WRITERS GUILD OF AMERICA, WEST, INC.

FINANCIAL STATEMENTS

MARCH 31, 2007

MANNON KAPLAN, C.P.A.
GEORGE NADEL RIVIN, C.P.A.
EDWIN KANEMARU, C.P.A.
KENNETH R. HOLMER, C.P.A.
DOUGLAS S. WAITE, C.P.A.
CHARLES SCHNAID, C.P.A.
DONALD G. GARRETT, C.P.A.
CATHERINE C. GARDNER, C.P.A.
JEFFREY L. GOSS, C.P.A.
JOANNA BOLSKY, C.P.A.
RONALD D. CHANDLER, C.P.A.
MICHAEL G. KAPLAN, C.P.A.
MICHAEL J. QUACKENBUSH, C.P.A.
EDMOND AVANESS, C.P.A.

STANLEY L. MILLER, C.P.A. (1921 - 1995)
PAUL ARASE, C.P.A.*
*RETIRED

Miller, Kaplan, Arase & Co., LLP
CERTIFIED PUBLIC ACCOUNTANTS
SINCE 1941
4123 LANKERSHIM BOULEVARD
NORTH HOLLYWOOD, CALIFORNIA 91602-2828
(818) 769-2010
FAX (818) 769-3100

MEMBERS
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS
THE CALIFORNIA SOCIETY
OF CERTIFIED PUBLIC ACCOUNTANTS
BAKER TILLY INTERNATIONAL
EIN 95-2036255

OTHER OFFICES:
SAN FRANCISCO
LAS VEGAS

WWW.MILLERKAPLAN.COM

INDEPENDENT AUDITORS' REPORT

Board of Directors
Writers Guild of America, West, Inc.
7000 West Third Street
Los Angeles, California 90048-4321

Members of the Board:

We have audited the accompanying statement of financial position of Writers Guild of America, West, Inc. ("WGAW") as of March 31, 2007, and the related statements of activities and cash flows for the year then ended. These financial statements are the responsibility of WGAW'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 WGAW as of March 31, 2007 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

MILLER, KAPLAN, ARASE & CO., LLP

May 18, 2007

WRITERS GUILD OF AMERICA, West, INC.

STATEMENT OF FINANCIAL POSITION
MARCH 31, 2007

	GUILD OPERATIONS FUND	THEATER OPERATIONS FUND	STRIKE FUND	GOOD & WELFARE FUND	YEAR 2000 FUND	TOTAL ALL FUNDS
ASSETS						
Cash and Cash Equivalents	$2,454,014	$247,095	$117,642	$20,016	$587,361	$3,426,128
Membership Dues Receivable	4,287,000					4,287,000
Accounts Receivable, Net	670,508	105,001	40,692	8,840	21,733	846,774
Notes Receivable, Net				17,302		17,302
Prepaid Expenses and Other Assets	325,225	1,004				326,229
Investments, at Fair Value	5,534,425		9,032,389	3,000,119	2,309,233	19,876,166
Funds Held In Trust For Members	23,927,346					23,927,346
Property and Equipment, Net	6,539,800	29,110				6,568,910
Inter-Fund Borrowings	48,067	(48,067)				-
TOTAL ASSETS	$43,786,385	$334,143	$9,190,723	$3,046,277	$2,918,327	$59,275,855
LIABILITIES AND NET ASSETS						
Accounts Payable and Accrued Expenses	$1,122,997	$25,286				$1,148,283
Accrued Salaries, Vacation and Severance	1,650,171					1,650,171
Deferred Rent		223,270				223,270
Due To Members	23,927,346					23,927,346
TOTAL LIABILITIES	26,700,514	248,556				26,949,070
NET ASSETS						
UNRESTRICTED:						
Undesignated Net Assets	16,030,540	85,587				16,116,127
Designated Net Assets	1,000,000		$9,190,723	$3,046,277	$2,918,327	16,155,327
	17,030,540	85,587	9,190,723	3,046,277	2,918,327	32,271,454
TEMPORARILY RESTRICTED	55,331					55,331
TOTAL NET ASSETS	17,085,871	85,587	9,190,723	3,046,277	2,918,327	32,326,785
TOTAL LIABILITIES & NET ASSETS	$43,786,385	$334,143	$9,190,723	$3,046,277	$2,918,327	$59,275,855

2

The accompanying notes are an integral part of the financial statements

WRITERS GUILD OF AMERICA, West, INC.

STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED MARCH 31, 2007

	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	$18,477,719					$18,477,719
Other	3,220,106	$680,310	$4,323	($34,840)		3,869,899
Total Revenues	21,697,825	680,310	4,323	(34,840)		22,347,618
Expenses						
Payroll and Related	15,150,206	203,302				15,353,508
Special Functions	2,055,778				$75,150	2,130,928
Occupancy	2,181,704	384,414				2,566,118
Operating	1,139,408	52,130				1,191,538
Professional Fees	1,643,032	575	14,040	4,810	1,773	1,664,230
Communications	591,785					591,785
Total Expenses	22,761,913	640,421	14,040	4,810	76,923	23,498,107
Net Operating Increase (Decrease)	(1,064,088)	39,889	(9,717)	(39,650)	(76,923)	(1,150,489)
Investment Income						
Investment Income	1,542,956		553,091	177,107	86,612	2,359,766
Net Realized Losses on Sales of Investments	(3,057)		(20,905)	(966)		(24,928)
Net Unrealized Appreciation	193,968		277,163	93,406	16,367	580,904
Amortization of Premiums/Discounts	(73,882)		7,813	2,000	2,344	(61,725)
Total Investment Income	1,659,985		817,162	271,547	105,323	2,854,017
Change in Unrestricted Net Assets	595,897	39,889	807,445	231,897	28,400	1,703,528
Change in Temporarily Restricted Net Assets:						
Contribution (Showrunner Program)	100,000					100,000
Interest Income	582					582
Net Assets Released from Restrictions	(104,794)					(104,794)
Change in Temporarily Restricted Net Assets	(4,212)					(4,212)
Change in Net Assets	591,685	39,889	807,445	231,897	28,400	1,699,316
Net Assets, Beginning of Year	16,494,186	45,698	8,819,844	2,814,380	2,453,361	30,627,469
Mandatory Transfer To Year 2000 Fund			(436,566)		436,566	
Net Assets, End of Year	$17,085,871	$85,587	$9,190,723	$3,046,277	$2,918,327	$32,326,785

3

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, 2007

	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	$591,685	$39,889	$807,445	$231,897	$28,400	$1,699,316
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:						
Depreciation and amortization	709,836	10,851				720,687
Net realized loss on sale of investments	3,057		20,905	966		24,928
Net unrealized (appreciation) in market value	(193,968)		(277,163)	(93,406)	(16,367)	(580,904)
Amortization of premiums/discounts	73,882		(7,813)	(2,000)	(2,344)	61,725
Provision for doubtful accounts	39,366		(4,323)	34,840		69,883
(Increase) in membership dues receivable	(54,000)					(54,000)
(Increase)/decrease in accounts receivable	(274,279)	(55,937)	(5,095)	(268)	1,177	(334,402)
(Increase)/decrease in notes receivable			4,323	(11,381)		(7,058)
(Increase)/decrease in prepaid expenses and other assets	30,882	(63)				30,819
Increase (decrease) in accounts payable and accrued expenses	48,123	(18,416)				29,707
Increase in accrued salaries, vacation and severance	235,117					235,117
(Decrease) in deferred rent		(9,363)				(9,363)
Net cash provided by (used in) operating activities	**1,209,701**	**(33,039)**	**538,279**	**160,648**	**10,866**	**1,886,455**
Cash flows from investing activities:						
Purchase of property and equipment	(398,883)	(5,265)				(404,148)
Purchases of investments	(9,620,212)		(11,090,650)	(2,355,234)	(1,376,103)	(24,442,199)
Maturities of investments	9,319,096		10,551,387	2,180,362	1,353,893	23,404,738
Net cash (used in) investing activities	**(699,999)**	**(5,265)**	**(539,263)**	**(174,872)**	**(22,210)**	**(1,441,609)**
Cash flows from financing activities						
Increase (decrease) in inter-fund borrowing	(24,143)	24,143	454,823		(454,823)	
Inter-fund transfers			(454,823)		454,823	
Net cash provided by (used in) financing activities	**(24,143)**	**24,143**				
Net increase (decrease) in cash and cash equivalents	**485,559**	**(14,161)**	**(984)**	**(14,224)**	**(11,344)**	**444,846**
Cash and cash equivalents, beginning of year	1,968,455	261,256	118,626	34,240	598,705	2,981,282
Cash and cash equivalents, end of year	$2,454,014	$247,095	$117,642	$20,016	$587,361	$3,426,128

The accompanying notes are an integral part of the financial statements