

ACTRA NATIONAL
FINANCIAL STATEMENTS
YEAR ENDED FEBRUARY 28, 2005

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AUDITORS' REPORT

TO THE MEMBERS OF
ACTRA

We have audited the balance sheet of ACTRA National as at February 28, 2005 and the statements of operations, net assets and cash flows for the year then ended. These financial statements are the responsibility of the organization's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the organization as at February 28, 2005 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Clarke Henning LLP

CHARTERED ACCOUNTANTS

Toronto, Ontario
April 29, 2005



Member:
Independent
Accountants
International

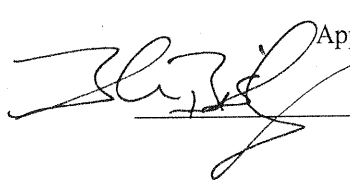
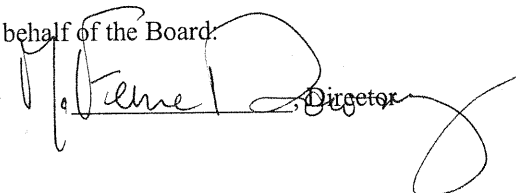
ACTRA NATIONAL

BALANCE SHEET

AS AT FEBRUARY 28, 2005

	2005	2004
ASSETS		
Current assets		
Cash	\$ 1,519,635	\$ 900,288
Accounts receivable	632,352	281,847
Prepaid expenses and deposits	64,037	54,861
Due from ACTRA Toronto Performers Branch	-	993
Due from ACTRA Performers' Rights Society	-	2,773
	<u>2,216,024</u>	<u>1,240,762</u>
Furniture, equipment and software (note 3)	124,974	251,863
	<u>2,340,998</u>	<u>1,492,625</u>
LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities	465,394	403,114
Accrued vacation pay	36,976	35,428
Due to Branches	150,740	53,564
Due to ACTRA Toronto Performers Branch	99,726	-
Due to ACTRA Performers' Rights Society	25,089	-
Due to U.B.C.P.	28,812	-
	<u>806,737</u>	<u>492,106</u>
NET ASSETS		
Extraordinary contingency fund (note 2)	2,383	2,383
Unappropriated surplus	1,406,904	746,273
Invested in furniture, equipment and software	124,974	251,863
	<u>1,534,261</u>	<u>1,000,519</u>
	<u>\$ 2,340,998</u>	<u>\$ 1,492,625</u>

Approved on behalf of the Board:

 Director  Director

ACTRA NATIONAL
STATEMENT OF OPERATIONS
YEAR ENDED FEBRUARY 28, 2005

	2005	2004
Income		
Per capita - full members	\$ 3,128,588	\$ 3,106,025
Per capita - apprentice members	502,800	497,250
Information services	251,345	76,589
Equalization income	1,125,837	1,004,513
Interest income	17,371	12,258
	5,025,941	4,696,635
Expenses		
National council and executive (<i>Schedule A</i>)	154,175	122,995
National committees (<i>Schedule B</i>)	19,495	17,400
National executive director's office (<i>Schedule C</i>)	250,667	373,740
Bargaining and research (<i>Schedule D</i>)	372,934	413,244
Collective agreements (<i>Schedule E</i>)	248,782	265,368
Policy and communications (<i>Schedule F</i>)	565,272	537,951
Policy consultant (<i>Schedule G</i>)	10,415	58,236
External relations (<i>Schedule H</i>)	106,652	91,035
Finance, human resources and administration (<i>Schedule I</i>)	817,019	832,381
Information technology (<i>Schedule J</i>)	603,051	724,479
Occupancy (<i>Schedule K</i>)	357,590	357,739
GST expense	44,909	44,020
Transfer to ACTRA Performers' Rights Society	220,500	250,000
Transfer to Western Region	-	50,000
Apprentice member credit	173,921	153,686
	3,945,382	4,292,274
Excess of income over expenses before transfer payments	1,080,559	404,361
ACTRA financial rebates to branches	(332,100)	-
Transfer payments to branches	(214,717)	(209,762)
Excess of income over expenses	\$ 533,742	\$ 194,599

ACTRA NATIONAL

STATEMENT OF NET ASSETS

YEAR ENDED FEBRUARY 28, 2005

	<i>Invested in Furniture, Equipment and Software</i>	<i>Unappropriated Surplus</i>	<i>Extraordinary Contingency Fund</i>	<i>Total 2005</i>	<i>Total 2004</i>
Net assets - at beginning of year	\$ 251,863	\$ 746,273	\$ 2,383	\$ 1,000,519	\$ 805,920
Excess of income over expenses	-	533,742	-	533,742	194,599
Purchase of furniture, equipment and software	9,732	(9,732)	-	-	-
Depreciation	(136,621)	136,621	-	-	-
Net assets - at end of year	\$ 124,974	\$ 1,406,904	\$ 2,383	\$ 1,534,261	\$ 1,000,519

ACTRA NATIONAL

STATEMENT OF CASH FLOWS

YEAR ENDED FEBRUARY 28, 2005

	2005	2004
Cash flows from operating activities		
Cash receipts from members, non-members and producers	\$ 4,658,065	\$ 4,772,969
Cash paid for expenses	(4,300,926)	(4,335,626)
Interest received	17,371	12,258
	<u>374,510</u>	<u>449,601</u>
Cash flows from financing activity		
Advances from (repayments to) related organizations	254,569	80,997
Cash flows from investing activity		
Purchase of furniture, equipment and software	(9,732)	(64,202)
Change in cash during the year	<u>619,347</u>	<u>466,396</u>
Cash - at beginning of year	900,288	433,892
Cash - at end of year	<u>\$ 1,519,635</u>	<u>\$ 900,288</u>

ACTRA NATIONAL

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED FEBRUARY 28, 2005

1. ORGANIZATION

ACTRA National is a not for profit organization. The organization is a federation of branches and local unions, national in scope, representing performers in the live transmission and recorded media.

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles for non-profit organizations.

These financial statements include only the operations carried on by ACTRA National. They do not include the assets, liabilities, income and expenses of the autonomous branches, including those administered by ACTRA National in trust for those branches. Separate financial statements have been prepared for the branches.

Furniture, Equipment and Software

Furniture, equipment and software are recorded at cost and amortized over their estimated useful lives on a straight line basis as follows:

Computer equipment	-3 years
Computer software	-5 years
Furniture and fixtures	-5 years

Revenue

Revenue is accrued as earned.

Extraordinary Contingency Fund

In 1998 an extraordinary contingency fund was established to provide for organizing, bargaining and negotiations, extraordinary meetings of ACTRA National, and legal counsel. The fund was financed through voluntary contributions of 5% of non-member work permit income from the branches/local unions. Subsequent to the 2002 fiscal year, no additional contributions have been made to the fund.

Use of Estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires the Company's management to make estimates and assumptions that affect the amounts reported in the financial statements and related notes to the financial statements. Actual results may differ from these estimates.

ACTRA NATIONAL
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED FEBRUARY 28, 2005

3. FURNITURE, EQUIPMENT AND SOFTWARE

Details of furniture, equipment and software are as follows:

	<i>Cost</i>	<i>Accumulated Depreciation</i>	<i>Net Book Value</i>	
			<i>2005</i>	<i>2004</i>
Computer equipment	\$ 628,984	\$ 586,225	\$ 42,759	\$ 118,372
Computer software	109,744	68,069	41,675	63,624
Furniture and fixtures	176,750	136,210	40,540	69,867
	\$ 915,478	\$ 790,504	\$ 124,974	\$ 251,863

Computer system development costs that relate to new functions are capitalized and amortized over five years. These costs are classified as computer software.

4. LEASE COMMITMENTS

The Association has commitments under operating leases for premises. The leases expire on July 31, 2010 and the minimum annual payments under the leases are as follows:

Fiscal year	2006	\$ 94,143
	2007	105,090
	2008	105,090
	2009	105,090
	2010	105,090
	2011	43,788

In addition to the minimum rent, the Company is obligated to pay operating costs for its office space. The operating costs paid were approximately \$125,000 (2004 - \$121,000).

5. FINANCIAL INSTRUMENTS

The organization's financial instruments consist of cash, accounts receivable, accounts payable and advances to/from related companies. It is management's opinion that the organization is not exposed to significant interest, currency or credit risks arising from these financial instruments.

The fair value of these financial instruments, except for the advances to/from related companies, corresponds to their carrying value due to their short-term maturity. The fair value of the advances to/from related companies is not readily determinable because of the related party nature of the balances.

6. CONTINGENCY

Canada Customs and Revenue Agency (CCRA), has ruled that certain revenue streams are not taxable. Consequently, previously claimed related input tax credits may not be deductible. This ruling is currently being appealed. In the event that the appeal is unsuccessful, input tax credits along with interest would become reimbursable to CCRA. Neither the aggregate amount of input tax credits to be reimbursed and interest, nor the outcome of the appeal are determinable at this time.

ACTRA NATIONAL

SCHEDULES OF OPERATING EXPENSES

YEAR ENDED FEBRUARY 28, 2005

	2005	2004
National Council and Executive	<i>Schedule A</i>	
National council		
Meeting costs	\$ 23,156	\$ 28,814
Councillor travel costs	22,790	19,509
Officer expenses	8,384	7,125
Senior staff expenses	6,692	4,672
Councillor tool kits	14,697	-
	<u>75,719</u>	<u>60,120</u>
National executive		
Meeting costs	24,400	6,008
Officer expenses	9,906	4,971
Senior staff expenses	7,815	46
	<u>42,121</u>	<u>11,025</u>
Officers and senior staff meetings		
Meeting costs	383	710
Officer expenses	1,906	4,629
Senior staff expenses	1,015	4,589
	<u>3,304</u>	<u>9,928</u>
Honoraria	29,250	29,021
Officer expenses - other	3,781	12,901
Total	<u>154,175</u>	<u>122,995</u>

National Committees	<i>Schedule B</i>	
Political action committee	500	684
Finance committee meetings	384	900
Women in the directors chair	10,000	10,000
PAL	5,000	5,000
Communications committee meetings	-	542
Discipline committee	-	274
Other committees	3,611	-
	<u>\$ 19,495</u>	<u>\$ 17,400</u>

ACTRA NATIONAL

SCHEDULE OF OPERATING EXPENSES

YEAR ENDED FEBRUARY 28, 2005

	2005	2004
National Executive Director's Office		
	<i>Schedule C</i>	
Salaries	\$ 186,113	\$ 285,817
RRSP	22,482	34,376
General benefits	26,084	23,107
	<u>234,679</u>	<u>343,300</u>
National executive director expenses	9,051	18,951
Regional director expenses	6,937	-
Western regional director expenses	-	5,900
Eastern regional director expenses	-	5,589
	<u>250,667</u>	<u>373,740</u>

Bargaining and Research		
	<i>Schedule D</i>	
Salaries	256,881	293,235
Maternity benefits	3,775	11,315
RRSP	19,849	17,993
General benefits	54,845	49,196
	<u>335,350</u>	<u>371,739</u>
Director expenses	11,460	4,692
Research materials	5,146	10,227
Organizing expenses and tools	20,978	26,586
	<u>\$ 372,934</u>	<u>\$ 413,244</u>

ACTRA NATIONAL

SCHEDULE OF OPERATING EXPENSES

YEAR ENDED FEBRUARY 28, 2005

	2005	2004
Collective Agreement Negotiation and Administration		<i>Schedule E</i>
CBC - Negotiations	\$ -	\$ 4,252
- Officer expenses	-	1,557
- Senior staff expenses	51	90
- Administration	-	48
- Legal	1,500	2,000
- Editing	6,070	1,380
	<u>7,621</u>	<u>9,327</u>
Commercials - Negotiations	40,608	-
- Officer expenses	5,208	-
- Senior staff expenses	7,790	673
- Administration	14,414	247
- Legal	10,000	10,000
- Printing	76,533	36,313
	<u>154,553</u>	<u>47,233</u>
IPA - Negotiations	840	42,198
- Officer expenses	1,893	6,358
- Senior staff expenses	138	6,198
- Administration	243	138
- Legal	10,000	25,000
- Conference fees	3,220	3,332
- Printing	59,909	122,430
	<u>76,243</u>	<u>205,654</u>
Other - Negotiations	396	160
- Senior staff expenses	4,241	940
- Administration	-	54
- Legal	4,000	2,000
- Printing	1,728	-
	<u>10,365</u>	<u>3,154</u>
	<u>\$ 248,782</u>	<u>\$ 265,368</u>

ACTRA NATIONAL

SCHEDULE OF OPERATING EXPENSES

YEAR ENDED FEBRUARY 28, 2005

	2005	2004
Policy and Communications		
	<i>Schedule F</i>	
Salaries	\$ 214,366	\$ 145,044
RRSP	15,644	10,973
General benefits	41,278	26,566
	<u>271,288</u>	<u>182,583</u>
Director expenses	31,644	14,765
Lobbying expenses	40,054	17,054
Coalitions	19,735	22,006
Presidents expenses	4,271	1,409
	<u>95,704</u>	<u>55,234</u>
InterACTRA news	102,110	65,458
Advertising	31,919	29,756
Sponsorships	26,976	24,852
Promotional materials	4,404	3,073
Administrative services	9,424	5,398
Publications	1,878	4,518
ACTRA awards	16,223	24,000
Communications advisor	-	8,802
Public relations officer's expenses	1,199	354
Face to Face marketing online	4,147	-
	<u>198,280</u>	<u>166,211</u>
ACTRA 60th anniversary	-	133,923
	<u>565,272</u>	<u>537,951</u>
Policy Consultant		
	<i>Schedule G</i>	
Advisor fees	10,415	50,000
Expenses	-	8,236
	<u>\$ 10,415</u>	<u>\$ 58,236</u>

ACTRA NATIONAL
SCHEDULE OF OPERATING EXPENSES
YEAR ENDED FEBRUARY 28, 2005

	2005	2004
External Relations		<i>Schedule H</i>
FIA affiliation fees	\$ 39,142	\$ 35,264
CLC affiliation fees	22,911	21,578
Officer expenses - FIA	4,902	4,607
- FIANA	-	1,805
- SAG/AFTRA	11,113	10,561
Senior staff expenses - FIA	4,891	4,571
- FIANA	-	1,291
- SAG/WTO	14,591	11,358
Other	9,102	-
	106,652	91,035

Finance, Human Resources and Administration		<i>Schedule I</i>
Salaries	521,883	474,455
RRSP	43,243	43,367
General benefits	112,900	80,082
Temporary help	1,333	2,170
	679,359	600,074
National Director of Finance and Administration expenses	1,060	422
Printing	29,869	36,044
Professional fees	7,893	5,377
Auditing fees	10,939	8,229
Legal fees	15,000	59,724
Staff conference	21,498	17,718
Staff recruitment	975	3,311
Staff training	10,485	5,605
Staff appreciation	1,914	2,580
Bank charges	8,027	8,297
Alliance debt reduction	30,000	85,000
	137,660	232,307
	\$ 817,019	\$ 832,381

ACTRA NATIONAL
SCHEDULE OF OPERATING EXPENSES
YEAR ENDED FEBRUARY 28, 2005

	2005	2004
Information Technology	<i>Schedule J</i>	
Salaries	\$ 308,377	\$ 286,654
Maternity benefits	-	6,911
RRSP	19,897	21,633
General benefits	65,343	54,876
	393,617	370,074
Maintenance	1,711	4,422
Software	14,923	15,833
Hardware	2,322	2,297
Supplies	7,234	5,983
Network costs	45,404	53,607
Depreciation - computer equipment	35,020	42,392
Consulting fees	9,919	48,663
Webtrust audit	24,890	17,523
Depreciation - membership system	68,011	163,685
	603,051	724,479
Occupancy	<i>Schedule K</i>	
Rent	203,411	200,084
Telephone	21,358	22,318
Insurance	18,455	15,597
Supplies and miscellaneous	10,210	9,690
Postage	17,580	22,693
Courier	18,587	18,778
Furniture and fixtures - repair	1,559	4,608
Equipment rental	23,478	23,975
Depreciation - furniture and fixtures	33,590	31,368
Western regional office expenses	9,362	8,628
	\$ 357,590	\$ 357,739