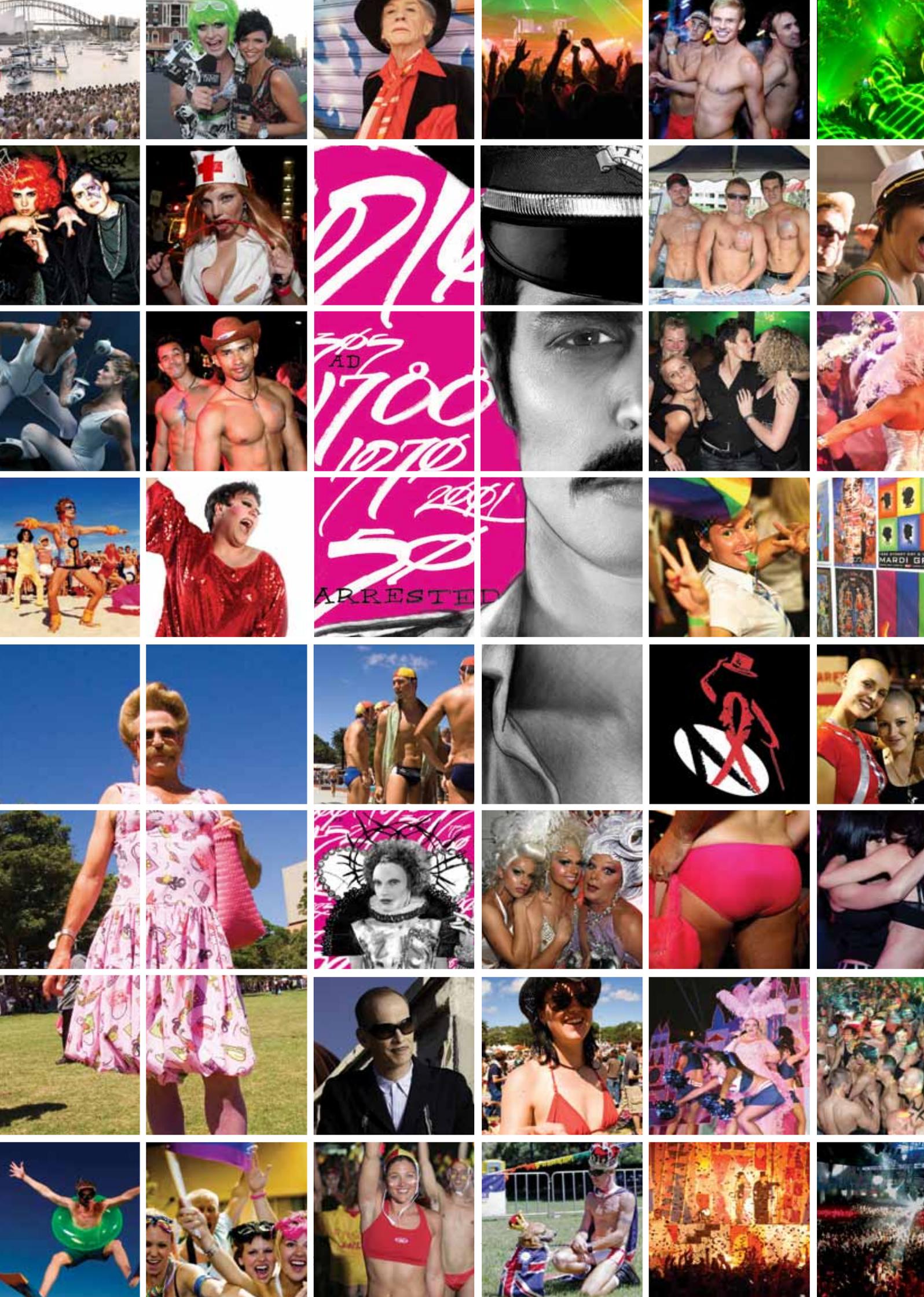


**2010**  
**ANNUAL REPORT**



**New Mardi Gras Limited**





New Mardi Gras

# 2010 ANNUAL REPORT

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# About Us

A not-for-profit Company

Overseen by a Board of Directors elected by a membership of 3,500

# New Ma

Included over 100 different events

## Sydney Gay & Lesbian Mardi Gras

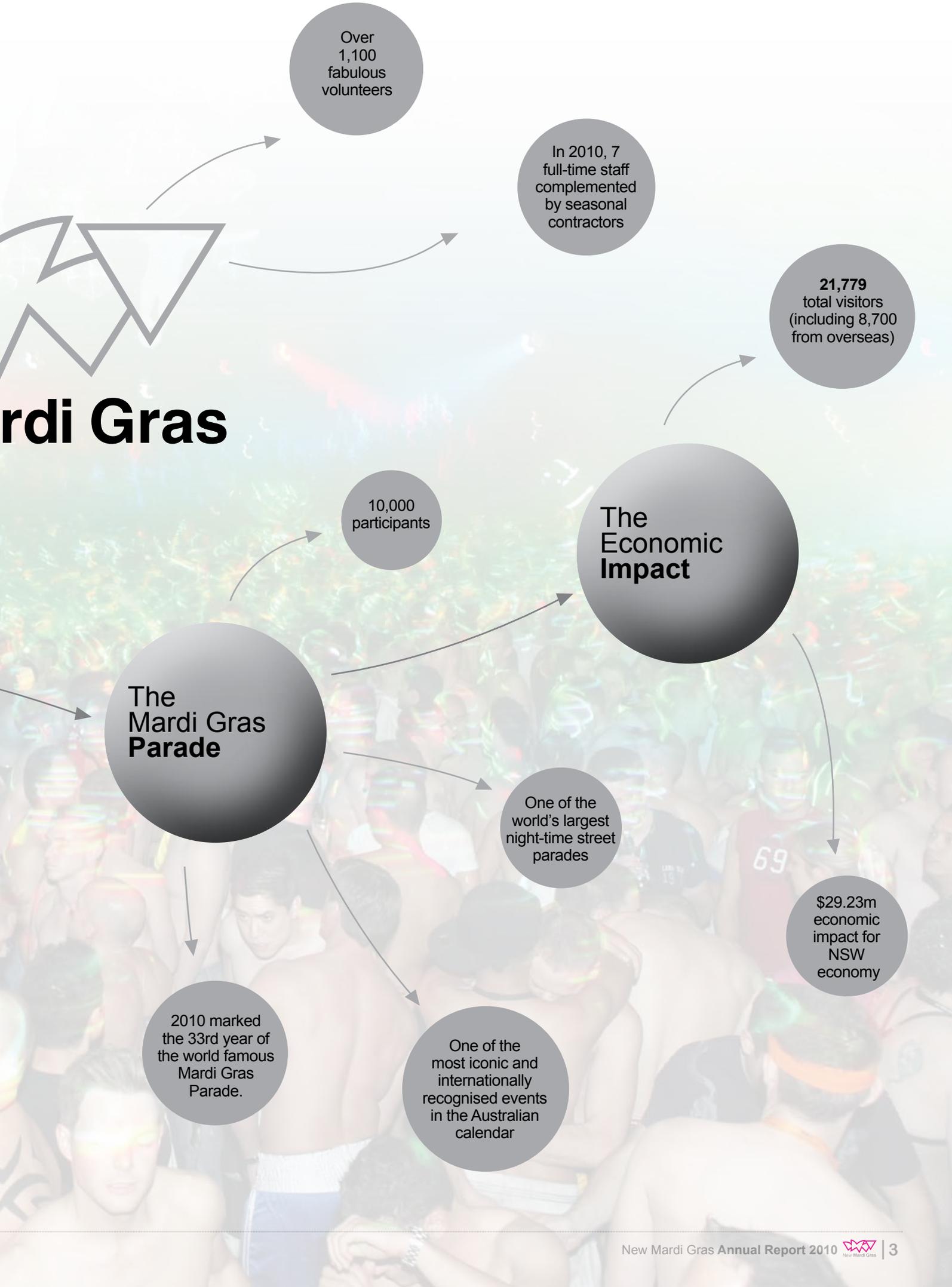
Including the world famous Mardi Gras Parade

Over 130 floats

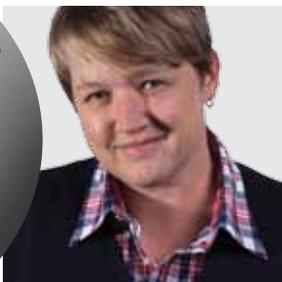
The world's premier gay and lesbian social, cultural and sporting festival spanning just over two weeks

Presented across the City of Sydney and 5 other local government areas

# Mardi Gras



# Message from the Co-chairs & CEO



This year has seen a lot of change, some of it strategic and some of it forced upon us. The end result is a year in which the organisation has grown, matured and learnt some very key lessons.

In 2010 the Sydney Gay & Lesbian Mardi Gras was shortened to a 2-week, 3-weekend format and there was a conscious effort to program events in some of the City's well known landmarks.

This change was driven by two factors:

1. To create a shorter, punchier and higher quality program that would encourage people in the local community to take time off and increase participation.
2. To provide a more tourist-friendly offer that would increase visitation, length of stay and participation.

The other major change for 2010 was the separation of the Parade and Party onto separate, consecutive weekends. This change resulted from an administrative error in January 2009.

## The Challenge of the separation of Parade and Party

This separation of these two key events posed a huge challenge to the organisation by breaking a pattern of audience behaviour established over 30 years.

There was no precedent and no model allowing us to make an accurate prediction of the impact on party ticket sales: the organisation's primary source of fundraising income.

However, our analysis of the situation was that the impact would be severe and that tickets sold to the Mardi Gras Party in particular could be severely reduced, with fewer visitors still in town when the Party occurred, and fewer locals inclined to attend.

This had the potential to not only affect our financial position adversely in 2009/10, but also to cause considerable damage to future prospects. Experience has taught us that it is much harder to build up an audience for an event than to lose it. A disastrous Party in 2010 could cause irreparable brand damage which would knock out our most important revenue earner.

## Options

In our view our options could be characterised by two opposing approaches: we could either

try to minimise our loss (or squeeze a profit) from 2009/10 through stripping back costs and the scope of the event; or we could invest in the 2009/10 season to minimise brand damage.

In our view it was questionable whether the cost-minimisation option would have delivered a profit in 2009/10. A season that was potentially lacklustre in general, and in particular where the Party talent line-up was limited, would have resulted in lower Party tickets sales – and contributed to significant brand damage resulting in major consequences beyond this season.

## Financial context

New Mardi Gras had built up \$1.5m in cash reserves (representing approximately 40% of annual turnover). This gave us, for the first time in the history of both this (and our predecessor) organisation a financial cushion to cope with a severely rainy day.

We recognised that the Parade/Party split was just this eventuality.

## Our strategy

Given our advantageous financial position we decided to invest in a season that would give real meaning to the notion that the Parade kicked off a wonderful week of activities in Sydney, culminating in the Party. This would maximise the likelihood of visitors remaining in the city right up to our key fundraising event.

We invested in a number of key areas: the production of an after Parade Carnival (that was free to 9,000 parade participants, members and volunteers), the free Spencer Tunick art installation that had unprecedented national and worldwide coverage, and a range of smaller events during that week.

We also invested in Mardi Gras Party, aiming to produce an event that – despite not being on the Parade weekend – was as unmissable as ever.

These investments were produced with conservative expense budgets and revenue forecasts based on best available market data and an aggressive marketing and PR plan.

## Outcome

The outcome of this strategy was a loss of \$575,627. This is a major loss – representing about a third of our reserves – but one which the organisation was in a position to endure as a one-off event.

The biggest single factor behind the loss was the lower ticket sales to Mardi Gras Party. At just over 11,000 sales we were right at the bottom of

our expectations, however we were able to run the party on the same footprint as previous years without it feeling empty. Mardi Gras Party still felt like Mardi Gras Party, and those who went were rewarded with raised production values and one of the best DJ and performer line-ups in the history of the event.

One has to wonder what our sales would have been without the investment. At seven or eight thousand tickets we would have been forced to run the party very differently, cutting venues and reducing entertainment choices.

However it is important to also consider the positive outcomes of the 2010 season. We produced an exceptional, artistic installation in Spencer Tunick's "The Base". This type of installation was unprecedented in Sydney's history, and was broadcast internationally under our brand name and reinforcing our mission of equality in its context.

We continued to produce parties of high standard, and provide opportunities for our community to voice their issues and raise our visibility. We continued to hold a record breaking Parade both in participation rates and viewer rates. And our Festival continues to evolve into a high value semi-curated vehicle for the queer arts.

### Prospects

Our one-off investment strategy in 2009/10 placed the long-term interest of Mardi Gras first, preserving its reputation as a producer of quality, value for money events. Post event surveying confirmed strong satisfaction ratings across all of our events, and strong participation and profitability from Fair Day, Harbour Party and Pool Party.

It also placed the interests of the City as paramount to ensure the maximum participation of the local GLBTQ and Sydney communities during the Mardi Gras Festival season.

Many improvements in our season structure and events were forced upon us and many lessons were learnt in conducting events such as Spencer Tunick and the Carnival. We believe these can make Mardi Gras better in the future.

We believe our prospects for 2011 look good with our event brands in good shape, high levels of audience satisfaction and a proven business model which we are now returning to after a hiatus in 2010.

### The 2010/2011 Agenda

The single most important aspect of our planning for 2010/2011 has been to put in place the mechanisms to prevent an event such as the error that brought about this year's forced separation of the Parade and Party taking place again.

This includes: a focus on Board governance and clarity of the division of responsibilities between Board, staff and volunteers; investment in key staff; implementation of a Board nominations & governance committee – aimed at sourcing board talent to fill vacancies and elections; reintroduction of the Finance committee; a move to a 14-month planning cycle; and a 3-year fixed booking for the Parade and Party.

Other key priorities in the year ahead are: the finalisation and publication of our three year strategic plan, the Parade consultation It's Your Parade; investment in artistic direction; investment in a community workshop; expense reduction effort across all events, especially Party venues; income diversification within NMG's lines of business; review of how to make Sleaze Ball a more effective fundraiser; review of the membership model; and getting our organisational design matched to our future needs.

The challenges are considerable, however the financial performance in 2009/10 should not mask the enormous strides made this year.

### Acknowledgements

Our organisation is very unique in how, as a collective community, we come together to make everything happen. From our Government Partners, our corporate sponsors, other community groups, members, staff, volunteers and individuals, we have a diverse and inclusive group of people who all believe in what Mardi Gras represents, and without all this support, in whatever way it comes, we could not exist.

We would like to thank our outgoing

General Manager, Anna McInerney for five years of dedicated service through both the hard and the great times. We thank you for your efforts and achievement in making New Mardi Gras the exceptional organisation it is today. We welcome Michael Rolik who commenced as new CEO in December 2009.

We would like to thank our major partners, ANZ, Foxtel, Virgin Blue, Events NSW, City of Sydney, V Australia, Mount Franklin, City of Sydney, Evolution Publishing, Budweiser, Cockfighter's Ghost, Gaydar, our media partners, community partners, official supporters and Festival supporters who without your support and acceptance of our values and mission, we could not achieve our visibility, outcomes and goals.

We would like to thank the community organisations that come together and create our Festival, Fair Day and Parade. You demonstrate our communities' diversity and struggles, and we look forward to working even closer with you in the coming years.

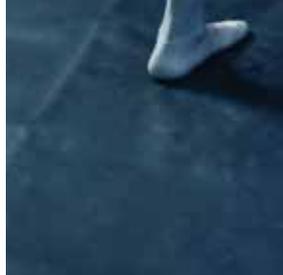
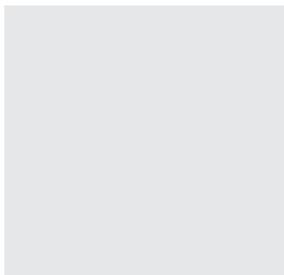
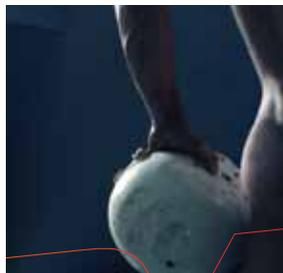
Of particular note, and as always, our organisation would not survive without the dedicated efforts of our staff and volunteers. From our Parade marshals through to our volunteer Board, these individuals bring a passion and enthusiasm to our organisation which is unrivalled within our country. We simply cannot run these events, or our company, without the volunteer workforce that these people bring. As we move forward into our three year strategic plan, we aim to develop our volunteer program further and provide more structure and recognition to our most valuable asset.

On behalf of the organisation we would like to say thank you to each of you, for your passion, your perseverance and your dedication.

We are grateful to each and every one of you, because we realise that we do what we do, because it is important.

Steph Sands, **Co-Chair**  
Michael Rolik, **CEO**

# Sleaze Ball Game On!



**Sleaze Ball- Game On! was held at the Hordern Pavilion and Byron Kennedy Hall on Saturday 3rd October.**

In spite of the dire weather conditions, around 5,000 people attended the party.

Thematically, Game On! proved to be popular and inspired some wonderful and witty costumes, particularly with groups.

Production values were raised for the event, specifically with the laser and lighting show in the Hordern, which attracted a lot of comment and praise from patrons.

Entertainment highlights were spectacular shows in the Hordern including a thrilling aerial performance by iOTA, and a DJ line up that included international guest the Scissor Sisters' Sammy Jo.

The Sydney Roller Derby League provided great entertainment in the RHI and the Boxing Ring featuring Project Sleazeway in the forecourt prevailed and engaged in spite of the heavy rain.

Police sniffer dogs were deployed for the first time at one of our major parties, with the size and duration of the police operations combining with the unprecedented weather conditions to create a great deal of chaos at our entry area and many complaints from our patrons. In response NMG held detailed discussions and planning meetings with the police leading up to Mardi Gras to address our concerns and how we could better work with police to minimise the impact on our valued patrons. This led to the Project Blue initiative and definite improvements to the entry experience for the Mardi Gras Party.

Congratulations and thanks go to the talented and tireless Party Working Group and our dedicated volunteers, performers, staff, contractors and community partners. This event marked the end of our long working relationship with Aztech Events as we bring Mardi Gras' event expertise back in-house, and we thank and acknowledge Grant Pisani and Darren Waide for their contribution in recent years.

At Sleaze Ball, as at all our events, we are grateful for the dedication and commitment of our Mardi Gras Medical volunteers. Our sincere thanks go to Jem Masters and the team who form an integral part of our events and their success.

# Festival



## Over 109 events took place as part of the 2010 Festival.

Highlights included the Spencer Tunick installation at the Sydney Opera House, *Queer Thinking* at the Seymour Centre, *John Waters* at the Sydney Opera House, *Bent* presented by Focus Theatre at Downstairs Belvoir and *Night of Kings* at the Red Rattler.

*Queer Thinking* was a new academic and literature initiative held at the Seymour Centre that had over 35 participants discussing a huge range of topics in a number of talks and forums. *Queer Thinking* will once again be planned as a significant part of 2011 Festival and has huge potential to grow into a major pride conference. *Queer Thinking* was supported by a CAL grant, the Australian Writers' Guild, State Library of NSW, Israeli Embassy, The Bookshop Darlinghurst and Virago/Little, Brown.

The Festival Bar at the Oxford Hotel was a social hub, with fun party nights like Parade Root, Retro Gras and All Sorts selling out.

The Drag Races hosted by Vanessa Wagner was produced by Mardi Gras on Bondi Beach. Though it rained hundreds enjoyed the calamity that was the Kings and Queens on soft sand in a strange and hilarious gymkhana.

Mardi Gras teamed up with presenters Rock Your Box to produce the sold out Pool Party at The Ivy. Though the rain made an appearance it didn't matter as everyone was already wet!

The performing arts events in the Festival showed a wide range of talent from diva Whitney Houston to the local darling Trevor Ashley. William Yang's *My Generation* at Carriageworks and the productions at the Seymour Centre were also very notable and received great publicity.

The visual arts program included the Mardi Gras Gallery, a controversial exhibition at the Australian Centre for Photography by Eric Bridgeman and the artist behind this year's season imagery Scott Elk had a solo exhibition at Urban Uprising. Alongside these were a number of local and international artists at spaces across NSW.

Many gems within the Festival highlighted the history theme in unique ways including the intimate nights about artist Donald Friend at Elizabeth Bay House and the unconventional exhibition about the cross-dressing 1920's man/woman murderer Eugenia Falleni at the Hyde Park Barracks.

*Hat's Off!* under the direction of Mardi de Ferranti and musical director Anne-Maree McDonald was a historical night of showstoppers and featured the best musical theatre talent in Australia including David Campbell, iOTA, Judi Connelli and Toni Lamond. It raised approximately \$40,000 for BGF and ACON.

The Youth Festival's conclusion at ATYP with the Aqueerium event was delightful and well attended. Twenty10 was instrumental in the programming of the Youth Festival.

Team Sydney again assisted in producing a diverse range of sporting events, the largest sports contingent in years.

The Mardi Gras Gallery was resurrected at TAP Gallery and was very well attended. Jaye Early and Janice Appleton took home the art prize and Louise Miller received the SX Festival Favourite. The Gallery was supported by a CAL grant.

The Short Story Competition had 55 entries on the theme 'Making History' with Siobhan Colman, Jonathan Neal, A. Ralph and Rebecca Langham taking home prizes. Thanks to Gary Dunne and the judges.

There was a diverse range of social and community events within the Festival, some longstanding favourites like the Sisters of Perpetual Indulgence and new events like the colourful tattoo party Hot Ink.

Festival received additional staffing this year, joining Festival Executive Producer Danielle Harvey was Festival Coordinator Sam Sweedman with the assistance of Daniel Nauthe on many projects. They were aided by interns Tracey Lamb, Gavin Roach, Alice James, Phoebe Lane and Luke Callaghan.

**MARDI GRAS FESTIVAL BAR**  
AT THE SUPPER CLUB  
134 OXFORD STREET

The place to be seen!



### COMING UP THIS WEEK...

	<b>MONDAY 22ND FEBRUARY</b> <b>THE BLOW WAVES</b> SUPPORTED BY LOVERTITS The campiest band in the world fuse punk, disco and a touch of cock-rock. <b>FREE!</b>
	<b>TUESDAY 23RD FEBRUARY</b> <b>GLACE CHASE IN LAST NIGHT'S BEAUTY QUEEN</b> Join this dearest girl star to reminisce and get handy hints on winning beauty pageants...*
	<b>WEDNESDAY 24TH FEBRUARY</b> <b>LUCASONIC</b> This explosive funk band hails from Germany, don't miss the party!
	<b>FRIDAY 26TH FEBRUARY</b> <b>BOB-DOWNE'S RETRO GRAS</b> Laugh & dance yourself silly -- AGAIN! A mix of cabaret, drag, music and comedy. Tickets \$15 door only.
	<b>SATURDAY 27TH FEBRUARY</b> <b>PARADE ROOT</b> Shows, dancing, dress ups, art installations, tricks, cruising, macho, fun, burly, gay... "The alternative party for Parade night!"
	<b>SUNDAY 28TH FEBRUARY</b> <b>AFTER HARBOUR</b> Join Alex Taylor, Kate Munro & Scott Pullen as they continue to keep you on the floor after Harbour 10. Tickets \$10 door only.

# Parade 2010



**138 floats and approximately 10,000 participants joined us this year, once again confirming the Parade's iconic status on Sydney's major event calendar, and the continued importance and relevance of the Parade to our diverse communities.**

We were once again blessed with perfect weather and enthusiastic crowds.

Late in 2009, the NSW Police requested significant changes to the Start Area of the Parade as part of a strategy to combat serious law and order issues in Hyde Park. We worked with the Police in good faith to try and make the changes work. With a very short lead time and major logistical challenges facing us, we were able to pull it off. However, there were a number of issues that arose from the changes and we are already engaging with the NSW Police, RTA, the City of Sydney and other stakeholders to ensure early planning and negotiation results in a Start Area that both addresses legitimate concerns about crowd behaviour and operates as a safe and effective start to our Parade.

Some advantages resulted from the changes particularly along Flinders St and the End Area. BGF successfully set up Glamstand and seating areas near Moore Park at the end of the Parade route, freeing up Flinders St and allowing increased capacity and funds raised for both organisations.

This year's Parade theme Mardi Gras' History of the World was embraced by many Parade entrants.

Our own creative approach this year was to engage the talents of our season designer Scott Elk, and Sydney Gay & Lesbian Mardi Gras alumni Jane Becker to work together to produce the Lead Float. This year Mardi Gras did not have its' own workshop having moved premises, but continued our relationship with Justin Green to build our entries. We also successfully reinstated our own Marching Group, and continued our relationship with Matthew Aberline who designed the group's spectacular costumes.

2010 saw the second year of our broadcast partnership with Foxtel, with the event presented live on Arena. The Broadcast attracted the second highest ratings of the year for Foxtel, and we were able to improve production standards for the Parade, including spectacular street lighting enhancements along Oxford St.

The Parade Carnival was created as a post Parade event to enable community celebrations after the Parade in lieu of the Parade and Party separation. Around 10,000 people attended the event held in the Show Ring, Forum and Dome which was free for all Parade participants, Mardi Gras members and volunteers. The crowd vibe was fantastic and many people have commented on the community feel and fun of the event.

This year we re-asserted our criteria for Parade entries and this resulted in some community debate about the nature of the Parade and who participates in it. In response, we have held a Parade consultation process – *It's Your Parade* - to enable our communities to present their ideas and assist in defining the event for the future. The results of this process will feed into the preparations and planning for the 2011 Parade.

The Parade is crucially supported by a number of significant partners – we thank our colleagues and friends at the City of Sydney, RTA, NSW Police and the NSW Premier's Department in particular for their continued hard work and good will.

We thank the 2010 Operations and Creative Working Groups and the hundreds of volunteers whose passion and dedication make the Parade possible. We also thank our professional staff, contractors and suppliers who often go above and beyond in their assistance in making the Parade the iconic spectacle it continues to be.



# Fair Day



**We were blessed with a glorious Sydney summer day for our first major event of the season and Festival Launch.**

Over 60,000 people joined us in Victoria Park for this much-loved annual event.

Highlights of the day included Doggywood which was successfully relocated this year, the Gourmet Food & Wine area, fantastic entertainment on our two stages throughout the day and the introduction of the Gaydar Garden Lounge, which absolutely 'went off' later in the day!

The Mardi Gras season was officially launched by the Lord Mayor Clover Moore MP, and featured highlights of the fabulous program to come.

Over 200 stalls featured on the day, providing an amazing array of food, merchandise, entertainment and community outreach.

Our congratulations and thanks to the Fair Day Working Group, dedicated volunteers, performers, staff, contractors and community partners who make this day so special.

Fair Day continues to be at best a marginally profitable event for Mardi Gras, but its importance as the largest day time event Mardi Gras produces, and the opportunities it provides for community engagement and enterprise, remain invaluable.

# Harbour '10



**Mardi Gras produced this harbour-side favourite at Fleet Steps in the Royal Botanic Gardens for the third year running, building on the success of the last two years and increasing attendance to 4,500.**

The weather was problematic early with Sydney giving us one of its infamous afternoon downpours, but our early birds stuck it out and were soon joined by the rest of the crowd to enjoy the bulk of the event under clear skies.

This year we improved the layout and overall production elements of the Party, including a whole new look for our Gaydar partners, and some great lighting and staging.

Entertainment highlights included a stellar DJ line up including international favourite Wayne G and our own Paul Goodyear, and shows from Joyce Maynge and Shauna Jensen.

Our Project Blue initiative commenced at this event, providing advice to patrons and monitoring police sniffer dog operations at the entry area to ensure an acceptable entry experience for our patrons.

We thank our colleagues at the Botanic Gardens Trust, the production team from Mix It Up, our site crew and the small and dedicated team of volunteers who donate their time to this event.

# Spencer Tunick



**5,200 people participated in the installation at the Sydney Opera House Forecourt.**

Additional installations took place in the Concert Hall of the Sydney Opera House, two in the Royal Botanic Gardens – one female only and another male only - and a NMG Members-only installation at Lady Jane Beach.

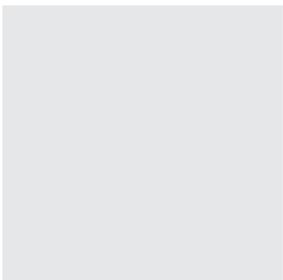
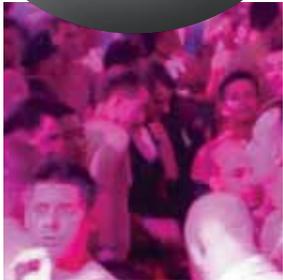
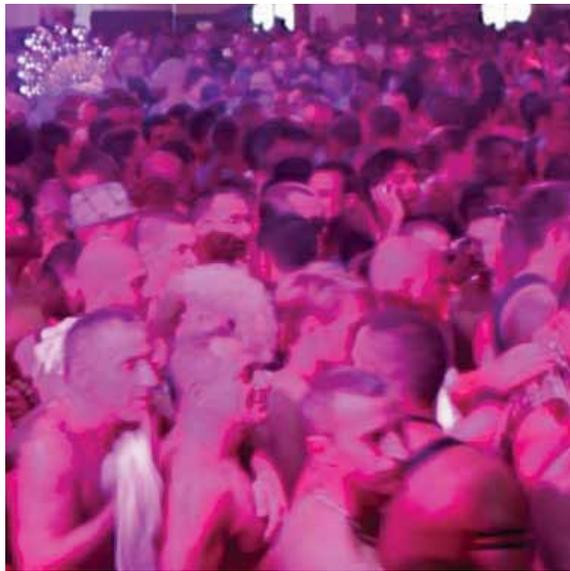
Amazing publicity was generated prior to the event with a Media Launch at Tokonoma where Spencer addressed a great media turnout from behind two naked models covered in sushi, *Sex and the City* style!

Over \$10 million dollars worth of publicity was generated by holding the event, with the nude installations making news around the world.

All businesses in the area were told to expect around 5,000 people (though we thought it would be more like 3,000!) and the police were required to do an emergency road block on Macquarie Street at 4am to deal with the thousands coming into the city to participate.

A grant of \$20,000 was given by the City of Sydney towards making the project happen and a huge amount of in-kind support was given by the Sydney Opera House and the Royal Botanic Gardens. Thanks to Mark Sutcliffe, Virginia Hyam and Annie Heath for their assistance in making a great moment in public art history!

# Mardi Gras Party



**The challenges for the 2010 Party were apparent from the start – how would our major fundraiser fair being split from the Parade for the first time? This crucial question underpinned all our planning for the Party. We put enormous effort into securing an unprecedented DJ line up and great headliners. While Party numbers may have been down, the quality of the event was definitely up and the 12,000 attendees were treated to what many regarded as one of the best parties in recent years.**

The Party felt like a much bigger event due to our tightening of the site to ensure a great crowd vibe.

For the first time in a decade, we installed a central stage in the RHI to great effect, used the tunnel under the venue to enhance the theatricality and reveal factors for the shows, and finally moved the lighting rig in the venue again. The RHI scenic design by Justin Green was beautiful and elegant, and the lighting by Mark Hammer was stunning.

Five spectacular shows were staged in the RHI, featuring the extraordinary talents of Kelly Rowland, Amanda Lapore and Adam Lambert. Perhaps THE highlight for many was the appearance at long last of gay icon George Michael, long rumoured to appear and finally gracing our stage to perform a double act with campaign pin-up Rocco D'Amore. DJ highlights in the RHI included a great opening set by Bimbo Jones, and our own Dan Murphy kept those hands pumping in the air.

The Hordern Pavilion was also beautifully designed and lit, and included great laser effects. Our favourite aerialist Ari astounded once again. DJ highlights were definitely an extraordinary set from Carl Cox, and newcomer to our events, Dusty Kid.

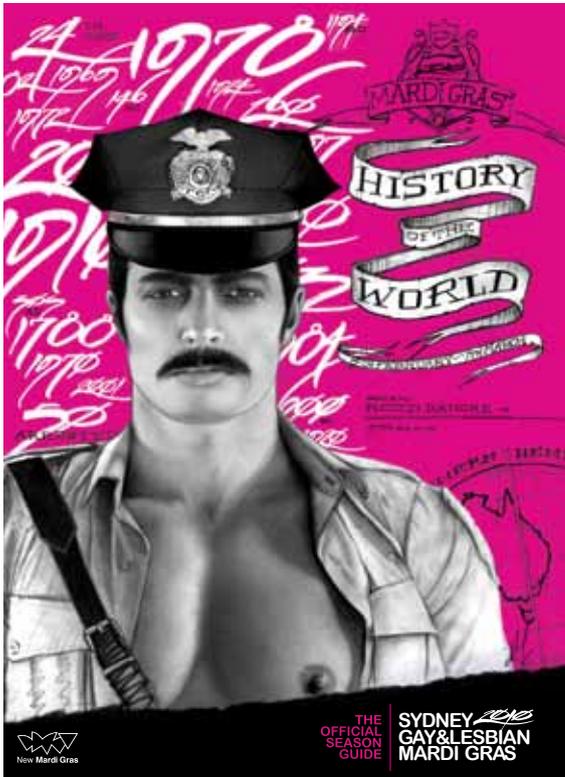
The Members Lounge was successfully located in the Fuse Bar, and attracted many positive comments from our members.

The Forum had an extraordinary line up of local talent including bands and DJs – a format we have included over the past few years, and the Dome was its traditional dark and mysterious self.

Following the problems at Sleaze, police operations at the Party were expected, and fortunately our work with them resulted in a much smoother entry for patrons. Project Blue volunteers were deployed once again to provide patrons with advice, and a degree of co-operation and understanding was established with police. We will continue to liaise with police and work with them as much as possible to preserve the amenity of our events for patrons during police operations.

Congratulations and thanks again go to the Party Working Group, our other contributing volunteers, performers, staff, contractors and community partners.

# Marketing & Communications



**Sleaze Ball's theme Game On! was chosen after extensive focus group work and was brought to life by Bad Behaviour in six key sports-themed photo shoots.**

We ran a long, 12-week campaign for the Party with a significant increase in advertising spending. Feedback on the theme and campaign were very positive.

Nevertheless sales were disappointing and it is clear that, for Sleaze Ball to act as a key fundraising event, we must look at how to bring new energy to the party. Sleaze Ball pricing clearly needs to be addressed. Our current business model has cornered us into a position where we need to charge attendees similar prices to Mardi Gras Party for a much smaller event.

Our marketing strategy for the Season reflected an early recognition of the challenges posted by the Parade and Party separation as well as the continuing impact of the global downturn on traditional international visitor markets (USA, UK and NZ).

The following strategies were implemented to address this: a strong tourist-focused season and a program of reaching out to tour operators; distribution of our Guide in Europe, US, Japan and New Zealand; a major website upgrade focused more squarely on the visitor market; an extension of our sponsorship relationship with Virgin Blue and V Australia to bring more visitors to Sydney; a massive publicity push for Mardi Gras Party in local and interstate press.

Social media became ever more important this year with our Facebook group and Fan Page growing very quickly. Meanwhile our email newsletter subscriber database doubled over the course of the year. For the first time we also leveraged video content in a major way with a promotional video which has been seen by almost 50,000 *Youtube* users worldwide.

The 2008 anniversary was expected to mark a high point in media attention for Mardi Gras, but instead we have seen massive growth in coverage over the last two years. This year saw a great deal more attention being received for the Mardi Gras Party in line with our strategy and in particular huge impact from the Spencer Tunick installation in local and international media.

The prospects for 2011, based on the traditional Parade and Party format, seem good with a lot of this year's work around tourism due to pay dividends.

Thanks go to a small team of marketing interns and volunteers, as well as our partners Evolution Publishing who have been supportive throughout.



# Membership



**The Member Services Working Group consists of six volunteers and is a key advocate for members within New Mardi Gras. Primarily the working group focuses on member communications, benefits and renewals although in the last year we have placed greater focus on seeking out the views of members and sharing these within the organisation.**

In October, 2009 the Member Services Working Group published a membership survey which was sent to both members and non-members via the e-newsletter. Over 500 responses were received, with many people taking the time to provide constructive feedback. With such enthusiasm, the resultant report was over 50 pages long! Following this a half-day workshop was held with a group of members to further explore issues and ideas raised from the survey. A discussion paper has now been developed and is currently being considered by the Board. We expect to share the final recommendations with members in the coming months.

Increasing the range of member benefits remains a key focus of New Mardi Gras. This year, members were able to take advantage of free entry to the Mardi Gras Christmas Party and Parade Carnival, access to the Members Lounge at Mardi Gras Party plus discounted tickets to over 40 Mardi Gras Festival events including our fabulous parties; Sleaze Ball, Harbour '10 and Mardi Gras Party. In addition, throughout the year members received numerous special offers from some of Australia's leading retail, entertainment and production companies that included discounted tickets to *Avenue Q*, *Romeo and Juliet* and the *World's Funniest Island* to name but a few.

Once again the Parade Members Viewing Area at Taylor Square proved popular with tickets selling out quickly. Due to the expected demand (and for the first time ever) we were able to add a second Members Viewing Area in conjunction with the Bobby Goldsmith Foundation at the Parade end area.

Finally, and most importantly, we would like to thank the thousands of members who help make Mardi Gras the world's greatest gay and lesbian celebration. Your support is invaluable!

**Matthew Page and Drew Simmons  
Member Services Working Group, Co-Chairs**

NMG MEMBERSHIP	2010 (No.)	2009 (No.)
Full Members (1 year)	2,136	832
Full Members (3 year)	593	1,456
Concession Members	170	136
Under 25 Members	171	148
Organisation Members	4	3
Complimentary Members	7	7
International Members	665	300
<b>TOTAL</b>	<b>3,746</b>	<b>2,882</b>

# Community



**As a community organisation, New Mardi Gras endeavours to assist in the visibility of GLBTIQ issues and support those groups who need help in having their voice heard. Over the past 12 months we have made significant grants and donations, while developing strategies to work with these groups, from a local to international scale.**

Honouring our “Nations United” theme of the previous season, we looked overseas to a group that faces public and institutionalised opposition to their Pride events. In January we made a significant contribution to the organisers of Moscow Pride, which has been met with violence and government condemnation for the past four years. Founder Nikolai Alekseev said the money would be used to participate in Slavic Pride in July, and last month saw a resoundingly successful 2010 Pride event on Moscow’s streets.

On a local level we assisted with the installation of the Australian AIDS Quilt Project at the Powerhouse Museum through a \$5000 contribution. Constantly growing over the past 22 years, the Quilt Project remembers the victims of HIV/AIDS and we were proud to assist in creating a new, publicly displayed home for it. We also used funds from our Harbour ’10 event to make a \$15,000 contribution to the Gay and Lesbian Rights Lobby, to aid their tireless fight for equality.

Our continuing Parade grants scheme saw nearly \$15,000 contributed to entrants who applied for assistance. Whether it was a lighting system for their float, the cost of vehicle hire or simply some extra costumes, NMG were able to help over 20 entrants realise their fantastic ideas. The scheme, now in its sixth year, continues to grow and position itself as a valuable resource for community groups.

NMG was able to continue using our 2010 Festival’s wide range of events to engage and support a diverse array of community groups. The Bobby Goldsmith Foundation’s “Glamstand” space on the Parade route raised valuable funds, and our collaboration with them for the “Hat’s Off” event at the Seymour Centre raised just under \$40,000. The Party provided opportunities to involve the Metropolitan Community Church who fundraised through the coat-check service, while the Positive Living HIV/AIDS support group utilised a space in the Dome as a recharge lounge.

We also mixed with the animals in support of gay marriage, with Mardi Gras’ inaugural Dinner at the Zoo. With a luscious dinner, inspired and interesting talks, and a private tour of the zoo at sunset the Australian Marriage Equality fundraiser was a great success, with NMG donating \$5000 to their cause. We also worked with youth organisation twenty10 to produce a diverse and vibrant Youth Festival, showcasing the young voices of our community in performance and exhibitions, whilst also providing positive social experiences in a series of exciting events around suburban Sydney.

## Project Blue

“Project Blue” was an initiative that came as a result of a strong Police presence at the 2009 Sleaze Ball. NMG, ACON and the NSW Gay and Lesbian Rights Lobby, together with the Inner City Legal Service, created the initiative to inform, support and educate members of the GLBTIQ community on health, safety and rights issues when attending NMG and community events, particularly where police drug operations occur. Lead by NMG Director Josh Keech, Project Blue developed a community approach to the issue, with three areas being identified for particular focus: health and safety; rights information; and monitoring and patron assistance at events.

This year Project Blue saw the presence of a ‘legal information’ tent just inside Mardi Gras Party and Harbour Party to provide patrons with assistance at the event, and worked with Police to provide the best possible experience for patrons that were searched. There were also rights information sessions held before and after the events, as well as information provided on the website and in Party supplements, to enable people to be aware of their rights and responsibilities. The organisations also worked to have open communication with NSW Police about our concerns at the events while at the same time enabling the Police to do their job. Project Blue will continue to operate as a part of the 2011 season.

# Medical



Over the past year the Medical team have provided the usual high standard of pre-hospital health care services to our community at Mardi Gras events. The team is composed of 250 dedicated medical, nursing, ambulance officers and first aider volunteers who give their time to ensure Mardi Gras events are safe environments. The challenges we face include providing health care in environments outside of the comfort of a hospital setting and the unpredictability of who, what and where patrons will present with medical varying needs. This makes the work unique and rewarding.

The medical team have provided medical care to over 500 people at different events and with a range of conditions - from simple band aids and Panadol to unconscious patrons. Consistent trends over the past 10 years indicate that we see between 1.5% and 2.5% of patrons at Mardi Gras events, while 1.5% of the patrons who attend the medical tent will require more intensive medical attention at hospital. The team has seen a slight shift in the presentations, with more patrons requiring increasingly intensive care within the medical tent. This has meant the team have been focussing on prevention techniques.

The medical team has over the past year has valued the support from NSW Ambulance Service and St Vincent's Hospital. The team have been acknowledged as preventing the unnecessary hospitalization of patrons by providing more than simply first aid services. Our service therefore relieves the health care system of excessive demands in emergency departments.

We would like to acknowledge the tragic death of one of our brightest and most gifted volunteers, Kendra Morgan, who was an up and coming member of the team. She had brilliant potential and was being groomed to be part of the future medical team as part of the succession process.

Finally the medical team would like to thank the Board and staff for their support and commitment to the medical team.

# IT Working Group



The IT workgroup support the office computer network through user maintenance, PC hardware and software troubleshooting, advising on hardware and software purchasing and maintaining the email and file server.

During season each member takes weekly turns to attend the office and respond to logged and casual IT support requests. Out of season we attend as required.

We meet all year round on a regular basis to progress ongoing tasks and projects.

Recently we have also started running web development projects and have created online applications for members, Fair Day stall holders, volunteers and festival entrants.

For the 2010 Mardi Gras Season we completed 115 requests ranging from setting up new users to setting up new PC's in time for new staff to start.

This season saw changes to allow for returning volunteers and a trial of Festival applications online.

For the 2011 season we are looking at adding new functionality to the Fair Day application and adding self serve functionality for volunteers.

# Volunteers

The separation of the Parade and Party made this year uniquely challenging as we set out to recruit the necessary volunteer numbers required for our events.

Despite a slow start, once the Festival began the number of volunteer registrations sky rocketed, to the point where we were overwhelmed with the applications received.

Different events experienced varying attendance rates. Fair Day and Harbour '10 had a much higher no-show rate, while Parade and Party had an amazing volunteer turnout.

We would like to express a special thank you to the volunteers that attended and worked overtime to make Harbour '10 successful.

Spencer Tunick's installation was a challenge, due to the date, time and location of the event. Again the volunteers that attended were fantastic.

For 2011 and beyond, the Volunteer Working Group has started working on building a better volunteer management system which will define a solid volunteer policy.

Volunteer orientation, training, learning and volunteer retention are a few areas which we will be concentrating on and expanding. As part of this the Volunteer Working Group will have a larger role in the coming years.

A special thank you to Co-chairs John Kininjew & Michael Donnelly for their tireless efforts in developing our volunteer function.



Thank You!



## 2010 Volunteer Award Winners

### 2010 Volunteers of the Year

Eamonn Lorraine

Cameron Dorrington

### Fair Day Working Group

Dave Wilson

### IT Working Group

Matt Santon-Rutherford

### Marketing Working Group

Claire Boulton

Kyle Doty

### Medical Working Group

Party Medical Team

### Parade Creative Working Group

Louis Hudson

Shane Cathcart

### Parade Operations Working Group

James Hohnen

### Party Working Group

Scott Ogier

### Fair Day Volunteer

Kon Ziotas

### Spencer Tunick Volunteer

Alice James

### Taronga Zoo Dinner Volunteer

Gavin Roach

### Mardi Gras Gallery Volunteer

Luke Callaghan

### Queer Thinking Volunteer

Erica Heller-Wagner

### Harbour Party Volunteer

Tim West

### Parade Volunteer

Michael Felsch

Craig Keyser

### Party Volunteer

Michael Boyd

# Working Groups



**Party Working Group**  
 Aaron Farley  
 Betty McKew  
 James Lee  
 Krissy Magill  
 Mark Cassone  
 Nerida Groth  
 Scott Ogier

**Fair Day Working Group**  
 Benedict Brook  
 Brendon Weller  
 David Wilson  
 Eamonn Lorraine  
 Frank Ianilli  
 Gary Wright  
 Grant Lowe  
 Johnny Treglown  
 Kyle Moser  
 Laura Wayling  
 Matthew Clark  
 Nick Bozanic  
 Paul Bradshaw  
 Penny Stringer  
 Phil Starky  
 Scott Webb  
 Tim Vial

**Medical Working Group**  
 Jem Masters

**Member Services Working Group**  
 Drew Simmons  
 Jeremy Sutton  
 Lex Van Netten  
 Matthew Page  
 Michael MacPherson  
 Monty Marshall

**Parade Working Group (Creative)**  
 Adrian Hinder  
 Brandon Bear  
 Chris Kennedy  
 Chris Kerle  
 Shane Cathcart  
 Jason Agius  
 Louis Hudson

**Parade Working Group (Operations)**  
 Mal Miller  
 Michael Donnelly  
 Liz Dodds  
 John Kininjew  
 Cameron Dorrington  
 Mark Barraket  
 Rob Beetson  
 Malcolm Grant  
 Darren Bruce  
 Adam Cotton

**IT Working Group**  
 Adam Minnis  
 Andrew Maloney  
 Marcus Ebenhoeh  
 Martina Kainberger  
 Matthew Santon  
 Rutherford  
 Patrick Waters  
 Mark Cassone  
 Daniel Bone  
 David McKinnon  
 Matt Edwards  
 Pierre Joseph  
 Ryan Wright  
 Steve Lowe

**Volunteer Working Group**  
 John Kininjew  
 John Peters  
 Michael Donnelly  
 Paul Bradshaw  
 Joel Roncevich  
 Aaron Girrotto

**Marketing**  
 Kyle Doty  
 Claire Bracken  
 Jason Dixon  
 Jeff McBride

# Our Partners



## Sponsorship income continues to be a vital source of revenue for New Mardi Gras.

Our partners are helping us to stimulate the process of reform.

Together we challenge the status quo and celebrate diversity and equality.

Sponsorship income for 2010 was over \$800,000 excluding value in kind.

### We proudly welcome our new sponsors for 2010:

V Australia, Mount Franklin and Cockfighter's Ghost.

### We pay tribute to our returning sponsors:

ANZ, Events NSW, Virgin Blue, City of Sydney, Budweiser, Red Bull, Foxtel, Evolution Publishing, Gaydar and Atlantis.

We are particularly proud of our partners that thoroughly embrace diversity in the workplace. One shining example of this is ANZ. A lot of companies pay lip service to diversity, but ANZ is continually implementing policies that ensure everyone is accepted. People from diverse backgrounds and lifestyles are celebrated, and ANZ has developed a culture that values employees' unique perspectives.

### Other sponsorship developments this year include:

Increased tourism offerings and programs with Virgin Blue.

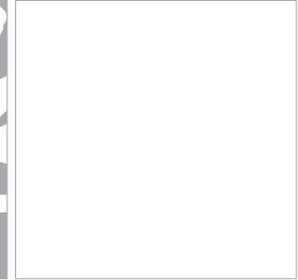
The creation of new opportunities throughout the season to ensure genuine community connections.

The ongoing development of Parade broadcast by Foxtel.

Yours in celebration,

**Greg Segal**  
 Director of mixitup

# Staff



## 1: Michael Rolik, CEO

Michael started as CEO of New Mardi Gras in December 2009 and also has 15 years experience as a volunteer with the Sydney Gay & Lesbian Mardi Gras, having worked in a diverse range of roles including Parade Start Director, Parade Co-chair, Sleaze Ball Co-chair, Parade Director, Treasurer and Board Member. During that time, Michael has worked in a variety of senior management positions, including a global talent management company in Australia and the UK and for one of Australia's leading insurance brands. Michael also worked on the Sydney 2000 Opening ceremony athlete's parade and held production management positions at the 2006 Doha Asian Games. Most recently, he ran his own management consultancy specialising in management development working with corporate and not-for-profit organisations in Sydney, London and Hong Kong.

## 3: Damien Eames, Head of Marketing & Communications

Damien began his career in TV production and enjoyed a spell as an economic research for the UK Labour Party before getting involved with digital media and marketing. He produced the very first Internet strategy for the BBC, the first major European Union report on Internet pornography and created business plans for a host of new digital TV channels in the UK, Europe and Asia. Before coming to Australia in 2005 he project managed the roll-out of Vodafone Live! across Europe. Within months of arriving in Sydney Damien got involved in marketing & communications for New Mardi Gras, firstly as a volunteer and then as a staff member, with a particular focus on strategy and development of the Mardi Gras tourism strategy. Damien will use any conversation as an opportunity for market research!

## 5: Sam Sweedman, Festival Program Manager

Originally from Brisbane, Sam came to Sydney in July 2009 and joined New Mardi Gras for its 2010 Season. Sam has worked on a diverse range of arts festivals and events and brings with him production and technical experience from his years as production coordinator for Brisbane Powerhouse. His involvement with New Mardi Gras has been a fantastic opportunity to create networks within Sydney's GLBTQ community and contribute to the Festival experience.

## 7: Daniel Nauthe, Executive Assistant to CEO

Dan started with NMG minutes prior to the 2009 season. With a background in Executive Support and a Bachelors degree from Charles Sturt University, Dan brings a wealth of administrative support, youth and Bohemian flair to the office.

## 2: Katrina Márton, Head of Events

Katrina is a large-scale event producer who has worked extensively in theatre and events in both the Sydney gay and lesbian community and the corporate world and has held the position of Head of Events since June 2009. Katrina is a former Producer of the world famous Sydney New Year's Eve celebrations 2005-2007 for the City of Sydney, and served as Operations Manager of the Powerhouse Museum 2003-4. She was the Executive Producer of the Sydney 2002 Gay Games, overseeing production and operations of the Cultural Festival and Special Event program, and personally produced the acclaimed Opening Ceremony at Sydney Football Stadium and Closing Ceremony at Fox Studios. During an extensive career at Sydney Gay & Lesbian Mardi Gras Ltd between 1991 and 2001, Katrina managed and produced eight Mardi Gras parties, seven Sleaze Balls, two Parades and numerous other events. She served as a director of Sydney Gay & Lesbian Community Publishing Ltd (Sydney Star Observer) in 2002, and is a former Director and President of Queer Screen 2006-2008.

## 4: Danielle Harvey, Festival Executive Producer

Danielle joined New Mardi Gras in 2005 as the Sponsorship Coordinator and then in 2006 moved over to tackle the Festival. In 2008 she became involved in programming Party entertainment. She has greatly enjoyed bringing some amazing acts to Mardi Gras for both the Festival and Party, including Joan Rivers, Margaret Cho, Spencer Tunick, Rupert Everett, Cyndi Lauper, Olivia Newton John, Adam Lambert, Kelly Rowland and George Micahel. Danielle knows only Mardi Gras would give her the chance to get 5,200 people to nude-up at the Opera House for art! (Danielle left Mardi Gras after 6 seasons in May, 2010 to focus on developing new theatrical works under her own company).

## 6: Gordon Wheatley, Office Manager

Gordon started with New Mardi Gras in August 2004. Previous to this Gordon was working in Administration at Sydney Pride Centre. In the early days of New Mardi Gras there were just 2 full time staff, the General Manager & Gordon. Gordon has seen the organisation grow from this into a small team of highly dedicated staff.

# Corporate Governance



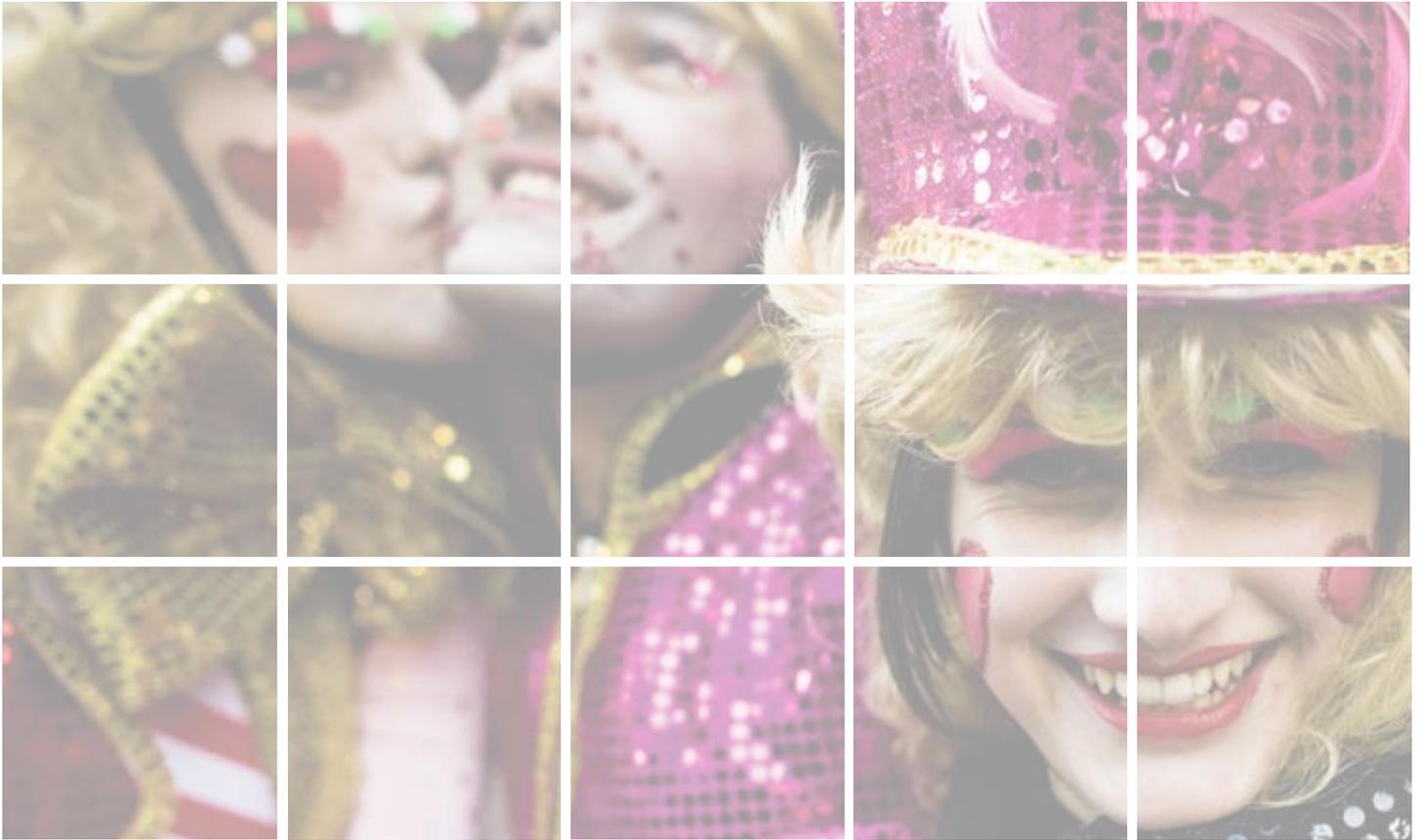
**New Mardi Gras embraces the principles outlined in the Australian Stock Exchange (ASX) 'Principles of Good Corporate Governance and Best Practice Recommendations'. The ASX Good Governance Council developed these in conjunction with bodies such as Australian Institute of Company Directors, CPA Australia, Institute of Chartered Accountants (Australia), Institute of Internal Auditors (Australia), and the Law Council of Australia. The principles were revised in 2008 and NMG charts its progress against these eight principles below.**

During the 2009 -2010 reporting year, the NMG Board has undertaken significant effort to improve the overall governance and management of the Company. Improvements have been made at all levels of the company, from Board to Management to working groups, to create and enable better decision making and informed planning and budgeting.

Two key areas of significant progress are the Board Charter, calendar and protocols area and the finalisation of the 3-year strategic plan 2010 – 2012 that were signed off recently. These initiatives will assist in guiding the Company to better management and decision-making.

	Achievements 2009-2010	Plan 2010 - 2011
<p><b>1. Lay solid foundations for management and oversight</b></p> <p>Companies should establish and disclose the respective roles and responsibilities of the Board and Management.</p>	<ul style="list-style-type: none"> <li>Documented and signed off a company register of Delegations of Authority identifying contractual, financial and organisational approvals and signatories.</li> <li>Established and documented a clear process for board decision-making.</li> <li>Reviewed and updated the board induction processes.</li> <li>Clearly documented the roles, responsibilities and conduct of the directors, office holders and company management.</li> </ul>	<ul style="list-style-type: none"> <li>Agree work plans and KPIs in line with the 3 year strategic plan for all management staff and Directors</li> <li>Continue to refine and improve the Board induction processes</li> <li>Delineate operational and strategic decision making further to ensure governance and management roles and responsibilities are clearly defined and understood</li> </ul>
<p><b>2. Structure the board to add value</b></p> <p>Companies should have a board of an effective composition, size and commitment to adequately discharge its responsibilities and duties.</p>	<ul style="list-style-type: none"> <li>Defined and chartered a Nominations and Governance committee.</li> <li>Established the position of Board Associate; a program to nurture organisational skills and talent.</li> <li>Completed a 3 year strategic plan.</li> </ul>	<ul style="list-style-type: none"> <li>Form the Nominations and Governance committee as per the Charter</li> <li>Investigate the merit of increasing board terms to 2 years to improve organisational stability knowledge retention</li> <li>Closely manage and report against the 3 year strategic plan objectives</li> </ul>
<p><b>3. Promote ethical and responsible decision-making</b></p> <p>Companies should actively promote ethical and responsible decision-making.</p>	<ul style="list-style-type: none"> <li>Established and approved Board Charter to provide a framework for Board activities, behaviours and decision-making including meeting protocols.</li> <li>Reviewed and revised all organisational codes of conduct and policies.</li> <li>Reviewed and updated disciplinary and HR policies and procedures</li> </ul>	<ul style="list-style-type: none"> <li>Ensure all directors, staff and volunteers adhere to the code of conduct</li> <li>Run informational sessions for all volunteers and ensure all working group roles are documented</li> </ul>

	Achievements 2009-2010	Plan 2010 - 2011
<p><b>4. Safeguard integrity in financial reporting</b></p> <p>Companies should have a structure to independently verify and safeguard the integrity of their financial reporting.</p>	<ul style="list-style-type: none"> <li>Established clear and stable accounting and budgeting processes and systems.</li> <li>Agreed budgeting, accounting and reporting standards, processes and platforms to enable financial processing stability.</li> <li>Re-established the Finance working group after a 5-year hiatus.</li> <li>Agreed and initiated comprehensive monthly management financial reporting.</li> <li>Ensured the effective running of the audit and risk committee</li> <li>Developed detailed 18-month budgets with formal quarterly reviews.</li> </ul>	<ul style="list-style-type: none"> <li>Continue to review the integrity of the accounting and reporting processes in line with industry standards and audit recommendations</li> <li>Further improve the integrity and transparency financial decision making and budgeting via ongoing review and revision</li> <li>Further simplify and streamline systems and ensure internal controls are independently verified</li> </ul>
<p><b>5. Make timely and balanced disclosure</b></p> <p>Companies should promote timely and balanced disclosure of all material matters concerning the company.</p>	<ul style="list-style-type: none"> <li>Provided regular emails to our members on matters of material interest.</li> <li>Conducted an EGM in April to discuss the outcome of the 2010 season and other matters.</li> <li>Improved reporting and budgeting tools and systems to enable disclosure and decision making</li> </ul>	<ul style="list-style-type: none"> <li>Publish the 3-year strategic plan and provide to all members and the community.</li> <li>Publish Board governance and delegations documents on the NMG website including relevant policies procedures and protocols.</li> <li>Investigate further measures to foster open governance and transparency</li> </ul>
<p><b>6. Respect the rights of shareholders</b></p> <p>Companies should respect the rights of shareholders and facilitate the effective exercise of those rights.</p>	<ul style="list-style-type: none"> <li>Conducted an EGM in April 2010 to present the outcome of the 2010 season to members.</li> <li>Conducted community consultation program to seek membership consensus on Parade matters</li> <li>Full and detailed disclosure of information in the annual report</li> </ul>	<ul style="list-style-type: none"> <li>Continue to tailor the frequency of communications to members in addition to finding additional communication channels</li> <li>Continue to conduct consultation sessions on issues that affect the organisation</li> </ul>
<p><b>7. Recognise and manage risk</b></p> <p>Companies should establish a sound system of risk oversight and management and internal control.</p>	<ul style="list-style-type: none"> <li>Organisational risk register reviewed</li> <li>Maintained the active participation of the Audit and Risk Committee.</li> <li>Engaged accounting services firm to provide comprehensive monthly and annual financial reports</li> <li>Established Project Blue to assist with legal and reputational risk.</li> <li>Ensured Mardi Gras Medical was fully supported by alignment as a Board sub-committee.</li> <li>Initiated the establishment of a Legal Working Group to assist with legal and contractual issues.</li> </ul>	<ul style="list-style-type: none"> <li>Ensure all risk management plans for events and the organisation are reviewed</li> <li>Ensure all staff and volunteers are aware of the companies risk management policies.</li> </ul>
<p><b>8. Remunerate fairly and responsibly</b></p> <p>Companies should ensure that the level and composition of remuneration is sufficient and reasonable and that its relationship to performance is clear.</p>	<ul style="list-style-type: none"> <li>Established the Nominations and Governance committee to develop and review remuneration policies for staff.</li> <li>Consulted third parties in setting remuneration levels for the position of CEO based on representative industry benchmarks.</li> <li>Revised senior staff remuneration packages to include appropriate levels of performance based remuneration versus salary.</li> </ul>	<ul style="list-style-type: none"> <li>Ensure remuneration levels reflect industry standards for staff and contractors ongoing.</li> <li>Ensure all staff have clear and detailed performance KPIs aligned to the strategic priorities of the organisation and that they are measured at intervals.</li> </ul>



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# New Mardi Gras Limited

**ABN 87 102 451 785**

**Financial Report for the year ended 31 March 2010**

Pitcher Partners  
Level 22  
19 Martin Place  
Sydney NSW 2000  
telephone (02) 9221 2099

# Treasurers' Report

## New Mardi Gras Ltd. Treasurers' Report

The enclosed financial statements cover the period from 1 April 2009 to 31 March, 2010.

This year New Mardi Gras Ltd (NMG) reports a deficit of \$575,627 for the year.

There were a number of factors which precipitated this result. They included the splitting of the Parade and Party and the Global Financial Crisis (GFC), which had an impact on the numbers of domestic and international visitors. Also contributing to the deficit were:

- The costs in providing the post-Parade Carnival event, which was deemed necessary for the safety of our parade participants, volunteers and spectators
- Considered investment in our core staff
- Considered investment in our brand through commissioning Spencer Tunick
- Considered investment in our events by providing an international Party line-up

- Costs associated with the inability to engage a Festival headliner. Although the result is disappointing, it is my opinion that it would have been significantly worse if NMG did not have such a dedicated group of volunteers, staff and partners who all contribute significantly to our operations. While our result is below our expectations, we can say that New Mardi Gras Limited (NMG) continued to pursue and invest in events and operations that will maintain and grow our brand both nationally and internationally. This investment allows us to work towards securing our reputation in holding one of the world's oldest and largest GLBTIQ events, and making our Parade second to none.

### Breakdown

Treasurer Report	2010	2010	2010	2009	2009	2009
Disclosure	Revenue	Expense	Result	Revenue	Expense	Result
Festival	102,368	331,251	(228,883)	364,718	370,219	(5,501)
Fair Day	197,583	194,275	3,308	217,617	238,250	(20,633)
Parade	95,487	558,253	(462,766)	100,668	613,950	(513,282)
Parties	2,438,040	2,079,047	358,993	2,597,113	1,933,886	663,227
Sponsorship	854,888	99,348	755,540	1,050,853	107,509	943,344
Contra	386,457	386,457	-	434,689	434,689	-
Membership	106,910	24,530	82,380	116,907	13,259	103,648
Other Revenue/ Overheads	69,550	1,153,749	(1,084,199)	91,717	872,620	(780,903)
<b>TOTAL</b>	<b>4,251,283</b>	<b>4,826,910</b>	<b>(575,627)</b>	<b>4,974,282</b>	<b>4,584,382</b>	<b>389,900</b>

### Our Events

Festival revenue decreased in 2009-10 due to the lack of a headline touring act.

The Festival P/L also includes the costs associated with Spencer Tunick, but it has been determined that this event generated international publicity for the organisation and event estimated at over \$10 million. We consider this an investment in the future of the festival.

Fair Day produced a modest surplus this year as opposed to the \$20K loss in 2009.

This year's Parade saw a rise in expenses due to changes to the start area of Parade, made at the request of NSW Police,

however other expenses were decreased leaving a deficit of \$462K on this event for the year. Considerable funds are required in order to maintain the world class production values of Parade. One of the items to mention was NMG was able to arrange for some large costs to be offset with careful use of contra.

NMG is aware that there are a number of parties using our Parade to leverage their own aims both politically and financially. We are currently reviewing operations to ensure that NMG exercises control on income opportunities to ensure that these are used ongoing for the benefit of the membership and the associated community and not for ambush marketers and other parties with no shared interest both on and off the Parade route. The Board and management of NMG believe that this is an area for growth and careful negotiations will result in better outcomes for all.

### Events\*

Treasurer Report	2010	2010	2010	2009	2009	2009
Disclosure	Revenue	Expense	Result	Revenue	Expense	Result
Sleaze	494,339	446,965	47,374	499,674	426,144	73,530
Harbour '10	514,752	376,994	137,758	299,427	335,307	(35,880)
Carnival - Post Parade	102,788	209,318	(106,530)	N/A	N/A	N/A
Mardi Gras Party	1,326,161	1,045,770	280,391	1,798,012	1,172,435	625,577

\*The above figures do not include Marketing costs.

The Parade/Party split had a severe effect on ticket sales for Party. A strategic decision was made by the Board to ensure first class entertainment and artists were secured in order to minimise the impact and encourage sales. This ensured the reputation of the Party brand held fast. High fixed costs such as those associated with venue hire and security meant that it was difficult to reduce the expenses in line with lower than expected sales, and unfortunately the result was below 50% of that for 2009.

This year Harbour '10 came to fruition, delivering a profit for the organisation. Harbour '10 benefited from overseas tour attendance and long range planning. Whilst the tickets sales were assisted partially by the Parade/Party split, we are confident that the Harbour party will continue to grow as an iconic event, especially tailored to interstate and international visitors.

Carnival was staged as a 'Thank You' function primarily for Parade participants and Volunteers. It was never planned to make a profit on this event. Originally this was budgeted as a break even event, however as a free event for 10,000 volunteers even with lower than expected ticket sales the 100K cost to the organisation was in line with our later forecasts.

## Our Fundraisers

We continue to review the reliance on Party and Sleaze as the major fundraisers for the organisation. Sleaze and Mardi Gras Party attendance has continued to decline. In 2004 Sleaze had revenues in excess of \$800K and a result of \$200K, whilst in 2009/10 it generated a disappointing result of slightly more than \$40K. Management and the Board have been making a concerted effort to address this by investigating other fundraising events.

## Sponsorship

In 2010 we again have to thank our sponsors for their continued support. Sponsorship income was lower in 2010, part of this was smaller funding from Events NSW than in 2009, however Events NSW remain one of our strongest government supporters as they are aware of the enormous impact that we have on the NSW economy (approx. \$30 million per annum). Sponsorship is one area that NMG can use to diversify its income base. There are however some genuine risks in being too dependent on sponsorship. The value of sponsors is linked to the growth of our events and growth in patronage. Sponsorship is also influenced by general economic events, highlighted by the GFC, with the availability and amount of spend by sponsors showing a similar risk profile to Party income.

## Diversification

In this respect the organisation is focussed on developing a range of diversified income streams by investigating income generation that are less susceptible to economic shocks as well as mitigating the impact of external events by ensuring we produce healthy events that sell out quickly, which in turn increase the value of our event assets and the value that sponsors place in their investment with us.

## Membership and other

Focusing on future operations, the use of contra is a valuable resource and we will continue to pursue services and

products in kind as in many cases, particularly with product sponsorships, it is the most economic advantageous way for both parties to get the best out of the relationship.

Membership income decreased in 2010. However in 2009 the amortization of prepaid member income had a much greater impact on the Membership income total. Cash flow from renewals increased by 21% from 2009 (75.2K) to 2010 (90.8K). In October this year the first issue of our 3 year memberships begin to expire, over 1100 memberships and we are working on ways to ensure that we have as many renewals as possible. I am also happy to report further work is in development to enhance the benefits of becoming and remaining a member.

One other important item to note that has a positive impact on the financial health of NMG are the staff that we have in place. The 2010 season saw the departure of Anna McInerney as the general manager after 5 years of hard work and replaced by Michael Rolik. Anna carries our thanks and we are encouraged to see the way in which Michael has stepped up to the challenges.

2010 also saw a number of the functions that were usually outsourced run 'in house'. Overall staff and contractors rose from \$689K to \$1.083M. This increase was offset by reducing costs in other areas. In 2010 NMG also continued to support the community and assisted gay groups through community grants. The groups ranged from organisations in Moscow (where we assisted them to travel to pride celebrations), to the local Australian Marriage Equality Group and to many of the floats that appeared in our Parade.

NMG has significant cash reserves that have in the past generated significant income through simple cash management. The recent low interest rates have reduced this revenue sharply from 67K in 2009 to 43K in 2010, this is despite a much greater average cash balance.

## Looking forward

The next couple of years will be critical to the operations of NMG and we are working to ensure we do not have a repeat of the 2010 season result. The reserves of A\$1.5M at the beginning of the 2009/10 financial year now need to be replenished. Unfortunately due to various factors including economic problems in Europe and recent interest rate rises it is becoming clear the economy will not be as strong in early 2011 as we would hope. This weaker than expected economy will impact NMG attendance by both locals, interstate and overseas visitors and will make it challenging to rebuild these reserves quickly. Added to a weak economic outlook we are seeing continued competition, increased costs and reduced attendance.

Detailed planning for the future and strong leadership is needed to ensure the organisation recovers and grows. New Mardi Gras endeavours to remain focused on our mission and values by supporting the community, assisting and attracting volunteers and working with our partners. Working with the community, volunteers, partners and skilled staff, NMG is confident in continuing to provide the world's premier GLBTIQ event.

Finally I would like to thank the many people and organisations who contributed to the 2010 Parade and season and we look forward to supporting the Parade and season in the future. It is only from your continuing long term support that NMG is able to exist.

**Treasurer Rob Partos**

The directors present their report together with the financial report of New Mardi Gras Limited for this year ended 31 March 2010 and auditor's report thereon. This financial report has been prepared in accordance with Australian Equivalents of International Financial Reporting Standards.

### Directors Names

The names of the directors in office at any time during or since the end of the year are:

Director Name	Image	Appointed/ Resigned	Qualifications & Experience
Ash Hogan		Appointed 09/10/08 Resigned 05/05/09	Ash Hogan was appointed to the Board in October 2008 and became a founding member of the Commercial Development Group, which drives the relationship between corporate Australia and New Mardi Gras. He was the Board Sponsor for the Foxtel broadcast in 2008 and worked across many stakeholder groups to ensure a successful return to Television. Ash currently works as a management consultant to the travel, tourism and financial services industry and holds a post graduate degree in Business Administration. He stepped down from the Board in 2009 to accept a full time senior executive position based in Saudi Arabia.
David Imrie		Appointed 12/12/07 Resigned 03/08/09	David joined the Board in December 2007 and retired in August 2009. He held the position of Chair for his last 15 months. David holds a degree in commerce and two business diplomas, and is currently studying for an MBA. David is the CEO of a national association and sits on the boards of two charitable foundations.
Josh Keech		Appointed 18/02/09	Josh joined the Board in February 2009. During his time on the Board, he has overseen areas such as legal and NMG's police initiative Project Blue, as well as being the Board Sponsor for Parties. Josh has been involved with Mardi Gras since 2003 as a volunteer and later went on to have an active role in the gay and lesbian lifesaving organisation, Lifesavers With Pride. Josh is qualified as a solicitor, and has several tertiary degrees in law and business management. Professionally, Josh is spent several years working as a lawyer and is now employed in a managerial role in local government.
Kirk Muddle		Appointed 25/06/05 Resigned 03/06/10	Kirk has been involved with Mardi Gras since 2000, beginning as a parade volunteer, moving through working groups, dealing with both parade logistics and volunteers, until he was elected to Board in 2005. On board his primary focus has been on parade and volunteers, but he has also assisted with Sleaze Ball in 2005 and Party in 2006. Kirk is employed by Fantastic Holding Limited as a Regional Property Manager, sighting and developing stores in all stages for the FHL suite of brands. He is a registered property valuer in NSW and QLD, and lives in the southern suburbs of Sydney with his partner of 18 years.
Lynne O'Brien		Appointed 03/09/09	Lynne has been volunteering in the GLBTQ Community for over 25 years, firstly in Canberra then moving to Sydney in 1995. She has over 30 years experience in all aspects of event design, production and management. She is a licensed rigger and workplace trainer. In 2003 she joined the Mardi Gras Phoenix Board, and then later worked as Sponsorship Manager. She was re-appointed to the Board in August 2009. Lynne has a Graduate Diploma of Arts Management, and a Master of Arts Management (AIM) Australian Institute of Music.
Michael Douglas		Appointed 03/09/09 Resigned 16/11/09	Michael works in a senior finance role and has over 23 years of experience in various finance positions. Holding a Bachelor of Business (Accountancy) from Queensland University of Technology, Michael started his career with KPMG and has progressed through large listed Australian corporate entities and US subsidiaries.
Nick Parker		Appointed 15/05/09	Nick is a Director of Professional Services for a large global software company, specialising in Project and Risk Management. Nick began volunteering for Mardi Gras as a Parade volunteer and later served as Director and Treasurer for NMG for the 2003 and 2004 Board terms. He regards the resurrection of Mardi Gras in 2003 as one of his proudest moments. Nick rejoined the New Mardi Gras Board in May 2009 following five years on the NMG Audit and Risk Committee.

Director Name	Image	Appointed/ Resigned	Qualifications & Experience
Rob Partos		Appointed 09/10/08	Rob was appointed to the Board in October 2008 and assumed the role of Treasurer from 19 November 2008. Rob has a long involvement in Mardi Gras and has been a participant and volunteer for Mardi Gras for over 11 years. Rob currently works in a senior finance role at a telecommunications company and has over 19 years experience in finance. Rob holds a Bachelor of Economics from La Trobe University and a Graduate Diploma in Applied Finance and investment from the Australian Securities Institute.
Siri May		Appointed 13/01/10	Professionally Siri is the Coordinator of the Lesbian and Same-Sex Attracted Women's project at ACON. Since beginning in the field of health promotion and community development in 2001, Siri has been intensely involved with Same Difference, The Young Woman's Project, Turning Point, NSW Gay and Lesbian Rights Lobby, ACON and the Australian Services Union. Siri also holds a Bachelor Of Economics and Social Sciences and was awarded a place in the 2008 Same Same list of Australia's top 25 most influential lesbians and gays.
Steph Sands		Appointed 27/08/08	Steph brings a wealth of experience to our current Board of directors having first served on the NMG Phoenix Board from December 2002 until July 2005, two of these years as Co-Chair of the organisation. Professionally, Steph has over twelve years experience in marketing and communications and works in a leading international advertising agency as the Head of Interactive Media and project management.
Tony Knight		Appointed 09/10/08	Tony joined the New Mardi Gras Board in October 2008. He is the Board Sponsor for creative issues, mainly assisting with the Festival, Parade, and Parties. Tony is an honours graduate of the University of Sydney, as well as the Drama Centre, London. Tony has worked for a number of theatre, film, and television organisations, both nationally and internationally, including Sydney Theatre Company and Channel 7. Tony and is currently the Head of Acting at NIDA.

Directors have been in office since the start of the year to the date of this report unless otherwise stated.

Information on Company Secretary			
Peter Munro			Peter took on the role of Company Secretary in January 2009. Peter has bachelor's degrees in Law and Communications and is a solicitor qualified to practice in a number of jurisdictions. Peter is employed as an in house counsel for one of Australia's largest accounting firms.

Information on Board Associates			
Peter Urmson			Pete is a dedicated and active member of community organisations, campaigning for GLBT rights at a State and Federal Government level as a member of the Gay and Lesbian Rights Lobby, and focusing on recognition of same sex relationships. He joined the NMG Board in February. With a strong professional background in business management, he brings strong commercial attributes to the Board across areas of digital, marketing, and commerce. He has also sat on the Commercial Development Group, addressing new revenue and community opportunities. Additionally, Pete consults with the Head of Marketing on strategic direction and social media.
Phil Kershaw			Phil is a Chartered Accountant, with 11 years experience with Deloitte Touché Tohmatsu before holding senior positions in other organisations including Chief Financial Officer and Finance Director. Phil is also an experienced company director having served on numerous Boards, including publicly listed companies, superannuation trustee companies, joint venture companies, overseas companies and on a body corporate for a commercial property. Phil was a Patron of Midsumma in Melbourne before moving to Sydney in 2003.

## **Interests in the Shares and Options of the Company**

New Mardi Gras Limited is a company limited by guarantee and accordingly as at the date of this report none of the directors held an interest in the company.

## **Results**

The loss of the company for the year after providing for income tax amounted to \$575,627.

## **Operating Result**

The loss of the company for the financial year amounted to \$575,627 (2009: \$389,900 Profit). No income tax expense / benefit has been calculated on this current year loss or the previous year's profit as NMG has self assessed itself as income tax exempt.

## **Review of Operations**

A review of the operations of the company during the financial year and the results of those operations are contained in the Treasurer's Report.

## **Significant Changes in State of Affairs**

There were no significant changes in the company's state of affairs that occurred during the financial year, other than those referred to elsewhere in this report.

## **Principal Activities**

The principal activities of the company during the year were the organisation and co ordination of events of celebration, commemoration and protest and engagement in other activities as part of the gay, lesbian, transgender, bisexual and queer community.

No significant change in the nature of these activities occurred during the year.

## **After Balance Date Events**

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the company, the results of those operations, or the state of affairs of the company in future financial years.

## **Likely Developments**

Likely developments in the operations of the company and the expected results of those operations have not been included in this report as the directors believe, on reasonable grounds, that the inclusion of such information would be likely to result in unreasonable prejudice to the company.

## **Environmental Issues**

The company's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a State or Territory.

## Meetings of Directors

During the year, 29 meetings of the directors were held.

The following table sets out the number of directors meetings attended by each director during the current year and the maximum number of meetings they could have attended during that time.

Director Name	Number eligible to attend	Number attended
Kirk Muddle	29	26
David Imrie	9	7
Stephanie Sands	29	28
Ashley Hogan	3	2
Robert Partos	29	28
Tony Knight	29	25
Joshua Keech	29	25
Nicholas Parker	25	22
Lynne O'Brien	16	15
Michael Douglas	7	6
Siri May	5	5

## Options

No options over unissued shares or interests in the company were granted during or since the end of the year and there were no options outstanding at the end of the year.

## Indemnification of Officers

During or since the end of the year, the company has given indemnity or entered an agreement to indemnify, or paid or agreed to pay insurance premiums as follows:

The company has paid premiums in respect of a contract insuring the directors and officers of the company against a liability incurred as such a director or officer to the extent permitted by the Corporations Act 2001.

Further disclosure required under section 300(9) of the corporations law is prohibited under the terms of the contract.

No indemnities have been given or insurance premiums paid, during or since the end of the year, for any person who is or has been an auditor of the company.

## Stand down

Pursuant to clause 10.12(c) of the Company's Constitution, we report that on 2 November 2009 the board voted in favour of a motion of stand down against Mr Douglas.

## Auditor's Independence Declaration

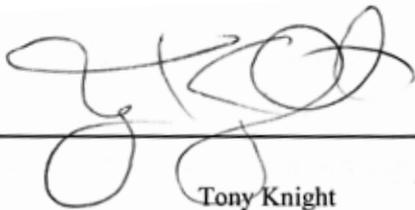
A copy of the auditor's declaration under section 307C of the Corporations Act 2001 in relation to the audit for the financial year is provided with this report.

## Proceedings on Behalf of the Company

No person has applied for leave of Court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings.

The company was not a party to any such proceedings during the year.

Signed in accordance with a resolution of the Board of Directors:

Director   
\_\_\_\_\_  
Tony Knight

Director   
\_\_\_\_\_  
Stephanie Sands

Dated this 30th day of June 2010



## **Auditor's Independence Declaration to the Directors of New Mardi Gras Limited**

In relation to our audit of the financial report of New Mardi Gras Limited for the financial year ended 31 March 2010, I declare that to the best of my knowledge and belief, there have been:

- a) No contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- b) No contraventions of any applicable code of professional conduct in relation to the audit.

### **Peroy's Audit & Assurance**

A handwritten signature in blue ink, appearing to read "G. Vourantonis", is written over a light blue rectangular background.

George Vourantonis  
**Partner**  
**Peroy's Audit & Assurance**

Sydney

30 June 2010

The Chelsea, Level 6,  
110 Sussex Street, Sydney NSW 2000  
GPO Box 3637, Sydney NSW 2001  
Telephone: 61 2 9280 1999  
Facsimile: 61 2 9280 2999  
ABN: 70 097 377 556



## Independent Audit Report to the Members of New Mardi Gras Limited

### Scope

The financial report and Directors' responsibility

We have audited the financial report of New Mardi Gras Limited (the Company), which comprises the statement of comprehensive income, statement of financial position, statement of changes in equity, statement of cash flows, a summary of significant accounting policies, other explanatory notes and the directors' declaration for the year ended 31 March 2010.

The directors of the Company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Act 2001. This includes responsibility for the establishment and maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error and to assist in the preparation and fair presentation of the financial report that is free from material misstatement. The directors are also responsible for selecting and applying the accounting policies and accounting estimates inherent in the financial report.

### Audit approach

We have conducted an independent audit in order to express an opinion to the members of the Company. Our audit was conducted in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The nature of an audit and the procedures selected are influenced by factors such as the use of professional judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error, selective testing, the inherent limitations of internal controls, and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

Whilst we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our audit was not designed to provide assurance on internal controls or expressing an opinion on the effectiveness of the Company's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We formed our audit opinion on the basis of these procedures, which included:

- examining, on a test basis, information to provide evidence supporting the amounts and disclosures in the financial report,
- assessing the appropriateness of the accounting policies, and disclosures used and the reasonableness of significant accounting estimates made by the directors as well as the overall presentation of the financial report,
- reading the other information in the Annual Report to determine whether it contains any material inconsistencies with the financial report.

Our audit did not involve an analysis of the prudence of business decisions made by directors or management of the Company.

The audit opinion expressed in this report has been formed on the above basis and we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

The Chelsea, Level 6,  
110 Sussex Street, Sydney NSW 2000  
GPO Box 3637, Sydney NSW 2001  
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Facsimile: 61 2 9280 2999  
ABN: 70 097 377 556



## Independence

In conducting our audit, we have complied with the independence requirements of the Corporations Act 2001.

## Audit Opinion

In our opinion:

the financial report of the Company is in accordance with the Corporations Act 2001, including:

- (i) giving a true and fair view, in all material respects, of the financial position of the Company's financial position as at 31 March 2010, and its financial performance and cash flows for the year then ended on that date; and
- (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001.

## Description of Emphasis of Matter

Without qualification to the opinion expressed above, attention is drawn to the fact that as is common for organisations of this type, New Mardi Gras Limited derives a portion of its cash income from functions, subscriptions, and fundraising and it is not practicable for New Mardi Gras Limited to maintain an effective system of internal control over such transactions until their initial entry in the accounting records and bank accounts. Accordingly, our audit in relation to those activities was limited to amounts recorded and we have been unable to independently verify whether the amounts received from these sources have been properly accounted for.

## Peroy's Audit & Assurance

George Vourantonis  
**Partner**  
**Peroy's Audit & Assurance**

Sydney

30 June 2010

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# New Mardi Gras Ltd.

## Statement of Comprehensive Income

For the year ended 31 March 2010	Notes	2010 (\$)	2009 (\$)
<b>REVENUE</b>			
Ticket sales		2,389,090	2,842,799
Sponsorship		835,343	1,050,853
Membership income		106,910	116,907
Stallholder fees for Fair Day		108,241	104,770
Sale of goods		134,307	106,772
Government grant revenue		19,545	-
Licence fees		60,811	48,381
Interest income		43,815	82,184
Insurance recoveries		-	56,838
Festival entry		115,218	63,316
Contra revenue		386,457	434,689
Parade entrance fees and viewing room		17,817	38,992
Donations		33,729	27,782
<b>TOTAL REVENUE</b>		<b>4,251,283</b>	<b>4,974,283</b>
<b>EXPENSES</b>			
Occupancy costs		(9,881)	(10,103)
Employee benefits expense		(634,849)	(465,850)
Amounts paid to contractors		(448,461)	(223,984)
Insurance		(135,967)	(125,284)
Venue hire		(462,912)	(445,074)
Amortisation of intangible software		(12,027)	(15,965)
Depreciation of property, plant and equipment		(20,934)	(4,307)
Operating lease rental expenses		(58,936)	(57,394)
Marketing & communications		(186,088)	(142,068)
Security		(228,404)	(286,865)
Entertainment		(401,900)	(464,803)
Cost of goods sold		(7,539)	(11,852)
Cost of ticketing		(148,195)	(198,173)
Equipment hire		(1,209,993)	(1,076,954)
Licence expenses		(143,210)	(141,365)
Professional fees		(46,013)	(30,368)
Contra expenses		(386,366)	(434,689)
Donations		(13,843)	(43,322)
Other expenses		(271,392)	(405,963)
<b>TOTAL EXPENSES</b>		<b>(4,826,910)</b>	<b>(4,584,383)</b>

# New Mardi Gras Ltd.

## Statement of Comprehensive Income Continued

For the year ended 31 March 2010	Notes	2010 (\$)	2009 (\$)
<b>PROFIT / (LOSS)</b>		<b>(575,627)</b>	<b>389,900</b>
Before Income Tax Expense (Income Tax Benefit)			
Income tax benefit (income tax expense)		-	-
<b>PROFIT / (LOSS)</b>		<b>(575,627)</b>	<b>389,900</b>
For The Year Attributable To Members Of The Entity			
Other comprehensive income		-	-
Income tax benefit (income tax expense)		-	-
Other comprehensive income, net of tax		-	-
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX</b>		<b>(575,627)</b>	<b>389,900</b>
<b>TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO MEMBERS OF THE ENTITY</b>		<b>(575,627)</b>	<b>389,900</b>

## Balance Sheet

<b>CURRENT ASSETS</b>			
Cash and cash equivalents	4	909,193	1,469,307
Trade and other receivables	5	184,532	527,384
Other current assets	6	72,893	90,212
<b>TOTAL CURRENT ASSETS</b>		<b>1,166,618</b>	<b>2,086,903</b>
<b>NON CURRENT ASSETS</b>			
Property, plant and equipment	7	105,147	53,178
Intangible assets	8	28,637	9,465
<b>TOTAL NON CURRENT ASSETS</b>		<b>133,784</b>	<b>62,643</b>
<b>TOTAL ASSETS</b>		<b>1,300,402</b>	<b>2,149,546</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	9	182,223	441,500
Other current liabilities	10	82,798	97,038
<b>TOTAL CURRENT LIABILITIES</b>		<b>265,021</b>	<b>538,538</b>
<b>TOTAL LIABILITIES</b>		<b>265,021</b>	<b>538,538</b>
<b>NET ASSETS</b>		<b>1,035,381</b>	<b>1,611,008</b>
<b>EQUITY</b>			
Retained earnings		1,035,381	1,611,008
<b>TOTAL EQUITY</b>		<b>1,035,381</b>	<b>1,611,008</b>

## Statement of Changes In Equity

<b>TOTAL EQUITY AT THE BEGINNING OF THE FINANCIAL YEAR</b>		<b>1,611,008</b>	<b>1,221,108</b>
<b>PROFIT / (LOSS) FOR THE YEAR</b>		<b>(575,627)</b>	<b>389,900</b>
<b>TOTAL EQUITY AT THE END OF THE FINANCIAL YEAR</b>		<b>1,035,381</b>	<b>1,611,008</b>

# New Mardi Gras Ltd.

## Statement of Cash Flows

For the year ended 31 March 2010	Notes	2010 (\$)	2009 (\$)
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Receipts from customers		3,991,458	5,361,681
Payments to suppliers and employees		(4,511,285)	(5,470,264)
Interest received		43,815	82,184
Net cash used in operating activities	23 (b)	<b>(476,012)</b>	<b>(26,399)</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Payment for property, plant and equipment		(52,904)	(42,754)
Payment for intangible assets		(31,198)	-
Net cash used in investing activities		<b>(84,102)</b>	<b>(42,754)</b>
Net decrease in cash held		(560,114)	(69,153)
Cash at beginning of financial year		1,469,307	1,538,460
Cash at end of financial year	23 (a)	<b>909,193</b>	<b>1,469,307</b>

## Notes To The Financial Statements For The Year Ended 31 March 2010

### 1: Statement Of Significant Accounting Policies

The financial statements are for New Mardi Gras Limited as an individual entity. New Mardi Gras Limited is a company limited by guarantee, incorporated and domiciled in Australia.

The following is a summary of the material accounting policies adopted by the company in the preparation and presentation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

#### (a) Basis of preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) and the Corporations Act 2001.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless otherwise stated.

The financial statements have been prepared on an accruals basis and are based on historical

costs, modified, where applicable, by the measurement at fair value of selected non current assets, financial assets and financial liabilities.

#### (b) Revenue

Grant revenue is recognised in the statement of comprehensive income when the entity obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the entity and the amount of the grant can be measured reliably.

If conditions are attached to the grant which must be satisfied before it is eligible to receive the contribution, the recognition of the grant as revenue will be deferred until those conditions are satisfied.

When grant revenue whereby the entity incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the statement of financial position as a liability until the service has been delivered to the contributor, otherwise the grant is recognised as income on receipt.

Revenue from sale of goods (including sale of tickets) is recognised upon the delivery of goods to customers.

Revenue from the rendering of a service is recognised upon the delivery of the service to the customers.

## Notes To The Financial Statements (cont)

Interest revenue is recognised when it becomes receivable on a proportional basis taking into account the interest rates applicable to the financial assets.

Revenue from members' subscriptions revenue is recognised throughout the year, for varying periods expiring October 2010, 2011 and 2012, in respect of the period of membership to 31 March 2010.

Revenue from donations is recognised when the company receives donations and records them in the books and records or where the company has an unconditional commitment from the donor, on an accrual basis.

Revenue from contra revenue and expenditure is recognised when the company receives "in kind" goods and services from a number of individuals and organizations. When the contribution does not represent an asset at balance date, the company recognises an expense and associated revenue for these "in kind" goods and services in the financial report. Where the "in kind" goods and services represent an asset at balance date, both the asset and revenue are recognised in the financial report.

"In kind" contributes of goods and services received as revenue in the year in which the company receives the goods and services.

Revenue from sponsorship is recognised in accordance with the date the event occurs.

Sponsorship not directly related to events is recognised over the period to which it relates.

Other revenue is recognised when the right to receive the revenue has been established.

All revenue is stated net of the amount of goods and services tax (GST).

### (c) Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation.

#### *Plant and equipment*

Plant and equipment is measured on the cost basis.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from those assets. The recoverable amount is assessed on the basis of the expected net cash flows which will be received from the assets employment and subsequent disposal.

#### *Depreciation*

The depreciable amount of all fixed assets are depreciated over their estimated useful lives to

the company commencing from the time the asset is held ready for use.

Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of assets are:

Class of fixed asset	Depreciation rates	Depreciation basis
Leasehold improvements	20 %	Straight Line
Plant and equipment	20 %	Straight Line

### (d) Intangibles

#### *Website development costs*

Website development costs are initially recorded at the purchase price and are amortised on a straight line basis over the period of 3 years. The balances are reviewed annually and any balance representing future benefits the realisation of which is considered to be no longer probable are written off.

### (e) Leases

Leases are classified at their inception as either operating or finance leases based on the economic substance of the agreement so as to reflect the risks and benefits incidental to ownership.

#### *Finance Leases*

Leases of fixed assets, where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership, are transferred to the company are classified as finance leases. Finance leases are capitalised, recording an asset and a liability equal to the present value of the minimum lease payments, including any guaranteed residual values.

Leased assets are depreciated on a straight line basis over their estimated useful lives where it is likely that the company will obtain ownership of the asset, or over the term of the lease. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

#### *Operating leases*

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

Lease incentives received under operating leases are recognised as a liability. Lease payments received reduced the liability.

### (f) Going Concern

NMG will always be reliant on the support for its events from members, non members and sponsors. The directors believe that through tight budgetary controls and effective cash management, the company will continue to operate and provide services to its members, non members and the community as a whole.

### (g) Impairment of assets

Assets with an indefinite useful life are not amortised but are tested annually for impairment in accordance with AASB 136. Assets subject to annual depreciation or amortisation are reviewed for impairment whenever events or circumstances arise that indicate that the carrying amount of the asset may be impaired. An impairment loss is recognised where the carrying amount of the asset exceeds its recoverable amount. The recoverable amount of an asset is defined as the higher of its fair value less costs to sell and value in use.

### (h) Comparative Figures

Where required by Accounting Standards comparative figures have been adjusted to conform with changes in presentation for the current financial year.

### (i) Financial Instruments

#### *Classification*

The company classifies its financial instruments in the following categories: financial assets at fair value through profit and loss, loans and receivables and held to maturity investments. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and re evaluates this designation at each reporting date.

#### *Held to maturity investments*

Fixed term investments with an intention to be held to maturity are classified as held to maturity investments.

#### *Loans and receivables*

Loans and receivables are non derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are measured at fair value at inception.

Non interest bearing loans and receivables are designated as receivable 'at call' and are therefore recognised at their face value at inception.

#### *Financial liabilities*

Financial liabilities include trade payables and other creditors.

Non interest bearing payables are payable on demand and are therefore recognised at their face value at inception.

### (j) Employee Benefits

Liabilities arising in respect of wages and salaries, annual leave, sick leave and any other employee benefits expected to be settled within twelve months of the reporting date are measured at their nominal amounts based on remuneration rates which are expected to be paid when the liability is settled. All other employee benefit liabilities are measured at the present value of the estimated future cash outflow to be made in respect of services provided by employees up to the reporting date.

Contributions are made by the company to an employee superannuation fund are recognised in the statement of financial position as a liability, after deducting any contributions already paid and in the income statement as an expense as they become payable. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payment is available.

### (k) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less, and bank overdrafts.

### (l) Trade and other receivables

Trade receivables, which generally have 30 day terms, are recognised and carried at original invoice amount less an allowance for any uncollectable amounts.

An allowance for doubtful debts is made when there is objective evidence that NMG will not be able to collect the debts. Bad debts are written off when identified.

Receivables are recognised and carried at original invoice amount. The collectability of debts is reviewed on a regular basis and a specific provision is made for any doubtful debts where objective evidence that NMG will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is recognised in the income statement.

### (m) Trade and other payables

These amounts represent liabilities for amounts owing by NMG at year end for goods and services provided to NMG prior to the end of the financial year that are unpaid.

### (n) Goods and services tax (GST)

Revenues, expenses, assets, and liabilities are recognised net of the amount of GST except:

## Notes To The Financial Statements (cont)

- when any services provided by the company are GST free sales or are export sales;
- when the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- trade receivables and trade payables, which are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

Cash flows are included in the Statement of Cash Flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority, are classified as operating cash flows.

### 2: Corporate Information

The financial report of new Mardi Gras Limited (NMG) for the year ended 31 March 2010 was authorised for issue in accordance with a resolution of the directors on 30 June 2010.

New Mardi Gras is a company limited by guarantee and incorporated in Australia.

The nature of the operations and principal activities of NMG are included in the review of operations and activities in the Director's report on pages 24 - 28. The Director's report does not form part of this financial report.

The registered office and principal place of business is:

Address: **Suite 6, 94 Oxford Street, Darlinghurst NSW 2010**

Telephone: **02 9383 0900**

Facsimile: **02 9383 0966**

Email: **newmardigras@mardigras.org.au**

Web address: **www.mardigras.org.au**

### 3: Income Tax

NMG has sought and received independent advice confirming that the company is income tax exempt for the periods ended 30 June 2003, 2004 and 2005, and continued to self assess for the years ended 30 June 2006, 30 June 2007, for the nine months ended 31 March 2008, and the years ended 31 March 2009 and 31 March 2010.

### 4: Cash And Cash Equivalents

	Notes	2010 (\$)	2009 (\$)
Cash on hand		300	698
Cash at bank		908,893	1,468,609
<b>TOTAL</b>		<b>909,193</b>	<b>1,469,307</b>

Cash at bank earns interest at floating rates based on daily bank deposit rates for operating and investment accounts. The fair value of cash and cash equivalents is \$909,193 (2009: \$1,469,307).

### 5: Trade And Other Receivables

CURRENT	Notes	2010 (\$)	2009 (\$)
Trade receivables		35,357	266,366
Provision for doubtful debts		-	-
Other receivables		149,175	261,018
<b>TOTAL</b>		<b>184,532</b>	<b>527,384</b>

Trade receivables are non interest bearing and are generally on 30 day terms. An allowance for doubtful debts is made when there is objective evidence that a trade receivable is impaired.

## Notes To The Financial Statements (cont)

No allowance is required for this current year (2009: Nil) The amount of the allowance/impairment loss is measured as the difference between the carrying amount of the trade receivables and the estimated future cash flows expected to be received from the relevant debtors.

Other receivables represents income which has not been invoiced as at year end but accrued to match revenues with expenses incurred.

### 6: Other Current Assets

CURRENT	Notes	2010 (\$)	2009 (\$)
Pre-payments		66,213	75,357
Deposits		6,680	14,855
<b>TOTAL</b>		<b>72,893</b>	<b>90,212</b>

Prepayments include annual policies of insurance which are amortised over the life of the policy. Deposits are non interest bearing and represent security deposits.

### 7: Property, Plant And Equipment

	Notes	2010 (\$)	2009 (\$)
<b>Plant and equipment</b>			
Cost or fair value		75,336	80,995
Accumulated depreciation		(35,592)	(64,579)
<b>TOTAL</b>		<b>39,744</b>	<b>16,416</b>
<b>Leasehold improvements</b>			
Cost or fair value		77,827	36,963
Accumulated amortisation		(12,424)	(201)
<b>TOTAL</b>		<b>65,403</b>	<b>36,762</b>
<b>TOTAL PLANT &amp; EQUIPMENT</b>		<b>105,147</b>	<b>53,178</b>

#### (a) Movements in Carrying Amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year

	Plant & Equipment	Leasehold Improvements	Total (\$)
<b>2010</b>			
Balance at the beginning of the year	16,416	36,762	<b>53,178</b>
Additions	31,440	41,463	<b>72,903</b>
Depreciation expense	(8,112)	(12,822)	<b>(20,934)</b>
Carrying amount at end of year	<b>39,744</b>	<b>65,403</b>	<b>105,147</b>
<b>2009</b>			
Balance at the beginning of the year	14,291	440	<b>14,731</b>
Additions	6,390	36,364	<b>42,754</b>
Depreciation expense	(4,265)	(42)	<b>(4,307)</b>
Carrying amount at end of year	<b>16,416</b>	<b>36,762</b>	<b>53,178</b>

## Notes To The Financial Statements (cont)

### 8: Intangible Assets

	Notes	2010 (\$)	2009 (\$)
Goodwill at cost		-	272,259
Less accumulated impairment losses		-	(272,259)
		-	-
Software		34,168	42,270
Accumulated amortisation		(5,531)	(32,805)
<b>TOTAL</b>		<b>28,637</b>	<b>9,465</b>

### Reconciliation of Intangible Assets

	Notes	Software (\$)
<b>2010</b>		
Balance at the beginning of the year		9,465
Additions		31,198
Amortisation		(12,026)
<b>Carrying amount at the end of year</b>		<b>28,637</b>
<b>2009</b>		
Balance at the beginning of the year		25,431
Amortisation expense		(15,966)
<b>Carrying amount at the end of year</b>		<b>9,465</b>

### 9: Trade And Other Payables

<b>CURRENT</b>	Notes	2010 (\$)	2009 (\$)
Trade payables		32,880	10,567
Employee benefits		22,867	26,356
Goods & Services tax (net)		21,328	47,887
Other payables		105,148	356,690
<b>TOTAL</b>		<b>182,223</b>	<b>441,500</b>

Employee benefits comprising annual leave that are due and payable within 12 months, are recognised at undiscounted amounts.

### 10: Other Current Liabilities

	Notes	2010 (\$)	2009 (\$)
Memberships			
Subscriptions paid in advance		82,798	97,038

## 11: Members Guarantee

The company is incorporated with the liability of members limited by guarantee. In accordance with the Company's constitution, the liability of each member is limited to \$1.00 in the event the company is wound up.

The number of members at the end of the financial period were:

	Notes	2010 (No.)	2009 (No.)
Full Members		2,136	832
Full Members 3 year		593	1,456
Concession Members		170	136
Under 25 Members		171	148
Organisation Members		4	3
Complimentary Members		7	7
International Members		665	300
<b>TOTAL</b>		<b>3,746</b>	<b>2,882</b>

## 12: Financial Instruments

### (a) Risk Management

NMG's principal financial instruments comprise cash and cash management accounts for short term deposits.

NMG has various other financial assets and liabilities such as trade receivables and trade payables, which arise directly from its operations.

It is, and has been throughout the period under review, NMG's policy that no trading in financial instruments shall be undertaken. NMG does not have any derivatives as at 31 March 2010.

The main risks arising from NMG's financial instruments are liquidity risk, credit risk and cash flow interest rate risk. The Board reviews and agrees policies for managing each of these risks and they are summarised below.

#### Liquidity Risk

This is the major risk that NMG faces. NMG has no overdraft facilities and is subject to a high level of liquidity risk given the uncertain nature of its primary funding sources, event ticket sales and sponsorships. NMG, through conservative project managing of its major events, attempts to minimise the exposure to manageable risks. Given the nature of the events we hold, NMG will still remain at risk should a number of events be adversely affected by unavoidable risk or sponsorship monies decline.

#### Credit Risk

Receivable balances are monitored on an ongoing basis. There are no significant concentrations of credit risk. With respect to credit risk arising from other financial assets of NMG, which comprise cash and cash equivalents, NMG's exposure to credit risk arises from default of the counter party. Since NMG trades only with major banks, there is no requirement for collateral.

#### Cash flow interest rate risk

NMG's exposure to the risk of changes in market interest rates is minimal.

NMG earns interest on its cash management accounts, short term deposits and cash at bank. When it becomes apparent that NMG has surplus cash, that cash is invested in the cash management account on short term deposit made at the prevailing rates of interest.

### (b) Fair values

No financial assets or financial liabilities of the Company are readily traded on organised markets.

Set out on the next page is a comparison by category of carrying amounts and fair values of all of NMG's financial instruments recognised in the financial statements.

Fair values are in line with carrying values.

## Notes To The Financial Statements (cont)

### 12: Financial Instruments (cont)

FINANCIAL ASSETS	2010 (\$)		2009 (\$)	
	Carrying Amount	Net Fair Value	Carrying Amount	Net Fair Value
Cash and cash equivalents	909,193	909,193	1,469,307	1,469,307
Trade and other receivables	184,532	184,532	527,384	527,384
Deposits	6,680	6,680	14,855	14,855
<b>TOTAL</b>	<b>1,100,405</b>	<b>1,100,405</b>	<b>2,011,546</b>	<b>2,011,546</b>

LIABILITES	2010 (\$)		2009 (\$)	
	Carrying Amount	Net Fair Value	Carrying Amount	Net Fair Value
Trade and other payables	159,356	159,356	415,144	415,144
<b>TOTAL</b>	<b>159,356</b>	<b>159,356</b>	<b>415,144</b>	<b>415,144</b>

#### (c) Risk analysis of financial assets and liabilities

##### (i) Cash and cash equivalents

###### 31 March 2010

Cash and cash equivalents includes \$434,712 relating to amounts invested in term deposits. The term deposits include \$250,051 maturing on 12 August 2010 accruing interest at 6.05 % and \$164,661 maturing 30 April 2010 accruing interest at 3.51%. The remaining \$20,000, accruing interest at 4.0%, is held as security in relation to a credit card facility. There is no fixed maturity date.

The remainder of cash and cash equivalents includes at call balances held at a weighted average interest rate of 3.53 % at 31 March 2010.

###### 31 March 2009

Cash and cash equivalents includes \$680,010 relating to amounts invested in term deposits. The term deposits include \$500,001 maturing on 12 July 2009 accruing interest at 5.0% and \$160,009 maturing 30 April accruing interest at 2.52%. The remaining \$20,000, accruing interest at 8.35%, is held as security in relation to a credit card facility. There is no fixed maturity date.

The remainder of cash and cash equivalents includes at call balances held at a weighted average interest rate of 1.25% at 31 March 2009.

##### (ii) Trade and other receivables

###### 31 March 2010 and 31 March 2009

The majority of amounts included in this balance relate to invoices issued within 30 days of the year end.

Trade receivables are non interest bearing and are generally on 30 day terms. An allowance for doubtful debts is made when there is objective evidence that a trade receivable is impaired. No allowance is required for this current year (2009: \$Nil).

##### (iii) Trade and other payables

###### 31 March 2010 and 31 March 2009

This balance includes trade payables totaling \$32,880 (2009: \$10,567).

The remainder of the balance relates to accruals and taxes payable, generally to be settled within 1 to 30 days and employee benefits liability generally to be settled within 12 months.

All trade and other payables are non interest bearing.

## 13: Key Management Personnel Compensation

### (a) Details of Directors and Key Management Personnel

The names of directors who have held office during the year are:

Kirk Muddle	Robert Partos	Lynne O'Brien
David Imrie	Tony Knight	Michael Douglas
Stephanie Sands	Joshua Keech	Siri May
Ashley Hogan	Nicholas Parker	

All directors provide their services on a voluntary basis and do not, other than for reimbursement of expenses incurred, receive remuneration from the company. The CEO is considered to be the only other Key Management Personnel of the Company.

### (b) Compensation of Key Management Personnel

Key management personnel compensation disclosed below was paid by the Company.

Income Paid Or Payable, Or Otherwise Made Available, To Key Management Personnel Of The Company	2010 (\$)	2009 (\$)
Short Term Employee Benefits	154,141	160,798
Post Employment Benefits - Superannuation	15,420	14,472
<b>TOTAL</b>	<b>169,561</b>	<b>175,270</b>

## 14: Director Retirement Benefits

There have been no retirement benefits paid or accrued to any directors of the company.

## 15: Contingent Liabilities

No contingent liabilities exist as at 31 March 2010.

## 16: Auditor's Remuneration

Amounts Due Or Due And Receivable By Peroy's	2010 (\$)	2009 (\$)
Audit Of The Financial Report Of NMG	19,000	17,500
Other Services	-	-
<b>TOTAL</b>	<b>19,000</b>	<b>17,500</b>

## 17: Events After Balance Sheet Date

There have been no items of significance subsequent to 31 March 2010, and as at the date of this report that would impact the results as outlined in this financial report.

## Notes To The Financial Statements (cont)

### 18: Segment Information

NMG operates in one business and geographical segment being the organisation of events of celebration, education and commemoration to fight homophobia and discrimination and promote equality within Australia.

### 19: Related Party Transactions

There were no related party transactions in either year.

### 20: Capital And Leasing Commitments

	Notes	2010 (\$)	2009 (\$)
<b>(a) Operating Lease Commitments</b>			
Non cancellable operating leases contracted for but not capitalised in the financial statements:			
Payable			
Not Later Than One Year		44,788	43,209
Later Than One Year And Not Later Than Five Years		145,404	186,459
<b>TOTAL</b>		<b>190,192</b>	<b>229,668</b>

The commitments relate to the lease of premises over a five (5) year term. Increases in lease commitments occur in line with a fixed percentage review of 4% at each anniversary of the commencement date being 1 March 2010.

	Notes	2010 (\$)	2009 (\$)
<b>(b) Capital Expenditure Commitments Contracted For:</b>			
Leasehold Improvements		-	13,000
<b>TOTAL</b>		-	<b>13,000</b>

### 21: Critical Accounting Estimates And Judgements

The carrying amounts of certain assets and liabilities are often determined based on estimates and assumptions of future events.

NMG does not believe that any significant judgements, estimates and assumptions have been made in applying accounting policies that will impact upon amounts recognised in the financial statements.

## Notes To The Financial Statements (cont)

### 21: Critical Accounting Estimates And Judgements

The carrying amounts of certain assets and liabilities are often determined based on estimates and assumptions of future events.

NMG does not believe that any significant judgements, estimates and assumptions have been made in applying accounting policies that will impact upon amounts recognised in the financial statements.

### 22: New Accounting Standards And Interpretations

NMG has applied the revised AASB 101 Presentation of Financial Statements which became effective for reporting periods commencing on or after 1 January 2009. The revised standard required the separate presentation of a statement of comprehensive income and a statement of changes in equity. All non owner changes in equity must now be presented in the statement of comprehensive income. Owner changes in equity are to be presented in the statement of changes in equity. The previous version of AASB 101 required that owner changes in equity and other comprehensive income be presented in the changes in equity.

### 23: Cash Flow Information

#### (a) Reconciliation of cash

For the purposes of the statement of cash flows, cash includes cash on hand and at call deposits with banks or financial institutions, investments in money market instruments maturing within less than two months and net of bank overdrafts.

Cash at the end of the financial year as shown in the statements of cash flows is reconciled to the related items in the balance sheet as follows:

	2010 (\$)	2009 (\$)
Cash On Hand	300	698
Cash At Bank	1,455,061	2,087,511
Bank Overdrafts	(546,168)	(618,902)
<b>TOTAL</b>	<b>909,193</b>	<b>1,469,307</b>

#### (b) Reconciliation of cash flow from operations with profit after income tax

	2010 (\$)	2009 (\$)
Profit from ordinary activities after income tax	(575,627)	389,900
Non cash flows in profit from ordinary activities	-	-
Amortisation	12,026	15,965
Depreciation	20,934	4,307

#### Changes in assets and liabilities

(Increase)/decrease in receivables	342,851	(430,655)
Decrease in other assets	17,320	4,684
Increase/(decrease) in payables	(279,276)	31,084
Decrease in other current liabilities	(14,240)	(41,684)
Cash flows from operations	<b>(476,012)</b>	<b>(26,399)</b>

**The directors of the company declare that:**

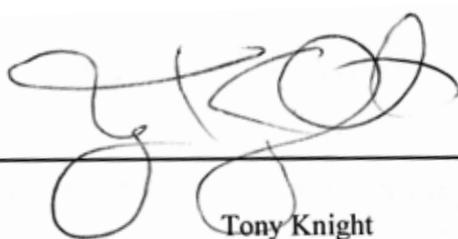
1. The financial statements and notes, as set out on pages 21-45, are in accordance with the *Corporations Act 2001* and:

- (a) comply with Accounting Standards in Australia and the *Corporations Regulations 2001*; and
- (b) give a true and fair view of the financial position as at 31 March 2010 and performance for the year ended on that date of the company.

2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable. This declaration is made in accordance with a resolution of the Board of Directors.

**Director**

Tony Knight

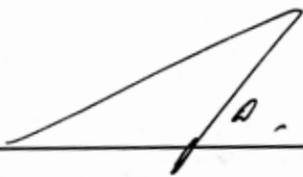


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Tony Knight

**Director**

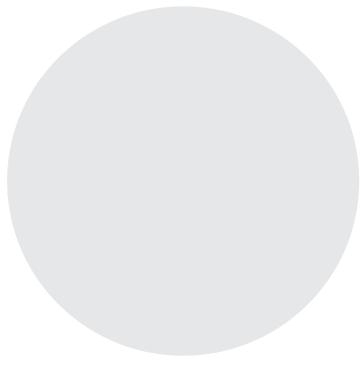
Stephanie Sands



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Stephanie Sands

Dated this 30th day of June 2010

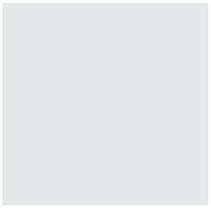


## Notes

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## Notes

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## Notes

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Image:  
**Spencer Tunick**  
**The Base**

Sydney 1, 2010

c-print mounted between plexi  
71 x 89.25in / 180.34 x 226.7cm

Sydney Opera House

Sydney Gay & Lesbian Mardi Gras,

March 1, 2010

Courtesy of the Artist

[www.spencertunick.com](http://www.spencertunick.com)

Commissioned by  
New Mardi Gras,  
with assistance of  
the City of Sydney



ABN 87 102 451 785

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