

**Grant Thornton LLP
Chartered Accountants
Management Consultants
Canadian Member Firm of
Grant Thornton International**

Grant Thornton 

**ACTRA Performers Guild
Financial Statements**
February 29, 2000

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Auditors' Report

To the Members of the
ACTRA Performers Guild

We have audited the balance sheet of ACTRA Performers Guild as at February 29, 2000 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 ACTRA Performers Guild as at February 29, 2000 and the results of its operations for the year then ended in accordance with generally accepted accounting principles.

Grant Thornton LLP

Markham, Canada
May 5, 2000

Chartered Accountants

ACTRA Performers Guild

Balance Sheet

Year Ended February 29

2000

1999

Assets

Current

| | | |
|---|------------|------------|
| Cash | \$ 198,826 | \$ 250,424 |
| Accounts receivable | 399,503 | 217,835 |
| Investments (Note 3) | 750,000 | 769,527 |
| Prepaid expenses and deposits | 67,371 | 34,962 |
| Loan Receivable – Face to Face with Talent Inc. | 5,000 | 5,000 |
| Loan Receivable – ACTRAWORKS Incorporated | 25,000 | - |
| Due from ACTRA Toronto Performers Branch | 5,420 | 38,742 |
| Due from Face to Face with Talent Inc. | 212 | - |
| Due from ACTRA Performers' Rights Society | - | 1,701 |

1,451,332 1,318,191

Capital assets (Note 4)

63,786 58,256

\$ 1,515,118 \$ 1,376,447

Liabilities

Current

| | | |
|--|------------|------------|
| Accounts payable and accrued liabilities | \$ 357,085 | \$ 414,447 |
| Accrued vacation pay | 51,685 | 48,682 |
| Provision for severance pay | 34,359 | - |
| Due to Branches | 1,156,223 | 1,364,816 |
| Due to ACTRA Performers' Rights Society | 347 | - |
| Due to ACTRAWORKS Incorporated | 25 | 1,851 |
| Due to U.B.C.P. | 79 | 2,930 |

1,599,803 1,832,726

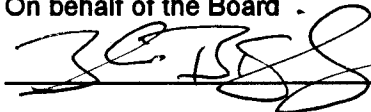
Deficit

| | | |
|---|-----------|-----------|
| Extraordinary Contingency Fund (Note 2) | 157,489 | 118,273 |
| Operations | (242,174) | (574,552) |

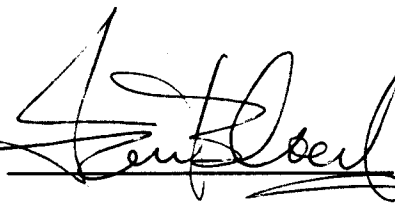
(84,685) (456,279)

\$ 1,515,118 \$ 1,376,447

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 29, 2000

| | Extraordinary Contingency Fund | Operations | Total 2000 | Total 1999 |
|--|--------------------------------------|---------------------|--------------------|---------------------|
| Income | | | | |
| Per capita | \$ - | \$ 1,988,228 | \$ 1,988,228 | \$ 1,595,536 |
| Information services | - | 440,204 | 440,204 | 405,685 |
| Equalization Income | - | 779,757 | 779,757 | 25,578 |
| Interest Income | 5,600 | - | 5,600 | 840 |
| Voluntary contributions | 48,897 | - | 48,897 | 110,163 |
| | <u>54,497</u> | <u>3,208,189</u> | <u>3,262,686</u> | <u>2,137,802</u> |
| Expenses | | | | |
| Salaries and benefits - page 6 | - | 953,705 | 953,705 | 783,802 |
| Collective Agreements - page 6 | 15,281 | 203,476 | 218,757 | 181,278 |
| National council - page 6 | - | 80,440 | 80,440 | 54,350 |
| Director expenses - page 6 | - | 25,158 | 25,158 | 16,858 |
| Office expenses - page 6 | - | 106,062 | 106,062 | 105,577 |
| Printing | - | 215,943 | 215,943 | 102,085 |
| Furniture, fixtures and equipment - page 7 | - | 45,910 | 45,910 | 39,996 |
| Computer services - page 7 | - | 497,414 | 497,414 | 299,146 |
| Communication and public relations - page 7 | - | 98,933 | 98,933 | 28,784 |
| Lobbying and legislative - page 7 | - | 95,014 | 95,014 | 90,283 |
| ACTRAWORKS contribution | - | 70,000 | 70,000 | - |
| External relations | - | 44,810 | 44,810 | 49,616 |
| Referenda | - | 29,062 | 29,062 | 19,384 |
| Staff training & recruitment | - | 11,707 | 11,707 | - |
| Staff conference | - | 20,471 | 20,471 | 9,670 |
| Legal fees | - | 18,856 | 18,856 | 20,915 |
| Audit fees | - | 9,000 | 9,000 | 9,000 |
| Professional fees | - | 6,888 | 6,888 | 6,419 |
| Bank charges and GST expense | - | 51,782 | 51,782 | 35,219 |
| Interest | - | 10,037 | 10,037 | 9,400 |
| Alliance debt reduction | - | 75,000 | 75,000 | 75,000 |
| Face to Face marketing campaign | - | - | - | 24,429 |
| IPA research | - | - | - | 28,400 |
| | <u>15,281</u> | <u>2,669,668</u> | <u>2,684,949</u> | <u>1,989,611</u> |
| Excess of income over expenses before transfer payments | 39,216 | 538,521 | 577,737 | 148,191 |
| Transfer payments to branches | - | (206,143) | (206,143) | (239,076) |
| Excess of income over expenses (expenses over income) | 39,216 | 332,378 | 371,594 | (90,885) |
| Surplus (deficit), beginning of year | <u>118,273</u> | <u>(574,552)</u> | <u>(456,279)</u> | <u>(365,394)</u> |
| Surplus (deficit), end of year | \$ <u>157,489</u> | \$ <u>(242,174)</u> | \$ <u>(84,685)</u> | \$ <u>(456,279)</u> |

See accompanying notes to the financial statements.

ACTRA Performers Guild

Notes to the Financial Statements

February 29, 2000

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.

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 counsel. The fund is financed through voluntary contributions of 5% of non-member work permit income from the branches/local unions.

3. Investments

Cost

Investments are carried at cost and consist of the following:

| | |
|--|-------------------|
| \$750,000 Bank of Montreal Mortgage Corporation Term Investment due October 27, 2000 , 4.95% annual yield | \$ <u>750,000</u> |
| Accrued interest on Term Investment (recorded in accounts receivable) | \$ <u>12,384</u> |

ACTRA Performers Guild

Notes to the Financial Statements

February 29, 2000

| 4. Capital assets | | | <u>2000</u> | <u>1999</u> |
|------------------------|-------------------|-------------------------------------|---------------------------|---------------------------|
| | <u>Cost</u> | <u>Accumulated Amortization</u> | <u>Net Book Value</u> | <u>Net Book Value</u> |
| Computer equipment | \$ 99,657 | \$ 49,136 | \$ 50,521 | \$ 54,080 |
| Furniture and fixtures | <u>16,408</u> | <u>3,143</u> | <u>13,265</u> | <u>4,176</u> |
| | \$ <u>116,065</u> | \$ <u>52,279</u> | \$ <u>63,786</u> | \$ <u>58,256</u> |

5. Comparative Figures

Certain prior year comparative figures have been changed to conform to current year financial statement presentation.

ACTRA Performers Guild

Schedule of Operating Expenses

Year Ended February 29

2000

1999

| | | |
|--|-------------------|-------------------|
| Salaries and benefits | | |
| Total basic salaries | \$ 734,166 | \$ 640,848 |
| Staff benefits - general | 99,847 | 93,199 |
| Staff benefits - RRSP | 70,986 | 61,175 |
| Severance Pay | 34,359 | - |
| Vacation pay | 14,347 | (11,420) |
| | <u>\$ 953,705</u> | <u>\$ 783,802</u> |
| Collective Agreements | | |
| CBC | \$ 12,939 | \$ 818 |
| Commercials | 12,562 | 35,608 |
| IPA | 152,215 | 139,105 |
| Other | - | 4,068 |
| Organizing | 41,041 | 1,679 |
| | <u>\$ 218,757</u> | <u>\$ 181,278</u> |
| National Council | | |
| National Council expenses | \$ 34,401 | \$ 19,995 |
| National Executive expenses | 19,109 | 22,213 |
| Branch President's meetings | 6,430 | - |
| Committee expenses | 8,375 | 3,075 |
| Honoraria | 9,125 | 9,000 |
| Officer expenses | 3,000 | 67 |
| | <u>\$ 80,440</u> | <u>\$ 54,350</u> |
| Director expenses | | |
| National Executive | \$ 9,647 | \$ 7,730 |
| Director of Finance and Administration | 7,528 | - |
| Eastern Regional Executive | 189 | - |
| Western Regional Executive | 560 | 1,031 |
| Western Regional Office expenses | 7,234 | 8,097 |
| | <u>\$ 25,158</u> | <u>\$ 16,858</u> |
| Office expenses | | |
| Rent | \$ 40,970 | \$ 38,411 |
| Telecommunication | 28,301 | 18,822 |
| Insurance | 2,629 | 2,629 |
| Supplies and miscellaneous | 9,901 | 15,611 |
| Postage | 10,572 | 16,812 |
| Courier | 13,689 | 13,292 |
| | <u>\$ 106,062</u> | <u>\$ 105,577</u> |

ACTRA Performers Guild

Schedule of Operating Expenses (Continued)

Year Ended February 29

2000

1999

| | | |
|-------------------------------------|-------------------|-------------------|
| Furniture, fixtures and equipment | | |
| Capital purchases under \$500 | \$ 1,262 | \$ 697 |
| Amortization | 1,963 | 888 |
| Repairs | 3,268 | 1,792 |
| Maintenance | 20,682 | 9,801 |
| Leases, rental | <u>18,735</u> | <u>26,818</u> |
| | \$ <u>45,910</u> | \$ <u>39,996</u> |
| Computer services | | |
| Maintenance | \$ 12,278 | \$ 15,938 |
| Software | 26,581 | 12,399 |
| Hardware | 14,036 | 16,380 |
| Amortization | 29,399 | 14,805 |
| Supplies | 11,722 | 5,122 |
| Programming | | |
| Current Membership Maintenance | 70,260 | 61,170 |
| New Membership System | 70,886 | - |
| IPA Template | 66,638 | 27,890 |
| Revenue Receiving Module | 63,220 | 51,520 |
| Commercial Template | 28,724 | - |
| Other | - | 282 |
| Communication | 101,870 | 93,027 |
| Training | <u>1,800</u> | <u>613</u> |
| | \$ <u>497,414</u> | \$ <u>299,146</u> |
| Communications and public relations | | |
| Advisor Fees | \$ 34,595 | \$ - |
| Promotion expenses | 10,695 | 5,475 |
| InterACTRA News | 48,005 | 21,603 |
| Public relations | <u>5,638</u> | <u>1,706</u> |
| | \$ <u>98,933</u> | \$ <u>28,784</u> |
| Lobbying and legislative | | |
| Policy advisor fee | \$ 70,025 | \$ 64,250 |
| Expenses | <u>24,989</u> | <u>26,033</u> |
| | \$ <u>95,014</u> | \$ <u>90,283</u> |