

ACTRA NATIONAL
FINANCIAL STATEMENTS
YEAR ENDED FEBRUARY 28, 2001

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AUDITORS' REPORT

TO THE MEMBERS OF
ACTRA

We have audited the balance sheet of ACTRA National as at February 28, 2001 and the statements of operations and surplus (deficit) 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 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, 2001 and the results of its operations and its cash flows for the year then ended in accordance with generally accepted accounting principles.

CHARTERED ACCOUNTANTS

Toronto, Ontario
May 4, 2001

ACTRA NATIONAL

BALANCE SHEET

AS AT FEBRUARY 28, 2001

	2001	2000
ASSETS		
Current assets		
Cash	\$ 528,770	\$ 198,826
Accounts receivable	450,786	399,503
Lease inducement receivable	175,150	-
Investments (note 3)	900,000	750,000
Prepaid expenses and deposits	57,302	67,371
Loan receivable - Face to Face with Talent Inc.	5,000	5,000
Loan receivable - ACTRAWORKS Incorporated	25,000	25,000
Due from ACTRA Toronto Performers Branch	1,414	5,420
Due from Face to Face with Talent Inc.	6	212
Due from ACTRA Performers' Rights Society	10,803	-
	2,154,231	1,451,332
Capital assets (note 4)	200,731	63,786
	2,354,962	1,515,118

LIABILITIES

Current liabilities

Accounts payable and accrued liabilities	364,599	357,085
Accrued vacation pay	70,404	51,685
Provision for severance pay	35,840	34,359
Due to Branches	1,035,155	1,156,223
Due to ACTRA Performers' Rights Society	-	347
Due to ACTRAWORKS Incorporated	-	25
Due to Alliance of Canadian Cinema, Television and Radio Artists	2,291	-
Due to U.B.C.P.	260	79
	1,508,549	1,599,803

SURPLUS (DEFICIT)

Extraordinary contingency fund (note 2)	161,218	157,489
Operations	685,195	(242,174)
	846,413	(84,685)
	\$ 2,354,962	\$ 1,515,118

Approved on behalf of the Board:

_____, Director _____, Director

ACTRA NATIONAL

STATEMENT OF OPERATIONS AND CHANGES IN SURPLUS (DEFICIT)

YEAR ENDED FEBRUARY 28, 2001

	Extraordinary			Total	
	Contingency Fund	ACTRA Plan Fund	Operations	2001	2000
Income					
Per capita	\$ -	\$ -	\$ 2,177,468	\$ 2,177,468	\$ 1,988,228
Information services	-	-	383,210	383,210	440,204
Equalization income	-	-	1,289,514	1,289,514	779,757
Interest income	7,253	8,126	6,229	21,608	5,600
Voluntary contributions	32,691	600,000	-	632,691	48,897
	39,944	608,126	3,856,421	4,504,491	3,262,686
Expenses					
Salaries and benefits (Schedule A)	-	-	973,138	973,138	953,705
Collective agreements (Schedule B)	36,215	-	107,319	143,534	218,757
National council (Schedule C)	-	-	117,747	117,747	80,440
Directors' expenses (Schedule D)	-	-	38,981	38,981	25,158
Office expenses (Schedule E)	-	-	231,043	231,043	106,062
Printing	-	-	181,768	181,768	215,943
Furniture, fixtures and equipment (Schedule F)	-	-	58,587	58,587	45,910
Computer services (Schedule G)	-	-	632,501	632,501	497,414
Communication and public relations (Schedule H)	-	-	144,834	144,834	98,933
Lobbying and legislative (Schedule I)	-	-	82,344	82,344	95,014
ACTRAWORKS contribution	-	-	70,000	70,000	70,000
External relations	-	-	82,952	82,952	44,810
Referenda	-	-	21,003	21,003	29,062
Staff training and recruitment	-	-	38,155	38,155	11,707
Staff conference	-	-	-	-	20,471
Legal fees	-	-	17,775	17,775	18,856
Audit fees	-	-	8,000	8,000	9,000
Professional fees	-	-	6,818	6,818	6,888
Bank charges and GST expense	-	-	75,024	75,024	51,782
Interest	-	-	-	-	10,037
Alliance debt reduction	-	-	75,000	75,000	75,000
Face to Face loan repayment	-	-	52,280	52,280	-
ACTRA plan organizing	-	156,968	-	156,968	-
ACTRA plan special meeting	-	26,270	-	26,270	-
ACTRA plan	-	58,299	-	58,299	-
ACTRA plan other	-	58,252	-	58,252	-
	36,215	299,789	3,015,269	3,351,273	2,684,949
Excess of income over expenses before transfer payments					
	3,729	308,337	841,152	1,153,218	577,737
Transfer payments to branches	-	-	(222,120)	(222,120)	(206,143)
Excess of income over expenses (expenses over income)					
	3,729	308,337	619,032	931,098	371,594
Surplus (deficit) - at beginning of year	157,489	-	(242,174)	(84,685)	(456,279)
Surplus (deficit) - at end of year	\$ 161,218	\$ 308,337	\$ 376,858	\$ 846,413	\$ (84,685)

ACTRA NATIONAL
STATEMENT OF CASH FLOWS
YEAR ENDED FEBRUARY 28, 2001

	2001	2000
Cash flows from operating activities		
Cash receipts from members, non-members and producers	\$ 4,431,600	\$ 3,075,418
Cash paid for expenses	(3,646,347)	(2,912,139)
Interest received	21,608	5,600
	806,861	168,879
Cash flows from financing activity		
Advances from (repayments to) related organizations	(125,559)	(203,112)
Cash flows from investing activities		
Purchase of furniture and equipment	(201,358)	(36,892)
Purchase of investments	(150,000)	-
Proceeds from investments	-	19,527
	(351,358)	(17,365)
Change in cash during the year	329,944	(51,598)
Cash - at beginning of year	198,826	250,424
Cash - at end of year	\$ 528,770	\$ 198,826

ACTRA NATIONAL
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED FEBRUARY 28, 2001

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 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.

Capital Assets

Capital assets are recorded at cost and amortized over their estimated useful lives on a straight line basis 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 ACTRA National, and legal counsel. The fund is financed through voluntary contributions of 5% of non-member work permit income from the branches/local unions.

ACTRA Plan Fund

The ACTRA National Council adopted the ACTRA Plan in principle at the National Council Meeting held on June 5, 2000. The Branches in surplus positions were asked to make a one-time contribution totalling \$600,000 to ensure the immediate and timely implementation of the ACTRA Plan within the current fiscal year.

Use of Estimates

The preparation of financial statements in conformity with 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, 2001

3. INVESTMENTS

Investments are carried at cost and consist of the following:

	<i>2001</i>	<i>2000</i>
\$750,000 Bank of Montreal Mortgage Corporation Term Investment, due October 27, 2000, 4.95% annual yield	\$ -	\$ 750,000
\$400,000 Bank of Montreal Mortgage Corporation Term Investment, due June 21, 2001, 5.2% annual yield	400,000	-
\$500,000 Bank of Montreal Mortgage Corporation Term Investment, due December 6, 2001, 5.25% annual yield	500,000	-
	900,000	750,000
Accrued interest on term investment (recorded in accounts receivable)	\$ 20,273	\$ 12,384

4. CAPITAL ASSETS

Details of capital assets are as follows:

	<i>Cost</i>	<i>Accumulated Depreciation</i>	<i>Net Book Value</i>	
			<i>2001</i>	<i>2000</i>
Computer equipment	\$ 174,085	\$ 82,258	\$ 91,827	\$ 50,521
Furniture and fixtures	123,348	14,444	108,904	13,265
	\$ 297,433	\$ 96,702	\$ 200,731	\$ 63,786

5. 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	2002	\$ 78,816
	2003	78,816
	2004	78,816
	2005	78,816
	2006	100,118
	2007-2010	518,499

In addition to the minimum rent, the Company is obligated to pay operating costs for its office space. The operating costs paid were approximately \$56,000 (2000 - \$NIL).

6. 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.

ACTRA NATIONAL

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED FEBRUARY 28, 2001

7. STATEMENT OF CASH FLOWS

The organization has adopted the new recommendations of the Canadian Institute of Chartered Accountants and has presented a "Statement of Cash Flows" instead of a "Statement of Changes in Financial Position". Comparative figures have been restated to conform to the new requirements.

8. COMPARATIVE FIGURES

The comparative figures were audited by other chartered accountants. Certain of the comparative figures have been restated to conform with the statement presentation adopted for the current year.

ACTRA NATIONAL
SCHEDULES OF OPERATING EXPENSES
YEAR ENDED FEBRUARY 28, 2001

	2001	2000
Salaries and benefits		<i>Schedule A</i>
Total basic salaries	\$ 777,544	\$ 734,166
Staff benefits - general	108,385	99,847
- RRSP	71,347	70,986
Severance pay	1,481	34,359
Vacation pay	14,381	14,347
	973,138	953,705
Collective agreements		<i>Schedule B</i>
CBC	24,305	12,939
Commercials - negotiation and administration	23,207	12,562
- legal	6,191	-
IPA - negotiation and administration	10,615	152,215
- legal	20,214	-
Other	11,329	-
Organizing	47,673	41,041
	143,534	218,757
National Council		<i>Schedule C</i>
National Council expenses	61,345	34,401
National Executive expenses	26,258	19,109
Branch President's meetings	-	6,430
Committee expenses	8,979	8,375
Honoraria	19,500	9,125
Officer expenses	1,665	3,000
	117,747	80,440
Directors' expenses		<i>Schedule D</i>
National Executive	10,466	9,647
Director of Finance and Administration	8,783	7,528
Eastern Regional Executive	5,470	189
Western Regional Executive	7,430	560
Western Regional office expenses	6,832	7,234
	38,981	25,158
Office expenses		<i>Schedule E</i>
Rent, moving and design costs	152,314	40,970
Telecommunication	31,009	28,301
Insurance	3,939	2,629
Supplies and miscellaneous	16,576	9,901
Postage	11,156	10,572
Courier	16,049	13,689
	\$ 231,043	\$ 106,062

ACTRA NATIONAL
SCHEDULE OF OPERATING EXPENSES
YEAR ENDED FEBRUARY 28, 2001

	2001	2000
Furniture, fixtures and equipment		<i>Schedule F</i>
Capital purchases under \$500	\$ 10,714	\$ 1,262
Amortization	19,753	1,963
Repairs	178	3,268
Maintenance	11,278	20,682
Leases, rental	16,664	18,736
	58,587	45,911
Computer services		<i>Schedule G</i>
Maintenance	13,899	12,277
Software	15,795	26,581
Hardware	22,078	14,036
Amortization	44,660	29,399
Supplies	8,659	11,722
Programming		
Current membership maintenance	76,630	70,260
New membership system	95,106	70,886
IPA template	67,424	66,638
Revenue receiving module	13,763	63,221
Commercial template	56,559	28,724
Other	40,510	-
Project director	37,923	-
Communication	123,486	101,870
Training	16,009	1,800
	632,501	497,414
Communications and public relations		<i>Schedule H</i>
Advisor fees	44,372	34,596
Promotion expenses and development of ACTRA logo	24,884	10,695
InterACTRA News	38,457	48,005
Public relations	27,661	5,638
ACTRA website	9,460	-
	144,834	98,934
Lobbying and legislative		<i>Schedule I</i>
Policy advisor fee	61,525	70,025
Expenses	20,819	24,989
	\$ 82,344	\$ 95,014