



Mr John Davis
Secretary
The Showmen's Guild of Australasia
PO Box 690
BEENLEIGH QLD 4207

Dear Mr Davis,

The Showmen's Guild of Australasia
Financial Reports for Years Ended: 31 December 2004 (FR2004/658)
31 December 2005 (FR2005/631)
31 December 2006 (FR2006/549)
31 December 2007 (FR2007/604)
Schedule 1 of the Workplace Relations Act 1996 (RAO Schedule)

I refer to the Registry's letter dated 1 April 2008 acknowledging receipt of financial reports of The Showmen's Guild of Australasia for the financial years ending 31 December 2005, 31 December 2006 and 31 December 2007. The 2005 report was lodged in the Registry on 3 March 2008 and the reports for the 2006 and 2007 years were both lodged on 26 March 2008.

As foreshadowed in that letter, a comprehensive review of the Guild's financial reports for the four financial years up to 31 December 2007 has now been undertaken in light of continuing problems presented by reports, including qualified audit opinions for each report.

The Guild's Committee of Management is responsible for the preparation and fair presentation of financial reports in accordance with Australian Accounting Standards (which include the Australian Accounting Interpretations) (see section 253 of the RAO Schedule). This responsibility includes establishing and maintaining internal controls relevant to the preparation of the financial report so that the financial report is free from material misstatement (whether due to fraud or error), selecting and applying appropriate accounting policies, and making accounting estimates that are reasonable in the circumstances.

The financial reports for the four financial years ended 31 December 2004, 2005, 2006 and 2007 were qualified by the auditor due to non-compliance with reporting requirements of the Australian Accounting Standards. In addition, significant deficiencies in the internal control environment caused the auditor to issue various qualifications for each of these years. The internal control weaknesses associated with collecting monies from Poker Machines, and Function and Bar Collection and Cash Floats have resulted in frauds and inhibited the reporting of reliable financial information. Given the various breakdowns in internal controls that have occurred over an extended period of time, there is also a concern that the Committee of Management has not complied with its obligations under the RAO Schedule to prepare proper financial records in accordance with the requirements of section 252.

The fact that the audit reports have been qualified indicates that the Committee of Management have failed to comply with key financial reporting obligations of the RAO Schedule including the requirement to prepare annual financial reports in accordance with Australian Accounting Standards (section 253(1)) and to prepare financial reports that reflect a true and fair view of the financial position and performance of the Guild (section 253(3)) as required by declarations under the Committee of Management Statement.

A significant improvement in relation to internal controls and the reporting process is required to ensure that the Committee of Management complies with its obligations under the Act. The Guild must review its financial reporting processes to ensure that it can comply with the RAO Schedule in future financial years. Further, the Committee must review its internal control environment to ensure that appropriate standards for financial management are implemented, resulting in an effective management reporting system and internal control system. This

includes internal controls to deal with both the effectiveness and the efficiency of significant business processes, the safeguarding of assets, the maintenance of proper accounting records and the reliability of financial information.

Included as Attachment A to this letter is a detailed analysis of our concerns regarding compliance by the Guild with the requirements of the RAO Schedule with respect to the financial documents for 2004 through to 2007.

Possible Consequences of Continued Failure to Comply with the RAO Schedule

I am concerned that, despite assistance from the Registry, the Guild has consistently failed over a number of years to meet its obligations under the RAO Schedule.

I now expect the Guild to implement all of the necessary and appropriate procedures to remedy past deficiencies.

I draw your attention to the power of the Registrar, under section 331 of the RAO Schedule, to conduct an investigation into a possible contravention of the financial reporting requirements of the RAO Schedule, the RAO Regulations or the Reporting Guidelines. The Registrar has power to require the participation of a designated officer or employee of an organisation and of the organisation's auditor(s). Such persons can be required to provide the Registrar with information, records or other documents or to attend before the Registrar to answer questions relating to the investigation (see section 335 of the RAO Schedule). If, at the conclusion of the investigation, the Registrar is satisfied that a contravention has occurred, he may issue a notice requiring rectification of the matter or he may apply to the Federal Court of Australia for an order imposing a civil (financial) penalty upon the organisation or, if appropriate, refer the matter to the Director of Public Prosecutions for action in relation to possible criminal offences.

The Federal Court of Australia has the power to impose a civil (financial) penalty for failure to comply with the RAO Schedule under section 305 of the RAO Schedule. In particular, I draw your attention to subsection 305(2)(w), which provides for the imposition of penalties for breaches of sections 253 and 254 of the RAO Schedule. Section 253 of the RAO Schedule states as follows (emphasis added):

253 Reporting unit to prepare general purpose financial report

(1) As soon as practicable after the end of each financial year, a reporting unit must cause a general purpose financial report to be prepared, in accordance with the Australian Accounting Standards, from the financial records kept under subsection 252(1) in relation to the financial year.

(2) The general purpose financial report must consist of:

(a) financial statements containing:

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

(b) notes to the financial statements containing:

- (i) notes required by the Australian Accounting Standards; and
- (ii) information required by the reporting guidelines (see section 255); and

(c) any other reports or statements required by the reporting guidelines (see section 255).

(3) The financial statements and notes for a financial year must give a true and fair view of the financial position and performance of the reporting unit. This subsection does not affect the obligation for a financial report to comply with the Australian Accounting Standards.

Note 1: This section is a civil penalty provision (see section 305).

Note 2: The Australian Accounting Standards may be modified for the purposes of this Schedule by the regulations.

Note 3: If the financial statements and notes prepared in compliance with the Australian Accounting Standards would not give a true and fair view, additional information must be included in the notes to the financial statements under paragraph (2)(b).

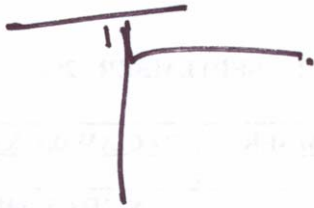
I note that any investigation that may be launched could relate to all of the financial years in question, not just the latest financial year.

In light of the above, your urgent attention to these issues is required. Some recommendations regarding improvements that the Guild may wish to implement are contained in the analysis included as Attachment A. You are urged to seriously consider the observations and recommendations in Attachment A and to immediately introduce appropriate measures.

I recognise that, even if strategies are introduced immediately, it will take some time for the financial accounts to be free of the types of deficiencies that have arisen in the past. While I require remedial measures to be introduced immediately, the financial report for the year ended 31 December 2008 may contain some (albeit fewer) deficiencies than previous years. My firm expectation, however, is that the auditor will be able to report for the year ended 31 December 2008 that steps have been implemented to remedy any such deficiencies or qualifications to the audit report.

If you have any questions in relation to this matter, please contact Ailsa Carruthers on (03) 8661 7767 (except Wednesdays) or by email at ailsa.carruthers@air.gov.au.

Yours sincerely,

A handwritten signature in dark ink, appearing to be 'Terry Nassios', written over a faint, illegible background.

Terry Nassios
Deputy Industrial Registrar

7 August 2008

cc: Mr Errol Allan
KP Business Accountants

**The Showmen's Guild of Australasia
Detailed Analysis of Compliance of Financial Reports
– Years Ended 31 December 2004, 2005, 2006 and 2007**

Comment	Key Observations and Recommendations
<p>Financial reports lodged were not in compliance with Australian Accounting Standards as the audit report was qualified for the four financial years ended 31 December 2004 - 2007</p>	<p>Key Observations</p> <ul style="list-style-type: none"> • Financial reports for the four financial years ended 31 December 2004-2007 were qualified as a result of not complying with various accounting measurement requirements set out in the Australian Accounting Standards. A weak internal control environment has also caused non-compliance with Accounting Standards to continue for the four financial years ended 31 December 2007. Accounting issues that have led to the audit qualifications are discussed below. • The external auditor's management improvement recommendations stated that the Showmen's Guild has difficulty retaining adequate experienced staff to monitor compliance requirements in relation to the RAO Schedule to the Workplace Relations Act 1996 (the Act); the Gaming Machine Act 1991; and the requirement to prepare general purpose financial reports required by Australian Accounting Standards and the additional reporting requirements of the Act. Non-compliance with the Australian Accounting Standards is the major cause for continuing audit qualification for the four financial years ended 31 December 2007. <p>Key Recommendations</p> <ul style="list-style-type: none"> • We recommend that the Committee of Management of the Showmen's Guild reviews the entity's financial reporting process, the audit process and the processes for monitoring compliance with applicable laws and regulations. • We recommend that the Committee of Management review its risk management and internal control environment. Risk management and internal control refers to the processes, structures and culture established to identify, assess, treat and monitor risk affecting the financial performance and financial reporting of Showmen's Guild.
<p>Accounting measurements in relation to valuation and depreciation of Property, Plant and Equipment for the four financial years ended 31 December 2007 did not comply with Australian</p>	<p>Key Observations</p> <ul style="list-style-type: none"> • It is the policy of Showmen's Guild to revalue its land and building, and plant and equipment every two years. Whilst the land and buildings and plant and equipment are stated in the financial report at fair value, no recent valuations have been undertaken to verify that assets are stated at the correct fair value and these assets are also not being depreciated as required by Australian Accounting Standards.

Comment	Key Observations and Recommendations
Accounting Standards.	<p>Key Recommendations</p> <ul style="list-style-type: none"> • In accordance with paragraph 31 of AASB 116 “Property, Plant and Equipment”, assets that are carried at fair value amount shall be subject to revaluation regularly to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the reporting date. Paragraph 34 of AASB 116 provides guidance on frequency of revaluations. The frequency of revaluations depends upon the changes in fair values of the items of property, plant and equipment being revalued. For items of property, plant and equipment with only insignificant changes in fair value, it may be necessary to revalue the item only every three or five years; otherwise annual revaluations are required. We recommend that that management reassess its accounting policy on Property, Plant and Equipment to determine the frequency of revaluations for the items of assets stated at fair value. • Assets at fair value are required to be stated in the financial statements at fair value less any subsequent accumulated depreciation and impairment losses. Depreciation begins when it is available for use. • Buildings have a limited useful life and therefore are depreciable assets in accordance with paragraph 51 of AASB 116. • Given that the Guild has not depreciated all its assets in the past, we recommend that the Committee of Management determine the depreciation method for all its assets and commence depreciation. The depreciation method used shall reflect the pattern in which the asset’s future economic benefits are expected to be consumed by the entity.
Litigation settlements with ACCC were incorrectly disclosed as legal fees for the financial year ended 31 December 2006.	<p>Key Observations</p> <ul style="list-style-type: none"> • The audit qualification indicated that the Guild has disclosed litigation settlements with ACCC as a legal expense. • This accounting treatment does not comply with the requirement of paragraph 98 of AASB 101 “Presentation of Financial Statements”. • Paragraph 97 of AASB 101 states that when items of income or expense are material; the Guild shall disclose their nature and amount separately <p>Key Recommendations</p> <ul style="list-style-type: none"> • A litigation settlement is a type of transaction that requires separate disclosure in accordance with paragraph 98 of AASB 101 “Presentation of Financial Statements”. We recommend that the Guild present an analysis of expenses recognised in profit or loss using a classification based on either their nature or their function within the entity, whichever provides information that is reliable and more relevant. Also, we recommend that the Committee of Management separately disclose the nature and amount

Comment	Key Observations and Recommendations
	of any items of income or expense that are material in the Income Statement.
<p>The 2005 audit report was qualified due to the auditor being unable to obtain sufficient appropriate audit evidence after examining the records underlying the opening balances. In accordance with the Australian Auditing Standard AUS 510, the auditor is required to obtain sufficient and appropriate audit evidence regarding opening balances.</p>	<p>Key Observation</p> <ul style="list-style-type: none"> • The prior year financial report was not audited. The financial year ended 31 December 2005 audit report was qualified due to the auditor being unable to obtain sufficient appropriate audit evidence after examining the records underlying the opening balances. • It appears that the lack of sufficient records could be due to poor management reporting systems. Internal control reconciliation processes relate to the regular (i.e. weekly, monthly) reconciliation of Balance Sheet general ledger accounts and key Income Statement general ledger accounts. General ledger control accounts should be reconciled to supporting reports (e.g. accounts receivables aged trial balance) or external documentation. Reconciliation of general ledger accounts is an important internal control process for ensuring the accurate and timely processing of transactions. If reconciliations are not performed on a regular basis there is an increased risk of transaction errors occurring. <p>Key Recommendations</p> <ul style="list-style-type: none"> • Implementation of an effective management reporting system should be a priority. We recommend that General ledger reconciliations should be prepared on a regular basis and appropriately reviewed and authorised by management if this has not already occurred.
<p>Internal controls weakness and insufficient inventory records maintained have resulted in audit qualification for the financial year ended 31 December 2005</p>	<p>Key Observation</p> <ul style="list-style-type: none"> • Retaining a copy of important accounting records, such as the year end inventory ledger, is an important control process. This observation indicates a control weakness surrounding inventory management. • The breakdown in control surrounding inventory management processes was due to insufficient documentation being maintained in relation to inventory records. Furthermore, it was highlighted by the external auditor that the Guild did not perform yearly inventory physical counts soon after year end. Also, no reconciliation of inventory physical count results to perpetual records is performed. If reconciliations are not performed on a regular basis there is an increased risk of transaction errors occurring. This could result in cost of inventories being incorrectly stated in the financial report. <p>Key Recommendations</p> <ul style="list-style-type: none"> • Inventory physical count should be completed once a year at a minimum. Regular inventory physical count is an important control process for ensuring that computer systems are accurately recording inventory, sales and purchases. Regular inventory physical count identifies major discrepancies between perpetual records and physical inventory and can so highlight any system

Comment	Key Observations and Recommendations
	problems
<p>Poor safeguarding of cash assets at the Poker Machine; Function and Bar Collection and Cash Floats has led to misappropriation of funds, which has resulted in audit qualifications for the three financial years ended 31 December 2007</p>	<p>Key Observations</p> <ul style="list-style-type: none"> The Guild has poor internal control surrounding safeguarding cash assets, which has resulted in misappropriation of funds. Also, pre-signed cheques increase the risk of fraudulent activity occurring during the normal course of business which may not be detected in a timely manner. <p>Key Recommendations</p> <ul style="list-style-type: none"> We recommend that the practice of pre-signing cheques should be stopped as it could result in potential misappropriation of funds, and increases the risk of fraudulent activity occurring during the normal course of business which may not be detected in a timely manner. Cash assets have high susceptibility to misappropriation. Failure to ensure the record keeping and appropriate cash collection procedures are established compromises security of cash assets handled by employees. We recommend that an appropriate person review bank and daily income collection reconciliations and investigate and resolve unusual transactions in a timely manner. Cash assets and related bank accounts should be reconciled at least weekly to general ledger accounts. Cash count at all poker machines should be carried out daily. Reconciliation of cash count results to the general ledger may assist in identifying any unusual transactions. The effective operation of the accounting functions should be a key objective for areas that are more susceptible to misappropriation of funds, so as to ensure the integrity and completeness of all transactions and the protection of its cash assets. While in circumstances where it is impractical to reduce substantially the control risk due to small numbers of employees, an effort should be made where possible to segregate incompatible functions (e.g. the authorisation and processing of transactions).
<p>Other breaches of Australian Accounting Standards in addition to those identified above for the four financial years ended</p>	<p>Key Observations – 31 December 2007</p> <ul style="list-style-type: none"> The 31 December 2007 financial report includes both consolidated accounts and accounts for the Guild 2007 and Club 2007. In the financial years ended 31 December 2005 and 31 December 2006, consolidated financial reports have not been prepared. The financial statements that have been prepared for 2007 are confusing and the purpose of preparing consolidated financial

Comment	Key Observations and Recommendations
31 December 2004-2007	<p>statements when this has not occurred in prior financial years is unclear.</p> <ul style="list-style-type: none"> • The financial statements generally for the 31 December 2007 financial year do not appear to be in accordance with Australian Accounting Standards including the requirement to prepare a Statement of Recognised Income and Expense or a Statement of Changes in Equity and the use of the term Profit and Loss Statement is not in accordance with Australian Accounting Standards. • The accounting policy notes for the 31 December 2007 financial year are completely inadequate and fail to meet reporting and disclosure obligations under various Australian Accounting Standards. • The notes to the financial statements are also inadequate and lack disclosures in relation to related parties, segment reporting and financial instruments. • Whilst the auditor has issued various qualifications in relation to the financial report for the financial year ended 31 December 2007, the auditor has nevertheless issued an opinion that states “except for the matters raised in the qualifications paragraph: the financial statements of the Showmen’s Guild of Australasia Incorporated present a true and fair view...[and] the financial statements are properly drawn up complying with Accounting Standards..”. It is our view that the various deficiencies in the financial report are so numerous that the external auditor of the Showmen’s Guild should have reached the conclusion that a Disclaimer of Opinion was warranted. <p>Key Observations – 31 December 2006</p> <ul style="list-style-type: none"> • The 31 December 2006 financial report includes both consolidated accounts and accounts for the Guild 2007 and Club 2007. In the financial years ended 31 December 2005 and 31 December 2006, consolidated financial reports have not been prepared. The financial statements that have been prepared for 2007 are confusing and the purpose of preparing consolidated financial statements when this has not occurred in prior financial years is unclear. • The financial statements generally for the 31 December 2006 financial year do not appear to be in accordance with Australian Accounting Standards including the requirement to prepare a Statement of Recognised Income and Expense or a Statement of Changes in Equity and the use of the term Profit and Loss Statement is not in accordance with Australian Accounting Standards. • There are no accounting policy notes for the 31 December 2006 financial year and the financial statement notes generally are completely inadequate and fail to meet reporting and disclosure obligations under various Australian Accounting Standards.

Comment	Key Observations and Recommendations
	<ul style="list-style-type: none"> • The notes to the financial statements are also inadequate and lack disclosures in relation to related parties, segment reporting and financial instruments. • Whilst the auditor has issued various qualifications in relation to the financial report for the financial year ended 31 December 2007, the auditor has nevertheless issued an opinion that states “except for the matters raised in the qualifications paragraph: the financial statements of the Showmen’s Guild of Australasia Incorporated present a true and fair view...[and] the financial statements are properly drawn up in accordance with Acceptable Accounting Standards..”. It is our view that the various deficiencies in the financial report of the Showmen’s Guild should have caused the auditor to reach the conclusion that a Disclaimer of Opinion was warranted. <p><i>Key Observations – 31 December 2005</i></p> <ul style="list-style-type: none"> • The notes to the financial statements are inadequate and lack disclosures in relation to related parties, segment reporting and financial instruments. • Whilst the auditor has issued various qualifications in relation to the financial report for the financial year ended 31 December 2007, the auditor has nevertheless issued an opinion that states “except for the effects of the financial report of the matter referred to in the qualifications paragraphs, the financial report presents fairly in accordance with applicable Accounting Standards..”. It is our view that the various deficiencies in the financial report are so numerous that the external auditor of the Showmen’s Guild should have reached the conclusion that a Disclaimer of Opinion was warranted. <p><i>Key Observations – 31 December 2004</i></p> <ul style="list-style-type: none"> • The accounting policy notes for the 31 December 2004 financial year are completely inadequate and fail to meet reporting and disclosure obligations under various Australian Accounting Standards. • The notes to the financial statements are also inadequate and lack disclosures in relation to related parties, segment reporting and financial instruments. • As discussed above, the external auditor has issued various qualifications including failure to comply with the Accounting Standards on measurement and disclosure of Accounting Standards. • It appears that the Guild has issued a separate audit report on the Cash Flow Statement and a separate audit report on the balance of the financial statements. This is also inconsistent with Australian Accounting Standards, and the Cash Flow Statement should form part of the financial statements. • Whilst the auditor has issued various qualifications in relation to the financial report for the financial year ended 31 December

Comment	Key Observations and Recommendations
	<p>2004 the auditor has nevertheless issued an opinion that states “except for the matters raised in the qualifications paragraph: the financial statements of the Showmen’s Guild of Australasia Incorporated present a true and fair view... [and] the financial statements are properly drawn up complying with Accounting Standards”. It is our view that the various deficiencies in the financial report are so numerous that the external auditor of the Showmen’s Guild should have reached the conclusion that a Disclaimer of Opinion was warranted.</p>



ABN 75 134 664 816

The Showmen's Guild of Australasia

● Guild House ● 4 Turner Avenue ● Yatala Q. 4207 ●

20 March 2008

Our Ref: G162

**Attention: Alisa Carruthers
Australian Industrial Registry
GPO Box 1994S
MELBOURNE VIC 3001**

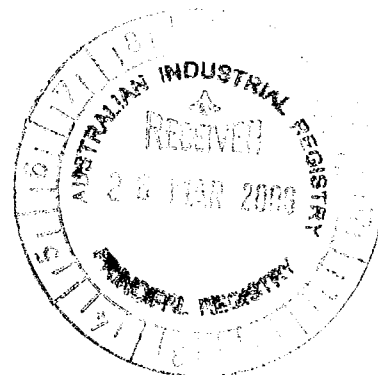
Dear Alisa,

**RE: 2007 General Purpose Financial Report (GPFR)
 2006 General Purpose Financial Report (GPFR)**

Please find enclosed our GPFR for the 2007, 2006 year.

**Yours sincerely,
*THE SHOWMENS GUILD OF AUSTRALASIA***


.....
**John Davis
Secretary**



Designated Officer's Certificate
s268 of Schedule 1 of the workplace Relations Act 1996

I **Leslie John Davis** being the **Secretary of The Showmen's Guild** of Australia certify:

- That the document lodged herewith are copies of the full report, referred to in s268 of the RAO Schedule; and
- That the full report was provided to members on **18th March 2008**; and
- That the full report was presented to a general meeting of members of the reporting unit on **18th March 2008**; in accordance with section 266 of the RAO.

Signature



Date:

20.03.2008

The Showmen's Guild of Australasia

Financial Statements **For the year ended 31 December 2007**

KP Business Accountants

Suite 22 / Level 2

149 Wickham Terrace Qld 4000

Phone: 07 38392533 Fax: 07 38313689

Email: christie@kpbiz.com.au

'The Showmen's Guild of Australasia ABN 75 134 664 816
Detailed Profit and Loss Statement
For the year ended 31 December 2007

	Note	Guild' 2007	Club' 2007	Consolidated 2007	Consolidated 2006
Income					
Function Centre Income		0.00	378504.28	378504.28	316066.95
Cost of Goods Sold		0.00	-195649.34	-195649.34	150758.44
Gross Margin		0.00	182854.94	182854.94	165308.51
			0.48	0.48	0.52
Government Grant	1	2728.00		2728.00	
Canberra Benevolent Monies		29229.20		29229.20	5653.80
'Commissions received			781.11	781.11	628.81
Donations				0.00	12183.40
Ground Admin Fees		184846.68		184846.68	207287.70
Ground Transfer		3485.10		3485.10	1320.00
Parking Income			3200.00	3200.00	4000.00
Insurance Claims and Refunds	2	79668.43		79668.43	6478.79
Interest received		92.09		92.09	775.80
Joining Fees		102116.20		102116.20	9931.50
Other income		2225.09	486.61	2711.70	949.60
Legal Recoveries	3	3400.00		3400.00	152.06
Maitland Camps		185.00		185.00	1613.55
Rebates and refunds				0.00	189.66
Rents received		86069.28	2974.73	89044.01	5744.80
Show Income				0.00	
Speers Point Shortfall				0.00	25504.00
Subscriptions		1177.42		1177.42	103170.21
Townsville		159386.36		159386.36	8636.36
Vehicle & Gate Passes		11184.15		11184.15	7903.96
Total income		665793.00	7442.45	673235.45	567432.51
				0.00	
Poker Machines				0.00	
Net Income			208558.88	208558.88	198562.07
Less Expenses				0.00	
Operating Costs			22676.69	22676.69	34671.43
Govt Levy & Tax			34668.22	34668.22	33411.00
				0.00	
Net Poker Machines			151213.97	151213.97	130479.64
				0.00	
Keno				0.00	
Net Keno Income			70587.34	70587.34	-1757.81
Less Expenses			68915.49	68915.49	
				0.00	
Net Keno Income			1671.85	1671.85	
Sundry Income				0.00	
				0.00	
Total Income		665793.00	343183.21	1008976.21	696154.34

	Note	Guild' 2007	Club' 2007	Consolidated 2007	Consolidated 2006
Operating Expenses					
Abnormal Expense				0.00	119.45
Accountancy	4	16215.00		16215.00	28432.65
Advertising and promotion		16153.13	10099.28	26252.41	13278.68
Bank Fees And Charges		1366.16	5619.55	6985.71	11930.32
Cleaning/rubbish removal		13.45	26158.38	26171.83	23142.84
Clunhouse Supplies				0.00	2637.88
Commissions				0.00	30.10
Computer Expenses		2361.10	2446.17	4807.27	1306.37
Consultants fees				0.00	2000.00
Donations	5	1606.00	100.00	1706.00	20000.00
Electricity and Gas		56.36	22063.55	22119.91	29440.61
Entertainment		1344.82	21007.59	22352.41	10247.45
Evaluation Fees (Bld and Equipment)				0.00	872.73
Fees & charges		6228.66		6228.66	220.00
First Aid				0.00	
Freight & Cartage			52.36	52.36	408.50
General Expense				0.00	308.26
Generator Diesel				0.00	
Gifts				0.00	
Hire/rent of Plant & Equipment		971.82	1098.00	2069.82	7715.69
Insurance		38289.06		38289.06	16291.90
Interest - Australia				0.00	1980.59
Interest - D & B Brown				0.00	9466.03
Interest - Westpac		13.17	4431.75	4444.92	336.83
Lease payments			18711.37	18711.37	19616.11
Legal fees	6	7599.40		7599.40	114890.82
Licenses & fees			3326.56	3326.56	1177.99
Maitland Camps Unpaid				0.00	
Materials & supplies				0.00	258.95
Meeting				0.00	
Misappropriated funds				0.00	8455.19
M/V commercial - Other		1053.28			
M/V commercial - Depreciation				0.00	
M/V commercial - Fuel & oil		1209.82	1939.10	3148.92	1055.76
M/V commercial - Reg/Insurance		4259.10		4259.10	616.95
Pavier Police				0.00	20856.00
Postage		2155.22	0.59	2155.81	1919.35
Printing & stationery		12543.01	848.73	13391.74	11610.94
				0.00	
Carried Forward		<u>113438.56</u>	<u>117902.98</u>	<u>231341.54</u>	<u>360624.94</u>

	Note	Guild' 2007	Club' 2007	Consolidated 2007	Consolidated 2006
Brought Forward		<u>113438.56</u>	<u>117902.98</u>	<u>231341.54</u>	<u>360624.94</u>
Rates & land taxes		4393.56		4393.56	3613.29
Rental Show Societies Paid		241691.19		241691.19	3000.00
Repairs & maintenance		3276.23	17858.57	21134.80	27064.99
Security		1160.77	4166.50	5327.27	2044.56
Shows				0.00	
Staff amenities		6.02	653.21	659.23	
Staff training			610.92	610.92	1904.55
Subscriptions		2405.79	876.93	3282.72	5757.91
Sundry expenses				0.00	
Superannuation		4500.94	14613.26	19114.20	16558.80
Telephone		8833.00	2796.36	11629.36	10229.05
Townsville				0.00	7186.18
Travel, accom & conference		9649.69		9649.69	9896.47
Executive Meeting Expenses		-290.91		-290.91	
Wages		50782.30	166802.35	217584.65	196078.65
Water, Rates and taxes				0.00	
Workers compensation			1213.99	1213.99	1399.03
Total expenses		<u>439847.14</u>	<u>327495.07</u>	<u>767342.21</u>	<u>646725.28</u>
Profit from Ordinary Activities before tax		<u>225945.86</u>	<u>15688.14</u>	<u>241634.00</u>	<u>49429.06</u>
Net Margin		33.94%	4.57%	23.95%	7.10%

The accompanying notes form part of these financial statements. These statements should be read in conjunction with the attached compilation report.

The Showmen's Guild of Australasia ABN 75 134 664 816
Balance Sheet As At 31 December 2007

	Notes	Guild '2007 \$	Club '2007 \$	Consolidated '2007 \$	Consolidated '2006
Members' Funds					
Accumulated Funds brought forward		1147874.89	-105684.83	1042190.06	992761.44
Reserves	7	816,352.00	-36,576.00	779776.00	779776.00
Net Surplus (deficit) for year		225,945.86	15,688.14	241634.00	49095.30
Total Equity		<u>2,190,172.75</u>	<u>-126,572.69</u>	<u>2063600.06</u>	<u>1821632.74</u>
Non-Current Assets					
Receivables	8	176,169.89		176169.89	135885.87
Property, plant and equipment	9	1,827,016.00	57,969.80	1884985.80	1786440.06
Total Non-Current Assets		<u>2,003,185.89</u>	<u>57,969.80</u>	<u>2061155.69</u>	<u>1922325.93</u>
Current Assets					
Cash assets	10	146,195.94	34,823.07	181019.01	148300.85
Receivables	8	91,949.21		91949.21	87343.80
Other		5,000.00		5000.00	5000.00
Inventory	11		20,652.21	20652.21	13490.00
Total Current Assets		<u>243,145.15</u>	<u>55,475.28</u>	<u>298620.43</u>	<u>254134.65</u>
Total Assets		<u>2,246,331.04</u>	<u>113,445.08</u>	<u>2359776.12</u>	<u>2176460.58</u>
Current Liabilities					
Payables	12	24,514.50	31,854.83	56369.33	45186.41
Interest-bearing liabilities	13	0.00	23,251.54	23251.54	58573.13
Current tax liabilities	14	11,322.50	11,475.50	22798.00	15361.99
Provisions	15	0.00	0	0.00	974.81
Total Current Liabilities		<u>35,837.00</u>	<u>66,581.87</u>	<u>102418.87</u>	<u>120096.34</u>
Non-Current Liabilities					
Interest-bearing liabilities	13	10,321.03	173,435.90	183756.93	224398.18
Provisions	15	10,000.00	0.00	10000.00	10000.00
Total Non-Current Liabilities		<u>20,321.03</u>	<u>173,435.90</u>	<u>193756.93</u>	<u>234398.18</u>
Total Liabilities		<u>56,158.03</u>	<u>240,017.77</u>	<u>296175.80</u>	<u>354494.52</u>
Excess of Assets over Liabilities		<u>2,190,173.01</u>	<u>-126,572.69</u>	<u>2063600.32</u>	<u>1821966.06</u>

The Showmen's Guild of Australasia ABN 75 134 664 816
Statement of Cash Flows
For the year ended 31 December 2007

	2007	2006
	\$	\$
Cash Flow From Operating Activities		
Receipts from customers	1,326,188	964,244
Payments to Suppliers and employees	-1,055,613	-911,483
Interest received	92	775
Interest and other costs of finance	-23,156	-31,399
Net cash provided by (used in) operating activities (note 2)	<u>247,511</u>	<u>22,137</u>
Cash Flow From Investing Activities		
Payment for:		
Other Assets	0	2707
Payments for Property, plant and equipment	0	-8967
Proceeds from disposal of:		
Loans to shareholders		
Net cash provided by (used in) investing activities	<u>0</u>	<u>-6260</u>
Cash Flow From Financing Activities		
Proceeds of borrowings		
Repayment of borrowings	-179,469	-144,175
Net cash provided by (used in) financing activities	<u>-179,469</u>	<u>-144,175</u>
Net increase (decrease) in cash held	166,585	-128,298
Cash at the beginning of the year	94,724	223,022
Cash at the end of the year (note 1)	<u>162,766</u>	<u>94,724</u>

Note 1. Reconciliation Of Cash

For the purposes of the statement of cash flows, cash includes cash on hand and in banks and investments in money market instruments, net of outstanding bank overdrafts.

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

Cash At Bank Guild - General 83-0168	10,154	-9,339
Cash At Bank Guild - Levy 12-9566	5	33,928
Cash At Bank Guild - GST 20-7632	3,365	3,282
Cash At Bank Guild - Legal A/c 207624	91,108	92,568
Cash At Bank Guild - Members A/c 22-9516	39,610	11,002
Guild - Credit Card	480	0
Undeposited Funds	1,473	0
Cash At Bank Club - Pokies 13/6880	16,006	23
Cash At Bank Club - ATM A/c 22-7465	3,209	677
Cash At Bank Club - Keno A/c 24-4636	4,498	1,675
ATM Machine	7,760	4,760
Cash At Bank Club A/c 13/8956	-23,252	-49,233
Cash At Bank Club - Kitchen A/c 272346	1,411	332
Bar Float	889	0
Gaming Float	1,000	0
Kitchen Cash Held	50	50
Short Term Deposit	5,000	5,000
	162,766	94,725

Note 2. Reconciliation Of Net Cash Provided

By/Used In Operating Activities To Net Profit

Operating profit (loss) after tax	241,634	49,429
Depreciation		
Changes in assets and liabilities net of effects of purchases and disposals of controlled entities:		
(Increase) decrease in trade and term debtors	-4,606	-7,827
(Increase) decrease in closing stock	-7,162	360
Increase (decrease) in trade creditors and accruals	11,183	-13,342
Increase (decrease) in lease liabilities		
Increase (decrease) in employee entitlements	-975	-416
Increase (decrease) in sundry provisions	7,436	-6,067
Net cash provided by operating activities	247,511	22,137

The Showmen's Guild of Australasia ABN 75 134 664 816

Notes to the Financial Statements

For the year ended 31 December 2007

This Financial report is a general purpose Financial report (GPFR) prepared in order to satisfy the financial reporting requirements of the WR Act (RAO Schedule), Associations Incorporations Act 1981 and the Industrial Relations Act 1999 and the requirements of the members of the Showmen's Guild of Australasia

This financial report has been prepared on an accrual basis and is based on historic costs modified by revaluations of selected assets
Refer to numbered notes for summary of details

Note 1: Government Grant

Dept Community Servic Photo copier grant - \$2728

Note 2: Insurance Claims and Refunds

Cornwall StodartTrust a/c - Refund from ACCC \$72310.72 (\$100000 less fees \$27689.28)

Altiora Retail P/L - Insurance claim - \$5165.45

Insurance claimed in break in - \$2192.26

Note 3: Legal Recoveries

Compensation received from [REDACTED] - \$3400

Note 4: Accountancy and Audit

Forest Gate Pty Ltd (accounting services) - \$4215

KP Business Accountant (Accounting services) - \$8000

KP Business Accountant and P.Johnson (Audit) - \$4000

Note 5: Donations

Tumbarumba PA & H Society - \$146

Tweed River Agricultural Society Ltd - \$210

Pittsworth Show Society - \$200

QPCYWA donation Police Youth Club - \$50

Variety Queensland - \$1000

Note 6: Legal Fees

Cornwell Stodart - \$5060.66

Mahoney & Hersford - \$1701.90

Altiora Retail Pty Ltd S/Duty - \$836.84

	<u>Guild '2007</u>	<u>Club '2007</u>	<u>Consolidated '2007</u>	<u>Consolidated '2006</u>
<u>Note 7: Reserves</u>				
- Assets revaluation reserve				
- General reserve	156182.00	-36576.00	119606.00	119606.00
	<u>660170.00</u>		<u>660170.00</u>	<u>660170.00</u>
	<u>816352.00</u>	<u>-36576.00</u>	<u>779776.00</u>	<u>779776.00</u>
<u>Note 8: Receivables</u>				
Current				
Trade debtors				
Provision for doubtful debts	91949.21		91949.21	87343.80
	<u>91949.21</u>		<u>91949.21</u>	<u>87343.80</u>
Non-Current				
Amounts receivable from				
- the Showmen's Club	176169.89		176169.89	135885.87
	<u>176169.89</u>		<u>176169.89</u>	<u>135885.87</u>

Note 9: Property, Plant and Equipment

Freehold land:

- At independent valuation

	700000.00		700000.00		700000.00
--	-----------	--	-----------	--	-----------

Buildings:

	700000.00		700000.00		700000.00
--	-----------	--	-----------	--	-----------

- At independent valuation

	830000.00		830000.00		830000.00
--	-----------	--	-----------	--	-----------

Plant and equipment:

- At cost

	830000.00		830000.00		830000.00
--	-----------	--	-----------	--	-----------

- Less: Accumulated depreciation

	219556.00		219556.00		125902.61
--	-----------	--	-----------	--	-----------

Other plant and equipment:

	219556.00		219556.00		125902.61
--	-----------	--	-----------	--	-----------

- At cost

- Less: Accumulated depreciation

	77460.00	57969.80	135429.80		130537.45
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Motor vehicles:

	77460.00	57969.80	135429.80		130537.45
--	----------	----------	-----------	--	-----------

- At cost

- Less: Accumulated depreciation

	1827016.00	57969.80	1884985.80		1786440.06
--	-------------------	-----------------	-------------------	--	-------------------

	Guild '2007	Club '2007	Consolidated '2007		Consolidated '2006
--	--------------------	-------------------	---------------------------	--	---------------------------

Note 10: Cash assets

Bank accounts:

- Cash At Bank Guild - General 83-0168

- Cash At Bank Guild - Levy 12-9566

	10154.15		10154.15		
--	----------	--	----------	--	--

- Cash At Bank Guild - GST 20-7632

	5.44		5.44		33928.55
--	------	--	------	--	----------

- Cash At Bank Guild - Legal A/c

	3365.37		3365.37		3282.59
--	---------	--	---------	--	---------

- Cash At Bank Guild - Members A/c

22-9516

	91108.39		91108.39		92568.72
--	----------	--	----------	--	----------

Undeposited Funds

	39609.79		39609.79		11002.19
--	----------	--	----------	--	----------

Credit Card

	1472.80		1472.80		
--	---------	--	---------	--	--

- Cash At Bank Club - Pokies 13/6880

	480.00		480.00		
--	--------	--	--------	--	--

- Cash At Bank Club - ATM A/c 22-

7465

	16006.29		16006.29		23.26
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- Cash At Bank Club - Keno A/c 24-

4636

	3209.06		3209.06		677.81
--	---------	--	---------	--	--------

- Cash At Bank Club - Kitchen A/c

272346

	4497.53		4497.53		1675.78
--	---------	--	---------	--	---------

	1410.84		1410.84		332.10
--	---------	--	---------	--	--------

Other cash items:

Bar Float

Gaming Float

	889.50		889.50		
--	--------	--	--------	--	--

- Kitchen Cash Held

	1000.00		1000.00		
--	---------	--	---------	--	--

- ATM Machine

	49.85		49.85		49.85
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- Short term deposit

	7760.00		7760.00		4760.00
--	---------	--	---------	--	---------

	5000.00		5000.00		148300.85
--	---------	--	---------	--	-----------

	151195.94	34823.07	186019.01		153300.00
--	------------------	-----------------	------------------	--	------------------

Note 11: Inventories

Current

Closing stock

	20652.21		20652.21		13490.00
	20652.21		20652.21		13490.00

Note 12: Payables**Unsecured:**

- Trade creditors	314.50	31854.83	32169.33	20986.41
Secured:	314.50	31854.83	32169.33	20986.41
- Trade creditors				
	24200.00		24200.00	24200.00
	24200.00		24200.00	24200.00
	<u>24514.50</u>	<u>31854.83</u>	<u>56369.33</u>	<u>45186.41</u>

Note 13: Interest-Bearing Liabilities

	<u>Guild '2007</u>	<u>Club '2007</u>	<u>Consolidated '2007</u>	<u>Consolidated '2006</u>
Current				
Secured:				
- Bank overdrafts		23251.54	23251.54	58573.13
		23251.54	23251.54	58573.13
Non-Current		<u>23251.54</u>	<u>23251.54</u>	<u>58573.13</u>
Unsecured:				
- Loans from D & B Brown and SGA Members	10321.03		10321.03	79821.03
- Bank loans				
- Loans from the Showmen's Guild		-2733.99	-2733.99	8691.28
		176169.89	176169.89	135885.87
	<u>10321.03</u>	<u>173435.90</u>	<u>183756.93</u>	<u>224398.18</u>
	<u>10321.03</u>	<u>173435.90</u>	<u>183756.93</u>	<u>224398.18</u>

Note 14: Tax Liabilities

Current				
GST payable control account				
Input tax credit control account	8188.09	-0.26	8187.83	18037.22
GST clearing	-28.59	-2463.28	-2491.87	-12189.30
Amounts withheld from salary and wages			12432.00	
	2353.00	10079.00		8022.59
Superannuation Liability	933.00	3580.04	4513.04	1491.48
Super Employee Contribution			-122.61	
	-122.61			
		280.00	280.00	
	<u>11322.89</u>	<u>11475.50</u>	<u>22798.39</u>	<u>15361.99</u>

Note 15: Provisions

Current				
Employee entitlements*		0.00	0.00	974.81
		<u>0.00</u>	<u>0.00</u>	<u>974.81</u>
Non Current				
Bad debts provisions	10000.00		10000.00	10000.00
			<u>10000.00</u>	
* Aggregate employee entitlements liability	<u>10000.00</u>			<u>10000.00</u>
There were 10 employees at the end of the year 31/12/2007	0.00	0.00	0.00	974.81

The accompanying notes form part of these financial statements. These statements should be read in conjunction with the attached compilation report.

The Showmen's Guild of Australasia
A.B.N. 75 134 664 816
Committee's Report
For the year ended 31 December 2007

Your committee members submit the financial accounts of The Showmen's Guild of Australasia for the financial year ended 31 December 2007.

Committee Members

The names of the committee members at the day of this report are:

W.D.Davis (Billy) - President (Deceased April 2007)

N. McGregor OAM - Acting President

G.E Pink (George) - Treasurer

L.J. Davis (John) - Secretary

D.Brown - Trustee

P.Short - Trustee

P. Hennessy - Vice President

G. Johnson - Vice President

W. Wood - Vice President

S. Blades - Vice President

C.Taylor - Vice President

B.Pavier - Vice President

J.Robers- Vice President

M.Allan - Vice President

L.Osborne - Vice President

T. Baker - Committee

A. Laurie - Committee

B. Miller - Committee

T.Nilon - Committee

D. Allan - Committee

S.Watkins - Committee

C. Pink - Committee

F. Laurie - Committee

N. Karaitiana - Committee

L. Chambers - Committee

D. Watkins - Committee

G.Johnson - Committee

Operating Result

The profit of The Showmen's Guild of Australasia for the financial year after providing for income tax amounted to:

Year ended 31 December 2007	Year ended 31 December 2006
\$	\$
241,634	49,429

The Showmen's Guild of Australasia
A.B.N. 75 134 664 816
Committee's Report
For the year ended 31 December 2007

Principal Activities

The principal activities of The Showmen's Guild of Australasia during the course of the year were to support member and the community in relation to Exhibitions and Shows.

Significant Changes in the State of Affairs

No significant changes in The Showmen's Guild of Australasia state of affairs occurred during the financial year.

After Balance Date Events

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of The Showmen's Guild of Australasia, the results of those operations, or the state of affairs of The Showmen's Guild of Australasia in subsequent financial years.

Future Developments

The Showmen's Guild of Australasia expects to maintain the present status and level of operations and hence there are no likely developments in the operations in future financial years.

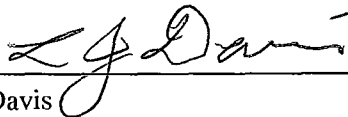
Indemnifying Officer or Auditor

No indemnities have been given or agreed to be given or insurance premiums paid or agreed to be paid, during or since the end of the financial year, to any person who is or has been an officer or auditor of The Showmen's Guild of Australasia.

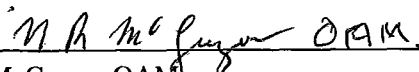
Committee of Management Statement

It was agreed to prepare a committee of management statement in accordance with the WR Act (RAO Schedule).

Signed in accordance with a resolution of the Members of the Committee:



L J Davis
Secretary



Noel McGregor OAM
Acting President

Dated: 25/2/08

Committee of Management Statement

On 25th February 2008 the Committee of Management of The Showmen's Guild of Australasia passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended 2007. 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; and RAO Schedule of the WR Act.
- (b) The financial statements and notes comply with the reporting guidelines of the Industrial Registrar; except for the depreciation policy of the committee, which is in breach of AASB 116.
- (c) After taking into consideration the uncommon depreciation policy adopted by the committee, the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of The Showmen's Guild of Australasia for the financial year to 31st December 2007.
- (d) There are reasonable grounds to believe that The Showmen's Guild of Australasia 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 organization 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 organization 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 organization 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 organization; 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. except for comments in clause (b) above, there has been compliance with the reporting of unit under section 273 of the RAO Schedule during the period.

For Committee of Management: Leslie John Davis
Title of Office held: Secretary

Signature: 

Date: 25/2/08

Operating Report for year ended 31st December 2007 - s254

Principal Activities

The **principal activities** of The Showmen's Guild of Australasia during the reporting period were to provide support to members and the community in relation to exhibitions and shows and if required industrial and organizing services to the members consistent with the objects of The Showmen's Guild of Australasia and particularly the object of protecting and improving the interests of the members. s254(2)(a).

The Showmen's Guild of Australasia's principal activities **resulted** in maintaining and improving the exhibition and shows services to members and improve the conditions of employment to the membership, negotiated by this organisation. s254 (2) (a).

There have been no **significant changes** in the nature of the Showmen's Guild of Australasia's principle activities or financial affairs during the financial year ended 31st December 2007. s254 (2)(a).

Manner of Resignation

Members may resign from The Showmen's Guild of Australasia in accordance with rule 11, which reads as follows: s254(2)(c)

"A member may resign their membership by notifying the Secretary in writing, addressed and delivered to that officer.

A notice of resignation from membership takes effect

- a) Where the member ceases to be eligible to become a member of the organization:
 - i. on the day on which the notice is received by the organization; or
 - ii. (ii) on the day specified in the notice, which is a day not earlier than the day when the member ceases to be eligible to become a member,whichever is later, or
- b) in any other case:
 - i. at the end of two weeks, after the notice is received by the organization; or
 - ii. on the day specified in the notice;whichever is later.

Any dues payable but not paid by a former member of the organization, in relation to a period before the member's resignation from the organization took effect, may be sued for and recovered in the name of the organization, in a court of competent jurisdiction, as a debt due to the organization.

A notice delivered to the Secretary shall be taken to have been received by the organization when it is delivered.

A notice of resignation that has been received by the organization is not invalid because it was not addressed and delivered to the Secretary.

A resignation from membership is valid even if it is not effected in accordance with this Rule if the member is informed in writing by or on behalf of the organization that the resignation has been accepted.

Trustee or director of trustee company of superannuation entity or exempt public sector superannuation scheme s254 (2)(d)

The following officers holders of The Showmen's Guild of Australasia held preserved positions in the following entities.

None

Number of members RAO reg 159(a)

The number of persons who, at the end of the reporting period 31st December 2007, were recorded on the Register of Members of The Showmen's Guild of Australasia was **399**.

Number of employees . RAO reg 159(b)

The number of persons who were, at the end of the reporting period 31st December 2007, employees of The Showmen's Guild of Australasia was **10** (includes **8** part time employees measured on a full time equivalent basis).

Members of Committee of Management RAO reg 159(c)

The persons who held office as members of the Committee of Management of The Showmen's Guild of Australasia during the reporting period 31st December 2007 are:

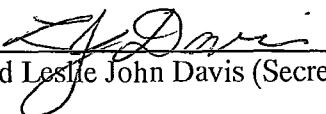
- W.D. Davis (Billy) – President (Deceased April 2007)
- Noel McGregor OAM – Acting President
- L.J Davis (John) - Secretary
- G.E. Pink (George) - Treasurer
- Doreen Brown – Trustee
- Peter Short – Trustee
- Paul Hennessy – Vice President
- Gary Johnson – Vice President
- Clayton Taylor – Vice President
- Broderick Pavier – Vice President
- Shane Blades – Vice President
- John Roberts - Vice President
- Lewis Osborne - Vice President
- William Wood (Billy) - Vice President
- Mick Allan - Vice President

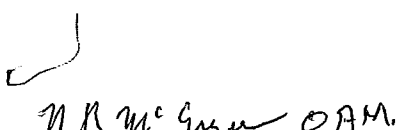
- Luke Chambers – Committee
- Tom Baker – Committee
- Anthony Laurie – Committee
- Frank Laurie (Boy) – Committee
- Dave Allan – Committee
- Stewart Watkins – Committee
- Bruce Miller – Committee
- Terry Nilon – Committee
- Nita Karaitiana – Committee
- Dick Watkins – Committee
- Charlie Pink – Committee
- Grant Johnson - Committee

Operating Result

The profit from Guild and Club's activities after providing for gaming tax amounted to:

Year ended 31 December	Year ended 31 December
2007	2006
\$	\$
241,634	49,429


Signed Leslie John Davis (Secretary)


Signed Noel McGregor OAM (Acting President)

Date 25/2/08

The Showmen's Guild of Australasia
Compilation Report to The Showmen's Guild of Australasia year ended 31/12/2007

On the basis of the information provided by the officers of The Showmen's Guild of Australasia, we have compiled, in accordance with APS 9: Statement on Compilation of Financial Reports the general purpose financial report (GPFR) of The Showmen's Guild of Australasia for the period ended 31st December 2007, comprising the attached Statement of Financial Performance ,Statement of Financial Position and Statement of Cash Flows

The specific purpose for which the general purpose financial report (GPFR) has been prepared is set out in the WR Act (RAO Schedule) The extent to which Australian Accounting Standards and other mandatory professional reporting requirements have been used are in accordance with the requirements of the WR Act (RAO Schedule)and the following applicapable Accounting Standards and Urgent Issues Group Interpretations AASB 3 , AASB 101 , AASB 107 , AASB 108 , AASB 110 , AASB 116 , AASB 117 , AASB 124 , AASB 137 , AASB 1031 , and AASB 1048

The executive officers and staff of The Showmen's Guild of Australasia are solely responsible for the information contained in the general purpose financial report and have determined that the accounting policies used are consistent with the financial reporting requirements of The WR Act (RAO Schedule),The Showmen's Guild of Australasia's constitution and are appropriate to meet the needs of the executive and members of the Showmen's Guild.

Our procedures use accounting expertise to collect, classify and summarise the financial information, which the executive and staff provided into a financial report. Our procedures do not include verification or validation procedures.

To the extent permitted by law, we do not accept liability for any loss or damage which any person, other than the Showmen's Guild, may suffer arising from any negligence on our part. No person other than members of the Showmen's Guild of Australasia should rely on the general purpose financial report without having an audit or review conducted.

The general purpose financial report (GPFR) was prepared for the benefit of the Executive and Members of The Showmen's Guild of Australasia ,the WR Act (RAO Schedule) requirements and the purpose identified above. We do not accept responsibility to any other person for the contents of the general purpose financial report.

Suite 22 / Level 2
149 Wickham Terrace Qld

KP Business Accountants



24 February, 2008

The Showmen's Guild of Australasia
Independent Auditor Report for year ended 31st December 2007

Scope

We have audited the attached financial report, being a general purpose financial report (GPFR) comprising the Committee of Management Statement, Statement of Financial Performance, Statement of Financial Position, Statement of Cash Flows, and Notes to the Financial Statements, for the year ended 31 December 2007 of The Showmen's Guild of Australasia. The Showmen's Guild of Australasia is Incorporated as an organization under Section 27 of the Workplace Relations Act 1996 and reports in accordance with standards of the RAO Schedule (Registration and Accountability of Organisations Schedule - Schedule 1 to Workplace Relations Act 1996). The committee and staff members are responsible for the financial report and have determined that the accounting policies used and described in Notes to the financial statements which form part of the financial report are appropriate to meet the requirements of the WR Act (RAO Schedule) and are appropriate to meet the needs of the members. We have conducted an independent audit of the financial report in order to express an opinion on it to the members of the company. No opinion is expressed as to whether the accounting policies used are appropriate to the needs of the members.

The audited financial report has been prepared for distribution to the management committee and members for the purpose of fulfilling the organization's financial reporting requirements under the Workplace Relations Act 1996 and the RAO Schedule. We disclaim any assumption of responsibility for any reliance on this report or on the financial report to which it relates to any person other than the members, or for any purpose other than that for which it was prepared.

Our audit has been conducted in accordance with Australian Auditing Standards, AASB3, AASB101, AASB107, AASB 108, AASB 110, AASB 116, AASB 117, AASB124, AASB137, AASB1031, AASB1048, the WR Act and RAO Schedule. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial statements, and the evaluation of significant accounting estimates. These procedures have been undertaken to form an opinion whether, in all material respects, the financial report is presented fairly in accordance with the accounting policies of the Showmen's Guild of Australasia, acceptable accounting standards, the WR Act (RAO Schedule) and other statutory requirements, so as to present a view which is consistent with our understanding of the Showmen's Guild of Australasia's financial position, and performance as represented by the results of its operations and its cash flows. These policies do not require the application of all Accounting Standards and other mandatory professional reporting requirements except those described in the RAO Schedule.

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

Qualifications

- 1/ The committee of the Showmen's Guild of Australasia has an uncommon depreciation and amortisation policy. There is no depreciation or amortisation expense taken up in its financial statement because an Independent Current Fair Market Valuation is carried out every two years on all Property and Plant and Equipment belonging to this organisation.**
 - 2/ In 2007 there was no depreciation or amortisation cost taken up in the financial statements. This is a breach of the Accounting Standard AASB 116 - Property, Plant & Equipment.**
 - 3/ In absence of depreciation and amortisation cost some amount of provision is to be taken up in the Financial statements of this organisation as Contingent Liabilities. This contingency provision will estimate replacement cost and wear and tear of its plant and equipment (AASB 137). Furthermore the book value of the property held appears to be undervalued and provision should also be taken up as a Contingent Asset to reflect this increased value.**
 - 4/ Due to the long term nature of this organisation's business culture, full control of receipts cannot be maintained until the funds are banked and recorded in the Showmen's Guild books and records, therefore we are unable to confirm that all receipts have been properly recorded.**
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The Showmen's Guild of Australasia
Independent Auditor Report for year ended 31st December 2007

Independence


In accordance with ASIC Class Order 05/83, we declare to the best of our knowledge and belief that the auditor's independence declaration has not changed as at the date of providing our audit opinion.

Audit opinion

In our opinion, except for the matters raised in the qualification paragraphs :

1. The financial statements and reports of the Showmen's Guild of Australasia
 - (a) present a true and fair view of the Showmen's Guild of Australasia 's financial position for year ended 31st December 2007 and of it's performance for the year ended on that date in accordance with applicable accounting standards (AASB) , the WR Act (RAO Schedule) ,Associations Incorporated Act 1981 and the Industrial Relations Act 1999 and in accordance with the Showmen's Guild of Australasia's accounting policies ; and
 - (b) The financial statements are properly drawn up complying with Accounting Standards, comprising AASB 1025: Application of the Reporting Entity Concept and Other Amendments and other Accounting Standards to the extent described in the qualifying paragraph and the provisions of the WR Act (RAO Schedule),Associations Incorporations Act 1981 and the Industrial Relations Act 1999

Signed at Brisbane on 25th February 2008:



Peter Johnson, (Chartered Accountant)Registered Company Auditor (No 5986)

KP Business Accountants

c/- Suite 22 / Level 2 149 Wickham Terrace Brisbane Qld 4000
