



Australian Government
Australian Industrial Registry

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Ref: FR2007/272-[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, 2007

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 6618 or by e-mail at belinda.penna@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...
18 July, 2007

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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PRODUCTION DETAILS Editor: Jonathan Este DESIGN AND PRODUCTION MANAGEMENT: Gadfly Media ADDRESS: Media, Entertainment & Arts Alliance, 245 Chalmers Street, Redfern, NSW 2016 WEBSITE: www.alliance.org.au DISCLAIMER: The views in this report are not necessarily those of the Media, Entertainment & Arts Alliance ABOUT THIS REPORT: This report was prepared with the assistance of comments from members and photographs taken by members. Number of copies produced: 25,000 External cost of production: \$29,139 (printing and proofs), and \$3,960 design and artwork, or \$1.32 per copy plus GST.

FINANCE REPORT

The Alliance strengthened its asset base in the 2006-2007 financial year, reaching its target of \$1 million in the Fighting Fund Reserve and buying new office space in Melbourne.

This was on the back of a \$443,000 surplus, which continued a 10-year run of surpluses for the Alliance.

At the same time, the \$1 a week levy for the Your Rights at Work campaign meant the union maintained the income to protect members from the impact of the federal government's changes to industrial relations laws.

These strong results were made possible through a continued control on costs, a focus on recruiting new members and increased work in collecting fees, particularly through regular deductions from bank accounts or credit cards. As a result, about 85 per cent of members now pay through some sort of regular deduction, with only 15 per cent paying six monthly on invoice. This has acted to stabilise the Alliance and evened out cash flow.

Income: Core Alliance income from membership fees jumped to \$7.9 million as a result of higher average membership and the Your Rights at Work levy.

Costs: Expenditure by the Alliance was broadly in line with budget.

Salaries are the major cost for the union, although the Alliance sustained its policy of keeping costs below 50 per cent of income at 49.6 per cent. At the end of the financial year, the Alliance employed 72 staff either full-time or part-time. This was equivalent to 63.7 full-time employees. Salaries paid to officers and staff inclusive of superannuation fell into the following bands:

	Officers	Staff	2005-2006
Under \$20,000	0	15	5
\$20,000 - \$30,000	0	7	3
\$30,000 - \$40,000	0	6	6
\$40,000 - \$50,000	0	5	10
\$50,000 - \$60,000	0	12	11
\$60,000 - \$70,000	0	8	11
\$70,000 - \$80,000	3	4	6
\$80,000 - \$90,000	2	5	8
\$90,000 - \$100,000	1	0	2
\$100,000 - \$110,000	0	1	0
\$110,000 - \$120,000	3	0	4
	9	63	66

Campaigns were a significant expenditure, particularly the fight to protect members against the industrial relations laws. The Alliance also allocated funding to launch our new branch in New Zealand to organise performers.

Affiliation fees and campaign costs remained high, partly as a result of the continued levies to the ACTU and state labour councils to fund their campaigns against the industrial relations laws. Legal costs were about \$165,000 as a result of continued employer pressure. These costs are likely to continue to be high as a result of more aggressive strategies by employers.

Reserves: The Alliance has now built the Fighting Fund Reserve to its \$1 million target. We have also set about \$480,000 aside in a separate bank account as real provision for staff entitlements for untaken annual leave and long service leave.

To finance the purchase of a strata title floor in Melbourne, the Alliance extended its mortgage. At the end of the financial year, this was about \$2.9 million, balanced by property in Sydney, Melbourne and Adelaide worth about \$6 million. The Alliance is setting aside 4 per cent of fee income each year to pay down the mortgage, with the goal of being debt free within eight years.

COMMITTEE OF MANAGEMENT STATEMENT

On 20 September 2007 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 2007:

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

- (a) the financial statements and notes comply with the reporting guidelines of 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 Alliance 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 the 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) 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
 - (v) 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

No 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 2007

AUDITOR'S INDEPENDENCE DECLARATION

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2007 there have been:

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

WHK Horwath
David Sinclair
Principal

Dated this 20th day of September 2007

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

Scope

The financial report and the Federal Committee's responsibility

The financial report comprises the committee of management statement, income statement, balance sheet, statement of changes in equity, cash flows statements, notes to the financial statements and the federal committee's declaration for the Media Entertainment & Arts Alliance for the year ended 30 June 2007.

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 the Media Entertainment & Arts Alliance is in accordance with:

- (a) the Workplace Relations Act, including:
 - (i) giving a true and fair view of the Alliance's financial position as at 30 June 2007 and of its performance for the year ended on that date; and
 - (ii) complying with Accounting Standards in Australia and the Workplace Relations Act; and
- (b) other mandatory professional reporting requirements in Australia.

As stated in Note 1, the financial report also complies with Australian Equivalents to International Financial Reporting Standards.

WHK HORWATH
David Sinclair

Dated this 20th day of September 2007

	2007-2008 Budget	2006-2007	2005-2006	2004-2005	2003-2004	2002-2003	2001-2002	2000-2001
	\$	\$	\$	\$	\$	\$	\$	\$
Total income	9,780,008	9,913,677	9,010,403	7,655,953	7,773,560	7,113,710	6,471,782	6,091,724
Total costs	(9,684,179)	(9,470,269)	(8,753,426)	(7,394,694)	(6,955,713)	(6,822,418)	(6,113,951)	(6,055,340)
Net operating surplus	95,829	443,408	256,977	261,259	817,847	291,292	357,831	36,384
Abnormal items	0	0	0	0	0	236,114	(93,042)	(30,213)
Net surplus	95,829	443,408	256,945	261,259	817,847	527,406	264,789	6,171
Fighting Fund Reserve	1,068,000	1,017,514	958,496	725,237	519,954	323,497	160,997	0

INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2007

	Notes	2007 \$	2006 \$
REVENUE			
Revenue from ordinary activities	2	9,808,098	8,705,689
DIRECT COSTS			
Depreciation and amortisation	3	(399,227)	(333,242)
Finance costs	3	(249,487)	(161,757)
Employee costs		(4,846,966)	(4,346,615)
Site costs		(447,069)	(383,350)
Affiliation fees		(279,133)	(248,513)
Printing and postage		(340,966)	(315,243)
Telephone		(151,598)	(197,074)
Magazines		(457,824)	(445,916)
IT communications and maintenance		(427,933)	(304,629)
Travel		(291,491)	(224,035)
Special Events		(686,066)	(780,567)
Other expenses from ordinary activities		(786,930)	(707,771)
Total costs		9,364,690	8,448,712
Net Surplus		443,408	256,977

BALANCE SHEET AS AT 30 JUNE 2007

ASSETS			
Current assets			
Cash and cash equivalents	5	2,171,658	1,663,965
Trade and other receivables	6	443,457	512,841
Other current assets	7	248,718	302,932
Total current assets		2,863,833	2,479,738
Non-current assets			
Financial assets	8	12,470	12,470
Property, equipment and vehicles	9	4,950,143	3,724,859
Total non-current assets		4,962,613	3,737,329
TOTAL ASSETS		7,826,446	6,217,067
LIABILITIES			
Current liabilities			
Trade and other payables	10	937,166	970,836
Short-term borrowings	11	200,000	90,000
Provisions	12	768,244	677,057
Other current liabilities	13	520,236	299,499
Total current liabilities		2,425,646	2,037,392
Non-current liabilities			
Long-term borrowings	11	2,730,500	1,907,500
Provisions	12	17,617	62,900
Total non-current liabilities		2,748,117	1,970,400
TOTAL LIABILITIES		5,173,763	4,007,792
NET ASSETS		2,652,683	2,209,275
EQUITY			
Reserves		1,846,834	1,720,630
Retained earnings		805,849	488,645
TOTAL EQUITY		2,652,683	2,209,275

STATEMENT OF CASH FLOWS AS AT 30 JUNE 2007

	Notes	2007 \$	2006 \$
Cash from operating activities:			
Receipts from customers		10,118,748	9,388,049
Payments to suppliers and employees		(9,019,147)	(8,829,604)
Interest received		333,975	233,250
Finance costs		(234,372)	(148,603)
Net cash provided by operating activities	14	1,199,204	643,092
Cash flows from investing activities:			
Acquisition of property, equipment and vehicles		(1,624,511)	(369,331)
Net cash used in investing activities		(1,624,511)	(369,331)
Cash flows from financing activities:			
Proceeds from borrowings		1,422,500	103,667
Payment of borrowings		(489,500)	165,000
Payment of finance lease liabilities		-	(8,182)
Net cash provided by financing activities		933,000	260,485
Net increase in cash held		507,693	534,246
Cash and cash equivalents at beginning of year		1,663,965	1,129,719
Cash at end of financial year	5	2,171,658	1,663,965

 STATEMENT OF CHANGES IN EQUITY
 FOR THE YEAR ENDED 30 JUNE 2007

Note	Fighting Fund	Equity Foundation Reserve	SOMA Reserve	Walkley Awards Reserve	General Reserve	Campaign Reserve	Special Projects Reserve	Retained Earnings	Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$
2007									
Balance at 1 July 2006	958,496	450,674	40,313	191,474	13,220	66,453	-	488,645	2,209,275
Net surplus attributable to members of the entity	-	-	-	-	-	-	-	443,408	443,408
Transfers to and from reserves									
- Fighting fund reserve	59,018	-	-	-	-	-	-	(59,018)	-
- Equity Foundation reserve	-	(137,857)	-	-	-	-	-	137,857	-
- Walkley Awards reserve	-	-	-	169,085	-	-	-	(169,085)	-
- General reserve	-	-	-	-	(13,220)	-	-	13,220	-
- Campaign reserve	-	-	-	-	-	50,000	-	(50,000)	-
- SOMA reserve	-	-	(20,822)	-	-	-	-	20,822	-
- Special Projects reserve	-	-	-	-	-	-	20,000	(20,000)	-
Balance at 30 June 2007	1,017,514	312,817	19,491	360,559	-	116,453	20,000	805,849	2,652,683
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

NOTE 1 - STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial report is a general purpose financial report that has been prepared in accordance with Accounting Standards, including Australian Accounting Interpretations, 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.

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

The financial report of the Media Entertainment & Arts Alliance complies with the Australian equivalents to International Financial Reporting Standards (AIFRS) as they relate to not-for-profit entities.

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

Basis of Preparation

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

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 non-current assets, financial assets and financial liabilities for which the fair value basis of accounting has been applied.

Accounting Policies

(a) Property, Equipment and Vehicles

Each class of property, equipment and vehicles 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 and Motor Vehicles

Equipment and motor vehicles are measured on the cost basis less depreciation and impairment losses.

The carrying amount of equipment and motor vehicles 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 the 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 and Motor Vehicles	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.

(b) 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 cash-generating unit to which the asset belongs.

(c) 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 non-derivative 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 Alliance assesses 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.

(d) 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 short-term borrowings in current liabilities on the balance sheet.

(e) 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.

(f) 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.

(g) 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).

(h) 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 or the New Zealand Inland Revenue. 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.

(i) Income Tax

The Alliance is an income tax exempt entity under item 1.7 section 50-5 of the Income Tax Assessment Act 1997.

(j) Foreign Currency Transactions and Balances

The financial statements are presented in Australian dollars which is the Alliance's functional and presentation currency.

Transactions and balances

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the year-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items are recognised in the income statement, except where deferred in equity as a qualifying cash flow or net investment hedge.

Exchange differences arising on the translation of non-monetary items are recognised directly in equity to the extent that the gain or loss is directly recognised in equity, otherwise the exchange difference is recognised in the income statement.

(k) Critical accounting estimates and judgments

The Federal Committee evaluates 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.

Key estimates-Impairment

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.

Value-in-use calculations performed in assessing recoverable amounts incorporate a number of key estimates.

No impairment has been recognised.

(l) 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	2007 \$	2006 \$
Operating activities		
Subscriptions	7,822,768	6,986,441
Grants, sponsorships and events income	1,080,209	898,053
Interest from financial institutions	394,251	233,250
Rental income	223,104	121,519
Sundry income	287,766	487,811
SOMA transfer	-	(21,385)
Total Revenue	9,808,098	8,705,689

NOTE 3 - SURPLUS FROM ORDINARY ACTIVITIES

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

Finance costs		
- Financial institutions	249,487	161,757
Depreciation of non-current assets, including equipment and vehicles	267,134	231,530
Amortisation of non-current assets		
- leasehold improvements	132,093	101,712
Remuneration of auditor		
- Auditing the financial report	43,992	40,000
- Other services (taxation advice and trust reviews)	12,420	16,400
	56,412	56,400
Affiliation fees		
- International	114,826	106,627
- Other	164,307	141,886
Total affiliation fees	279,133	248,513
Campaign costs	248,154	285,123
Legal fees	165,518	162,370
Donations and grants	27,874	29,474
Honoraria	35,916	32,700
Rental expense on operating leases		8,183
- minimum lease payments		
- rental expense	142,275	126,331
	142,275	134,514

Employee benefits to Elected Officials

- salaries	591,861	503,478
- annual leave	95,370	16,402
- long service leave and severance pay	38,733	25,167
- superannuation	108,819	71,332
- benefits	65,891	20,162
Total Employee Benefits to Elected Officials	900,674	636,541

Employee benefits to staff

- salaries	2,650,273	2,632,760
- annual leave	263,909	197,742
- long service leave	46,128	39,668
- redundancies	22,324	43,326
- superannuation	430,842	315,721
- benefits	112,471	140,444
Total Employee Benefits to Staff	3,525,947	3,369,661

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

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

C Warren, S Whipp, M Ryan, R Harris, L Connor, D Waters, A Ivanica, M Sinclair-Jones and M White.

(b) Key Management Personnel Compensation

	Salary	Superannuation	Short-term and Long-term benefits	Total
2007	248,564	53,050	35,776	337,390
2006	249,302	46,953	35,776	332,031

NOTE 5 - CASH AND CASH EQUIVALENTS

	2007 \$	2006 \$
Cash on hand	7,156	6,570
Cash at bank	2,164,502	1,657,395
	2,171,658	1,663,965
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	2,171,658	1,663,965

The effective interest rate on short-term bank deposits was 6.25% (2006: 5.75%); these deposits have an average maturity of 20 days.

NOTE 6 - TRADE AND OTHER RECEIVABLES

CURRENT	2007	2006
Membership debtors	88,403	88,333
Other debtors	355,054	424,508
	443,457	512,841

NOTE 7 - OTHER ASSETS

CURRENT	2007	2006
Prepayments	144,976	125,213
Deposits refundable	20,298	10,400
Payroll clearing account	83,444	123,913
Grants receivable	-	43,406
	248,718	302,932

NOTE 8 - FINANCIAL ASSETS

Available-for-sale Financial 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. The fair value of unlisted available-for-sale financial assets cannot be reliably measured as variability in the range of reasonable fair value estimates is significant. As a result, all unlisted investments are reflected at cost. Unlisted available-for-sale financial assets exist within active markets and could be disposed of if required.

NOTE 9 - PROPERTY, EQUIPMENT AND VEHICLES

LAND AND BUILDINGS

Sydney		
At cost	4,497,421	4,502,521
Less accumulated depreciation	(1,399,593)	(1,300,983)
	3,097,828	3,201,538
Adelaide		
At cost	204,628	139,428
Less accumulated depreciation	(66,678)	(61,562)
	137,950	77,866
Melbourne		
At cost	1,361,595	-
Less accumulated depreciation	(28,367)	-
	1,333,228	-

EQUIPMENT AND VEHICLES

At cost	1,918,298	1,711,298
Less accumulated depreciation	(1,537,161)	(1,265,843)
	381,137	445,455
Total property, equipment and vehicles	4,950,143	3,724,859

A valuation of the Sydney property was performed by W K Wotton and Partners on 12 August 2006. The property was valued at \$4,600,000:

(a) Movements in Carrying Amounts

	Land and buildings			Equipment and Vehicles	Total
	Sydney \$	Adelaide \$	Melbourne \$	\$	\$
Balance at the beginning of year	3,201,538	77,866	-	445,455	3,724,859
Additions/(disposals)	(5,100)	65,200	1,361,595	202,816	1,624,511
Depreciation expense	(98,610)	(5,116)	(28,367)	(267,134)	(399,227)
Carrying amount at the end of year	3,097,828	137,950	1,333,228	381,137	4,950,143

NOTE 10 - TRADE AND OTHER PAYABLES

	2007	2006
	\$	\$
CURRENT		
Unsecured liabilities		
Trade payables	276,993	334,281
Creditors and accruals	660,173	636,555
	<u>937,166</u>	<u>970,836</u>
(a) Included in creditors and accruals are the following:		
Legal fees	85,651	27,186
Employee benefits to Office holders and staff	110,480	172,848

NOTE 11 - BORROWINGS

	2007	2006
CURRENT		
Secured liabilities		
Bank loans	200,000	90,000
NON-CURRENT		
Secured liabilities		
Bank loans	2,730,500	1,907,500

The bank loan facility expires on 30 August 2007, and has been extended to 30 August 2008. The Bank has a fixed charge over all land and buildings owned by the Alliance in Sydney and Adelaide.

(a) The carrying amounts of non-current assets pledged as security are:

First mortgage over freehold land and buildings	3,235,778	3,279,404
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NOTE 12 - PROVISIONS

	2007	2006
CURRENT		
Annual leave	381,899	353,956
Long service leave	340,115	278,251
Severance provision	46,230	44,850
	<u>768,244</u>	<u>677,057</u>
NON CURRENT		
Employee entitlements	17,617	62,900

NOTE 13 - OTHER LIABILITIES

	2007	2006
CURRENT		
Deferred membership income	102,340	34,680
Deferred other income	296,409	191,455
Other current liabilities	121,487	73,364
Total	<u>520,236</u>	<u>299,499</u>

NOTE 14 - CASH - FLOW INFORMATION

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

Net surplus for the period	443,408	256,977
Cash flows excluded from surplus attributable to operating activities		
Non-cash flows in profit		
Amortisation	132,093	101,712
Depreciation	267,134	231,530
Changes in assets and liabilities, net of the effects of purchase and disposal of subsidiaries		
(Increase)/decrease in trade and other receivables	69,384	75,080
(Increase)/decrease in other current assets	54,214	5,800
Increase/(decrease) in trade and other payables	(33,670)	(13,398)
Increase/(decrease) in other current liabilities	220,737	-
Increase/(decrease) in provisions	45,904	(14,609)
	<u>1,199,204</u>	<u>643,092</u>

NOTE 15 - RESERVES

- (a) **Fighting Fund**
The fighting fund has been set up to advance the working capital of the Alliance. Until 30 June 2006, each member was required to pay a levy (2006: 3%) in addition to the yearly subscription. The fighting fund levy has been invested in bank accounts. The balance of the reserve at year end was \$1,017,514 (2006: \$958,496).
- (b) **Equity Foundation**
The Equity Foundation reserve has been set up to advance the interests of the Equity Foundation.
- (c) **Symphony Orchestra Musicians' Association (SOMA)**
The SOMA reserve has been set up to advance the interests of orchestral musicians.
- (d) **Walkley Awards Reserve**
The Walkley Awards reserve has been 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. In 2006/2007 each member was required to pay the campaign levy of 6% as part of the yearly subscription.
- (f) **General Reserve**
The General reserve was set up to promote minor activities of the Alliance. It has now been transferred to retained earnings.
- (g) **Special Projects Reserve**
The Special Projects Reserve has been set up to advance the interests of the Alliance.

NOTE 16 - CAPITAL AND LEASING COMMITMENTS

	2007	2006
	\$	\$
(a) 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	93,060
- between 12 months and 5 years	85,305	174,860
	<u>178,365</u>	<u>267,920</u>

The operating leases relate to Melbourne and Queensland branches which expire in May and April 2009 respectively.

(b) **Capital Expenditure Commitments**
There were no material capital expenditure commitments as at 30 June 2007.

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 2007.

(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 2007, 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
The Media Entertainment & Arts Alliance is not exposed to any material price risk.

(b) **Interest Rate Risk**
The Alliance's exposure to interest rate risk, which is the risk that a financial instrument's 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 represented in the table on page 30.

(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 reads 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 \$3,925,159 (2006: \$4,014,578). This amount and the corresponding liability are not reflected in the Income Statement or the Balance Sheet of the Alliance.

NOTE 20 - EVENTS AFTER THE BALANCE SHEET DATE

There have been no material events subsequent to balance date. The financial report was authorised for issue on 20 September 2007 by the Committee of Management. The Committee has the right to amend the financial report after it has been issued.

NOTE 21 - CONTINGENT LIABILITIES AND CONTINGENT ASSETS

The Musicians Union of NSW is currently cohabiting with the Alliance and may become part of the Alliance. When the process is completed, the Alliance may absorb the liabilities of the Musicians Union of NSW.

	Weighted Average Effective %	Floating interest rate \$	Maturing within 1 Year \$	Maturing 1 to 5 Years \$	Non-interesting bearing \$	Total \$
2007						
Financial Assets:						
Cash and cash equivalents	6.25	2,171,658				2,171,658
Trade and other receivables					443,457	443,457
Investments					12,470	12,470
Total Financial Assets		2,171,658			455,927	2,627,585
Financial Liabilities:						
Borrowings	6.65		200,000	2,730,500		2,930,500
Trade and other payables					937,166	937,166
Total Financial Liabilities			200,000	2,730,500	937,166	3,867,666
2006						
Financial Assets:						
Cash and cash equivalents	5.75	1,663,965				1,663,965
Trade and other receivables					512,841	512,841
Investments					12,470	12,470
Total Financial Assets		1,663,965			525,311	2,189,276
Financial Liabilities:						
Borrowings	6.18		90,000	1,907,500		1,997,500
Trade and other payables					970,836	970,836
Total Financial Liabilities			90,000	1,907,500	970,836	2,968,336

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.

AASB Amendment	AASB Standard Affected	Nature of change in Accounting Policy and Impact	Application Date of the Standard	Application Date for the Alliance
AASB 2005-10 Amendments to Australian Accounting Standards	AASB 1: First time adoption of AIFRS AASB 4: Insurance Contracts AASB 101: Presentation of Financial Statements AASB 114: Segment Reporting AASB 117: Leases AASB 133: Earnings per Share AASB 139: Financial Instruments: Recognition and Measurement AASB 1023: General Insurance Contracts AASB 1038: Life Insurance Contracts	The disclosure requirements of AASB 132: Financial Instruments: Disclosure and Presentation have been replaced by the issuing of AASB 7: Financial Instruments: Disclosures in August 2005. These amendments will involve changes to financial instrument disclosures within the financial report. However, there will be no direct impact on amounts included in the financial reports as it is a disclosure standard.	1 January 2007	1 July 2007
AASB 7: Financial Instruments: Disclosures	AASB 139: Financial Instruments: Disclosure and Presentation	As Above	1 January 2007	1 July 2007

NOTE 23 - ENTITY DETAILS

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

FEDERAL COMMITTEE'S DECLARATION

The Federal Committee of the Alliance declare that:

- The financial statements and notes, as set out in this report, are in accordance with the Workplace Relations Act and:
 - comply with Accounting Standards and the Workplace regulations; and
 - give a true and fair view of the financial position as at 30 June 2007 and of the performance for the year ended on that date of the Alliance.
- In the Federal Committee's opinion, there are reasonable grounds to believe that the Alliance will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Federal Committee and is signed for and on behalf of the Federal Committee by:

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

Dated this 20th day of September 2007

DETAILED INCOME AND EXPENDITURE STATEMENT FOR THE YEAR ENDED 30 JUNE 2007

	Federal \$	NSW \$	Victoria \$	Queensland \$	SA \$	WA \$	Tasmania \$	ACT \$	Professional Sports \$	SOMA \$	NZ \$	Campaign & Organising \$	Membership \$	Enquiry desk \$	Finance Administration \$	CORE INDUSTRIAL \$	Equity Trust \$	Equity Foundation \$	Walkley Awards \$	01.07.06 to 30.06.07 TOTAL \$	Previous year 30.06.06 TOTAL \$	
MEMBER INCOME																						
EQUITY	0	984,609	817,895	233,910	53,294	77,163	3,101	17,608	0	0	20,806	0	0	0	0	2,208,386	0	0	0	2,208,386	2,178,961	
JOURNALISTS	0	1,373,427	681,043	424,251	205,540	279,561	80,890	176,576	0	0	0	0	0	0	0	3,221,288	0	0	0	3,221,288	3,096,447	
THEATRICAL	0	387,888	300,292	76,395	56,077	37,327	8,562	6,876	0	0	0	0	0	0	0	873,417	0	0	0	873,417	898,225	
MUSICIANS	0	23,423	0	0	0	33,644	0	0	0	195,420	0	0	0	0	0	252,487	0	0	0	252,487	238,914	
PROFESSIONAL SPORT	0	0	0	0	0	0	0	0	18,294	0	0	0	0	0	0	18,294	0	0	0	18,294	22,684	
Campaign levy	0	0	0	0	0	0	0	0	0	0	75,000	412,102	0	0	0	487,102	0	0	0	487,102	387,119	
YR@W levy	0	0	0	0	0	0	0	0	0	0	0	561,172	0	0	0	561,172	0	0	0	561,172	0	
COLLECTION COSTS	(1,019)	(30,384)	(20,470)	(6,639)	(5,724)	(6,901)	(1,033)	(2,601)	(700)	(638)	0	0	0	0	(13)	(75,522)	0	0	0	(75,522)	(59,757)	
NET MEMBER INCOME	(1,019)	2,738,963	1,778,760	727,917	309,187	421,394	91,520	198,459	17,594	194,782	95,806	973,274	0	0	(13)	7,546,624	0	0	0	7,546,624	6,762,593	
OTHER INCOME	216,079	53,229	79,514	5,000	2,384	2,500	31,336	0	1,000	0	62,614	10,100	0	0	204,172	667,928	196,272	128,877	963,292	1,956,369	1,954,794	
TOTAL INCOME	215,060	2,792,192	1,858,274	732,917	311,571	423,894	122,856	198,459	18,594	194,782	158,420	983,374	0	0	204,159	8,214,552	196,272	128,877	963,292	9,502,993	8,717,387	
Share of overheads	1,901,958	(2,598,258)	(1,214,088)	(314,610)	(77,118)	(125,436)	(27,666)	(78,666)	(10,242)	(45,450)	(50,694)	300,000	765,126	229,032	1,346,112	0	0	0	0	0	0	
FUNDS AVAILABLE	2,117,018	193,934	644,186	418,307	234,453	298,458	95,190	119,793	8,352	149,332	107,726	1,283,374	765,126	229,032	1,550,271	8,214,552	196,272	128,877	963,292	9,502,993	8,717,387	
COSTS																						
Staff	(932,126)	(92,167)	(309,689)	(264,207)	(162,378)	(199,569)	(63,006)	(79,464)	0	(82,338)	(83,149)	(879,122)	(557,348)	(158,741)	(521,110)	(4,384,414)	(152,591)	(146,860)	(296,188)	(4,980,053)	(4,498,158)	
Site	(167,508)	(2,952)	(128,056)	(24,529)	(26,708)	(29,652)	(4,255)	(7,644)	0	(9,933)	(16,706)	(104,262)	(29,082)	(33,522)	(206,459)	(791,268)	0	0	0	(791,268)	(626,253)	
Admin	(960,588)	(116,368)	(127,025)	(99,991)	(64,142)	(49,574)	(45,655)	(11,896)	(3,626)	(72,022)	(91,986)	(285,198)	(207,937)	(7,410)	(818,433)	(2,961,851)	(43,681)	(119,874)	(498,020)	(3,623,426)	(3,569,258)	
Total costs	(2,060,222)	(211,487)	(564,770)	(388,727)	(253,228)	(278,795)	(112,916)	(99,004)	(3,626)	(164,293)	(191,841)	(1,268,582)	(794,367)	(199,673)	(1,546,002)	(8,137,533)	(196,272)	(266,734)	(794,208)	(9,394,747)	(8,693,669)	
OPERATING SURPLUS/(DEFICIT)	56,796	(17,553)	79,416	29,580	(18,775)	19,663	(17,726)	20,789	4,726	(14,961)	(84,115)	14,792	(29,241)	29,359	4,269	77,019	0	(137,857)	169,084	108,246	23,718	
OTHER TRANSACTIONS																						
Debt reduction surcharge received and allocated to borrowings																276,144				276,144	0	
Fighting fund levy received																59,018				59,018	233,259	
																412,181	0	(137,857)	169,084	443,408	256,977	
TRANSFERS (TO)/ FROM RESERVES																						
Transfer to Special Projects Reserve																(20,000)				(20,000)	0	
Transfer from SOMA Reserve																20,822				20,822	21,387	
Transfer to Walkley Awards Reserve																50			(169,084)	(169,084)	(5,484)	
Transfer to Campaigns Reserve																(50,000)				(50,000)	(12,119)	
Transfer from Equity Foundation Reserve																0		137,857		137,857	7,022	
Transfer of interest to Fighting Fund Reserve																(59,018)				(59,018)	0	
SURPLUS added to RETAINED EARNINGS																303,985	0	0	0	303,985	267,783	

Industrial Registrar
Australian Industrial Registry
80 William Street
East Sydney NSW



MEDIA ENTERTAINMENT
& ARTS ALLIANCE

ABN: 84 054 775 598

245 Chalmers Street
Redfern NSW 2016
P.O. Box 723
Strawberry Hills NSW 2012
Australia
Tel: +61 (0)2 9333 0999
Fax: +61 (0)2 9333 0933
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Website: www.alliance.org.au

Alliance Inquiry Desk
1300 65 65 12

Alliance Membership Centre
1300 65 65 13

PRESIDENT
Patricia Amphlett

SECRETARY
Christopher Warren

Dear Registrar,

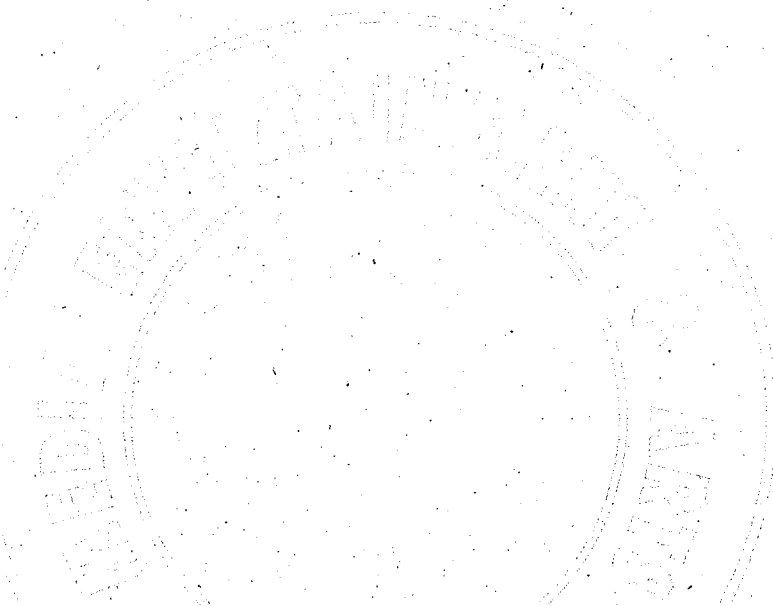
Re: Financial Documents for Media, Entertainment & Arts Alliance.

Please find enclosed the Annual Report "Full Operating Report" for the Media, Entertainment & Arts Alliance, for the financial year ended 30 June 2007 and the Secretary's certificate.

Yours sincerely
Media, Entertainment & Arts Alliance

A handwritten signature in cursive script that reads "Carole Carney".

Carole Carney
Director, Administration

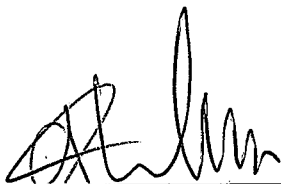


CERTIFICATE OF SECRETARY

s.268 of Schedule 1B Workplace Relations Act 1996

I, Christopher Warren , being the 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 24th October 2007; and
- That the full report was presented to a meeting of the Federal Management Committee of the reporting union on 29 November 2007



Christopher Warren

Dated:

November 30, 2007



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 2007 (FR2007/272)

I refer to the abovementioned financial statements and accounts which were lodged in the Registry on 30 November 2007. After careful consideration of the documents, I draw your attention to the following for inclusion in future reporting in 2008.

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 appear to include all 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*” if the full list of names that were diagrammatically included in the reports for previous years are any guide; nor did it include “*the period for which he or she held such a position*”, as prescribed by RAO regulation 159(c). Stating only those “key management personnel” or “salaried elected officials” and “at any time” as at Note 4: Key Management Personnel Compensation” on page 28 would not appear to meet the requirement. A list naming every committee member, compensated or not, and 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 \$27,874.00. 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.

The Registry acknowledges that these matters are similar to those raised in correspondence specific to the returns for 2005 and 2006 which is a reflection only of the delay of the Registry in dealing with those previous returns and not in any way of the Alliance’s standard of compliance. 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.