
WRITERS GUILD OF AMERICA, WEST, INC.

FINANCIAL STATEMENTS

MARCH 31, 2005

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INDEPENDENT AUDITORS' REPORT

Board of Directors
Writers Guild of America, west, Inc.
7000 West Third Street
Los Angeles, California 90048-4324

Members of the Board:

We have audited the accompanying statement of financial position of Writers Guild of America, west, Inc. (the "Guild") as of March 31, 2005, and the related statements of activities and cash flows for the year then ended. These financial statements are the responsibility of the Guild's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Guild as of March 31, 2005 and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

MILLER, KAPLAN, ARASE & CO., LLP

May 13, 2005

WRITERS GUILD OF AMERICA, west, INC.

STATEMENT OF FINANCIAL POSITION MARCH 31, 2005

	GUILD OPERATIONS FUND	THEATER OPERATIONS FUND	STRIKE FUND	GOOD & WELFARE FUND	YEAR 2000 FUND	Total ALL FUNDS
ASSETS						
Cash and Cash Equivalents	\$3,003,351	\$22,748	\$122,996	\$40,581	\$544,377	\$3,734,053
Member Dues Receivable	3,910,000					3,910,000
Accounts Receivable, Net	287,749	92,825	33,471	7,486	16,561	438,092
Notes Receivable, Net				71,060		71,060
Prepaid Expenses and Other Assets	303,937	190				304,127
Investments	5,329,929		8,392,710	2,538,152	1,542,745	17,803,536
Funds Held In Trust For Members	18,107,879					18,107,879
Undeliverable Funds	6,119,976					6,119,976
Property and Equipment, Net	7,076,681	27,922				7,104,603
Inter-Fund Borrowings	(92,643)	89,143		3,500		
TOTAL ASSETS	\$44,046,859	\$232,828	\$8,549,177	\$2,660,779	\$2,103,683	\$57,593,326
LIABILITIES AND NET ASSETS						
Accounts Payable and Accrued Expenses	\$860,422		\$32			\$860,454
Accrued Salaries, Vacation and Severance	1,434,323					1,434,323
Deferred Rent		\$240,614				240,614
Due To Members	18,107,879					18,107,879
Undeliverable Funds	6,119,976					6,119,976
TOTAL LIABILITIES	26,522,600	240,614	32			26,763,246
NET ASSETS						
UNRESTRICTED:						
Undesignated Net Assets (Deficit)	16,376,179	(7,786)				16,368,393
Designated Net Assets	1,000,000		8,549,145	\$2,660,779	\$2,103,683	14,313,607
	<u>17,376,179</u>	<u>(7,786)</u>	<u>8,549,145</u>	<u>2,660,779</u>	<u>2,103,683</u>	<u>30,682,000</u>
TEMPORARILY RESTRICTED	<u>148,080</u>					<u>148,080</u>
TOTAL NET ASSETS (DEFICIT)	17,524,259	(7,786)	8,549,145	2,660,779	2,103,683	30,830,080
TOTAL LIABILITIES & NET ASSETS	\$44,046,859	\$232,828	\$8,549,177	\$2,660,779	\$2,103,683	\$57,593,326

WRITERS GUILD OF AMERICA, west, INC.

STATEMENT OF ACTIVITIES FOR THE FISCAL YEAR ENDED MARCH 31, 2005

	GUILD OPERATIONS FUND	THEATER OPERATIONS FUND	STRIKE FUND	GOOD & WELFARE FUND	YEAR 2000 FUND	TOTAL ALL FUNDS
Change in Unrestricted						
Net Assets:						
Revenues						
Member Dues	\$17,564,558					\$17,564,558
Other	2,987,899	\$725,234	\$8,959			3,722,092
Total Revenues	<u>20,552,457</u>	<u>725,234</u>	<u>8,959</u>			<u>21,286,650</u>
Expenses						
Payroll and Related	13,480,593	232,932		\$7,456		13,720,981
Special Functions	2,061,499					2,061,499
Occupancy	2,112,193	367,036				2,479,229
Operating	988,443	66,200		45,890		1,100,533
Professional Fees	1,454,552	849	15,623	4,947	\$1,474	1,477,445
Communications	637,156					637,156
Total Expenses	<u>20,734,436</u>	<u>667,017</u>	<u>15,623</u>	<u>58,293</u>	<u>1,474</u>	<u>21,476,843</u>
Net Operating Increase (Decrease)	<u>(181,979)</u>	<u>58,217</u>	<u>(6,664)</u>	<u>(58,293)</u>	<u>(1,474)</u>	<u>(190,193)</u>
Investment Income						
Investment Income	837,062		341,080	104,513	52,162	1,334,817
Net Realized Losses of Sales of Investment	(4,007)		(188,197)	(56,809)		(249,013)
Net Unrealized Appreciation/(Depreciation)	(315,671)		192,750	86,419	(18,527)	(55,029)
Amortization of Premiums/Discounts	(152,914)		(14,154)	(4,285)	(3,288)	(174,641)
Total Investment Income	<u>364,470</u>		<u>331,479</u>	<u>129,838</u>	<u>30,347</u>	<u>856,134</u>
Change in Unrestricted Net Assets	<u>182,491</u>	<u>58,217</u>	<u>324,815</u>	<u>71,545</u>	<u>28,873</u>	<u>665,941</u>
Change in Temporarily						
Restricted Net Assets:						
Contributions	100,000					100,000
Interest Income	315					315
Net Assets Released from Restrictions	(6,250)					(6,250)
Change in Temporarily Restricted						
Net Assets	<u>94,065</u>					<u>94,065</u>
Change in Net Assets	<u>276,556</u>	<u>58,217</u>	<u>324,815</u>	<u>71,545</u>	<u>28,873</u>	<u>760,006</u>
Net Assets (Deficit), Beginning of Year	17,247,703	(66,003)	8,224,330	2,589,234	2,074,810	30,070,074
Net Assets (Deficit), End of Year	<u>\$17,524,259</u>	<u>(\$7,786)</u>	<u>\$8,549,145</u>	<u>\$2,660,779</u>	<u>\$2,103,683</u>	<u>\$30,830,080</u>

The accompanying notes are an integral part of the financial statements.

WRITERS GUILD OF AMERICA, west, INC.

STATEMENT OF CASH FLOWS FOR THE FISCAL YEAR ENDED MARCH 31, 2005

	GUILD OPERATIONS FUND	THEATER OPERATIONS FUND	STRIKE FUND	GOOD & WELFARE FUND	YEAR 2000 FUND	TOTAL ALL FUNDS
Cash Flows from Operating Activities:						
Change in Net Assets	\$276,556	\$58,217	\$324,815	\$71,545	\$28,873	\$760,006
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:						
Depreciation and Amortization	770,015	57,482				827,497
Net Realized Loss on Sale of Investments	4,007		188,197	56,809		249,013
Unrealized Depreciation (Appreciation) in Market Value	315,671		(192,750)	(86,419)	18,527	55,029
Amortization of Interest	152,914		14,154	4,285	3,288	174,641
Provision for Doubtful Accounts	3,253		(8,959)	45,800		40,094
Decrease in Member Dues Receivable	7,000					7,000
(Increase)/Decrease in Accounts Receivable	142,815	(70,890)	(12,240)	(1,244)	(98)	58,343
(Increase)/Decrease in Notes Receivable, Net			8,959	(35,790)		(26,831)
(Increase)/Decrease in Prepaid Expenses and Other Assets	(136,347)	50		32,340		(103,957)
(Decrease) in Accounts Payable and Accrued Expenses	(132,737)	(5,150)	(3,492)	(906)		(142,285)
Increase in Accrued Salaries, Vacation and Severance	101,478					101,478
(Decrease) in Deferred Rent		(7,286)				(7,286)
Net Cash Provided by Operating Activities	1,504,625	32,423	318,684	86,420	50,590	1,992,742
Cash Flows from Investing Activities:						
Purchase of Property and Equipment	(432,390)					(432,390)
Purchases of Investments	(11,902,390)		(33,056,593)	(8,489,144)	(152,741)	(53,600,868)
Maturities of Investments	11,286,703		32,732,875	8,437,924	141,938	52,599,440
Net Cash (Used in) Investing Activities	(1,048,077)		(323,718)	(51,220)	(10,803)	(1,433,818)
Cash Flows from Financing Activities:						
Increase (Decrease) in Inter-Fund Borrowing	17,533	(14,033)		(3,500)		
Net Cash Provided by (Used in) Financing Activities	17,533	(14,033)		(3,500)		
Net Increase (Decrease) in Cash and Cash Equivalents	474,081	18,390	(5,034)	31,700	39,787	558,924
Cash and Cash Equivalents, Beginning of Year	2,529,270	4,358	128,030	8,881	504,590	3,175,129
Cash and Cash Equivalents, End of Year	\$3,003,351	\$22,748	\$122,996	\$40,581	\$544,377	\$3,734,053

The accompanying notes are an integral part of the financial statements.