WRITERS GUILD OF AMERICA, WEST, INC.
FINANCIAL STATEMENTS
MARCH 31, 2007
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.

May 18, 2007

MILLER, KAPLAN, ARASE & CO., LLP
WRITERS GUILD OF AMERICA, West, INC.

STATEMENT OF FINANCIAL POSITION
MARCH 31, 2007

<table>
<thead>
<tr>
<th>ASSETS</th>
<th>GUILD OPERATIONS FUND</th>
<th>THEATER OPERATIONS FUND</th>
<th>STRIKE FUND</th>
<th>GOOD &amp; WELFARE FUND</th>
<th>YEAR 2006 FUND</th>
<th>TOTAL ALL FUNDS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and Cash Equivalents</td>
<td>$2,454,014</td>
<td>$247,095</td>
<td>$117,642</td>
<td>$20,016</td>
<td>$587,361</td>
<td>$3,426,128</td>
</tr>
<tr>
<td>Membership Dues Receivable</td>
<td>4,287,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>4,287,000</td>
</tr>
<tr>
<td>Accounts Receivable, Net</td>
<td>670,508</td>
<td>105,001</td>
<td>40,692</td>
<td>8,840</td>
<td>21,733</td>
<td>846,774</td>
</tr>
<tr>
<td>Notes Receivable, Net</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>17,302</td>
<td>17,302</td>
</tr>
<tr>
<td>Prepaid Expenses and Other Assets</td>
<td>325,225</td>
<td>1,004</td>
<td></td>
<td></td>
<td></td>
<td>326,229</td>
</tr>
<tr>
<td>Investments, at Fair Value</td>
<td>5,534,425</td>
<td></td>
<td>9,032,389</td>
<td>3,000,119</td>
<td>2,398,233</td>
<td>19,876,166</td>
</tr>
<tr>
<td>Funds Held In Trust For Members</td>
<td>23,927,346</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>23,927,346</td>
</tr>
<tr>
<td>Property and Equipment, Net</td>
<td>6,539,800</td>
<td>29,110</td>
<td></td>
<td></td>
<td></td>
<td>6,568,910</td>
</tr>
<tr>
<td>Inter-Fund Borrowings</td>
<td>48,067</td>
<td>(48,067)</td>
<td></td>
<td></td>
<td></td>
<td>-</td>
</tr>
<tr>
<td>TOTAL ASSETS</td>
<td>$43,786,385</td>
<td>$334,143</td>
<td>$9,190,723</td>
<td>$3,046,277</td>
<td>$2,918,327</td>
<td>$59,275,855</td>
</tr>
</tbody>
</table>

LIABILITIES AND NET ASSETS

Accounts Payable and Accrued
Expenses                           $1,122,997            $25,286                $1,148,283
Accrued Salaries, Vacation and     1,650,171              1,650,171
Severance
Deferred Rent                     223,270                223,270
Due To Members                    23,927,346            23,927,346
TOTAL LIABILITIES                 26,709,514            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
TOTAL NET ASSETS                  17,085,871            85,587                 9,190,723 3,046,277 2,918,327 32,326,785

TOTAL LIABILITIES & NET ASSETS

ASSETS                             $43,786,385           $334,143                $9,190,723 $3,046,277 $2,918,327 $59,275,855

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

<table>
<thead>
<tr>
<th></th>
<th>GUILD OPERATIONS FUND</th>
<th>THEATER OPERATIONS FUND</th>
<th>STRIKE FUND</th>
<th>GOOD &amp; WELFARE FUND</th>
<th>YEAR 2000 FUND</th>
<th>TOTAL ALL FUNDS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Change in Unrestricted</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net Assets:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenues</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Member Dues</td>
<td>$18,477,719</td>
<td></td>
<td>$3,220,106</td>
<td>$680,310</td>
<td>$4,323</td>
<td>($34,840)</td>
</tr>
<tr>
<td>Other</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total Revenues</strong></td>
<td><strong>21,697,825</strong></td>
<td><strong>680,310</strong></td>
<td><strong>4,323</strong></td>
<td><strong>($34,840)</strong></td>
<td><strong>3,809,899</strong></td>
<td><strong>22,347,618</strong></td>
</tr>
<tr>
<td>Expenses</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Payroll and Related</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Special Functions</td>
<td>2,055,778</td>
<td></td>
<td></td>
<td></td>
<td>$75,150</td>
<td>2,130,928</td>
</tr>
<tr>
<td>Occupancy</td>
<td>2,181,704</td>
<td></td>
<td>384,414</td>
<td></td>
<td></td>
<td>2,566,118</td>
</tr>
<tr>
<td>Operating</td>
<td>1,139,408</td>
<td></td>
<td>52,130</td>
<td></td>
<td></td>
<td>1,191,538</td>
</tr>
<tr>
<td>Professional Fees</td>
<td>1,643,032</td>
<td></td>
<td>14,040</td>
<td>4,810</td>
<td>1,773</td>
<td>1,644,230</td>
</tr>
<tr>
<td>Communications</td>
<td>591,785</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>591,785</td>
</tr>
<tr>
<td><strong>Total Expenses</strong></td>
<td><strong>22,761,913</strong></td>
<td><strong>640,421</strong></td>
<td><strong>14,040</strong></td>
<td><strong>4,810</strong></td>
<td><strong>76,923</strong></td>
<td><strong>23,498,107</strong></td>
</tr>
<tr>
<td>Net Operating Increase</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(Decrease)</td>
<td>(1,064,088)</td>
<td>39,889</td>
<td>(9,717)</td>
<td>(35,650)</td>
<td>(76,923)</td>
<td>(1,150,489)</td>
</tr>
<tr>
<td>Investment Income</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investment Income</td>
<td>1,542,956</td>
<td></td>
<td>553,091</td>
<td>177,107</td>
<td>86,612</td>
<td>2,359,766</td>
</tr>
<tr>
<td>Net Realized Losses on</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sales of Investments</td>
<td>(3,057)</td>
<td></td>
<td>(20,905)</td>
<td>(966)</td>
<td>(24,928)</td>
<td>(24,928)</td>
</tr>
<tr>
<td>Net Unrealized Appreciation</td>
<td>193,968</td>
<td></td>
<td>277,163</td>
<td>93,406</td>
<td>16,367</td>
<td>580,904</td>
</tr>
<tr>
<td>Amortization of Premiums/Discounts</td>
<td>(73,882)</td>
<td></td>
<td>7,813</td>
<td>2,000</td>
<td>2,344</td>
<td>(61,725)</td>
</tr>
<tr>
<td><strong>Total Investment Income</strong></td>
<td><strong>1,659,965</strong></td>
<td></td>
<td><strong>817,162</strong></td>
<td><strong>271,547</strong></td>
<td><strong>105,323</strong></td>
<td><strong>2,854,017</strong></td>
</tr>
<tr>
<td>Change in Unrestricted Net Assets</td>
<td>595,897</td>
<td></td>
<td>39,889</td>
<td>807,445</td>
<td>231,897</td>
<td>28,400</td>
</tr>
<tr>
<td>Change in Temporarily</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Restricted Net Assets:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contribution (Showrunner Program)</td>
<td>100,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>100,000</td>
</tr>
<tr>
<td>Interest Income</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>582</td>
<td>582</td>
</tr>
<tr>
<td>Net Assets Released from Restrictions</td>
<td>(104,794)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>(104,794)</td>
</tr>
<tr>
<td><strong>Change in Temporarily Restricted Net Assets</strong></td>
<td><strong>(4,212)</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td><strong>(4,212)</strong></td>
</tr>
<tr>
<td>Change in Net Assets</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net Assets, Beginning of Year</td>
<td>16,494,186</td>
<td>45,698</td>
<td>8,819,844</td>
<td>2,814,380</td>
<td>2,453,361</td>
<td>30,627,469</td>
</tr>
<tr>
<td>Mandatory Transfer To Year 2000 Fund</td>
<td>(436,566)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>436,566</td>
</tr>
<tr>
<td><strong>Net Assets, End of Year</strong></td>
<td><strong>$17,055,871</strong></td>
<td><strong>$85,557</strong></td>
<td><strong>$9,190,723</strong></td>
<td><strong>$3,046,277</strong></td>
<td><strong>$2,918,327</strong></td>
<td><strong>$32,326,785</strong></td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th></th>
<th>Guild Operations Fund</th>
<th>Theater Operations Fund</th>
<th>Strike Fund</th>
<th>Good &amp; Welfare Fund</th>
<th>Year 2000 Fund</th>
<th>Total All Funds</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash flows from operating activities:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Change in Net Assets</td>
<td>$591,685</td>
<td>$39,889</td>
<td>$807,445</td>
<td>$231,897</td>
<td>$28,400</td>
<td>$1,069,316</td>
</tr>
<tr>
<td>Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Depreciation and amortization</td>
<td>709,836</td>
<td>10,851</td>
<td></td>
<td></td>
<td></td>
<td>720,687</td>
</tr>
<tr>
<td>Net realized loss on sale of investments</td>
<td>3,057</td>
<td>20,905</td>
<td>966</td>
<td></td>
<td></td>
<td>24,928</td>
</tr>
<tr>
<td>Net unrealized (appreciation) in market value</td>
<td>(193,868)</td>
<td>(277,163)</td>
<td>(93,406)</td>
<td>(16,367)</td>
<td>(580,904)</td>
<td></td>
</tr>
<tr>
<td>Amortization of premiums/discounts</td>
<td>73,882</td>
<td>(7,813)</td>
<td>(2,000)</td>
<td>(2,344)</td>
<td>61,725</td>
<td></td>
</tr>
<tr>
<td>Provision for doubtful accounts</td>
<td>39,366</td>
<td>(4,323)</td>
<td>34,840</td>
<td></td>
<td>68,883</td>
<td></td>
</tr>
<tr>
<td>(Increase) in membership dues receivable</td>
<td>(54,000)</td>
<td></td>
<td></td>
<td></td>
<td>(54,000)</td>
<td></td>
</tr>
<tr>
<td>(Increase)/decrease in accounts receivable</td>
<td>(274,279)</td>
<td>(55,037)</td>
<td>(5,085)</td>
<td>(268)</td>
<td>1,177</td>
<td>(334,402)</td>
</tr>
<tr>
<td>(Increase)/decrease in notes receivable</td>
<td>4,323</td>
<td>(11,881)</td>
<td></td>
<td></td>
<td>(7,058)</td>
<td></td>
</tr>
<tr>
<td>(Increase)/decrease in prepaid expenses and other assets</td>
<td>30,882</td>
<td>(63)</td>
<td></td>
<td></td>
<td>30,819</td>
<td></td>
</tr>
<tr>
<td>Increase (decrease) in accounts payable and accrued expenses</td>
<td>48,123</td>
<td>(18,416)</td>
<td></td>
<td></td>
<td>29,707</td>
<td></td>
</tr>
<tr>
<td>Increase in accrued salaries, vacation and severance</td>
<td>235,117</td>
<td></td>
<td></td>
<td></td>
<td>235,117</td>
<td></td>
</tr>
<tr>
<td>(Decrease) in deferred rent</td>
<td>(9,363)</td>
<td></td>
<td></td>
<td></td>
<td>(9,363)</td>
<td></td>
</tr>
<tr>
<td>Net cash provided by (used in) operating activities</td>
<td>1,209,701</td>
<td>(33,039)</td>
<td>538,279</td>
<td>160,848</td>
<td>16,866</td>
<td>1,886,455</td>
</tr>
<tr>
<td>Cash flows from investing activities:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Purchase of property and equipment</td>
<td>(398,883)</td>
<td>(5,265)</td>
<td></td>
<td></td>
<td>(404,148)</td>
<td></td>
</tr>
<tr>
<td>Purchases of investments</td>
<td>(9,620,312)</td>
<td>(11,090,650)</td>
<td>(2,365,234)</td>
<td>(1,376,103)</td>
<td>(24,442,199)</td>
<td></td>
</tr>
<tr>
<td>Maturities of investments</td>
<td>3,319,096</td>
<td>10,551,387</td>
<td>2,180,362</td>
<td>1,353,893</td>
<td>23,404,738</td>
<td></td>
</tr>
<tr>
<td>Net cash (used in) investing activities</td>
<td>(699,999)</td>
<td>(5,265)</td>
<td>(539,263)</td>
<td>(174,872)</td>
<td>(22,210)</td>
<td>(1,441,699)</td>
</tr>
<tr>
<td>Cash flows from financing activities:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Increase (decrease) in inter-fund borrowing</td>
<td>(24,143)</td>
<td>24,143</td>
<td>454,823</td>
<td>(454,823)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Inter-fund transfers</td>
<td>(24,143)</td>
<td></td>
<td>(454,823)</td>
<td></td>
<td>454,823</td>
<td></td>
</tr>
<tr>
<td>Net cash provided by (used in) financing activities</td>
<td>(24,143)</td>
<td>24,143</td>
<td>454,823</td>
<td>(454,823)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net increase (decrease) in cash and cash equivalents</td>
<td>485,599</td>
<td>(14,161)</td>
<td>(984)</td>
<td>(14,224)</td>
<td>(11,344)</td>
<td>444,846</td>
</tr>
<tr>
<td>Cash and cash equivalents, beginning of year</td>
<td>1,968,455</td>
<td>261,256</td>
<td>118,626</td>
<td>34,240</td>
<td>598,705</td>
<td>2,981,282</td>
</tr>
<tr>
<td>Cash and cash equivalents, end of year</td>
<td>$2,454,014</td>
<td>$247,095</td>
<td>$117,642</td>
<td>$20,016</td>
<td>$587,361</td>
<td>$3,425,128</td>
</tr>
</tbody>
</table>

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