended 30 June 2018

1(d) New Australian Accounting Standards

At the date of approving the financial report, the following Australian Accounting Standards and Interpretations relevant to Australian Entertainment Industry Association have recently been issued or amended but are not yet mandatory, have not been early adopted by Australian Entertainment Industry Association for the period ended 30 June 2018.

Standard/ Interpretation	Effective for the annual reporting period beginning on	Expected to be initially applied in the financial year ending
AASB 15 'Revenue from Contracts with Customers' and AASB 2014-5 'Amendments to Australian Accounting Standards arising from AASB 15'	01 January 2017	30 June 2019
AASB 1058 'Income of Not-For-Profit Entities'	01 January 2019	30 June 2020
AASB 9 'Amendments to Australian Accounting Standards – Financial Instruments'	01 January 2018	30 June 2019
AASB 16 'Amendments to Australian Accounting Standards – Leases'	01 January 2019	30 June 2020

Australian Entertainment Industry Association does not expect any significant amendments to the measurement or presentation as a result of the above amendments to standards and interpretations.

1(e) Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable.

Revenue from subscriptions is accounted for on an accrual basis and is recorded as revenue in the year to which it relates.

Memberships are generally for a period of twelve months from July to June. The membership fees are invoiced a month prior to 01 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.

Revenue from Helpmann Awards is from Sponsorships, Ticket sales, Award entry fees. Income is recognised against the specific Helpmann Awards ceremony held.

Industry Service Fee revenue is paid by Members and Non Members dependant on the shows/ events held during the financial year. A fee is charged for each show held. Income is recognised as invoices are raised on a monthly basis.

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.

AUSTRALIAN ENTERTAINMENT INDUSTRY ASSOCIATION

Notes to the financial statements for year ended 30 June 2018

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. These are recorded as current Liabilities.

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. These are recorded as non-current Liabilities

AUSTRALIAN ENTERTAINMENT INDUSTRY ASSOCIATION

Notes to the financial statements for year ended 30 June 2018

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

AUSTRALIAN ENTERTAINMENT INDUSTRY ASSOCIATION

Notes to the financial statements for year ended 30 June 2018

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.

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 2018.

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

Notes to the financial statements for year ended 30 June 2018

Note 3 INCOME

	2018	2017
	\$	\$
3A. Interest		
Deposits	18,603	19,389
Total Interest	<u>18,603</u>	<u>19,389</u>
3B. Other Revenue		
Industry Service Fee	1,346,303	1,310,004
Other	50,320	90,851
Total Other Revenue	<u>1,396,623</u>	<u>1,400,855</u>

Note 4 EXPENSES

4A. Employee Expenses *

Holders of office:

Wages and Salaries	-	-
Superannuation	-	-
Leave and other entitlements	-	-
Separation and redundancies	-	-
Subtotal employee expenses holders of office	<u>-</u>	<u>-</u>

Employees other than office holders:

Wages and Salaries	1,091,597	1,044,760
Superannuation	95,884	95,210
Leave and other entitlements	2,419	10,099
Separation and redundancies	-	-
Other employee expenses	49,914	49,701
Subtotal employee expenses employees other than office holders	<u>1,239,814</u>	<u>1,199,770</u>
Total Employee Expenses	<u>1,239,814</u>	<u>1,199,770</u>

4B. Administration Expenses

Consideration to employers for payroll deductions *	-	-
Compulsory levies *	-	-
Fees/allowances - meeting and conferences*	-	-
Conference Expenses	3,000	578
Meeting Expenses - Executive Council	15,354	9,735
Meeting Expenses - Annual General Meeting	600	2,491
Meeting Expenses - Members Forum	35,209	12,098
Rent	99,827	81,047
Other Expenses	416,118	433,768
Total Administration Expenses	<u>570,108</u>	<u>539,717</u>

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

AUSTRALIAN ENTERTAINMENT INDUSTRY ASSOCIATION

Notes to the financial statements for year ended 30 June 2018

	2018	2017
	\$	\$
4C. Depreciation and Amortisation		
Depreciation		
Office equipment	4,454	5,118
Furniture & Fittings	3,124	3,125
Total Depreciation	<u>7,578</u>	<u>8,243</u>
Amortisation		
Intangibles	19,177	29,159
Total Amortisation	<u>19,177</u>	<u>29,159</u>
Total Depreciation and Amortisation	<u><u>26,755</u></u>	<u><u>37,402</u></u>
4D. Legal Costs *		
Litigation	-	-
Other legal general matters	11,530	31,810
Total Legal Costs	<u><u>11,530</u></u>	<u><u>31,810</u></u>
4E. Grants or Donations*		
Grants:		
Total paid that were \$1,000 or less	-	-
Total paid that exceeded \$1,000	-	-
Donations:		
Total paid that were \$1,000 or less	-	-
Total paid that exceeded \$1,000	-	-
Total Grants or Donations	<u><u>-</u></u>	<u><u>-</u></u>
4F. Other Expenses		
Penalties – via RO Act or the Fair Work Act 2009 *	-	-
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

Notes to the financial statements for year ended 30 June 2018

Note 5 CURRENT ASSETS

5A. Cash and Cash Equivalents	2018	2017
	\$	\$
Cash at Bank	611,283	697,375
Cash on Hand	200	200
Short-term Deposit	717,403	699,486
Rent Guarantee – Term Deposit	10,000	10,000
Total Cash and Cash Equivalents	<u>1,338,886</u>	<u>1,407,061</u>

The short term deposits mature on 07 November 2018 (\$360,513) and 15 December 2018 (\$356,890). The effective interest rate on the short term deposits are 2.57% (2017: 2.6%) and 2.48% (2017: 2.55%) respectively.

5B. Trade and Other Receivables (Current)

Receivables from other reporting unit(s) *

Total Receivables From Other Reporting Unit(s)

Less provision for doubtful debts *

Total Provision for Doubtful Debts

Net Receivables from Other Reporting Unit(s)

Other Receivables

Trade Debtors

Allowance for Doubtful Debts

Net Total Other Receivables

Total Trade and Other Receivables

-	-
<u>-</u>	<u>-</u>
-	-
<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>
368,914	355,185
(19,503)	(19,503)
<u>349,411</u>	<u>335,682</u>
<u>349,411</u>	<u>335,682</u>

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

AUSTRALIAN ENTERTAINMENT INDUSTRY ASSOCIATION

Notes to the financial statements for year ended 30 June 2018

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 (2017: \$ nil) has been recognised by the entity in the current year.

Movements in the provision for impairment loss were as follows:

	2018	2017
	\$	\$
Opening Balance	19,503	19,503
Additional Provision	-	-
Amounts Written off	-	-
Amounts Recovered	-	-
Closing Balance	19,503	19,503

At 30 June 2018, the ageing analysis of trade receivables is as follows:

	As at 30 June 2018		As at 30 June 2017	
	Gross	Allowance	Gross	Allowance
	\$	\$	\$	\$
Current	363,050	(19,503)	119,191	-
31 – 60 days	-	-	228,034	(19,503)
61 – 90 days	5,864	-	2,289	-
91 days and over	-	-	5,671	-
Closing Balance	368,914	(19,503)	355,185	(19,503)

As at 30 June 2018 the Association had debts that were past due but not doubtful in the amount of \$5,864 (2017: \$7,960). 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 (2017: \$19,503).

	2018	2017
	\$	\$
5C. Other Current Assets		
Helpmann Awards prepaid expenses	180,031	214,211
Other prepaid expenses	24,704	27,611
Total Other Current Assets	204,735	241,822

AUSTRALIAN ENTERTAINMENT INDUSTRY ASSOCIATION

Notes to the financial statements for year ended 30 June 2018

Note 6 NON-CURRENT ASSETS

	2018	2017
	\$	\$
6A. Office Equipment		
Office Equipment - At Cost	52,807	49,665
Less: Accumulated Depreciation	<u>(38,143)</u>	<u>(44,022)</u>
Total Office Equipment	<u><u>14,664</u></u>	<u><u>5,643</u></u>

Reconciliation of the Opening and Closing Balances of Office Equipment

As at 01 July 2017

Gross book value	49,665	46,720
Accumulated depreciation	<u>(44,022)</u>	<u>(38,904)</u>
Net book value 01 July 2017	<u>5,643</u>	<u>7,816</u>
Additions	13,475	2,945
Depreciation expense	(4,454)	(5,118)
Disposals	-	-
Transfers	<u>-</u>	<u>-</u>
Net book value 30 June 2018	<u>14,664</u>	<u>5,643</u>

Net book value as of 30 June 2018 represented by:

Gross book value	52,807	49,665
Accumulated depreciation	<u>(38,143)</u>	<u>(44,022)</u>
Net book value 30 June 2018	<u>14,664</u>	<u>5,643</u>

6B. Furniture and Fittings

Furniture and Fittings - At Cost	35,744	35,744
Less: Accumulated Depreciation	<u>(32,563)</u>	<u>(29,439)</u>
Total Furniture and Fittings	<u>3,181</u>	<u>6,305</u>

Reconciliation of the Opening and Closing Balances of Furniture and Fittings

As at 01 July 2017

Gross book value	35,744	35,744
Accumulated depreciation	<u>(29,439)</u>	<u>(26,314)</u>
Net book value 01 July 2017	<u>6,305</u>	<u>9,430</u>
Additions	-	-
Depreciation expense	(3,124)	(3,125)
Disposals	-	-
Transfers	<u>-</u>	<u>-</u>
Net book value 30 June 2018	<u>3,181</u>	<u>6,305</u>

Net book value as of 30 June 2018 represented by:

Gross book value	35,744	35,744
Accumulated depreciation	<u>(32,563)</u>	<u>(29,439)</u>
Net book value 30 June 2018	<u>3,181</u>	<u>6,305</u>

AUSTRALIAN ENTERTAINMENT INDUSTRY ASSOCIATION

Notes to the financial statements for year ended 30 June 2018

6C. Intangibles	2018	2017
	\$	\$
Trademarks – At Cost	<u>4,630</u>	<u>4,630</u>
Website – At Cost	208,110	165,030
Less : Accumulated Amortisation - Website	(160,851)	(141,674)
Total Website	<u>47,259</u>	<u>23,356</u>
Total Website and Trademarks	<u>51,889</u>	<u>27,986</u>

Reconciliation of the Opening and Closing Balances of Website

As at 01 July 2017		
Gross book value	165,030	148,890
Accumulated depreciation	(141,674)	(112,515)
Net book value 01 July 2017	<u>23,356</u>	<u>36,375</u>
Additions	43,080	16,140
Depreciation expense	(19,177)	(29,159)
Disposals	-	-
Transfers	-	-
Net book value 30 June 2018	<u>47,259</u>	<u>23,356</u>
Net book value as of 30 June 2018 represented by:		
Gross book value	208,110	165,030
Accumulated depreciation	(160,851)	(141,674)
Net book value 30 June 2018	<u>47,259</u>	<u>23,356</u>

Note 7 CURRENT LIABILITIES

7A. Trade Payables		
Non-Interest Bearing		
Trade creditors	102,229	112,416
Accruals	90,932	154,258
Subtotal Trade Creditors and Accruals	<u>193,161</u>	<u>266,674</u>
Payables to Other Reporting Unit(s)	-	-
Subtotal Payables to Other Reporting Unit(s)	<u>-</u>	<u>-</u>
Total Trade Payables	<u>193,161</u>	<u>266,674</u>

Settlement is usually made within 30 days.

AUSTRALIAN ENTERTAINMENT INDUSTRY ASSOCIATION

Notes to the financial statements for year ended 30 June 2018

7B. Other Payables	2018	2017
	\$	\$
Wages and Salaries	-	-
Superannuation	-	-
Payable to employers for making payroll deductions of membership subscriptions *	-	-
Legal costs - Litigation*	-	-
Legal costs – Other legal costs *	-	-
Prepayments received/ unearned revenue	938,319	930,163
GST payable	82,200	91,049
Other	14,825	12,690
Total Other Payables	<u><u>1,035,344</u></u>	<u><u>1,033,902</u></u>
Total other payables are expected to be settled in:		
No more than 12 months	1,035,344	1,033,902
More than 12 months	-	-
Total Other Payables	<u><u>1,035,344</u></u>	<u><u>1,033,902</u></u>
 Note 8 PROVISIONS		
 8A. Employee Provisions*		
Office holders *		
Annual Leave	-	-
Long Service Leave	-	-
Separation and Redundancies	-	-
Superannuation	-	-
Other Employee Provisions	-	-
Subtotal Employee Provisions – Office holders *	<u><u>-</u></u>	<u><u>-</u></u>
 Employees other than Office holders		
Annual Leave	55,533	73,275
Long Service Leave	141,096	120,935
Separation and Redundancies	-	-
Superannuation	-	-
Other Employee Provisions	-	-
Subtotal Employee Provisions – Employees other than Office holders	<u><u>196,629</u></u>	<u><u>194,210</u></u>
Total Employee Provisions	<u><u>196,629</u></u>	<u><u>194,210</u></u>
Current	173,144	180,312
Non-current	23,485	13,898
Total Employee Provisions	<u><u>196,629</u></u>	<u><u>194,210</u></u>

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

AUSTRALIAN ENTERTAINMENT INDUSTRY ASSOCIATION

Notes to the financial statements for year ended 30 June 2018

Note 9 NON-CURRENT LIABILITIES

	2018	2017
	\$	\$
9A. Other Non-Current Liabilities *		
Other Non-Current Liabilities	-	-
Total Other Non-Current Liabilities	<u>-</u>	<u>-</u>

Note 10 MEMBERS EQUITY

10A. General Funds

Legal Expense Reserve		
Balance at start of year	120,000	120,000
Transferred to reserve	-	-
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:

Cash and Cash Equivalents as per:		
Statement of Cash Flows	1,338,886	1,407,061
Statement of Financial Position	<u>1,338,886</u>	<u>1,407,061</u>
Difference	<u>-</u>	<u>-</u>

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

AUSTRALIAN ENTERTAINMENT INDUSTRY ASSOCIATION

Notes to the financial statements for year ended 30 June 2018

Note 11 STATEMENT OF CASH FLOWS (Cont'd)

	2018	2017
	\$	\$
Reconciliation of profit to net cash from operating activities:		
Profit for the year	7,919	81,200
Adjustments for non-cash items		
Depreciation of Property, Plant & Equipment	7,578	8,243
Amortisation of Intangibles	19,177	29,159
Gain on Disposal of Assets	-	-
Changes in Assets and Liabilities		
(Increase) in trade and other receivables	(13,729)	(109,305)
Increase in allowance for doubtful debts	-	-
Decrease/ (Increase) in other assets	37,086	(68,673)
(Decrease)/ Increase in trade and other payables	(96,693)	79,560
Increase in employee provisions	27,042	5,601
Net Cash (used in)/ Provided by Operating Activities	<u>(11,620)</u>	<u>25,785</u>

Note 12 CONTINGENT LIABILITIES AND COMMITMENTS

12A. Lease Commitments

Non-Cancellable Operating Leases Payable:	-	-
Premises Rental (excl GST)		
Payable no later than one year	103,445	99,369
Payable later than one year but not later than five years	217,785	319,299
Total Lease Commitments	<u>321,230</u>	<u>418,668</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

Notes to the financial statements for year ended 30 June 2018

Note 13 RELATED PARTY DISCLOSURES

13A. Related Party Transactions - Executive Councillors

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:	2018	2017
	\$	\$
D Gautier – CEO, Adelaide Festival Centre - for Venue Hire/ Catering.	698	290
J Kotzas – Chief Executive, Queensland Performing Arts Centre - for Venue Hire/ Catering/ Audio staging.	3,285	-
Maria O'Connor – Managing Director, Ticketmaster Australia and NZ – for Ticket refund.	-	240
F Winning – Head of Programming – Sydney Opera House Trust – for Venue hire/ Catering/ Audio staging.	6,955	-
C Spencer - Chief Executive – Arts Centre Melbourne – for Catering/ sponsorship.	-	6,080

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 2018, the Australian Entertainment Industry Association has not recorded any impairment of receivables relating to amounts owed by related parties and declared person or body (2017: \$Nil).

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

No employee provisions have been made for any Executive Councillor / Office holders.

AUSTRALIAN ENTERTAINMENT INDUSTRY ASSOCIATION

Notes to the financial statements for year ended 30 June 2018

13B. Key Management Personnel Remuneration

	2018	2017
	\$	\$
Short-term employee benefits		
Salary (including annual leave taken)	228,026	217,260
Annual leave accrued	8,299	13,373
Performance Bonus	-	-
Total Short-term employee benefits	<u>236,325</u>	<u>230,633</u>
Post-employment benefits		
Superannuation	<u>16,499</u>	<u>14,687</u>
Total post-employment benefits	<u>16,499</u>	<u>14,687</u>
Other long-term benefits		
Long service leave	<u>52,750</u>	<u>43,886</u>
Total Other long-term benefits	<u>52,750</u>	<u>43,886</u>
Total Key Management Personnel Remuneration	<u><u>305,574</u></u>	<u><u>289,206</u></u>

Note 14 REMUNERATION OF AUDITORS

Financial statement audit services	16,751	16,240
Other services	-	-
Total Remuneration of Auditors	<u><u>16,751</u></u>	<u><u>16,240</u></u>

AUSTRALIAN ENTERTAINMENT INDUSTRY ASSOCIATION

Notes to the financial statements for year ended 30 June 2018

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:

	2018	2017
	\$	\$
Financial Assets		
Cash and cash equivalents	1,338,886	1,407,061
Trade and other receivables	<u>349,411</u>	<u>335,682</u>
Total Financial Assets	<u>1,688,297</u>	<u>1,742,743</u>
Financial Liabilities		
Trade and other payables	<u>1,228,505</u>	<u>1,300,576</u>
Total Financial Liabilities	<u>1,228,505</u>	<u>1,300,576</u>
Net exposure	<u>459,792</u>	<u>442,167</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.

AUSTRALIAN ENTERTAINMENT INDUSTRY ASSOCIATION

Notes to the financial statements for year ended 30 June 2018

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.

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 2018	< 6 months	6 – 12 months	1 – 5 years	> 5 years	Total
	\$	\$	\$	\$	\$
Financial assets					
Bank	1,338,886	-	-	-	1,338,886
Trade and other receivables	349,411	-	-	-	349,411
Total Financial assets	1,688,297	-	-	-	1,688,297
Financial liabilities					
Trade and other payables	950,288	278,217	-	-	1,228,505
Total Financial liabilities	950,288	278,217	-	-	1,228,505
Net maturity	738,009	(278,217)	-	-	459,792

AUSTRALIAN ENTERTAINMENT INDUSTRY ASSOCIATION

Notes to the financial statements for year ended 30 June 2018

Note 16 Fair Value Measurement

Note 16A: Financial Assets and Liabilities

Management of the Association assessed that cash, trade receivables, trade payables, and other current liabilities approximate their carrying amounts largely due to the short term maturities of these instruments.

Note 17 SECTION 272 FAIR WORK (REGISTERED ORGANISATIONS) ACT 2009

In accordance with the requirements of Section 272 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 Commissioner:

- (1) A member of a reporting unit, or the Commissioner, 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).



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INDEPENDENT AUDITOR'S REPORT

To the members of Australian Entertainment Industry Association

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Australian Entertainment Industry Association (the reporting unit), which comprises the statement of financial position as at 30 June 2018, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies, the Committee of Management Statement and the subsection 255(2A) report.

In our opinion the accompanying financial report of Australian Entertainment Industry Association, **presents fairly, in all material respects the reporting unit's financial position as at 30 June 2018**, and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards and any other requirement imposed by these Reporting Guidelines or Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the **Auditor's responsibilities for the audit of the Financial Report** section of our report. We are independent of the reporting unit in accordance with the **ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants** (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Other information

The Committee of Management are responsible for the other information. The other information **obtained at the date of this auditor's report is information included in the Councillors' Operating report, but does not include the financial report and our auditor's report thereon.**

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this **auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact.** We have nothing to report in this regard.



Responsibilities of the Committee of Management for the Financial Report

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

In preparing the financial report, the Committee of Management are responsible for assessing the **registered entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern** and using the going concern basis of accounting unless the responsible entities either intends to liquidate the registered entity or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free **from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.** Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

- As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:
Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 **Reporting Unit's internal control.**
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Committee of Management.
- Conclude on the appropriateness of the Committee of Management's **use of the going concern basis** of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant **doubt on the Reporting Unit's ability to continue as a going concern.** If we conclude that a material uncertainty exists, we are required to draw attention in our **auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion.** Our conclusions are based on the audit evidence obtained up to the date of our **auditor's report. However, future events or conditions may cause** the Reporting Unit to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Reporting Unit to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Reporting Unit audit. We remain solely responsible for our audit opinion.



We communicate with the Committee of Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that are identified during our audit.

This description forms part of our auditor's report.

Declaration by the auditor

I, James Mooney, declare that I am an approved auditor, a member of the Chartered Accountants Australia New Zealand and hold a current Public Practice Certificate.

BDO East Coast Partnership

A handwritten signature in black ink that reads 'James Mooney'. The signature is written in a cursive style. Above the signature is a small, stylized logo consisting of the letters 'BDO' in a bold, sans-serif font.

James Mooney
Partner

Melbourne, 15 October 2018

Registration number: AA2017/65



25 September 2018

Mr Andrew Kay
President
Australian Entertainment Industry Association

By Email: info@liveperformance.com.au

Dear Mr Kay,

**Re: Lodgement of Financial Report - [FR2018/137]
*Fair Work (Registered Organisations) Act 2009 (the RO Act)***

The financial year of the Australian Entertainment Industry Association (the reporting unit) ended on 30 June 2018. This is a courtesy letter to remind you of the reporting unit's obligations regarding financial reporting.

Loans Grants and Donations Statement

The reporting unit is required to lodge a statement showing the relevant particulars in relation to each loan, grant or donation of an amount exceeding \$1,000 for the reporting unit during its financial year. Section 237 of the RO Act requires this statement to be lodged with the Registered Organisations Commission (the ROC) within 90 days of the end of the reporting unit's financial year, namely on or before 28 September 2018.

The attached fact sheet *Loans Grants and Donations (FS 009)* summarises the requirements of the Loans Grants and Donations Statement. A sample statement of loans, grants or donations is available on our [website](#).

It should be noted that s.237 is a civil penalty provision. If a loan, grant or donation over \$1000 has been made, failure to lodge a statement of loans, grants and donations (including failure to lodge on time) may result in legal proceedings being issued with the possibility of a pecuniary penalty. Currently penalties are up to \$105,000 for each contravention for a body corporate and up to \$21,000 for each contravention for an individual and may be imposed upon your organisation and/or an officer whose conduct led to the contravention.

Financial report

The RO Act sets out a particular chronological order in which your financial report must be prepared, audited, provided to members, presented to a meeting and then lodged with the ROC. The attached document *Summary of Financial Reporting timelines (FS 008)* summarises these requirements.

We emphasise that the reporting unit is required to present its audited financial report to a meeting (either of members or of the committee of management, depending on its rules) no later than 30 December 2018 (s.266). The full financial report must be lodged with the ROC within 14 days of that meeting (s.268).

When assessing your financial report, we will continue to focus closely on timelines as well as how loans, grants and donations are reported (see attached *Loans Grants and Donations* fact sheet FS 009). The financial report must break down the amounts of grants and donations and these figures will be compared to the loans, grants and donations statement.

You can visit our website for more information regarding [financial reporting](#), and fact sheets regarding [financial reporting processes and requirements](#). A model set of financial statements developed by the

ROC is also available on our website. It is not obligatory to use this model but it is a useful resource to ensure compliance with the RO Act, the Reporting Guidelines and the Australian Accounting Standards.

It should be noted that s.268 of the RO Act is a civil penalty provision. Failure to lodge the full financial report (including failure to lodge on time) may result in legal proceedings being issued with the possibility of a pecuniary penalty, as set out above, being imposed upon your organisation and/or an officer whose conduct led to the contravention (s.268).

Auditor's report

When assessing the financial report we will also focus on the structure and content of the auditor's report to ensure that it complies with the revisions made to the Auditing Standards which came into operation with effect from 15 December 2016. Please find [here](#) a link to guidance note *Illustrative Auditor's Report* (GN 004) relating to these requirements (also available on our website).

REMINDER

YOUR AUDITOR MUST BE REGISTERED (s.256)

You must ensure that your auditor is registered by the Registered Organisations Commissioner. A list of registered auditors is available on our [website](#).

Contact

Should you require any clarification in relation to the above, please email regorgs@roc.gov.au.

Yours faithfully,



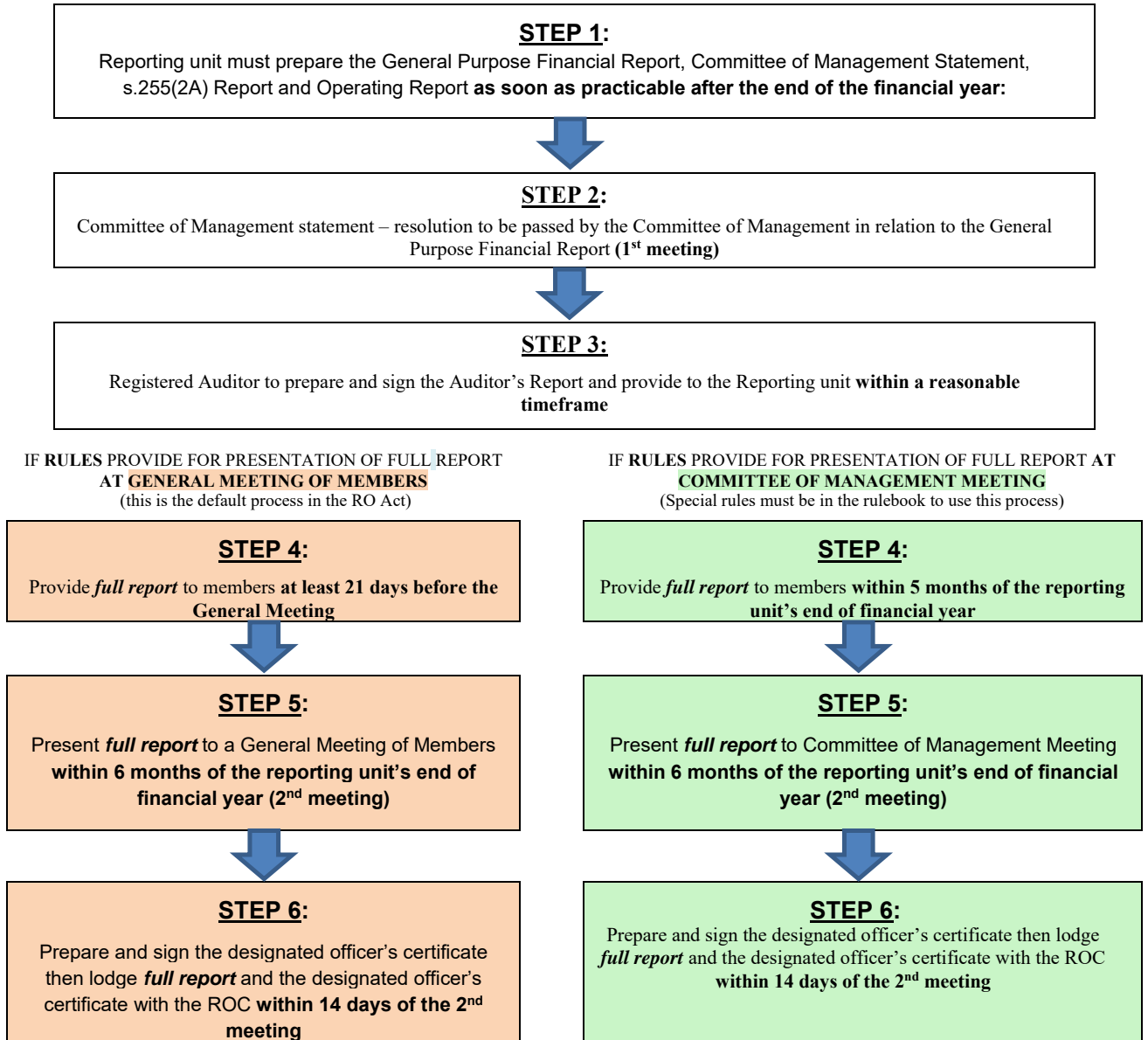
Sarah Wilkin
Registered Organisations Commission

Fact sheet

Summary of financial reporting timelines – s.253 financial reports

General Information:

- The **full report** consists of the General Purpose Financial Report, Committee of Management Statement, Operating report, s.255(2A) Report and signed Auditors' Report
- For an explanation of each of the steps below see our [Fact sheet—financial reporting process](#).



Fact sheet



Australian Government
Registered Organisations Commission

FS 009
(19 June 2017)

Fact sheet

Loans, Grants & Donations

The Loans, Grants & Donations Requirements

The *Fair Work (Registered Organisations) Act 2009* (the RO Act) requires an organisation or branch to lodge a loans, grants and donations statement (the statement) within **90 days** of the ending of the financial year.

Under the Commissioner's Reporting Guidelines, a reporting unit's General Purpose Financial Report (the financial report) must break down the amounts of grants and donations (see below). The figures in the financial report will be compared to the loans, grants and donations statement.





The Loans, Grants & Donations Statement



Section 237 of the RO Act applies to every loan, grant and donation made by an organisation or branch during the financial year that exceeds \$1000. The following information must be supplied to the Registered Organisations Commission (the ROC) for each relevant loan, grant or donation:

- the amount,
- the purpose,
- the security (if it is a loan),
- the name and address of the person to whom it was made,* and
- the arrangements for repaying the loan.*

*The last two items are not required if the loan, grant or donation was made to relieve a member of the organisation (or their dependent) from severe financial hardship.

The statement must be lodged within 90 days of the end of the financial year and the ROC has a [Template Loans, Grants and Donations Statement](#) on its website. The ROC encourages branches and organisations to lodge the statement even if all of the figures are NIL. Common misconceptions Over the years, staff of the Commission have noted that there are some common misunderstandings made in relation to the Statement. They include:

Misconception	Requirement
 Only reporting units must lodge the Statement.	 All branches and organisations, regardless of whether they lodge a financial report, must lodge the statement within 90 days of the end of the financial year. An organisation cannot lodge a single statement to cover all of its branches.
 Employees can sign the Statement.	 The statement must be signed by an elected officer of the relevant branch.

	Statements can be lodged with the financial report.		The deadline for the statement is much shorter (90 days) and if it is lodged with the financial report it is likely to be late.
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Grants & Donations within the Financial Report

Item 16(e) of the Commissioner’s Reporting Guidelines requires the reporting unit to separate the line items relating to grants and donations into grants or donations that were \$1000 or less and those that exceeded \$1000.

As such, the note in the financial report relating to grants and donations will have four lines. In the [ROC's Model Statements](#) the note appears as follows:

Note 4E: Grants OR donations*

Grants:	[Current year]	[Previous year]
Total paid that were \$1,000 or less	-	-
Total paid that exceeded \$1,000	-	-
Donations:		
Total paid that were \$1,000 or less	-	-
Total paid that exceeded \$1,000	-	-
Total grants or donations	-	-

The Commissioner’s Reporting Guidelines requires that these line items appear in the financial report even if the figures are NIL.

Implications for filing the Financial Report

During their review of the financial report staff of the ROC may confirm that the figures in the financial report match the disclosures made in the statement. Any inconsistencies in these figures will be raised with the organisation or branch for explanation and action.

This may involve lodging an amended loans, grants or donations statement. Any failure to lodge a loans, grants or donations statement or lodging a statement that is false or misleading can attract civil penalties under the RO Act.

If a reporting unit did not fully comply with these requirements in their last financial report, its filing letter will have included a statement reminding the reporting unit of its obligations.

It is strongly recommended that all reporting units review their filing letters from the previous financial year to ensure any targeted concerns are addressed in their latest financial report. Failure to address these individual concerns may mean that a financial report cannot be filed.

Previous financial reports and filing letters are available from the website.

Further information

If you have any further questions relating to the loan, grant and donation disclosure requirements in the statement or the financial report, please contact the ROC on regorgs@roc.gov.au