

**ACTRA NATIONAL**  
**FINANCIAL STATEMENTS**  
**YEAR ENDED FEBRUARY 29, 2004**

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## AUDITORS' REPORT

TO THE MEMBERS OF  
ACTRA

We have audited the balance sheet of ACTRA National as at February 29, 2004 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 29, 2004 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 26, 2004



Member:  
Independent  
Accountants  
International

# ACTRA NATIONAL

## BALANCE SHEET

AS AT FEBRUARY 29, 2004

	2004	2003
<b>ASSETS</b>		
Current assets		
Cash	\$ 900,288	\$ 433,892
Accounts receivable	281,847	370,439
Prepaid expenses and deposits	54,861	56,675
Due from ACTRA Toronto Performers Branch	993	32,648
Due from ACTRA Performers' Rights Society	2,773	174,778
	<u>1,240,762</u>	<u>1,068,432</u>
Furniture, equipment and software (note 3)	251,863	425,106
	<u>1,492,625</u>	<u>1,493,538</u>

## LIABILITIES

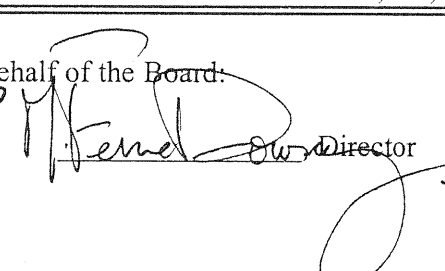
Current liabilities		
Accounts payable and accrued liabilities	403,114	481,183
Accrued vacation pay	35,428	30,208
Due to Branches	53,564	175,527
Due to U.B.C.P.	-	700
	<u>492,106</u>	<u>687,618</u>

## NET ASSETS

Extraordinary contingency fund (note 2)	2,383	2,383
Unappropriated surplus	746,273	378,431
Invested in furniture, equipment and software	251,863	425,106
	<u>1,000,519</u>	<u>805,920</u>
	<u>\$ 1,492,625</u>	<u>\$ 1,493,538</u>

Approved on behalf of the Board:

 , Director

 , Director

**ACTRA NATIONAL**  
**STATEMENT OF OPERATIONS**  
**YEAR ENDED FEBRUARY 29, 2004**

	<b>2004</b>	2003
		<i>(note 7)</i>
<b>Income</b>		
Per capita - full members	\$ 3,106,025	\$ 3,017,350
Per capita - apprentice members	497,250	-
Information services	76,589	406,505
Equalization income	1,004,513	1,499,010
Interest income	12,258	6,018
	<b>4,696,635</b>	4,928,883
<b>Expenses</b>		
National council and executive <i>(Schedule A)</i>	122,995	139,362
National committees <i>(Schedule B)</i>	17,400	11,108
National executive director's office <i>(Schedule C)</i>	373,740	273,556
Bargaining and research <i>(Schedule D)</i>	413,244	547,723
Collective agreements <i>(Schedule E)</i>	265,368	168,109
Policy and communications <i>(Schedule F)</i>	537,951	295,494
Policy consultant <i>(Schedule G)</i>	58,236	83,925
External relations <i>(Schedule H)</i>	91,035	78,388
Finance, human resources and administration <i>(Schedule I)</i>	832,381	887,157
Information technology <i>(Schedule J)</i>	724,479	1,360,403
Occupancy <i>(Schedule K)</i>	357,739	361,503
GST expense	44,020	77,898
Transfer to ACTRA Performers' Rights Society	250,000	-
Transfer to Western Region	50,000	-
Apprentice member rebate	153,686	-
	<b>4,292,274</b>	4,284,626
Excess of income over expenses before transfer payments	404,361	644,257
Transfer payments to branches	(209,762)	(414,912)
<b>Excess of income over expenses</b>	<b>\$ 194,599</b>	<b>\$ 229,345</b>

**ACTRA NATIONAL**  
**STATEMENT OF NET ASSETS**  
**YEAR ENDED FEBRUARY 29, 2004**

	<i>Invested in Furniture, Equipment and Software</i>	<i>Unappropriated Surplus</i>	<i>Extraordinary Contingency Fund</i>	<i>Total 2004</i>	<i>Total 2003</i>
Net assets - at beginning of year	\$ 425,106	\$ 378,431	\$ 2,383	\$ 805,920	\$ 576,575
Excess of income over expenses	-	194,599	-	194,599	229,345
Purchase of furniture, equipment and software	64,202	(64,202)	-	-	-
Depreciation	(237,445)	237,445	-	-	-
Net assets - at end of year	\$ 251,863	\$ 746,273	\$ 2,383	\$ 1,000,519	\$ 805,920

**ACTRA NATIONAL**  
**STATEMENT OF CASH FLOWS**  
**YEAR ENDED FEBRUARY 29, 2004**

	<b>2004</b>	<b>2003</b>
Cash flows from operating activities		
Cash receipts from members, non-members and producers	\$ 4,772,969	\$ 5,023,487
Cash paid for expenses	(4,335,626)	(4,508,565)
Interest received	12,258	6,018
	<b>449,601</b>	<b>520,940</b>
Cash flows from financing activity		
Advances from (repayments to) related organizations	80,997	(237,212)
Cash flows from investing activities		
Purchase of furniture, equipment and software	(64,202)	(103,662)
Proceeds from investments	-	200,000
	<b>(64,202)</b>	<b>96,338</b>
Change in cash during the year	<b>466,396</b>	<b>380,066</b>
Cash - at beginning of year	<b>433,892</b>	<b>53,826</b>
Cash - at end of year	<b>\$ 900,288</b>	<b>\$ 433,892</b>

**ACTRA NATIONAL**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED FEBRUARY 29, 2004**

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*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

*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 29, 2004**

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*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>2004</i>	<i>2003</i>
Computer equipment	\$	708,412	\$	590,040	\$	118,372
Computer software		109,745		46,121		63,624
Furniture and fixtures		172,487		102,620		69,867
	\$	990,644	\$	738,781	\$	251,863
					\$	425,106

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	2005	\$	78,818
	2006		97,045
	2007		97,045
	2008		97,045
	2009		97,045
	2010-2011		199,540

In addition to the minimum rent, the Company is obligated to pay operating costs for its office space. The operating costs paid were approximately \$121,000 (2003 - \$136,000).

*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.



**ACTRA NATIONAL**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED FEBRUARY 29, 2004**

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*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.

*7. COMPARATIVE FIGURES*

Certain 2003 comparative figures have been reclassified to conform with the financial statement presentation adopted for the current year.

**ACTRA NATIONAL**  
**SCHEDULES OF OPERATING EXPENSES**  
**YEAR ENDED FEBRUARY 29, 2004**

	2004	2003
		<i>(note 7)</i>
National Council and Executive		<i>Schedule A</i>
National council		
Meeting costs	\$ 28,814	\$ 66,659
Councillor travel costs	19,509	-
Officer expenses	7,125	-
Senior staff expenses	4,672	-
	<b>60,120</b>	<b>66,659</b>
National executive		
Meeting costs	6,008	34,043
Officer expenses	4,971	-
Senior staff expenses	46	-
	<b>11,025</b>	<b>34,043</b>
Officers and senior staff meetings		
Meeting costs	710	-
Officer expenses	4,629	-
Senior staff expenses	4,589	-
	<b>9,928</b>	<b>-</b>
Honoraria	29,021	29,120
Officer expenses - other	12,901	9,540
<b>Total</b>	<b>122,995</b>	<b>139,362</b>
National Committees		<i>Schedule B</i>
Political action committee	684	-
Finance committee meetings	900	-
Women in the directors chair	10,000	10,000
PAL	5,000	-
Communications committee meetings	542	783
Discipline committee	274	325
	<b>17,400</b>	<b>11,108</b>
National Executive Director's Office		<i>Schedule C</i>
Salaries	285,817	194,041
RRSP	34,376	17,065
General benefits	23,107	29,315
	<b>343,300</b>	<b>240,421</b>
National executive director expenses	18,951	8,801
Western regional director expenses	5,900	14,952
Eastern regional director expenses	5,589	9,382
	<b>\$ 373,740</b>	<b>\$ 273,556</b>

**ACTRA NATIONAL**  
**SCHEDULE OF OPERATING EXPENSES**  
**YEAR ENDED FEBRUARY 29, 2004**

	2004	2003
		<i>(note 7)</i>
Bargaining and Research		<i>Schedule D</i>
Salaries	\$ 293,235	\$ 381,676
Maternity benefits	11,315	13,751
RRSP	17,993	34,130
General benefits	49,196	58,631
	<b>371,739</b>	<b>488,188</b>
Director expenses	4,692	-
Research materials	10,227	-
Organizing expenses	26,586	59,535
	<b>413,244</b>	<b>547,723</b>
Collective Agreement Negotiation and Administration		<i>Schedule E</i>
CBC - Negotiations	4,252	-
- Officer expenses	1,557	-
- Senior staff expenses	90	-
- Administration	48	1,761
- Legal	2,000	-
- Editing	1,380	-
	<b>9,327</b>	<b>1,761</b>
Commercials - Negotiations	-	18,130
- Senior staff expenses	673	-
- Administration	247	-
- Legal	10,000	9,600
- Printing	36,313	-
	<b>47,233</b>	<b>27,730</b>
IPA - Negotiations	42,198	18,715
- Officer expenses	6,358	-
- Senior staff expenses	6,198	-
- Administration	138	-
- Legal	25,000	13,244
- Conference fees	3,332	-
- Printing	122,430	93,513
	<b>205,654</b>	<b>125,472</b>
Other - Negotiations	-	13,146
- Officer expenses	160	-
- Senior staff expenses	940	-
- Administration	54	-
- Legal	2,000	-
	<b>3,154</b>	<b>13,146</b>
	<b>\$ 265,368</b>	<b>\$ 168,109</b>

**ACTRA NATIONAL**  
**SCHEDULE OF OPERATING EXPENSES**  
**YEAR ENDED FEBRUARY 29, 2004**

	2004	2003
		<i>(note 7)</i>
Policy and Communications		<i>Schedule F</i>
Salaries	\$ 145,044	\$ 92,036
RRSP	10,973	7,964
General benefits	26,566	13,681
	<b>182,583</b>	<b>113,681</b>
Director expenses	14,765	-
Lobbying expenses	17,054	-
Coalitions	22,006	-
Presidents expenses	1,409	985
	<b>55,234</b>	<b>985</b>
Interactra news	65,458	86,309
Advertising	29,756	15,512
Sponsorships	24,852	27,032
Promotional materials	3,073	8,067
Administrative services	5,398	3,841
Publications	4,518	-
Actra awards	24,000	5,000
Communications advisor	8,802	82
Public relations officer's expenses	354	-
Face to Face marketing online	-	10,545
ACTRA website	-	20,224
	<b>166,211</b>	<b>176,612</b>
ACTRA 60th anniversary	133,923	4,216
	<b>537,951</b>	<b>295,494</b>
Policy Consultant		<i>Schedule G</i>
Advisor fees	50,000	61,250
Expenses	8,236	22,675
	<b>58,236</b>	<b>83,925</b>
External Relations		<i>Schedule H</i>
FIA affiliation fees	35,264	30,271
CLC affiliation fees	21,578	20,883
Officer expenses - FIA	4,607	-
- FIANA	1,805	-
- SAG/AFTRA	10,561	-
Senior staff expenses - FIA	4,571	8,676
- FIANA	1,291	1,390
- SAG/WTO	11,358	16,599
Other	-	569
	<b>\$ 91,035</b>	<b>\$ 78,388</b>

**ACTRA NATIONAL**  
**SCHEDULE OF OPERATING EXPENSES**  
**YEAR ENDED FEBRUARY 29, 2004**

	2004	2003
		<i>(note 7)</i>
Finance, Human Resources and Administration		<i>Schedule I</i>
Salaries	\$ 474,455	\$ 471,976
RRSP	43,367	44,367
General benefits	80,082	76,220
Temporary help	2,170	5,089
	<b>600,074</b>	<b>597,652</b>
National Director of Finance and Administration expenses	422	3,637
Printing	36,044	127,971
Referenda	-	22,775
Professional fees	5,377	4,095
Auditing fees	8,229	8,520
Legal fees	59,724	11,253
Staff conference	17,718	25,827
Staff recruitment	3,311	-
Staff training	5,605	2,374
Staff appreciation	2,580	-
Bank charges	8,297	8,053
Alliance debt reduction	85,000	75,000
	<b>232,307</b>	<b>289,505</b>
	<b>\$ 832,381</b>	<b>\$ 887,157</b>

**ACTRA NATIONAL**  
**SCHEDULE OF OPERATING EXPENSES**  
**YEAR ENDED FEBRUARY 29, 2004**

	2004	2003
		<i>(note 7)</i>
Information Technology		<i>Schedule J</i>
Salaries	\$ 286,654	\$ 114,209
Maternity benefits	6,911	-
RRSP	21,633	10,239
General benefits	54,876	17,589
	<b>370,074</b>	<b>142,037</b>
Maintenance	4,422	7,546
Software	15,833	36,669
Hardware	2,297	5,892
Supplies	5,983	5,268
Network costs	53,607	83,103
Depreciation - computer equipment	42,392	39,857
Consulting fees	48,663	45,556
Webtrust audit	17,523	20,000
Depreciation - membership system	163,685	159,518
Training	-	19,338
Computer Systems Development		
Current membership maintenance	-	41,575
New membership system	-	617,504
Face to Face	-	101,848
IT administration	-	34,692
	<b>724,479</b>	<b>1,360,403</b>
Occupancy		<i>Schedule K</i>
Rent	200,084	215,521
Telephone	22,318	19,591
Insurance	15,597	13,305
Supplies and miscellaneous	9,690	9,092
Postage	22,693	19,306
Courier	18,778	18,523
Furniture and fixtures - repair	4,608	4,391
Equipment rental	23,975	23,724
Depreciation - furniture and fixtures	31,368	29,445
Western regional office expenses	8,628	8,605
	<b>\$ 357,739</b>	<b>\$ 361,503</b>