



Australian Government
Australian Industrial Registry

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Ref: FR2006/521-[129V]

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

Dear Mr Warren

Financial Return - year ending 30 June, 2006

Our records show the organisation's financial year ended recently. This letter outlines some of the things you must do to meet your financial reporting obligations and when you have to do them. For simplicity, we will call the documents you have to lodge with us your *financial return*.

This letter is intended as guide to the law applicable on the date of this letter, and should not be used as a substitute for legal or accounting advice. We only summarise some of the reporting requirements in this letter. More detailed information is at the end of this letter.

Information on AIRC Website

We recommend you and your accountant/auditor also refer to the following documents on the Commission's website at www.airc.gov.au:

- [RAO Schedule](#)
- [RAO Regulations](#)
- [Registrar's Reporting Guidelines](#) - All GPFR's must comply with these Guidelines. Please note that the Guidelines set out requirements that are *in addition* to those required by the Australian Accounting Standards.
- [RAO Fact Sheets](#) - These Fact Sheets explain the requirements of the RAO Schedule - many of them deal with financial reporting matters.

Reporting Unit

Under the provisions of the Registration and Accountability of Organisations Schedule (RAO), Schedule 1 of the *Workplace Relations Act 1996*, reporting entities are known as "*reporting units*". Where an organisation is **not** divided into branches the reporting unit is the whole of the organisation. Where an organisation **is** divided into branches each branch will be a reporting unit unless the Industrial Registrar has determined a division of the organisation into reporting units on an alternative basis. We can discuss this with you if you need more information.

For simplicity, we will use the term "reporting unit" in this letter.

Industrial Registrar's Guidelines

The Industrial Registrar's reporting guidelines set out certain disclosure requirements in addition to those prescribed by Australian Accounting Standards having in mind the nature of organisations registered under the Workplace Relations Act.

The disclosure requirements prescribed by the reporting guidelines are directed towards providing members of the reporting unit with information to enable them to gauge the performance of the committee of management and other holders of office in relation to the financial management of the reporting unit. In addition, the reporting guidelines seek to improve the quality of information available to users of the financial report about the reporting unit's economic support of, or economic dependency on, other reporting units of the organisation.

Timeline Planner and Checklist

We have attached a *Timeline/Planner (Attachment A)* to help you **plan** your financial return and carry out all the necessary steps. We have also attached a *Document Checklist (Attachment B)* to **check** your documents before lodging them in the Registry. Both documents are abbreviated summaries of the relevant provisions of the RAO Schedule, RAO Regulations and the Industrial Registrar's Reporting Guidelines.

In the following section we describe some of the documents your reporting unit must prepare and the sequence of their preparation and completion.

Three Reports

Your reporting unit must prepare two reports as soon as practicable after its financial year, which, together with the Auditor's Report, comprise the reporting unit's financial return.

1. **General Purpose Financial Report** - this must comply with the Australian Accounting Standards and the Industrial Registrar's Reporting Guidelines. The GPFR consists of:

(a) Financial Statements containing:

- a profit and loss statement, or other operating statement; and
- a balance sheet; and
- a statement of cash flows; and
- any other statements required by the Australian Accounting Standards; and

(b) Notes to the Financial Statements containing:

- notes required by the Australian Accounting Standards; and
- information required by the Industrial Registrar's *Reporting Guidelines* under section 255 including disclosures related to any recovery of wages activity ; and

(c) Committee of Management Statement as required by the Registrar's Reporting Guidelines (a sample certificate for illustrative purposes is at Attachment C) including declarations related to the recovery of wages activity.

2. **Operating Report** - this report includes a review of your reporting unit's principal activities for the year and other specified information.

Your reporting unit must appoint an auditor to audit the GPFR and to provide:

3. an **Auditor's Report**.

First Meeting (Committee of Management)

For simplicity, we will call the meeting at which the committee of management first considers the GPFR the first meeting. At the first meeting your committee, if satisfied that all is in order, will resolve to express its opinion on the GPFR and complete a Committee of Management Statement.

The Auditor

After the first meeting, the auditor takes the GPFR and the Committee of Management Statement and prepares a report on the GPFR. In practice, your auditor may have already completed most of his or her examination of your accounts. The auditor may only be waiting on the Committee to pass the required resolution and make the Statement before signing the report the same day.

Informing Your Members

Your reporting unit must provide free of charge to the general membership, copies of the GPFR, the Operating Report and the Auditor's Report. RAO calls these the "full report". Under certain circumstances, your reporting unit can provide a more limited *concise report*.

The reporting unit can meet its obligation to provide copies of the full or concise report to members by publishing the report in a journal that is available to the members free of charge.

A reporting unit may meet this obligation in whole or in part by publication of the report in a journal published on a web site on the Internet dependent on:

- a. the extent of the accessibility of the members of the reporting unit to the Internet; and
- b. that the members are notified by the reporting unit in the usual manner in which it communicates with its members that the report has been so published at a specified Internet address.

The report must be provided within 5 or 6 months from the end of the financial year, depending on the internal arrangements of the organisation for the presentation of its financial reports.

The Second Meeting - if it is a General Meeting of Members

After providing the full report to members it must be presented to a general meeting of members. For simplicity this is referred to as the *second meeting*.

Your reporting unit must always allow a minimum of 21 days for members to receive the full report before presenting it to a general meeting of members (s265(5)). The purpose of the interval is to enable the members to have time to consider the report and, if they wish, to attend the second meeting to discuss it.

If the rules of the organisation permit a general meeting to be a series of meetings held at different locations, the full report may be presented to such a series of meetings. In this case the 'date' of the general meeting is taken to be the date of the last meeting in the series (see s266(2)).

The Second Meeting - if it is a Committee of Management Meeting

If the rules of your organisation contain a provision that allows up to 5% of members to demand a general meeting to be held consider the report (see s266(3)), it is permissible to present the report directly to a Committee of Management meeting.

Lodge full report within 14 days of meeting

You must lodge a copy of the full report and any concise report in the Industrial Registry within 14 days of the second meeting. For your convenience you are encouraged to lodge the material electronically (see eFiling Tab at www.airc.gov.au).

The Secretary (or another officer appropriately authorised under the rules of the organisation) must *certify* that the full report is a copy of the one provided to members and presented to the second meeting and provide the date of the meeting (a sample certification for illustrative purposes is at *Attachment D*).

When we receive your return we will check that it includes the information you must provide your members and that you have provided it to them correctly.

Complying with time limits

This letter has outlined some of the steps in preparing and lodging your return. Many of the steps must be completed within fixed time limits.

Failure to complete them in time could make your reporting unit or its officers liable to financial or "civil penalties".

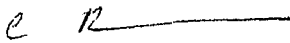
Extensions of Time

We appreciate that sometimes circumstances beyond your reporting unit's control may delay completion of a financial return. If you believe your reporting unit is going to be unable to meet a time limit tell us as soon as you know. We can advise you if the step is one for which you may apply under RAO to the Industrial Registrar for extra time to complete. The maximum extra time allowed can be no more than one month.

Contact the Registry

We encourage you to contact the Registry on (02) 8374 6666 or by e-mail at riasydney@air.gov.au as early as possible if you believe preparation or lodgment of your return will be delayed or if you have any queries. We can offer you advice on procedures but we cannot give you legal or accounting advice.

Yours sincerely



For Deputy Industrial Registrar...
1 August, 2006

Documents Checklist

You can use this checklist as soon as possible after the financial year ends to ensure you have all the necessary documents prepared and that those documents contain all information required by RAO.

You can also use this checklist to ensure all documents in your financial return are complete before lodging them in the Registry.

No	Document	✓
1	General Purpose Financial Report	
	Does the report contain a Profit and Loss Statement?	
	Does the report contain a Balance Sheet?	
	Does the report contain a Statement of Cash Flows?	
	Does the report contain notes to the financial statements as required by AAS and the reporting guidelines?	
	Does the report contain all other information required by the reporting guidelines?	
2	Committee of Management Statement	
	Is the statement signed by the officer responsible for undertaking functions necessary to enable the reporting unit to comply with RAO?	
	Is the statement dated?	
	Is the statement in accordance with a resolution of the committee?	
	Does the statement specify the date of the resolution?	
	Does the statement contain declarations required by the reporting guidelines?	
	Does the statement contain declarations relating to any recovery of wages activity?	
3	Auditor's Report	
	Is the Report dated and signed by the auditor?	
	Is the name of the auditor clear?	
	Are the qualifications of the auditor on the report?	
	Has the auditor expressed an opinion on all matters required?	
4	Operating Report	
	Is the report signed and dated?	
	Does the report provide the number of members?	
	Does the report provide the number of employees?	
	Does the report contain a review of principal activities?	
	Does the report give details of significant changes?	
	Does the report give details of right of members to resign?	
	Does the report give details of superannuation trustees?	
	Does the report give details of membership of the committee of management?	
5	Concise report*	
6	Certificate of Secretary or other Authorised Officer	
	Is the certificate signed and dated?	
	Is the signatory the secretary or another officer authorised to sign the certificate?	
	Is the date that the report was provided to members stated?	
	Is the date of the Second Meeting at which the report was presented stated?	
	Does the certificate state that the documents are copies of those provided to members?	
	Does the certificate state that the documents are copies of those presented to the Second Meeting?	

* This is an optional way of providing documents to members (see RAO s265(3) and RAO Reg. 161).

Committee Of Management Statement

On ____/____/____ [date of meeting] the Committee of Management of _____ [name of reporting unit] passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended ____/____/____ [date]:

The Committee of Management declares in relation to the GPFR that in its opinion:

- (a) the financial statements and notes comply* with the Australian Accounting Standards;
- (b) the financial statements and notes comply* with the reporting guidelines of the Industrial Registrar;
- (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;
- (e) during the financial year to which the GPFR relates and since the end of that year:
 - (i) meetings of the committee of management were held* in accordance with the rules of the organisation including the rules of a branch concerned; and
 - (ii) the financial affairs of the reporting unit have been* managed in accordance with the rules of the organisation including the rules of a branch concerned; and
 - (iii) the financial records of the reporting unit have been* kept and maintained in accordance with the RAO Schedule and the RAO Regulations; and
 - #(iv) where the organisation consists of 2 or more reporting units, the financial records of the reporting unit have been* kept, as far as practicable, in a consistent manner to each of the other reporting units of the organisation; and
 - #(v) the information sought in any request of a member of the reporting unit or a Registrar duly made under section 272 of the RAO Schedule has been* furnished to the member or Registrar; and
 - #(vi) there has been* compliance with any order for inspection of financial records made by the Commission under section 273 of the RAO Schedule.

[Add the following if any recovery of wages activity has been undertaken during the financial year]

- (f) in relation to recovery of wages activity:
 - (i) the financial report on recovery of wages activity has been fairly and accurately prepared in accordance with the requirements of the reporting guidelines of the Industrial Registrar; and
 - (ii) the committee of management caused the auditor to include in the scope of the audit required under subsection 257(1) of the RAO Schedule all recovery of wages activity by the reporting unit in which revenues had been derived for the financial year in respect of such activity; and
 - (iii) no fees or reimbursements of expenses in relation to recovery of wages activity or donations or other contributions were deducted from moneys recovered from employers on behalf of workers other than reported in the financial report on recovery of wages activity and the notes to the financial statements; and
 - (iv) that prior to engaging in any recovery of wages activity, the organization has disclosed 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; and

- (v) no fees or reimbursements of expenses in relation to recovery of wages activity or donations or other contributions were deducted from moneys recovered from employers on behalf of workers until distributions of recovered money were made to the workers.

For Committee of Management: _____ [*name of designated officer per section 243 of the RAO Schedule*]

Title of Office held:

Signature:

Date:

* *Where compliance or full compliance has not been attained - set out details of non compliance instead.*

Where not relevant these may be modified accordingly (e.g. in (vi) "No orders have been made by the Commission under section 273 of the RAO Schedule during the period."

Certificate of Secretary or other Authorised Officer¹

s268 of Schedule 1B *Workplace Relations Act 1996*

I [name] being the [title of office] of the [name of the organisation] certify:

- that the documents lodged herewith are copies of the full report, [and the concise report]², referred to in s268 of the RAO Schedule; and
- that the [full report **OR** concise report]³, was provided to members on [insert date]; and
- that the full report was presented to [a general meeting of members **OR** the last of a series of general meetings of members **OR** a meeting of the committee of management]³ of the reporting unit on [insert date]; in accordance with section 266 of the RAO Schedule.

Signature

Date:

¹RAO regulation 162 prescribes the designated officer for the purpose of RAO schedule s268 as:

(a) the secretary; or

(b) an officer of the organisation other than the secretary who is authorised by the organisation or by the rules of the organisation to sign the certificate mentioned in that paragraph.

²Only applicable where a concise report is provided to members

³Insert whichever is applicable

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alliance offices/contact details

Alliance Membership Centre 1300 656 513 Alliance Inquiry Desk 1300 656 512

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FINANCE REPORT

Despite the increased pressure flowing from the federal government's industrial relations changes, the Alliance ended the 2005-2006 financial year with another surplus. This continues a nine-year run of surpluses that has enabled the union to build a strong base. This has been made possible through a strong control on costs, increasing work in collecting fees, particularly through regular deductions from bank accounts or credit cards and campaign levies to fund campaigns and build reserves.

Income: Core Alliance income from membership fees increased to almost \$7 million dollars, driven by increased financial membership and higher fees.

Costs: The major impact on costs in the financial year was the increased expenditure on campaigns including the campaign against the federal government's industrial relations changes, media ownership and ABC funding.

Salaries continued to be the major single cost, although the Alliance sustained its policy of keeping salary costs below 50 per cent of income. At the end of the financial year, the Alliance employed 66 people either full-time or part-time. This was equivalent to 58.2 full-time employees. Salaries paid to officers and staff inclusive of superannuation fell into the following bands:

	2005-2006		2004-2005
	Officers	Staff	
Under \$20,000	0	5	4
\$20,000 - \$30,000	0	3	4
\$30,000 - \$40,000	0	6	13
\$40,000 - \$50,000	0	10	10
\$50,000 - \$60,000	0	11	9
\$60,000 - \$70,000	0	11	5
\$70,000 - \$80,000	0	6	9
\$80,000 - \$90,000	2	6	4
\$90,000 - \$100,000	1	1	2
\$100,000 - \$110,000	0	0	1
\$110,000 - \$120,000	3	1	2
	6	60	63

Magazine costs increased as a result of the launch of a new publication for members who previously received no magazine. Affiliation costs also remained high as a result of the continued payments of levies to the ACTU and state labour councils to fight the federal government's industrial relations changes. Legal costs were about \$160,000 reflecting the increased reliance on legal procedures by employers to frustrate Alliance claims. This is expected to continue this financial year.

Reserves: The Fighting Fund Reserve has now built to about \$958,000. It is expected to reach its target of \$1 million by the end of the first quarter of the current financial year.

The Alliance has also set aside about \$380,000 in a separate account to cover provision for staff entitlements for annual leave and long service leave. The Alliance aims to have made full real provision within the next four years.

Following the end of the financial year, the Alliance revalued its Sydney property. This came in at \$4.6 million, but the Alliance opted not to include this revaluation as income.

The Alliance also purchased a strata title floor in Melbourne to house the union in that city for about \$1.3 million. The revaluation and the Melbourne purchase took the value of Alliance property to about \$6 million, with a total mortgage owing of about \$3.3 million. The Alliance is aiming to have paid off this within the next 10 years.

COMMITTEE OF MANAGEMENT STATEMENT

On 20 September 2006 the Committee of Management of the Media Entertainment Arts & Alliance ("Alliance") passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended 30 June 2006:

The Committee of Management declares in relation to the GPFR that in its opinion:

- the financial statements and notes comply with the reporting guidelines of the Australian Accounting Standards;
- the financial statements and notes comply with the reporting guidelines of the Industrial Registrar
- 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;
- there are reasonable grounds to believe that the Alliance will be able to pay its debts as and when they become due and payable;
- during the financial year to which the GPFR relates and since the end of the year;
 - meetings of the committee of management were held in accordance with the rules of the organisation including the rule of a branch concerned; and
 - the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of a branch concerned.
 - the financial records of the reporting unit have been kept and maintained in accordance with the Workcover Relations Amendments (Registration and Accountability of Organisations) Act 2002 (RAO) Schedule and the RAO Regulations; and
 - the information sought in any request of a member of the reporting unit or a Registrar duly made under section 272 of the RAO Schedule has been furnished to the member or Registrar; and
 - there has been compliance with any order for inspection of financial records made by the Commission under section 273 of the RAO Schedule.

Significant change in State of Affairs
There has been no significant change in the Alliance's financial affairs or state of affairs during or since the end of the financial year.

Events After Balance Sheet Date
The Alliance has committed to purchase a property in Victoria which will be financed through an increase in the loan facility. No additional matters or circumstances have arisen since the end of the financial year which have significantly affected or may significantly affect the operations of the Alliance, the results of those operations, or the state of affairs of the Alliance in future financial years.

For Committee of Management: Christopher Warren
Title of Office held: Federal Secretary

Dated this 20th day of September 2006

AUDITORS INDEPENDENCE DECLARATION

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2006 there have been:

- no contraventions of the auditor independence in relation to the audit; and
- no contraventions of any applicable code of professional conduct in relation to the audit.

David Sinclair
Dated this 20th day of September 2006.

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

Scope

The financial report and the officers' responsibility
The financial report comprises the committee of management statement, income statement, balance sheet, statement of changes in equity, notes to the financial statements and the federal secretary's declaration for Media Entertainment & Arts Alliance for the year ended 30 June 2006.

The officers of the Alliance are responsible for the preparation and true and fair presentation of the financial report in accordance with the Rules of the Media Entertainment & Arts Alliance and the Workplace Relations Act. This includes the responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

Audit Approach

We conducted an independent audit in order to express an opinion to the members of the Alliance. Our audit was conducted in accordance with Australian Auditing Standards, in order to provide reasonable assurance as to whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgment, selective testing, the inherent limitations of internal control, and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

We performed procedures to assess whether in all material respects the financial report presents fairly, in accordance with the Alliance's Rules and Workplace Relations Act, including compliance with Accounting Standards and other mandatory financial reporting requirements in Australia, a view which is consistent with our understanding of the Alliance's financial position, and of their performance as represented by the results of their operations and cash flows.

We formed our audit opinion on the basis of these procedures, which included:

- examining, on a test basis, information to provide evidence supporting the amounts and disclosures in the financial report; and
- assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the directors.

While we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our audit was not designed to provide assurance on internal controls.

Independence

In conducting our audit, we followed the applicable independence requirements of Australian professional ethical pronouncements and the Workplace Relations Act.

Audit Opinion

In our opinion, the financial report of Media Entertainment & Arts Alliance is in accordance with:

- the Workplace Relations Act, including:
 - giving a true and fair view of the Alliance's financial position as at 30 June 2006 and of their performance for the year ended on that date; and
 - complying with Accounting Standards in Australia and the Workplace Relations Act; and
- other mandatory professional reporting requirements in Australia;

WHK GREENWOODS
David Sinclair
Dated this 20th day of September 2006.

	2006-2007	2005-2006	2004-2005	2003-2004	2002-2003	2001-2002	2000-2001	2000
	Budget							(six-months)
	\$	\$	\$	\$	\$	\$	\$	\$
Total income	9,365,000	8,354,709	7,655,953	7,773,560	7,113,710	6,471,782	6,091,724	3,091,344
Total costs	(9,250,000)	(8,097,764)	(7,394,694)	(6,955,713)	(6,822,418)	(6,113,951)	(6,055,340)	(3,062,406)
Net operating surplus	115,000	256,945	261,259	817,847	291,292	357,831	36,384	28,938
Abnormal items	0	0	0	0	236,114	(93,042)	(30,213)	(20,091)
Net surplus	115,000	256,945	261,259	817,847	527,406	264,789	6,171	8,847
Fighting Fund Reserve	1,006,000	958,496	725,237	519,954	323,497	160,997		



INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2006

Notes	2006 \$	2005 \$
REVENUE		
Revenue from ordinary activities	2 8,705,689	7,665,953
DIRECT COSTS		
Depreciation and amortisation	(333,242)	(314,300)
Finance costs	(148,603)	(139,014)
Employee costs	(4,339,868)	(3,819,552)
Site costs	(383,350)	(309,559)
Affiliation fees	(248,513)	(439,396)
Printing and postage	(315,243)	(401,098)
Telephone	(236,322)	(212,328)
Magazines	(445,916)	(370,546)
Repairs and maintenance	(267,483)	(326,676)
Travel	(224,035)	(198,850)
Special events	(780,567)	(331,978)
Other expenses from ordinary activities	(725,570)	(541,397)
Total direct costs	8,448,712	7,404,694
Net Surplus	256,977	261,259
Total changes in equity other than those relating from internal transaction	256,977	261,259
BALANCE SHEET AS AT 30 JUNE 2006		
ASSETS		
Current assets		
Cash and cash equivalents	5 1,663,965	1,129,719
Trade and other receivables	6 513,738	814,262
Other current assets	7 302,932	201,518
Total current assets	2,480,635	2,145,499
Noncurrent assets		
Financial assets	8 12,470	12,470
Property and equipment	9 3,724,859	3,688,770
Total noncurrent assets	3,737,329	3,701,240
TOTAL ASSETS	6,217,964	5,846,739
LIABILITIES		
Current liabilities		
Trade and other payables	10 970,836	856,308
Short-term borrowings	11 90,000	120,683
Provisions	12 677,057	645,510
Other current liabilities	13 300,396	442,884
Total current liabilities	2,038,289	2,065,385
Noncurrent liabilities		
Longterm borrowings	11 1,907,500	1,720,000
Provisions	12 62,900	109,056
Total noncurrent liabilities	1,970,400	1,829,056
TOTAL LIABILITIES	4,008,689	3,894,441
NET ASSETS	2,209,275	1,952,298
EQUITY		
Reserves	1,720,630	1,498,177
Retained earnings	488,645	454,121
TOTAL EQUITY	2,209,275	1,952,298

STATEMENT OF CASH FLOWS AS AT 30 JUNE 2006

Notes	2006 \$	2005 \$
Cash from operating activities:		
Receipts from customers	9,388,049	8,221,343
Payments to suppliers and employees	(8,829,604)	(7,519,642)
Dividends received	-	1
Interest received	233,250	223,679
Finance costs	(148,603)	(147,196)
Net cash provided by operating activities	14 643,092	778,185
Cash flows from investing activities:		
Proceeds from sale of plant and equipment	-	2,575
Proceeds from sale of investment	-	49,542
Acquisition of property, plant and equipment	(369,331)	(512,959)
Net cash provided by (used in) investing activities	(369,331)	(460,842)
Cash flows from financing activities:		
Proceeds from borrowings	103,667	281,500
Repayment of borrowings	165,000	(67,500)
Payment of finance lease liabilities	(8,182)	(51,399)
Net cash provided by (used in) financing activities	260,485	162,601
Other activities:		
Net increase (decreases) in cash held	534,246	479,944
Cash and cash equivalents at beginning of year	1,129,719	649,775
Cash at end of financial year	5 1,663,965	1,129,719

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2006

Note	Fighting Fund	Equity Foundation Reserve	SOMA Reserve	Walkley Awards Reserve	General Reserve	Campaign Reserve	Retained earnings Reserve	Total
	\$	\$	\$	\$	\$	\$	\$	\$
2006								
Balance at 1 July 2005	725,237	457,696	61,700	185,990	13,220	54,334	454,121	1,952,298
Net surplus attributable to members of the entity	-	-	-	-	-	-	256,977	256,977
Transfers to and from reserves								
- Fighting Fund reserve	233,259	-	-	-	-	-	(233,259)	-
- Equity Foundation reserve	-	(7,022)	-	-	-	-	7,022	-
- SOMA reserve	-	-	(21,387)	-	-	-	21,387	-
- Walkley Awards reserve	-	-	-	5,484	-	-	(5,484)	-
- Campaign reserve	-	-	-	-	12,119	-	(12,119)	-
Balance at 30 June 2006	958,496	450,674	40,313	191,474	13,220	66,453	488,645	2,209,275
2005								
Balance at 1 July 2004	519,954	534,637	41,100	56,997	13,220	-	525,131	1,691,039
Net surplus attributable to members of the entity	-	-	-	-	-	-	261,259	261,259
- Fighting Fund reserve	205,283	-	-	-	-	-	(205,283)	-
- Equity Foundation reserve	-	(76,941)	-	-	-	-	76,941	-
- SOMA reserve	-	-	20,600	-	-	-	(20,600)	-
- Walkley Awards reserve	-	-	-	128,993	-	-	(128,993)	-
- Campaign reserve	-	-	-	-	54,334	-	(54,334)	-
Balance at 30 June 2005	725,237	457,696	61,700	185,990	13,220	54,334	454,121	1,952,298

NOTE 1 - STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

(a) General information

The financial report is a general purpose financial report that has been prepared in accordance with the Australian Accounting Standards, Urgent Issues Group Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board and section 253 and section 270 of the Workcover Relations Amendments (Registration and Accountability of Organisation) Act, 2002.

Media Entertainment & Arts Alliance is an entity created under the Workplace Relations Act, registered and domiciled in Australia

The financial report of Media Entertainment & Arts Alliance complies with all Australian equivalents to International Financial Reporting Standards (AIFRS) in their entirety.

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

(b) Basis of Preparation

First time Adoption of Australian Equivalents to International Financial Reporting Standards consolidated reporting entity

Media Entertainment & Arts Alliance has prepared financial statements in accordance with the Australian equivalents to International Financial Reporting Standards (AIFRS) from 1 July 2005.

In accordance with the requirements of AASB 1: Firsttime Adoption of Australian Equivalents to International Financial Reporting Standards, adjustments to the entity accounts resulting from the introduction of AIFRS have been applied retrospectively to 2005 comparative figures excluding cases where optional exemptions available under AASB 1 have been applied. The accounts are the first financial statements of Media Entertainment & Arts Alliance to be prepared in accordance with AIFRS.

The accounting policies set out below have been consistently applied to all years presented.

There has been no impact on adoption of AIFRS and hence no reconciliations of the transition from previous Australian GAAP to AIFRS are required.

Reporting Basis and Conventions

The financial report has been prepared on an accruals basis and is based on historical costs and modified by the revaluation of selected noncurrent assets, financial assets and financial liabilities for which the fair value basis of accounting has been applied.

The financial statements have been reported in Australian dollars.

(c) Property and Equipment

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

Property

Freehold land and buildings are measured at cost or fair value less, where applicable any accumulated depreciation and impairment losses.

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

Equipment

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

The carrying amount of equipment is reviewed annually by Federal Committee 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 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.

Depreciation

The depreciable amount of all fixed assets including buildings and capitalised leased assets, but excluding freehold land, is depreciated on a straightline basis over their useful lives to Media Entertainment & Arts Alliance 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:

Buildings 2.5% Equipment 10-30%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the income statement. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

(d) Impairment of Assets

At each reporting date, the Alliance reviews the carrying values of its tangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and depreciated replacement cost, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.

Where it is not possible to estimate the recoverable amount of an individual asset, the Alliance estimates the recoverable amount of the cashgenerating unit to which the asset belongs.

(e) Financial Instruments

Recognition

Financial instruments are initially measured at cost on trade date, which includes transaction costs, when the related contractual rights or obligations exist. Subsequent to initial recognition these instruments are measured as set out below.

Loans and receivables

Loans and receivables are nonderivative financial assets with fixed or determinable payments that are not quoted in an active market and are stated at amortised cost using the effective interest rate method.

Available-for-sale financial assets

Available-for-sale financial assets include any financial assets not included in the above categories. Available-for-sale financial assets are reflected at fair value. Unrealised gains and losses arising from changes in fair value are taken directly to equity.

Financial liabilities

Non-derivative financial liabilities are recognised at amortised cost, comprising original debt less principal payments and amortisation.

Fair value

Fair value is determined based on current bid prices for all quoted investments.

Valuation techniques are applied to determine fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

Impairment

At each reporting date, the Media Entertainment & Arts Alliance assess whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in the income statement.

(f) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within shortterm borrowings in current liabilities on the balance sheet.

(g) Employee Benefits

Provision is made for the Alliance's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related oncosts. Employee benefits payable later than one year have been measured at present value of the estimated future cash outflows to be made for those benefits.

(h) Provisions

Provisions are recognised when the Alliance has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

(i) Revenue

Membership subscription income has been accounted for on an accruals basis.

Membership subscriptions outstanding at balance sheet date have been brought to account as receivables where subscriptions are paid by the members' employers through salary deductions. Membership income is deemed earned in 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. Interest revenue is recognised when received.

Dividend revenue is recognised when the right to receive a dividend has been established. Dividends received from associates and joint venture entities are accounted for in accordance with the equity method of accounting.

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

(j) 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 Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the balance sheet are shown inclusive of GST.

Cash flows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

(k) Income Tax

The Alliance is an income tax exempt entity under item 1.7 section 505 of the Income Tax Assessment Act 1997.

(l) Critical accounting estimates and judgments

The Federal Committee evaluate estimates and judgments incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and based on current trends and economic data, obtained both externally and within the Alliance.

(i) Key estimates Impairment single entity

The Alliance assesses impairment at each reporting date by evaluating conditions specific to the Alliance that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Valueinuse calculations performed in assessing recoverable amounts incorporate a number of key estimates.

No impairment has been recognised.

(m) Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

NOTE 2 - REVENUE

Notes	2006	2005
	\$	\$
Operating activities		
Annual subscriptions	6,197,418	5,692,761
Import subscriptions	168,645	222,048
Grants and sponsorships received	898,053	676,423
Interest from financial institutions	233,250	199,621
Rental income	121,519	169,340
Sundry income	487,811	305,201
Proceeds on sale of assets	-	20,659
Fighting Fund Levy	233,259	205,283
Campaign Levy	387,119	174,617
SOMA transfer	(21,385)	-
Total Revenue	8,705,689	7,665,953

NOTE 3 - SURPLUS FROM ORDINARY ACTIVITIES

Surplus from ordinary activities has been determined after charging the following:

Finance costs		
- financial institutions	148,603	139,014
Depreciation of noncurrent assets		
- equipment	8,500	7,500
- other capital assets	223,030	207,098
Total depreciation	231,530	214,598

Amortisation of noncurrent assets

- leasehold improvements	101,712	99,702
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Remuneration of auditor

- auditing the financial report	40,000	45,000
- other services (salary advice and trust review)	16,400	14,584
	56,400	59,584

Affiliation fees

- International	106,627	179,057
- Other	68,950	112,712
Total affiliation fees	175,577	291,769

Legal fees

Donations and grants	29,474	34,862
Meeting expenses	17,220	16,093
Honoraria	32,700	39,536

Rental expense on operating leases

- minimum lease payments	8,183	9,267
- rental expense	93,060	100,808
	101,243	110,075

Employee Benefits to Elected Officials

- salaries	523,640	430,461
- annual leave	(3,760)	(7,782)
- long service leave and severance pay	25,167	(28,761)
- superannuation	71,332	88,957
- benefit	20,162	39,731
Total Employee Benefits to Elected Officials	636,541	522,606

Employee Benefits to Staff

- salaries	2,932,885	2,753,563
- annual leave	38,061	37,473
- long service leave	39,668	58,672
- redundancies	43,326	14,500
- superannuation	315,721	263,726
Total Employee Benefit to Staff	3,369,661	3,127,934

Persons holding the position of salaried elected officials of the Alliance at any time during the year were: C Warren, S Whipp, M Ryan, P O'Donnell, L Connor, D Waters, D Wortley, S Black and M Sinclair-Jones

NOTE 4 - KEY MANAGEMENT PERSONNEL COMPENSATION

(a) Key Management Personnel

Names and positions held of economic and parent entity key management personnel in office at any time during the financial year are:

Christopher Warren	Federal Secretary	Mark Ryan	Elected Official
Simon Whipp	Elected Official		

	Salary	Superannuation	Short-term Benefits	Long-term Benefits	Total
2006	264,226	46,953	4,774	30,836	299,836
2005	218,930	53,021	(2,929)	30,836	299,858

NOTE 5 - CASH AND CASH EQUIVALENTS

	2006	2005
	\$	\$
Cash on hand	6,570	12,655
Cash at bank	1,657,395	1,117,064
	1,663,965	1,129,719

Reconciliation of Cash

Cash at the end of the financial year as shown in the cash flow statement is reconciled to items in the balance sheet as follows:

Cash and cash equivalents	1,663,965	1,129,719
	1,663,965	1,129,719

The effective interest rate on short term bank deposits was 5.1% to 5.75% (2005: 5.50%); these deposits have an average maturity of 20 days.

NOTE 6 - TRADE AND OTHER RECEIVABLES

CURRENT

Membership debtors	88,333	103,452
Other debtors	425,405	710,810
	513,738	814,262

NOTE 7 - OTHER ASSETS

CURRENT

Prepayments	125,213	131,013
Deposits refundable	10,400	10,400
Payroll clearing account	123,913	45,577
Grants receivable	43,406	14,528
	302,932	201,518

NOTE 8 - FINANCIAL ASSETS

Available for sale Financials Assets Comprise:

Listed investments		
shares - at cost	1,031	1,031
shares in listed trusts	11,439	11,439
Total available for sale financial assets	12,470	12,470

Available-for-sale financial assets comprise investments in the ordinary issued capital of various entities. There are no fixed returns or fixed maturity date attached to these investments.

NOTE 9 - PROPERTY PLANT AND EQUIPMENT

LAND AND BUILDINGS

Sydney		
- At cost	4,502,521	4,387,829
- Less accumulated depreciation	(1,300,983)	(1,202,757)
	3,201,538	3,185,072

Adelaide

- At cost	139,428	139,428
- Less accumulated depreciation	(61,562)	(58,076)
	77,866	81,352

EQUIPMENT

- At cost	1,711,298	1,452,764
- Less accumulated depreciation	(1,265,843)	(1,030,418)
	445,454	422,346

Total property, plant and equipment

3,724,859 3,688,700

A valuation of the Sydney property, performed by W K Wotton and Partners on 12 August 2006 showed a value of \$4,600,000.

(a) Movements in Carrying Amounts

	Sydney land & building \$	Adelaide land & building \$	Equipment \$	Total \$
Balance at the beginning of year	3,185,072	81,352	422,346	3,688,770
Additions	114,693	-	254,636	369,331
Depreciation expense	(98,226)	(3,486)	(231,530)	(333,242)
Carrying amount at the end of year	\$3,201,539	\$77,866	\$445,454	\$3,724,859

NOTE 10 - TRADE AND OTHER PAYABLES

	2006	2005
	\$	\$
CURRENT		
Unsecured liabilities		
Trade payables	334,281	190,348
Creditors and accruals	636,555	665,960
	<u>970,836</u>	<u>856,308</u>

Included in creditors and accruals are the following:

Legal fees	27,186	22,739
Employee benefits to Office holders and staff	172,548	266,966

NOTE 11 - BORROWINGS

CURRENT		
Secured liabilities		
Bank loans	90,000	112,500
Hire purchase liability	-	8,183
	<u>90,000</u>	<u>120,683</u>
NON CURRENT		
Secured liabilities		
Bank loans	1,907,500	1,720,000

The bank loan facility expires on 30 August 2007. The Alliance has an extension based on agreements reached with their bankers to extend the loan facility for a further period. The Bank has a fixed charge over all land and buildings owned by the Alliance.

Non-current

(a) The carrying amounts of noncurrent assets pledged as security are:

First mortgage over freehold land and buildings	3,279,405	3,266,424
	<u>3,279,405</u>	<u>3,266,424</u>

NOTE 12 - PROVISIONS

CURRENT		
Annual leave	353,956	361,370
Long service leave	278,251	244,740
Severance provision	44,850	39,400
	<u>677,057</u>	<u>645,510</u>
NON CURRENT:		
Employee entitlements	62,900	109,056

Provision for Long-term Employee benefits

A provision has been recognised for employee entitlements relating to long service leave. In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based on historical data. The measurement and recognition criteria relating to employee benefits has been included in Note 1 to this report.

NOTE 13 - OTHER LIABILITIES

Current		
Deferred membership income	34,680	107,077
Deferred sponsorship	191,455	271,700
Other current liabilities	74,261	64,107
	<u>300,396</u>	<u>442,884</u>

NOTE 14 - CASH FLOW INFORMATION

(a) Reconciliation of Cash Flow from Operations with Profit after Income Tax

Net income for the period	256,977	261,259
Cash flows excluded from profit attributable to operating activities		
Non-cash flows in profit		
Amortisation	101,712	99,702
Depreciation	231,530	214,598
Net (gain)/loss on disposal of property & equipment	-	(2,575)
Net (gain)/loss on disposal of investments	-	(18,084)
Changes in assets & liabilities, net of the effects of purchase & disposal of subsidiaries	-	-
(Increase)/decrease in trade & term receivables	75,080	(13,299)
(Increase)/decrease in other assets	5,800	(20,371)
Increase/(decrease) in trade payables & accruals	(13,398)	-
Increase/(decrease) in provisions	(14,609)	(193)
	<u>643,092</u>	<u>778,185</u>

NOTE 15 - RESERVES

(a) Fighting Fund

The fighting fund has been set up to advance the working capital of the Alliance. Each member is required to pay 3% in addition to the yearly subscription. The fighting fund levy has been invested in bank accounts. The balance of the account at year end was \$988,726.

(b) Equity Foundation

The Equity Foundation Reserve has been set up to advance the interest of the Equity Foundation.

(c) SOMA Reserve

The SOMA reserve was set up to advance the interests of orchestral musicians.

(d) Walkley Awards Reserve

The Walkley Awards reserve was set up to advance the interests of the Walkley Foundation.

(e) Campaign Reserve

The campaign reserve has been set up to advance the interests of the members. Each member is required to pay 6% (3% 2005) in addition to the yearly subscription.

NOTE 16 - CAPITAL AND LEASING COMMITMENTS

(a) Finance Lease Commitments

Payable minimum lease payments		
- no later than 12 months	-	9,267
Minimum lease payments	-	9,267
Less future finance changes	-	(1,084)
Present value of minimum lease payments	-	<u>8,183</u>

(b) Operating Lease Commitments

Non cancellable operating leases contracted for but not capitalised in the financial statements

Payable minimum lease payments		
- not later than 12 months	93,060	100,808
- between 12 months and 5 years	174,860	316,757
	<u>267,920</u>	<u>417,565</u>

The operating leases relate to Melbourne and Brisbane which expire May and April 2009 respectively.

(c) Capital Expenditure Commitments

Capital expenditure commitments contracted for: capital expenditure projects		
	-	71,440
	-	<u>71,440</u>

NOTE 17 - FINANCIAL INSTRUMENTS

(a) Financial Risk Management

The Alliance's financial instruments consist mainly of deposits with banks, accounts receivable and payable, loans to related entities, bills, and leases. The main purpose of non derivative financial instruments is to raise finance for the Alliance's operations.

The entity does not have any derivative financial instruments at 30 June 2006.

(i) Treasury Risk Management

The Officers of the Alliance analyse currency and interest rate exposure and evaluate treasury management strategies in the context of the most recent economic conditions and forecasts.

(ii) Financial Risks

The main risks the Alliance is exposed to through its financial instruments are interest rate risk, liquidity risk, and credit risk.

Interest rate risk

Interest rate risk is managed with floating rate debts.

Foreign currency risk

The Alliance, during the year ended 30 June 2006, was not exposed to material fluctuations in foreign currencies.

Liquidity risk

The Alliance manages liquidity risk by monitoring forecast cash flows and ensuring that adequate unutilised borrowing facilities are maintained.

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, net of any provisions for impairment of those assets, as disclosed in the balance sheet and notes to the financial statements.

Credit risk for derivative financial instruments arises from the potential failure by counter parties to the contract to meet their obligations.

The Alliance does not have any material credit risk exposure to any single receivable or group of receivables under financial instruments entered into by the Alliance.

Price risk

Media Entertainment & Arts Alliance is not exposed to any material price risk.

(b) Interest Rate Risk

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



	Weighted Average Effective %	Floating interest rate \$	Maturing within 1 Year \$	Maturing 1 to 5 Years \$	Non-interesting bearing \$	Total \$
2006						
Financial Assets:						
Cash and cash equivalents	5.75	1,663,965	-	-	-	1,663,965
Receivables	-	-	-	-	513,738	513,738
Investments	-	-	-	-	12,470	12,470
Total Financial Assets		1,663,965			526,208	2,190,173
Financial Liabilities:						
Bank loans and overdrafts	6.18	-	90,000	1,907,500	-	1,997,500
Trade and sundry payables	-	-	-	-	970,836	970,836
Total Financial Liabilities			90,000	1,907,500	970,836	2,968,336
2005						
Financial Assets:						
Cash and cash equivalents	5.50	1,129,719	-	-	-	1,129,719
Receivables	-	-	-	-	814,262	814,262
Investments	-	-	-	-	12,470	12,470
Total Financial Assets		1,129,719			826,732	1,956,451
Financial Liabilities:						
Bank loans and overdrafts	5.88	-	112,500	1,720,000	-	1,832,500
Trade and sundry payables	-	-	-	-	856,308	856,308
Hire purchase liabilities	-	-	8,183	-	-	8,183
Total Financial Liabilities			120,683	1,720,000	856,308	2,696,991

NOTE 17 - FINANCIAL INSTRUMENTS CONTINUED

(c) Net Fair Value

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

NOTE 18 - INFORMATION TO BE PROVIDED TO MEMBERS OR REGISTRAR
In accordance with the requirements of RAO Schedule, as amended, the attention of members is drawn to the provisions of section 272(5) which read as follows:

- (1) A member of the Alliance, or a Registrar, may apply to the Alliance for specified prescribed information in relation to the Alliance, to be made available to the person making the application.
- (2) The application must be in writing and must specify the period in 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 Alliance.
- (3) The Alliance must comply with an application made under subsection (1).

NOTE 19 - MONIES HELD IN TRUST

At year end the Alliance was holding in trust an amount of \$4,014,578 (2005: \$4,689,701). This amount and the corresponding liability are not reflected in the Income Statement.

NOTE 20 - EVENTS AFTER THE BALANCE SHEET DATE

The Alliance has committed to purchase a property in Victoria which will be financed through an increase in the loan facility. No additional matters or circumstances have arisen since the end of the financial year which have significantly affected or may significantly affect the operations of the Alliance, the results of those operations, or the state of affairs of the Alliance in future financial years. The financial report was authorised for issue on 20th September 2006 by the Committee of Management.

NOTE 21 - COMPANY DETAILS

The registered office and principal place of business of the Alliance is: 245 Chalmers Street, Redfern NSW 2012

NOTE 22 - CHANGE IN ACCOUNTING POLICY

The following Australian Accounting Standards have been issued or amended and are applicable to the Alliance but are not yet effective and have not been adopted in preparation of the financial statements at reporting date.

All other pending Standards issued between the previous financial report and the current reporting date have no application to the Alliance.

AASB Amendment	AASB Standard Affected
2004-3	AASB 1: Firsttime Adoption of AIFRS AASB 101: Presentation of Financial Statements AASB 124: Related Party Disclosures
2005-1	AASB 139: Financial Instruments: Recognition and Measurement
2005-2	AASB 1023: General Insurance Contracts
2005-4	AASB 139: Financial Instruments: Recognition and Measurement AASB 132: Financial Instruments: Disclosure and Presentation
2005-9	AASB 4: Insurance Contracts AASB 1023: General Insurance Contracts AASB 139: Financial Instruments: Recognition and Measurement AASB 132: Financial Instruments: Disclosure and Presentation
2006-1	AASB 121: The Effects of Changes in Foreign Exchange Rates
New Standard	AASB 7: Financial Instruments: Disclosure
New Standard	AASB 119: Employee Benefits: December 2004

AASB Amendment	AASB Standard Affected	Nature of change in Accounting Policy and Impact	Application Date of the Standard	Application Date for the Trust
2004-3	AASB 1: Firsttime Adoption of AIFRS AASB 101: Presentation of Financial Statements AASB 124: Related Party Disclosures	No change, no impact	1 January 2006	1 July 2006
2005-1	AASB 139: Financial Instruments: Recognition and Measurement	No change, no impact	1 January 2006	1 July 2006
2005-5	AASB 1: Firsttime Adoption of AIFRS AASB 139: Financial Instruments: Recognition and Measurement	No change, no impact	1 January 2006	1 July 2006
2005-06	AASB 3: Business Combinations	No change, no impact	1 January 2006	1 July 2006
2005-10	AASB 139: Financial Instruments: Recognition and Measurement AASB 101: Presentation of Financial Statements AASB 114: Segment Reporting AASB 117: Leases AASB 133: Earnings per Share AASB 139: Financial Instruments AASB 1: Firsttime Adoption of AIFRS AASB 4: Insurance Contracts AASB 1023: General Insurance Contracts AASB 1038: Life Insurance Contracts	No change, no impact	1 January 2007	1 July 2007
2006-1	AASB 121: The Effects of Foreign Exchange Rates	No change, no impact	1 January 2006	1 July 2006
New standard	AASB 7: Financial Instruments: Disclosure	No change, no impact	1 January 2007	1 July 2007

DETAILED INCOME AND EXPENDITURE STATEMENT FOR THE YEAR ENDED 30 JUNE 2006

	Federal \$	NSW \$	Victoria \$	Queensland \$	SA \$	WA \$	Tasmania \$	ACT \$	Northern NSW \$	Professional Sports \$	SOMA \$	Organising Unit \$	Membership \$	Enquiry desk \$	Finance/Administration \$	CORE INDUSTRIAL \$	Equity Trust \$	Equity Foundatn \$	Walkley Awards \$	01.07.05 to 30.06.06 TOTAL \$	Previous year 30.06.05 TOTAL \$	
MEMBER INCOME																						
EQUITY	0	960,248	857,174	214,061	54,470	69,226	3,772	14,931	5,079	0	0	0	0	0	0	2,178,961	0	0	0	2,178,961	1,933,857	
JOURNALISTS	0	1,221,924	667,764	400,743	188,812	279,099	74,851	171,065	92,189	0	0	0	0	0	0	3,096,447	0	0	0	3,096,446	2,827,597	
THEATRICAL	0	383,747	309,807	84,518	58,177	33,515	8,850	8,361	10,709	0	0	0	0	0	0	898,224	0	0	0	898,223	975,077	
SOMA	0	0	0	0	0	0	0	0	0	0	190,858	0	0	0	0	190,858	0	0	0	190,858	191,903	
MUSICIANS	0	8,955	0	0	0	39,101	0	0	0	0	0	0	0	0	0	48,056	0	0	0	48,056	46,551	
PROFESSIONAL SPORT	0	0	0	0	0	0	0	0	0	22,684	0	0	0	0	0	22,684	0	0	0	22,684	25,701	
COLLECTION COSTS	(411)	(23,621)	(16,411)	(5,089)	(4,942)	(4,760)	(717)	(1,970)	(837)	(503)	(479)	0	0	0	0	(59,757)	0	0	0	(59,755)	(76,692)	
NET MEMBER INCOME	(411)	2,551,253	1,818,334	694,233	297,057	416,181	86,756	192,387	107,140	22,181	190,379	0	0	0	(17)	6,375,473	0	0	0	6,375,475	5,923,994	
OTHER INCOME	117,607	36,989	221	(10,027)	625	45	(12,409)	0	20,062	909	0	347,876	0	0	155,772	657,670	173,900	189,715	712,604	1,733,887	1,284,113	
TOTAL INCOME	117,196	2,588,242	1,818,555	684,206	297,682	416,226	74,347	192,387	127,202	23,090	190,379	347,876	0	0	155,755	7,033,143	173,900	189,715	712,604	8,109,362	7,208,107	
Share of:																						
Membership	0	(256,964)	(181,816)	(65,856)	(30,228)	(42,300)	(8,940)	(19,220)	(11,184)	(2,736)	(14,712)	0	633,956	0	0	0	0	0	0	0	0	4
Enquiry Desk	0	(138,024)	(97,660)	(35,376)	(16,236)	0	(4,800)	(10,320)	(6,004)	(1,472)	0	0	0	309,892	0	0	0	0	0	0	0	0
Finance/Admin	0	(510,224)	(361,020)	(130,764)	(60,028)	(83,988)	(17,748)	(38,160)	(22,200)	(5,435)	(14,712)	0	0	0	1,244,284	0	0	0	0	0	0	4
Contribution to:																						
National office	1,574,736	(951,568)	(305,360)	(110,604)	(50,774)	(71,048)	(15,012)	(32,275)	(18,780)	(4,600)	(14,712)	0	0	0	0	0	0	0	0	0	0	
Total contributions	1,574,736	(1,856,780)	(945,856)	(342,600)	(157,268)	(197,336)	(46,500)	(99,976)	(58,168)	(14,244)	(44,136)	0	633,960	309,892	1,244,284	0	0	0	0	0	8	
FUNDS AVAILABLE	1,691,932	731,462	872,699	341,606	140,414	218,890	27,847	92,411	69,034	8,846	146,242	347,876	633,960	309,892	1,400,039	7,033,143	173,900	189,715	712,604	8,109,362	7,208,115	
Less COSTS																						
Staff	(906,057)	(75,078)	(270,603)	(218,964)	(191,461)	(204,346)	(43,511)	(72,042)	(2,600)	0	(83,453)	(519,304)	(455,991)	(283,713)	(531,633)	(3,858,759)	(117,255)	(126,373)	(277,449)	(4,379,831)	(3,846,210)	
Site	(106,560)	(5,320)	(55,363)	(27,488)	(11,924)	(30,998)	(4,219)	(8,268)	0	0	0	(23,010)	(27,483)	(40,892)	(274,728)	(616,253)	0	0	(10,000)	(626,253)	(542,406)	
Admin	(810,384)	(101,697)	(100,358)	(83,742)	(54,499)	(49,843)	(8,859)	(10,690)	(264)	(4,400)	(71,544)	(341,575)	(208,358)	(11,153)	(644,307)	(2,501,675)	(56,645)	(70,364)	(419,670)	(3,048,352)	(2,824,013)	
Total costs	(1,823,001)	(182,095)	(426,324)	(330,194)	(257,884)	(285,187)	(56,589)	(91,000)	(2,864)	(4,400)	(154,997)	(883,889)	(691,832)	(335,759)	(1,450,668)	(6,976,678)	(173,900)	(196,737)	(707,119)	(8,054,437)	(7,212,629)	
SURPLUS/(DEFICIT)	(131,069)	549,367	446,375	11,412	(117,470)	(66,297)	(28,742)	1,411	66,170	4,446	(8,754)	(536,013)	(57,876)	(25,867)	(50,629)	56,465	0	(7,022)	5,484	54,925	(4,522)	
Less ABNORMAL ITEMS																						
Redundancies	0	(3,482)	0	0	0	(39,843)	0	0	0	0	0	0	0	0	0	(43,326)	0	0	0	(43,326)	(14,500)	
Profit on disposal of investment																					0	18,084
Profit on disposal of fixed assets																					0	2,575
OPERATING SURPLUS/(DEFICIT)	(131,069)	545,885	446,375	11,412	(117,470)	(106,140)	(28,742)	1,411	66,170	4,446	(8,754)	(536,013)	(57,876)	(25,867)	(50,629)	13,139	0	(7,022)	5,484	11,599	1,637	
Add NON-OPERATING INCOME																						
Fighting fund levy																					233,259	205,283
Campaign levy																					12,119	54,334
FINAL SURPLUS per audited accounts																					256,977	261,254
Add/(Deduct): NON-OPERATING TRANSFERS																						
Transfer from SOMA reserve																					21,387	(20,600)
Transfer to Walkley Awards reserve																					(5,484)	(17,057)
Transfer from Equity Foundation reserve																					7,022	76,939
Transfer to Fighting Fund reserve																					(233,259)	(205,283)
Transfer to Campaign reserve																					(12,119)	(54,334)
FINAL AMOUNT ADDED TO RETAINED EARNINGS RESERVE																					34,524	40,919

Industrial Registrar
Australian Industrial Registry
80 William Street
East Sydney NSW



ABN: 84 054 775 598

FEDERAL OFFICE
245 Chalmers Street
Redfern NSW 2016
P.O. 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

Dear Registrar,

Re: Financial Documents for Media, Entertainment & Arts Alliance.

Alliance Inquiry Desk
1300 65 65 12

Alliance Membership Centre
1300 65 65 13

FEDERAL PRESIDENT
Patricia Amphlett

FEDERAL SECRETARY
Christopher Warren

Please find enclosed the Annual Report "Full Operating Report" for the Media, Entertainment & Arts Alliance, for the financial year ended 30 June 2006 and the Secretary's certificate.

Yours sincerely
Media, Entertainment & Arts Alliance

Carole Carney
Director, Administration



CERTIFICATE OF SECRETARY

s.268 of Schedule 1B Workplace Relations Act 1996

I, Mark Ryan, being the Acting Federal Secretary of the Media, Entertainment & Arts Alliance certify:

- That the documents lodged herewith are copies of the full report referred to in s268 of the RAO Schedule;
- That the full report was provided to members on 20th October 2006; and
- That the full report was presented to a meeting of the Federal Executive of the reporting union on 29 November 2005



Mark Ryan

17/1/07



Australian Government
Australian Industrial Registry

Level 8, Terrace Towers
80 William Street, East Sydney, NSW 2011
Telephone: (02) 8374 6666
Fax: (02) 9380 6990
Email: sydney@air.gov.au

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

Dear Mr Warren

Re: Lodgement of Financial Statements and Accounts – Media, Entertainment and Arts Alliance – for year ending 30 June 2006 (FR2006/521)

I refer to the abovementioned financial statements and accounts which were lodged in the Registry on 17 January 2007. After careful consideration of the documents and also of the record of previous correspondence relating to the 2004 return, I draw your attention to the following for inclusion in future reporting.

Omission of certain prescribed information

The Operating report did not contain “*details of the right of members to resign from the reporting unit under section 174*” as required by s254(2)(c) of the RAO Schedule. (For comparison, I note that this was included at page 26 of the 2004 return under the heading “Frequently Asked Questions”).

The Operating report did not, where the names of “each person who has been a member of the committee of management of the reporting unit at any time during the reporting period” are concerned, include “*the period for which he or she held such a position*” as prescribed by RAO regulation 159(c). Referring to the term of elected office in the general sense as in the paragraph headed “Federal Level” on page 24 would not appear to meet the requirement. An explicit statement that all named members of the Committee held their position for the full year unless stated otherwise would however satisfy the requirement.

Donations over \$1,000

At Note 3: Surplus from Ordinary Activities on page 28 the item Donations and Grants shows an amount of \$29,474.00. If this included any single donation exceeding \$1,000, s237 of the RAO Schedule requires a statement giving various particulars of that donation to be lodged. If this is relevant and you have not already done so, please lodge such a statement at your earliest opportunity. I enclose the relevant extract from s237 for your reference.

In ordinary circumstances the Registry would have acknowledged and corresponded to you on these matters in a much more timely manner and I apologise for the delay in corresponding. There is no further action required in respect of this return, and the documents have now been filed.

Yours sincerely,

Stephen Kellett
Statutory Services Branch

18 March 2008

Extract from s237 Schedule 1 of Workplace Relations Act 1996 (2)

237 Organisations to notify particulars of loans, grants and donations

(1) An organisation must, within 90 days after the end of each financial year (or such longer period as the Registrar allows), 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.

Note: This subsection is a civil penalty provision (see section 305).

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

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

(a) the amount of the grant or donation; and

(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.