

ACTRA NATIONAL
FINANCIAL STATEMENTS
YEAR ENDED FEBRUARY 28, 2006

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Clarke
Henning
LLP

Chartered Accountants

10 Bay Street, Suite 801
Toronto, Ontario
Canada M5J 2R8
Tel: (416) 364-4421
Fax: (416) 367-8032
Email: ch@clarkehenning.com



AUDITORS' REPORT

TO THE MEMBERS OF
ACTRA

We have audited the balance sheet of ACTRA National as at February 28, 2006 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, 2006 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 28, 2006

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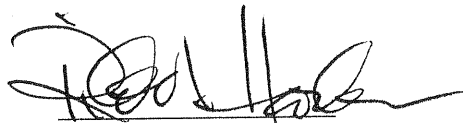
ACTRA NATIONAL

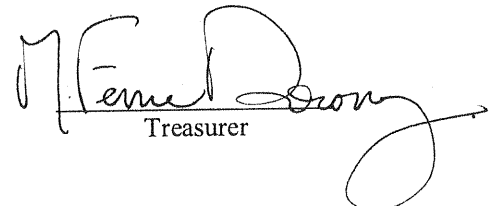
BALANCE SHEET

AS AT FEBRUARY 28, 2006

	2006	2005
ASSETS		
Current assets		
Cash	\$ 2,545,258	\$ 1,519,635
Accounts receivable	526,712	632,352
Prepaid expenses and deposits	59,956	64,037
Due from ACTRA Performers' Rights Society	41,267	-
	<u>3,173,193</u>	<u>2,216,024</u>
Furniture, equipment and software (note 3)	83,943	124,974
	<u>3,257,136</u>	<u>2,340,998</u>
LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities	665,184	465,394
Accrued vacation pay	33,249	36,976
Due to Branches	546,494	150,740
Due to ACTRA Toronto Performers Branch	78,606	99,726
Due to ACTRA Performers' Rights Society	-	25,089
Due to U.B.C.P.	33,124	28,812
	<u>1,356,657</u>	<u>806,737</u>
NET ASSETS		
Extraordinary contingency fund (note 2)	2,383	2,383
Unappropriated surplus	1,814,153	1,406,904
Invested in furniture, equipment and software	83,943	124,974
	<u>1,900,479</u>	<u>1,534,261</u>
	<u>\$ 3,257,136</u>	<u>\$ 2,340,998</u>

Approved on behalf of the Board:


President


Treasurer

ACTRA NATIONAL

STATEMENT OF OPERATIONS

YEAR ENDED FEBRUARY 28, 2006

	2006	2005
Income		
Per capita - full members	\$ 3,241,166	\$ 3,128,588
Per capita - apprentice members	488,400	502,800
Information services	260,894	251,345
Equalization income	1,183,490	1,125,837
Interest income	22,407	17,371
	<u>5,196,357</u>	<u>5,025,941</u>
Expenses		
National council and executive (<i>Schedule A</i>)	169,302	154,175
National committees (<i>Schedule B</i>)	32,931	19,495
National executive director's office (<i>Schedule C</i>)	274,546	250,667
Bargaining and research (<i>Schedule D</i>)	447,423	372,934
Collective agreements (<i>Schedule E</i>)	143,589	248,782
Policy and communications (<i>Schedule F</i>)	613,975	575,687
External relations (<i>Schedule G</i>)	248,568	106,652
Finance, human resources and administration (<i>Schedule H</i>)	971,682	817,019
Information technology (<i>Schedule I</i>)	653,768	603,051
Occupancy (<i>Schedule J</i>)	377,194	357,590
GST expense	57,274	44,909
Apprentice member credit	190,834	173,921
	<u>4,181,086</u>	<u>3,724,882</u>
Excess of income over expenses before transfer payments	1,015,271	1,301,059
ACTRA financial rebates to branches	(192,900)	(332,100)
Transfer payments to branches	(156,153)	(214,717)
Transfer to ACTRA Performers Rights' Society	(200,000)	(220,500)
Transfer to ACTRA Members' Insurance Premium subsidy	(100,000)	-
Excess of income over expenses	<u>\$ 366,218</u>	<u>\$ 533,742</u>

ACTRA NATIONAL

STATEMENT OF NET ASSETS

YEAR ENDED FEBRUARY 28, 2006

	<i>Invested in Furniture, Equipment and Software</i>	<i>Unappropriated Surplus</i>	<i>Extraordinary Contingency Fund</i>	<i>Total 2006</i>	<i>Total 2005</i>
Net assets - at beginning of year	\$ 124,974	\$ 1,406,904	\$ 2,383	\$ 1,534,261	\$ 1,000,519
Excess of income over expenses	-	366,218	-	366,218	533,742
Purchase of furniture, equipment and software	39,143	(39,143)	-	-	-
Depreciation	(80,174)	80,174	-	-	-
Net assets - at end of year	\$ 83,943	\$ 1,814,153	\$ 2,383	\$ 1,900,479	\$ 1,534,261

ACTRA NATIONAL

STATEMENT OF CASH FLOWS

YEAR ENDED FEBRUARY 28, 2006

	2006	2005
Cash flows from operating activities		
Cash receipts from members, non-members and producers	\$ 5,279,590	\$ 4,658,065
Cash paid for expenses	(4,549,821)	(4,300,926)
Interest received	22,407	17,371
	<u>752,176</u>	<u>374,510</u>
Cash flows from financing activity		
Advances from related organizations	312,590	254,569
Cash flows from investing activity		
Purchase of furniture, equipment and software	(39,143)	(9,732)
Change in cash during the year	<u>1,025,623</u>	<u>619,347</u>
Cash - at beginning of year	1,519,635	900,288
Cash - at end of year	<u>\$ 2,545,258</u>	<u>\$ 1,519,635</u>

ACTRA NATIONAL

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED FEBRUARY 28, 2006

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 management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates.

ACTRA NATIONAL

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED FEBRUARY 28, 2006

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>2006</i>	<i>2005</i>
Computer equipment	\$ 664,933	\$ 621,773	\$ 43,160	\$ 42,759
Computer software	109,745	90,013	19,732	41,675
Furniture and fixtures	179,942	158,891	21,051	40,540
	<u>\$ 954,620</u>	<u>\$ 870,677</u>	<u>\$ 83,943</u>	<u>\$ 124,974</u>

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	2007	\$ 105,090
	2008	105,090
	2009	105,090
	2010	105,090
	2011	43,788

In addition to the minimum rent, the Association is obligated to pay operating costs for its office space. The operating costs paid were approximately \$118,000 (2005 - \$125,000).

5. FINANCIAL INSTRUMENTS

The organization's financial instruments consist of cash, accounts receivable, accounts payable and advances to/from related organizations. 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 organizations, corresponds to their carrying value due to their short-term maturity. The fair value of the advances to/from related organizations is not readily determinable because of the related party nature of the balances.

ACTRA NATIONAL

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED FEBRUARY 28, 2006

6. *GUARANTEES AND INDEMNITIES*

The Organization has indemnified its past, present and future directors, officers and employees against expenses (including legal expenses), judgments and any amount actually or reasonably incurred by them in connection with any action, suit or proceeding, subject to certain restrictions. The Organization has purchased directors' and officers' liability insurance to mitigate the cost of any potential future suits and actions, but there is no guarantee that the coverage will be sufficient should any action arise.

In the normal course of business, the Organization has entered into agreements that include indemnities in favour of third parties, either express or implied, such as in service contracts, lease agreements and purchase contracts. In these agreements, the Organization agrees to indemnify the counterparties in certain circumstances against losses or liabilities arising from the acts or omissions of the Organization. The maximum amount of any potential liability cannot be reasonably estimated.

ACTRA NATIONAL
SCHEDULES OF OPERATING EXPENSES
YEAR ENDED FEBRUARY 28, 2006

	2006	2005
National Council and Executive		
	<i>Schedule A</i>	
National council		
Meeting costs	\$ 28,148	\$ 23,156
Councillor travel costs	27,078	22,790
Officer expenses	10,453	8,384
Senior staff expenses	6,635	6,692
Councillor tool kits	-	14,697
	<u>72,314</u>	<u>75,719</u>
National executive		
Meeting costs	25,407	24,400
Officer expenses	7,288	9,906
Senior staff expenses	4,929	7,815
	<u>37,624</u>	<u>42,121</u>
Officers and senior staff meetings		
Meeting costs	861	383
Officer expenses	6,638	1,906
Senior staff expenses	4,772	1,015
	<u>12,271</u>	<u>3,304</u>
Honoraria	29,229	29,250
Officer expenses - other	17,864	3,781
	<u>169,302</u>	<u>154,175</u>

National Committees		
	<i>Schedule B</i>	
Political action committee	621	500
Finance committee meetings	749	384
Women in the directors chair	15,000	10,000
PAL	5,000	5,000
Communications committee meetings	251	-
Other committees	1,166	3,611
Diversity committee	144	-
Actors' Fund of Canada	10,000	-
	<u>\$ 32,931</u>	<u>\$ 19,495</u>

ACTRA NATIONAL
SCHEDULE OF OPERATING EXPENSES
YEAR ENDED FEBRUARY 28, 2006

	2006	2005
National Executive Director's Office		
	<i>Schedule C</i>	
Salaries	\$ 182,900	\$ 186,113
RRSP	21,831	22,482
General benefits	19,566	26,084
	224,297	234,679
National executive director expenses	11,109	9,051
Regional director expenses	2,980	6,937
Organizing	36,160	-
	274,546	250,667
Bargaining and Research		
	<i>Schedule D</i>	
Salaries	275,070	256,881
Maternity benefits	13,227	3,775
RRSP	21,697	19,849
General benefits	65,885	54,845
	375,879	335,350
Director expenses	11,086	11,460
Research materials	32,810	5,146
Organizing expenses and tools	27,648	20,978
	\$ 447,423	\$ 372,934

ACTRA NATIONAL

SCHEDULE OF OPERATING EXPENSES

YEAR ENDED FEBRUARY 28, 2006

	2006	2005
Collective Agreement Negotiation and Administration		<i>Schedule E</i>
CBC - Negotiations	\$ 12,715	\$ -
- Officer expenses	1,805	-
- Senior staff expenses	316	51
- Legal	-	1,500
- Editing	-	6,070
	<hr/> 14,836	<hr/> 7,621
Commercials - Negotiations	5,544	40,608
- Officer expenses	-	5,208
- Senior staff expenses	-	7,790
- Administration	4,170	14,414
- Legal	-	10,000
- Printing	34,382	76,533
	<hr/> 44,096	<hr/> 154,553
IPA - Negotiations	17,380	840
- Officer expenses	5,472	1,893
- Senior staff expenses	11,119	138
- Administration	68	243
- Legal	4,923	10,000
- Conference fees	5,506	3,220
- Printing	26,269	59,909
	<hr/> 70,737	<hr/> 76,243
Other - Negotiations	3,654	396
- Senior staff expenses	705	4,241
- Legal	1,791	4,000
- Printing	7,770	1,728
	<hr/> 13,920	<hr/> 10,365
	<hr/> \$ 143,589	<hr/> \$ 248,782

ACTRA NATIONAL

SCHEDULE OF OPERATING EXPENSES

YEAR ENDED FEBRUARY 28, 2006

	2006	2005
Policy and Communications		
		<i>Schedule F</i>
Salaries	\$ 210,931	\$ 214,366
RRSP	14,244	15,644
General benefits	39,626	41,278
	264,801	271,288
Director expenses	32,414	31,644
Lobbying expenses	56,244	40,054
Coalitions	40,031	19,735
Presidents expenses	4,445	4,271
	133,134	95,704
InterACTRA news	99,393	102,110
Advertising	28,644	31,919
Sponsorships	26,314	26,976
Promotional materials	8,583	4,404
Administrative services	9,592	9,424
Publications	9,941	1,878
ACTRA awards	22,014	16,223
Public relations officer's expenses	3,634	1,199
Face to Face marketing online	4,550	4,147
Policy consultant	3,375	10,415
	216,040	208,695
	613,975	575,687

External Relations		<i>Schedule G</i>
FIA affiliation fees	39,120	39,142
CLC affiliation fees	158,613	22,911
CLC committee and travel	2,210	-
Officer expenses - FIA	8,118	4,902
- FIANA	676	-
- SAG/AFTRA	10,694	11,113
Senior staff expenses - FIA	7,571	4,891
- FIANA	3,700	-
- SAG/WTO	9,765	14,591
Other	8,101	9,102
	\$ 248,568	\$ 106,652

ACTRA NATIONAL

SCHEDULE OF OPERATING EXPENSES

YEAR ENDED FEBRUARY 28, 2006

	2006	2005
<hr/>		
Finance, Human Resources and Administration	<i>Schedule H</i>	
Salaries	\$ 517,742	\$ 521,883
RRSP	44,494	43,243
General benefits	116,290	112,900
Temporary help	2,810	1,333
	<hr/>	<hr/>
	681,336	679,359
National Director of Finance and Administration expenses	2,040	1,060
Printing	34,437	29,869
Referenda	10,060	-
Professional fees	5,000	7,893
Auditing fees	10,797	10,939
Legal fees	41,662	15,000
Staff conference	20,889	21,498
Staff recruitment	3,640	975
Staff training	6,894	10,485
Staff appreciation	3,516	1,914
Bank charges	7,994	8,027
Administration arrangement fee	115,417	-
Alliance debt reduction	28,000	30,000
	<hr/>	<hr/>
	290,346	137,660
	<hr/>	<hr/>
	971,682	817,019
	<hr/>	<hr/>
Information Technology	<i>Schedule I</i>	
Salaries	389,292	308,377
RRSP	25,544	19,897
General benefits	74,759	65,343
	<hr/>	<hr/>
	489,595	393,617
Maintenance	524	1,711
Software	18,117	14,923
Hardware	6,853	2,322
Supplies	6,540	7,234
Network costs	41,586	45,404
Depreciation - computer equipment	35,549	35,020
Consulting fees	9,310	9,919
Webtrust audit	23,750	24,890
Depreciation - membership system	21,944	68,011
	<hr/>	<hr/>
	\$ 653,768	\$ 603,051
	<hr/>	<hr/>

ACTRA NATIONAL

SCHEDULE OF OPERATING EXPENSES

YEAR ENDED FEBRUARY 28, 2006

	2006	2005
Occupancy		<i>Schedule J</i>
Rent	\$ 223,007	\$ 203,411
Telephone	22,150	21,358
Insurance	20,282	18,455
Supplies and miscellaneous	10,038	10,210
Postage	26,434	17,580
Courier	14,063	18,587
Furniture and fixtures - repair	4,082	1,559
Equipment rental	25,073	23,478
Depreciation - furniture and fixtures	22,681	33,590
Regional office expenses	9,384	9,362
	\$ 377,194	\$ 357,590