



AUSTRALIAN INDUSTRIAL REGISTRY

Level 8, Terrace Towers
80 William Street, East Sydney, NSW 2011
Telephone: (02) 8374 6666
Fax: (02) 9380 6990

Ref: FR2003/346-[129V]

Mr Christopher Warren
Federal Secretary
Media, Entertainment and Arts Alliance
PO Box 723
STRAWBERRY HILLS NSW 2012

Dear Mr Warren

**Re: Media, Entertainment and Arts Alliance - Financial
Reporting Obligations under *Workplace Relations Act 1996***

This is a courtesy letter to remind you of the financial reporting obligations of the abovenamed body under the *Workplace Relations Act 1996* ('the Act') for the financial year ended 30 June, 2003.

The legislative scheme set out in Part IX, Division 11 of the Act is directed at ensuring that a registered organisation or a branch of such an organisation discharges obligations of accountability to its members in relation to its financial affairs through proper and regular disclosure of financial information. The various steps of the financial reporting requirements must be carried out within the time-scales prescribed by the legislation so as to ensure the relevance of the financial information provided to the members.

Now that the financial year has ended, it is timely that you put in train the various steps of the financial reporting requirements. To assist you with this process I have enclosed for your information a notice summarising these requirements including the time-scales prescribed by the legislation.

Please note that a branch of an organisation may be exempted from the obligations arising under Part IX, Division 11 in respect of a financial year by satisfying a Registrar that the branch did not have any financial affairs during the financial year. An application under subsection 271A(1) of the Act must be made within 90 days (unless extended by a Registrar) after the end of the financial year.

Please do not hesitate to contact me on (02) 8374 6618 if you wish to discuss the financial reporting requirements, especially if you anticipate any difficulty in meeting any step in the time-scales prescribed.

Yours sincerely

Belinda Penna
E-mail: belinda.penna@air.gov.au

15 July, 2003

5 February 2004

Industrial Registrar
Australian Industrial Registry
80 William Street
East Sydney NSW



ABN: 84 054 775 598

FEDERAL OFFICE
245 Chalmers Street
Redfern NSW 2016
PO Box 723
Strawberry Hills
NSW 2012 Australia
Tel: (61) 2 9333 0999
Fax: (61) 2 9333 0933
Email: federal@alliance.org.au
Website: www.alliance.org.au

Alliance Inquiry Desk
1300 656 512

Alliance Membership Centre
1300 656 513

FEDERAL PRESIDENT
Patricia Amphlett

FEDERAL SECRETARY
Christopher Warren

Dear Sir,

Re Lodgement of Audited Accounts for the period ending 30 June 2003.

Enclosed are the audited financial documents of the Media, Entertainment & Arts Alliance for the period ending 30 June 2003.

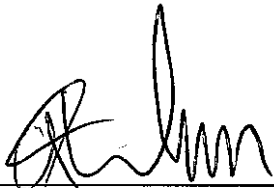
Yours sincerely
Media, Entertainment & Arts Alliance

A handwritten signature in black ink, appearing to read 'Carole Carney'.

Carole Carney
Director, Administration

SECRETARYS CERTIFICATE

- (1) I am the Federal Secretary of the Media, Entertainment & Arts Alliance.
- (2) I am authorised under the Rules of the Media, Entertainment & Arts Alliance to make this statement.
- (3) The audited accounts for the period ending 30 June 2003 were published and circulated to members in the Unions annual report in December 2003
- (4) The attached 2003 audited accounts are copies of the auditor's report, which was presented to a meeting of Federal Management Committee on 2 February 2004 in accordance with section 279 of the Workplace Relations Act.



Christopher John Warren
Federal Secretary

Date:

February 5, 2004.

Media, Entertainment & Arts Alliance

**Financial Report
For the Year Ended 30 June 2003**

MEDIA, ENTERTAINMENT & ARTS ALLIANCE
COMMITTEE OF MANAGEMENT'S CERTIFICATE

We, Patricia Amphlett and Christopher Warren, being two members of the Committee of Management of the Media, Entertainment & Arts Alliance ("the Alliance") state on behalf of the Committee and in accordance with the resolution passed by the Committee of Management that:

1. In the opinion of the Committee of Management the attached financial statements show a true and fair view of the financial affairs of the Alliance as at 30 June 2003;
2. In the opinion of the Committee of Management, meetings of the Committee were held during the year ended 30 June 2003 in accordance with the rules of the Alliance;
3. To the knowledge and belief of the Committee, there have been no instances where records of the Alliance or other documents, or copies of the rules of the organisation, that should be made available have been withheld from Members in contravention of the requirements of the Workplace Relations Act, 1996, the regulations thereto, or the rules of the Alliance.
4. The Alliance has complied with subsections 279 (1) and (4) of the Workplace Relations Act, 1996 in relation to the financial statements for the year ended 30 June 2002 and the auditor's report thereon.



P. AMPHLETT



C. WARREN

Dated this 16th day of October 2003.

MEDIA, ENTERTAINMENT & ARTS ALLIANCE

ACCOUNTING OFFICER'S CERTIFICATE

I, Christopher Warren, being the Officer responsible for keeping the accounting records of the Media, Entertainment and Arts Alliance ("the Alliance"), certify that as at 30 June 2003, the number of members of the Media Entertainment and Arts Alliance was 20,149

In my Opinion:

1. The attached financial statements show a true and fair view of the financial affairs of the Alliance for the year ended 30 June 2003
2. A record has been kept of all monies paid by, or collected from Members and all monies so paid or collected have been credited in accordance with the rules of the Alliance;
3. Before any expenditure was incurred by the organisation approval of the incurring of the expenditure was obtained in accordance with the rules of the Alliance
4. With regard to funds of the organisation raised by compulsory levies or voluntary contributions from Members, or funds other than the General Fund operated in accordance with the rules, no payments were made out of any such funds for purposes other than those for which the fund was operated.
5. All loans or other financial benefits granted to persons holding office in the Alliance were authorised in accordance of the rules; and
6. The register of members of the Alliance was maintained in accordance with the Workplace Relations Act, 1996.


C. WARREN

Dated at Sydney, *October 16,* 2003

MEDIA, ENTERTAINMENT & ARTS ALLIANCE

INDEPENDENT AUDIT REPORT TO THE MEMBERS OF THE MEDIA, ENTERTAINMENT & ARTS ALLIANCE

Scope

We have audited the accompanying financial report as set out on pages 5 to 17 for the year ended 30 June 2003 being the aggregation of the federal office and all branches of the Media, Entertainment & Arts Alliance ("the Alliance"). The officers of the Alliance are responsible for the financial report and the information contained therein. We have conducted an independent audit of the financial report in order to express an opinion on the report to the members of the Alliance.

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

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

Audit Opinion

In our opinion

1. Satisfactory accounting records detailing the source and nature of the income of the Alliance (including income from members) and the nature and purposes of the expenditure, were kept by the Alliance in respect of the year ended 2003. All of the information and explanations that the officers or employees of the Alliance were required to provide further to section 276(2) of the Act have been provided; and
2. The financial report as set out on pages 5 to 17, is properly drawn up so as to give a true and fair view of the Alliance's financial position as at 30 June 2003, and of its performance for the year ended 30 June 2003 in accordance with the Australian Accounting Standards and comply with section 273 of the Act as amended.

WHK Audit & Assurance

**WHK Audit & Assurance
Chartered Accountants**

D Sinclair

D Sinclair

Dated at Sydney this date of 16 October 2003

MEDIA, ENTERTAINMENT & ARTS ALLIANCE

**STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 30 JUNE 2003**

	<i>Note</i>	2003 \$	2002 \$
REVENUE			
Revenue from Ordinary Activities	2	7,146,091	6,471,782
Total Revenue		<u>7,146,091</u>	<u>6,471,782</u>
DIRECT COSTS			
Depreciation and Amortisation	3	(519,324)	(430,588)
Borrowing Costs	3	(145,414)	(163,221)
Employee Benefits Expense	3	(2,925,001)	(3,093,183)
Carrying value of fixed assets disposed		(224,779)	-
Site Costs		(412,017)	(472,188)
Affiliation Fees		(171,589)	(177,846)
Printing & Postage		(358,956)	(338,326)
Telephone		(178,348)	(229,331)
Magazine		(326,076)	(260,571)
Repairs & Maintenance		(356,903)	(270,329)
Travel		(243,323)	(266,305)
Other Expenses From Ordinary Activities		(756,955)	(525,105)
Total Direct Costs		<u>(6,618,685)</u>	<u>(6,226,993)</u>
Net Surplus		527,406	244,789
Total changes in equity other than those relating from internal transactions		<u>527,406</u>	<u>244,789</u>

The accompanying notes form an integral part of these financial statements

MEDIA, ENTERTAINMENT & ARTS ALLIANCE

**STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2003**

	<i>Note</i>	2003	2002
		\$	\$
CURRENT ASSETS			
Cash Assets	4	539,377	339,870
Receivables	5	445,100	444,573
Other	6	93,207	84,290
TOTAL CURRENT ASSETS		<u>1,077,685</u>	<u>868,732</u>
NON-CURRENT ASSETS			
Other Financial Assets	7	43,833	39,065
Fixed Assets	8	3,623,078	4,017,620
TOTAL NON-CURRENT ASSETS		<u>3,666,911</u>	<u>4,056,685</u>
TOTAL ASSETS		<u>4,744,595</u>	<u>4,925,417</u>
CURRENT LIABILITIES			
Payables	9	963,470	1,409,834
Interest Bearing Liabilities	10	316,975	454,416
Provisions	11	489,400	452,367
Other	12	191,453	128,288
TOTAL CURRENT LIABILITIES		<u>1,961,298</u>	<u>2,444,904</u>
NON-CURRENT LIABILITIES			
Interest Bearing Liabilities	10	1,731,406	1,882,689
Provisions	11	178,700	232,280
TOTAL NON-CURRENT LIABILITIES		<u>1,910,106</u>	<u>2,114,969</u>
TOTAL LIABILITIES		<u>3,871,404</u>	<u>4,559,873</u>
NET ASSETS		<u>873,191</u>	<u>365,543</u>
MEMBERS' FUNDS			
Reserve Funds	13	437,380	224,459
Accumulated Surplus	14	435,811	141,084
TOTAL MEMBERS' FUNDS		<u>873,191</u>	<u>365,543</u>

The accompanying notes for an integral part of these financial statements

MEDIA, ENTERTAINMENT & ARTS ALLIANCE

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2003**

	<i>Note</i>	2003 \$	2002 \$
Cash Flows From Operating Activities			
Receipts from members and other debtors		7,250,459	6,963,020
Payments to trade creditors, other suppliers and creditors, employees and the Federal Branch		(6,674,731)	(6,432,815)
Dividend received		4	10
Interest paid		(145,414)	(172,448)
Interest received		138,372	134,081
Net Cash provided by operating activities	20(b)	<u>568,690</u>	<u>491,848</u>
Cash Flows From Investing Activities			
Proceeds from sale of fixed assets		269,103	-
Payments for property plant and equipment		(349,561)	(83,575)
Net Cash (used in) investing activities		<u>(80,458)</u>	<u>(83,575)</u>
Cash Flows From Financing Activities			
Repayment of finance leases		(87,731)	(91,896)
Proceeds from borrowings/(Repayment of Borrowings)		(101,500)	112,509
Net Cash (used in) financing activities		<u>(189,231)</u>	<u>20,613</u>
Net increase/(Decrease) in cash held		299,001	428,886
Cash at the beginning of the financial year	20(a)	85,100	(343,786)
Cash at the end of the financial year	20(a)	<u><u>384,101</u></u>	<u><u>85,100</u></u>

The accompanying notes form an integral part of these financial statements

MEDIA, ENTERTAINMENT & ARTS ALLIANCE

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2003

NOTE 1 - STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Preparation of the Financial Statements

The financial statements are a general purpose financial report which has been prepared in accordance with Australian Accounting Standards, and section 273 of the Workplace Relations Act, 1996. They have been prepared on the basis of historical cost and do not take into account changing monetary values or current valuations of non-current assets. The accounting policies have been consistently applied, unless otherwise stated.

(b) Membership Subscriptions

Membership subscription income has been accounted for on an accruals basis. Membership subscriptions outstanding at balance date have been brought to account as receivables where subscriptions are paid by the members' employers through salary deductions. Membership income is deemed to be earned over the year to which it relates. Membership subscriptions relating to the unexpired part of the membership year are deferred and recognised as income in the next financial year.

(c) Property Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation.

Property

Freehold land and building are measured at cost.

In the opinion of the Committee of Management, the carrying value of land and buildings does not exceed recoverable amounts.

Plant and equipment

Plant and equipment is stated at cost less accumulated depreciation.

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

Depreciation

The depreciable amount of all fixed assets including building and capitalised leased assets, but excluding freehold land, is depreciated on a straight line basis over their useful lives to the economic entity commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate
Buildings	2.5%
Plant and equipment	10-30%

MEDIA, ENTERTAINMENT & ARTS ALLIANCE

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2003**

(d) Leased Assets

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership, are transferred to entities in the economic entity are classified as finance leases. Finance leases are capitalised, recording an asset and a liability equal to the present value of the minimum lease payments, including any guaranteed residual values. Leased assets are depreciated either on a straight line basis over their estimated useful lives where it is likely that the economic entity will obtain ownership of the asset, or over the term of the lease. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Operating leases in which the risk exists and benefits of ownership remain with the lessor are charged as an expense in the financial statements as incurred.

Lease incentives under operating leases are recognised as a liability. Lease payments received reduce the liability.

(e) Investments

Non-current investments are measured on the cost basis. The carrying amount of non-current investments is reviewed annually by the Committee of Management to ensure it is not in excess of the recoverable amount of these investments. The recoverable amount is assessed from the quoted market value for listed investments or the underlying net assets for other non-listed investments. The expected net cash flows from investments have not been discounted to their present value in determining the recoverable amounts.

(f) Income Tax

No provision for income tax is necessary as trade unions are exempt from income tax under section 23 (f) of the Income Tax Assessment Act 1997.

(g) Other Financial Assets

Other financial assets are valued at cost.

(h) Employee Entitlements

Provision is made for employee benefits arising from services rendered by employees to balance date. Employee benefits expected to be settled within one year together with entitlements arising from wages and salaries, annual leave and sick leave which will be settled after one year, have been measured at the amounts expected to be paid when the liability is settled, plus related on costs. Other employee benefits payable later than one year have been measured at the present value of estimated future cash flows to be made for those benefits.

Contributions are made by the Alliance to employee superannuation funds and are charged as expenses when incurred.

MEDIA, ENTERTAINMENT & ARTS ALLIANCE

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2003**

(l) Cash

For the purpose of the statement of cash flows, cash includes:

- cash on hand and at call deposits with banks or financial institutions, net of bank overdrafts;
- investments in money market instruments with less than 14 days to maturity.

(j) Revenue

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

Dividend revenue is recognised when the right to receive a dividend has been established.

Revenue from the rendering of a service is recognised upon the delivery of the service to the customers.

All revenue is stated net of the amount of goods and services tax (GST).

(k) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

(l) Comparative Information

Where necessary, comparative amounts have been re-classified to facilitate the review of the current year accounts.

(i) Change in Accounting Policy

The alliance changed its accounting policy in the financial year ending 30 June 2002 relating to employee benefits in order to comply with Accounting Standard AASB 1028 Employee Benefits which requires annual leave to be calculated using expected future wages. Opening retained profits for the financial year ending 30 June 2003 were adjusted by \$ 19,759.

MEDIA, ENTERTAINMENT & ARTS ALLIANCE

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2003**

	2003	2002
NOTE 2 - REVENUE	\$	\$
Operating Activities		
Annual Subscriptions	5,295,635	5,274,687
Entrance Fees	43,415	55,153
Imports	175,014	108,800
Grants and Sponsorships Received	450,944	374,536
Interest Received	138,372	134,081
Rental Income	155,906	146,419
Sundry Income	450,434	217,099
Proceeds on sale of fixed assets	269,103	-
Investment Income	4,768	10
Fighting Fund levy	162,500	160,997
	<u>7,146,091</u>	<u>6,471,782</u>
 NOTE 3 - SURPLUS FROM ORDINARY ACTIVITIES		
Surplus from ordinary activities has been determined after charging the following:		
(a) Expenses		
Borrowing Costs - Other Persons	145,414	163,221
Depreciation and Amortisation of Non - Current Assets	519,324	430,588
Remuneration of Auditor		
- Audit	40,000	35,000
- Other services	5,517	-
- Other Services (previous auditors)	-	11,418
	<u>45,517</u>	<u>46,418</u>
Legal Fees	31,245	(16,159)
Donations and Grants	26,328	38,005
Employee Benefits		
Salaries - Elected Officials	638,864	626,589
Salaries - Staff	1,960,106	1,894,991
Annual Leave	718	180,068
Long Service Leave and severance pay	41,123	62,503
Redundancies	32,989	93,042
Superannuation	251,201	235,990
Total Employee Benefits	<u>2,925,001</u>	<u>3,093,183</u>
(b) Revenue and net gains		
Net gain on disposal of non-current assets	44,324	-
 NOTE 4 - CASH		
Cash at Hand	-	9,000
Cash at Bank	539,377	330,870
	<u>539,377</u>	<u>339,870</u>

MEDIA, ENTERTAINMENT & ARTS ALLIANCE

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2003

	2003	2002
	\$	\$
NOTE 5 - RECEIVABLES		
Membership debtors	92,956	102,162
Other debtors	352,144	342,411
	<u>445,100</u>	<u>444,573</u>
NOTE 6 - OTHER CURRENT ASSETS		
Prepayments	60,755	62,057
Deposits Refundable	10,400	10,400
Payroll Clearing Account	22,052	11,833
Other	-	-
	<u>93,207</u>	<u>84,290</u>
NOTE 7 - OTHER FINANCIAL ASSETS		
Shares - At Cost	1,031	1,031
Rothschild Trust	11,439	12,318
BT Bond Trust	31,363	25,716
	<u>43,833</u>	<u>39,065</u>
NOTE 8 - PROPERTY, PLANT AND EQUIPMENT		
Land and Buildings		
Federal		
-At Cost	4,190,893	4,067,230
-Accumulated Depreciation	(1,014,343)	(925,311)
	<u>3,176,550</u>	<u>3,141,919</u>
South Australia		
-At Cost	139,428	139,428
-Accumulated Depreciation	(51,104)	(47,618)
	<u>88,324</u>	<u>91,810</u>
Australian Capital Territory		
-At Cost	-	294,793
-Accumulated Depreciation	-	(70,014)
	<u>-</u>	<u>224,779</u>
Written Down Value - Land and Buildings	<u>3,264,874</u>	<u>3,458,507</u>
Plant and Equipment		
-At Cost	1,544,131	1,339,809
-Accumulated Depreciation	(1,185,927)	(780,697)
Written Down Value - Plant and Equipment	<u>358,204</u>	<u>559,112</u>
Total Written Down Value	<u>3,623,078</u>	<u>4,017,620</u>

MEDIA, ENTERTAINMENT & ARTS ALLIANCE

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2003**

	2003	2002
	\$	\$
NOTE 9 - PAYABLES		
Creditors and Accruals	<u>860,959</u>	<u>923,633</u>
Amount Payable to:		
Benevolent Fund's	2,222	351,719
SOMA Special Projects	41,100	35,600
Other	<u>59,189</u>	<u>98,881</u>
	<u>102,511</u>	<u>486,200</u>
	<u>963,470</u>	<u>1,409,834</u>
NOTE 10 - INTEREST BEARING LIABILITIES		
Current		
Bank Overdraft (Secured)	155,276	254,769
Bank Loan (Secured)	90,000	100,000
Hire Purchase Liabilities (Secured)	<u>71,699</u>	<u>99,647</u>
	<u>316,975</u>	<u>454,416</u>
Non - Current		
Bank Loan (Secured)	1,641,000	1,732,500
Hire Purchase (Secured)	<u>90,406</u>	<u>150,189</u>
	<u>1,731,406</u>	<u>1,882,689</u>

The bank loan and overdraft are secured by first registered mortgage over the land and buildings owned by the Alliance. The hire purchase liabilities are each secured over the respective fixed asset.

NOTE 11 - PROVISIONS

Current		
Provision for annual leave		376,367
Provision for long service leave		<u>50,000</u>
	(A)	<u>458,900</u>
Provision for severance pay	(A)	<u>26,000</u>
		<u>489,400</u>
Non-Current		
Provision for long service leave	(A)	<u>232,280</u>
(A) Aggregate employee entitlements liability		<u>684,647</u>

MEDIA, ENTERTAINMENT & ARTS ALLIANCE

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2003

	2003	2002
	\$	\$
NOTE 12 - OTHER CURRENT LIABILITIES		
Other current liabilities	183,629	120,464
Rental deposit	7,824	7,824
	<u>191,453</u>	<u>128,288</u>
NOTE 13 - RESERVE FUNDS		
Fighting fund (A)	323,497	160,997
Equity foundation reserve (B)	50,421	-
General reserve funds (C)	63,462	63,462
	<u>437,380</u>	<u>224,459</u>
(A) Fighting fund		
Opening balance	160,997	-
Movement during the year	162,500	160,997
Closing balance	<u>323,497</u>	<u>160,997</u>
The fighting fund has been set up to increase the working capital of the Alliance		
(B) Equity foundation reserve		
Opening balance	-	-
Movement during the year	50,421	-
Closing balance	<u>50,421</u>	<u>-</u>
The equity foundation reserve has been set up to advance the interests of performance, implement education and training programs for performers and advance the interests of the Equity foundation section of the Alliance.		
(C) General reserve		
Opening balance	63,462	63,462
Movement during the year	-	-
Closing balance	<u>63,462</u>	<u>63,462</u>

MEDIA, ENTERTAINMENT & ARTS ALLIANCE

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2003**

	2003	2002
	\$	\$
NOTE 14 - ACCUMULATED SURPLUS		
Accumulated surplus at the beginning of the year	141,084	57,291
Net surplus for the year	527,406	244,789
Retrospective adjustment to provisions upon application of Accounting Standard AASB 1028:		
Employee Benefits	(19,758)	-
Transfer to equity foundation reserve	(50,421)	
Transfer to fighting fund reserve	(162,500)	(160,997)
Accumulated surplus at the end of the year	<u>435,811</u>	<u>141,084</u>

NOTE 15 - INFORMATION TO BE PROVIDED TO MEMBERS OR REGISTRAR

In accordance with the requirements of the Workplace Relations Act, 1996, as amended, the attention of members is drawn to the provisions of subsections (1), (2) and (3) of section 274, which read as follows:

(1) A member of an organisation, or a Registrar, may apply to the organisation for specified prescribed information in relation to the organisation,

(2) An organisation shall, on application made under subsection (1) by a member of the organisation or a Registrar, make the specified information available to the member or Registrar in such manner, and within such time, as prescribed,

(3) A Registrar may only make an application under subsection (1) at the request of a member of the organisation concerned, and the Registrar shall provide to a member information received because of an application made at the request of a member.

	2003	2002
	\$	\$
NOTE 16 - CAPITAL AND LEASING REQUIREMENTS		
(a) Hire Purchase Commitments Payable		
- Not later than 1 year	81,561	114,844
- Later than 1 year but no later than 2 years	99,988	167,850
	<u>181,549</u>	<u>282,694</u>
Less future finance charges	(19,445)	32,858
Total Hire Purchases Liability	<u>162,104</u>	<u>249,836</u>
(b) Non - cancellable operating leases payable		
- Not later than 1 year	86,508	62,728
- Later than 1 year but not later than 5 years	137,574	120,454
	<u>224,082</u>	<u>183,182</u>
(c) Capital Expenditure commitments		
- Contracted in relation to software development	<u>-</u>	<u>-</u>

MEDIA, ENTERTAINMENT & ARTS ALLIANCE

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2003**

NOTE 17 - FINANCIAL INSTRUMENTS

(a) Interest Rate Risk

The Alliance's exposure to interest rate risk, which is the risk that financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on those financial assets and financial liabilities is as follows:

	Weighted Average Effective Interest Rate		Floating Interest Rate		Fixed Interest rate Maturing			
					Within one Year		1 to 5 years	
	2003	2002	2003	2002	2003	2002	2003	2002
Financial Assets	%	%	\$	\$	\$	\$	\$	\$
Cash at Bank	2	2	539,377	330,869	-	-	-	-
Total Financial Assets			539,377	330,869	-	-	-	-
Financial Liabilities								
Hire Purchase Liabilities	14.2	14.2	-	-	71,699	99,647	90,406	150,189
Bank Overdraft	11.1	11.1	155,276	254,769	-	-	-	-
Bank Loans Secured	11.1	11.1	-	-	90,000	100,000	1,641,000	1,732,500
Total Financial Liabilities			155,276	254,769	161,699	199,647	1,731,406	1,882,689

(b) Credit Risk

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

(c) Net Fair Values

For all assets and liabilities, net fair value approximates their carrying value. No financial assets and financial liabilities are readily traded on organised markets in a standardised form other than listed investments.

NOTE 18 - MONIES HELD IN TRUST

At year end the Alliance was holding in trust an amount of \$3,876,970 (2002: \$3,753,272). This amount and the corresponding liability are not reflected in the Statement of Financial Position.

MEDIA, ENTERTAINMENT & ARTS ALLIANCE

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2003**

NOTE 19 - CONTINGENT LIABILITIES

	2003	2002
	\$	\$
Estimate of material amount of contingent liability not provided for in the accounts, arising from the appropriation by the Alliance of a bond held.	<u>-</u>	<u>-</u>

NOTE 20 - CASH FLOW INFORMATION

a. Reconciliation of cash

For the purposes of the statement of cash flows, cash includes cash on hand and at call deposits with banks net of bank overdraft. Cash held in trust is not included in total cash as it is directly owed to external parties and is not considered to form part of the Alliance's cash reserves.

Cash at the end of the year is shown in the balance sheet as:

Cash at Hand	-	9,000
Cash at Bank	539,377	330,870
Bank Overdraft	(155,276)	(254,769)
	<u>384,101</u>	<u>85,100</u>

b. Reconciliation of cash flows from operations with

Operating Surplus	527,406	244,789
Depreciation	519,324	430,588
Unrealised gain on investment	(4,768)	-
Profit on disposal of assets	(44,324)	-
Changes in Assets and Liabilities:		
Increase in debtors	(9,444)	(117,826)
Decrease in trade creditors and accruals	(419,504)	(65,704)
Net cash flows from operating activities	<u>568,690</u>	<u>491,848</u>

Note 21 - RELATED PARTY INFORMATION

Remuneration of Elected Officials

Persons holding the position of salaried elected officials at any time during the year of the Alliance were:

C Warren, M White, S Whipp, M Ryan, D Waters, M Hyrcz, P O'Donnell, B Pound, A Muthy, D Wortley, M Sinclair - Jones, P O'Donnell

Aggregate remuneration received by salaried elected officials of the Alliance during 2003 was \$529,407.

NOTE 22 -EVENTS SUBSEQUENT TO REPORTING DATE

There have been no material events subsequent to balance date.



AUSTRALIAN INDUSTRIAL REGISTRY

Level 8, Terrace Towers
80 William Street, East Sydney, NSW 2011
Telephone: (02) 8374 6666
Fax: (02) 9380 6990

Ms Carole Carney
Director, Administration
Media, Entertainment & Arts Alliance
PO Box 723
STRAWBERRY HILLS NSW 2012

Dear Ms Carney

**Re: Lodgement of Financial Statements and Accounts for the year ending 30 June 2003
(FR2003/346)**

Receipt is acknowledged of the abovementioned financial documents, which were lodged in the Registry on 6 February 2004.

The documents have been filed, however, I would like to draw the following to your attention:

Donations and Grants

Note 3 - Surplus from Ordinary Activities identifies an amount of \$26,328 as Donations and Grants. You are reminded that, pursuant to subsection 269(1) of the *Workplace Relations Act 1996*, if any individual donation exceeded \$1000 then a statement showing the relevant particulars (as set out in s269, a copy of which is attached) of such donations is required to be lodged in the Registry.

Should such a statement be required to be lodged, please be aware that the Registry will place it on a file that may only be viewed by members of your organisation.

If you have any enquiries about this letter please do not hesitate to contact me on 02 8374 6618.

Yours sincerely,

Belinda Penna
for Deputy Industrial Registrar

11 February 2004

269. Organisations to notify particulars of loans, grants and donations

(1) An organisation shall, as soon as practicable after the end of each financial year, lodge in the Industrial Registry a statement showing the relevant particulars in relation to each loan, grant or donation of an amount exceeding \$1,000 made by the organisation during the financial year.

(2) A statement lodged in the Industrial Registry under subsection (1) shall be signed by an officer of the organisation.

(3) A statement lodged in the Industrial Registry under subsection (1) may be inspected at any registry, during office hours, by a member of the organisation concerned.

(4) The relevant particulars, in relation to a loan made by an organisation, are:

(a) the amount of the loan;

(b) the purpose for which the loan was required;

(c) the security given in relation to the loan; and

(d) except where the loan was made to relieve a member of the organisation, or a dependant of a member of the organisation, from severe financial hardship - the name and address of the person to whom the loan was made and the arrangements made for the repayment of the loan.

(5) The relevant particulars, in relation to a grant or donation made by an organisation, are:

(a) the amount of the grant or donation;

(b) the purpose for which the grant or donation was made; and

(c) except where the grant or donation was made to relieve a member of the organisation, or a dependant of a member of the organisation, from severe financial hardship - the name and address of the person to whom the grant or donation was made.

(6) Where an organisation is divided into branches:

(a) this section applies in relation to the organisation as if loans, grants or donations made by a branch of the organisation were not made by the organisation; and

(b) this section applies in relation to each of the branches as if the branch were itself an organisation.

(7) For the purposes of the application of this section in accordance with subsection (6) in relation to a branch of an organisation, the members of the organisation constituting the branch shall be taken to be members of the branch.