

Chartered Accountants  
Canadian Member Firm of  
Grant Thornton International

Grant Thornton 

**ACTRA Performers Guild**  
**Financial Statements**  
February 28, 1999

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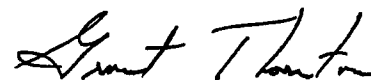
## Auditors' Report

To the Members of  
ACTRA Performers Guild

We have audited the balance sheet of ACTRA Performers Guild as at February 28, 1999 and the statement of operations and changes in surplus (deficit) for the year then ended. These financial statements are the responsibility of the Guild's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with 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 Guild as at February 28, 1999 and the results of its operations for the year then ended in accordance with generally accepted accounting principles.



Markham, Canada  
May 11, 1999

Chartered Accountants

Suite 400  
7030 Woodbine Avenue  
Markham  
Ontario  
L3R 6G2  
Tel: (905) 475-1100  
Fax: (905) 475-8906

# ACTRA Performers Guild Balance Sheet

Year Ended February 28

1999

1998

## Assets

### Current

Cash	\$ 250,424	\$ 225,542
Accounts receivable	221,541	190,741
Investments (Note 4)	770,821	691,277
Prepaid expenses and deposits	34,962	22,703
Due from Toronto Branch	38,742	38,565
Due from Performers Rights Society Inc.	<u>1,701</u>	<u>1,026</u>

### Capital assets (Note 5)

	<u>1,318,191</u>	<u>1,169,854</u>
	<u>58,256</u>	<u>26,950</u>

	<u>\$ 1,376,447</u>	<u>\$ 1,196,804</u>
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## Liabilities

### Current

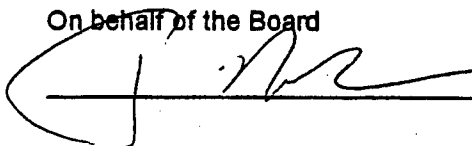
Accounts payable and accrued liabilities	\$ 414,447	\$ 261,552
Accrued vacation pay	48,682	182,494
Due to Branches	1,364,816	1,116,715
Due to Actraworks	1,851	-
Due to U.B.C.P.	<u>2,930</u>	<u>1,437</u>
	<u>1,832,726</u>	<u>1,562,198</u>

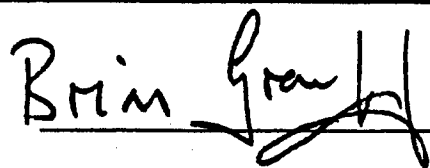
### Surplus (Deficit)

Extraordinary Contingency Fund (Note 2)	118,273	60,098
Operations	<u>(574,552)</u>	<u>(425,492)</u>
	<u>(456,279)</u>	<u>(365,394)</u>

	<u>\$ 1,376,447</u>	<u>\$ 1,196,804</u>
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On behalf of the Board

 Director

 Director

See accompanying notes to the financial statements.

# ACTRA Performers Guild

## Statement of Operations and Changes in Surplus (Deficit)

Year Ended February 28, 1999

	Extraordinary Contingency Fund	Operations	Total 1999	Total 1998
<b>Income</b>				
Per capita	\$ -	\$ 1,595,536	\$ 1,595,536	\$ 1,431,130
Information services	-	405,685	405,685	373,390
Miscellaneous income	840	25,578	26,418	63,224
Voluntary contributions	110,163	-	110,163	88,661
	<u>111,003</u>	<u>2,026,799</u>	<u>2,137,802</u>	<u>1,956,405</u>
<b>Expenses</b>				
Salaries and benefits - page 7		783,802	783,802	685,271
Negotiations/commercials - page 7		181,278	181,278	34,158
Guild council - page 7		54,350	54,350	72,066
Director expenses - page 7		16,858	16,858	30,538
Members Action Fund		-	-	24,256
Office expenses - page 7		105,577	105,577	99,722
Printing		102,085	102,085	60,779
Furniture, fixtures and equipment - page 8		39,996	39,996	42,359
Data processing - page 8		299,146	299,146	149,218
Policy and public relations - page 8		28,784	28,784	56,896
External relations		49,616	49,616	33,821
Referenda		19,384	19,384	12,043
Staff training		9,670	9,670	-
Legal fees		20,916	20,915	13,764
Audit fees		9,000	9,000	8,500
Professional fees		6,419	6,419	3,824
Bank charges and GST expense		35,219	35,219	28,812
Interest		9,400	9,400	3,421
Lobbying and legislative - page 8		90,283	90,283	32,263
Alliance debt reduction		75,000	75,000	-
Face to Face marketing campaign	24,428	-	24,428	-
IPA research	28,400	-	28,400	-
APG executive policy/organizing meeting		-	-	6,957
Bargaining conference		-	-	22,330
	<u>52,828</u>	<u>1,936,783</u>	<u>1,989,611</u>	<u>1,420,998</u>
Excess of income over expenses before transfer payments	58,175	90,016	148,191	535,407
Transfer payments to branches	-	(239,076)	(239,076)	(238,764)
Excess of income over expenses (expenses over income)	58,175	(149,060)	(90,885)	296,643
Surplus (deficit), beginning of year (Note 3)	60,098	(425,492)	(365,394)	(383,093)
Deficit assumed (Note 6)	-	-	-	(278,944)
Surplus (deficit), end of year	\$ <u>118,273</u>	\$ <u>(574,552)</u>	\$ <u>(456,279)</u>	\$ <u>(365,394)</u>

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# ACTRA Performers Guild

## Notes to the Financial Statements

February 28, 1999

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### 1. Nature of operations

The Guild is a federation of Branches/Local Unions, national in scope, representing performers in the live transmission and recorded media.

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### 2. Summary of significant accounting policies

#### General

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

#### Capital assets

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

Computer equipment	3 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 the APG, and legal council. The fund is financed through voluntary contributions of 5% of non-member work permit income from the branches/local unions.

# ACTRA Performers Guild

## Notes to the Financial Statements

February 28, 1999

### 3. Change in accounting policy

#### Capital assets

Effective March 1, 1998, the Guild adopted on a retroactive basis, new Canadian Institute of Chartered Accountants' standards for non-profit organizations with respect to capital assets. As a result, capital assets have been recorded at cost less accumulated amortization, as described in Note 2. Formerly, capital assets were expensed in the year of acquisition.

Restatement of prior years	<u>1999</u>	<u>1998</u>
Deficit, beginning of year		
As previously reported	\$ (452,442)	\$ (394,333)
Adjustment to reflect change in accounting for:		
Capital assets not previously capitalized	32,174	12,075
Amortization not previously expensed	<u>(5,224)</u>	<u>(835)</u>
Deficit, beginning of year, as restated	\$ <u>(425,492)</u>	\$ <u>(383,095)</u>

### 4. Investments

Cost

Investments are carried at cost and consist of the following:

\$515,000 Royal Bank of Canada Bankers Acceptance due May 15, 1999, 4.78% annual yield	\$ 509,000
Accrued interest on Bankers Acceptance	1,094
Cash investment with RBC Dominion Securities, prime less 2.75%	280,527
Accrued interest on cash investment	<u>200</u>
	\$ <u>770,821</u>

### 5. Capital assets

	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net Book Value 1999</u>	<u>Net Book Value 1998</u>
Computer	\$ 73,819	\$ 19,739	\$ 54,080	\$ 24,257
Furniture and equipment	<u>5,356</u>	<u>1,180</u>	<u>4,176</u>	<u>2,693</u>
	\$ <u>79,175</u>	\$ <u>20,919</u>	\$ <u>58,256</u>	\$ <u>26,950</u>

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# **ACTRA Performers Guild**

## **Notes to the Financial Statements**

February 28, 1999

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### **6. Assumption of Vancouver branch deficit**

In 1998, ACTRA Performers Guild agreed to assume the deficit of the Vancouver branch.

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### **7. Uncertainty due to Year 2000 Issue**

The Year 2000 Issue arises because many computerized systems use two digits rather than four to identify a year. Date-sensitive systems may recognize the year 2000 as 1900 or some other date, resulting in errors when information using year 2000 dates is processed. In addition, similar problems may arise in some systems which use certain dates in 1999 to represent something other than a date. The effects of the Year 2000 Issue may be experienced before, on, or after January 1, 2000, and, if not addressed, the impact on operations and financial reporting may range from minor errors to significant systems failure, which could affect an entity's ability to conduct normal business operations. It is not possible to be certain that all aspects of the Year 2000 Issue affecting the Guild, including those related to the efforts of customers, suppliers, or other third parties will be fully resolved.



## ACTRA Performers Guild

### Schedule of Operating Expenses Continued

Year Ended February 28

1999

1998

Furniture, fixtures and equipment		
Capital purchases under \$500	\$ 697	\$ (133)
Amortization	888	209
Repairs	1,792	2,787
Maintenance	9,801	12,282
Leases, rental	<u>26,817</u>	<u>27,214</u>
	<b>\$ 39,996</b>	<b>\$ 42,359</b>
Data processing		
Maintenance	\$ 15,938	\$ 9,741
Software	12,399	14,395
Hardware	16,380	13,364
Amortization	14,805	4,180
Supplies	5,122	5,332
Programming	140,862	65,912
Communication	93,027	36,294
Training	<u>613</u>	<u>-</u>
	<b>\$ 299,146</b>	<b>\$ 149,218</b>
Policy and public relations		
Promotion expenses	\$ 5,475	\$ 13,122
Guild newsletter	21,603	38,216
Public relations	<u>1,706</u>	<u>5,558</u>
	<b>\$ 28,784</b>	<b>\$ 56,896</b>
Lobbying and legislative		
Policy advisor fee	\$ 64,250	\$ 25,600
Secretary salary and benefits	-	1,580
Expenses	<u>26,033</u>	<u>5,083</u>
	<b>\$ 90,283</b>	<b>\$ 32,263</b>

\*The 1998 Western Regional Executive line includes the costs of relocating western region office from Vancouver to Calgary.

## ACTRA Performers Guild Schedule of Operating Expenses

Year Ended February 28

1999

1998

Salaries and benefits		
Total basic salaries	\$ 640,848	\$ 525,691
Staff benefits - general	93,199	73,334
Staff benefits - RRSP	61,175	59,008
Vacation pay	<u>(11,420)</u>	<u>27,238</u>
	\$ <u>783,802</u>	\$ <u>685,271</u>
Negotiations/commercials		
CBC	\$ 818	\$ 9,730
Commercials	35,608	5,949
IPA	139,105	15,285
Other	4,068	3,194
Organizing	<u>1,679</u>	<u>-</u>
	\$ <u>181,278</u>	\$ <u>34,158</u>
Guild Council		
Officer expenses	\$ 67	\$ 873
National council expenses	19,995	42,277
National executive expenses	22,213	16,214
Committee expenses	3,075	3,702
Honoraria	<u>9,000</u>	<u>9,000</u>
	\$ <u>54,350</u>	\$ <u>72,066</u>
Director expenses		
National executive	\$ 7,730	\$ 9,237
*Western Regional Executive	1,031	12,614
Western regional office expenses	<u>8,097</u>	<u>8,687</u>
	\$ <u>16,858</u>	\$ <u>30,538</u>
Office expenses		
Rent	\$ 38,411	\$ 35,497
Telecommunication	18,822	20,902
Insurance	2,629	1,358
Supplies and miscellaneous	15,611	12,723
Postage	16,812	15,548
Courier	<u>13,292</u>	<u>13,694</u>
	\$ <u>105,577</u>	\$ <u>99,722</u>