## CONTENTS

- 2 FROM THE CHIEF EXECUTIVE OFFICER
- 4 FROM THE CHAIR
- 6 MARKETING & COMMUNICATIONS
- 8 SLEAZE BALL 08 – VILLAINS’ LAIR
- 9 FAIR DAY 09
- 10 FESTIVAL 09
- 12 HARBOUR 09 – MARDI GRAS’ HARBOUR PARTY
- 13 PARADE 09
- 14 MARDI GRAS PARTY 09 – NATIONS UNITED
- 16 OUR PARTNERS
- 17 MEMBER SERVICES
- 18 VOLUNTEERS
- 19 CORPORATE GOVERNANCE
- 22 MARDI GRAS MEDICAL
- 23 COSTUMES
- 24 WORKSHOP

## FINANCIAL REPORT

- 28 TREASURER’S REPORT
- 30 DIRECTORS’ REPORT
- 35 AUDITOR’S INDEPENDENCE DECLARATION
- 36 AUDITOR’S REPORT
- 38 DIRECTORS’ DECLARATION
- 39 INCOME STATEMENT
- 40 BALANCE SHEET
- 40 STATEMENT OF CHANGES IN EQUITY
- 41 STATEMENT OF CASH FLOWS
- 41-51 NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2009
FROM THE CHIEF EXECUTIVE OFFICER

In the year after our massive 30th Anniversary, there was always the danger that Mardi Gras might ‘come off the boil’. However, I am pleased to report that instead, it provided the springboard for continued growth in 2009.

This was also a season that took place in the midst of the greatest financial crisis in several generations. It is not surprising then that many people predicted a much smaller Mardi Gras this year.

New Mardi Gras rightly places risk mitigation at the top of its priorities. Given the global financial crisis and the possible hangover from the 30th, we certainly entertained the possibility of reduced numbers of visitors and ticket sales to our major fundraising events.

On the other hand, we recognised that there was a risk if this year came to be seen as a scaled-down season. We have worked hard to build momentum and there would be a significant cost over many years if we were to let that momentum slip away.

Ultimately we decided to base our strategy on more optimistic assumptions, on the basis of significant investment in the quality of our events and in particular major entertainment talent. To help inform those investment decisions we made increased use of market research, including focus groups and online surveys.

A major survey of international DJ talent meant that we were quite confident in the ability of headliners Paul Oakenfold and the Freemasons to deliver significant numbers of visitors and ticket sales to our major fundraising events. On the other hand, we also knew that it was crucial to keep the momentum high and to build on the success of previous seasons.

By the time we announced our major highlights for the season, it was clear to all that Mardi Gras was going nowhere other than forward in 2009.

Matthew Mitcham would be our Chief of Parade; and that Foxtel was on board as a sponsor, bringing the Parade back to national TV screens for the first time in seven years. We believe the season that followed lived up to expectations.

The Mardi Gras Harbour party, Harbour ‘09, was a glorious day with numbers up on 2008. Sam Sparro brought star power to this event and again was a signal of our determination to make this a key highlight in our calendar for the long term.

The Parade continues to grow in terms of participants. The Nations United theme brought a new level of consistency to the event and the community seemed to take it up with great enthusiasm. Meanwhile the post-Parade Party was without doubt one of the best ever. Reaction to it in the press, on forums and in our own research has been superb and provides a great platform for next year.

I am pleased to report a profit of $389,900 for 2008-9, or 8% of revenue. Whilst it doesn’t match the extraordinary result in 2007-8 it clearly demonstrates that we have a model that will work in any year if we maintain good cost control and are rigorous in making informed decisions around our events.

Our financial performance over the last few years has now placed the organisation in a position to grow, adding staff members in key positions. This time last year there were just two full-time members of staff, myself and Gordon Wheatley. Since then we have been able to turn the key Festival Executive Producer role into a full-time position, held by Danielle Harvey. In early 2009 Daniel Nauthe joined us as Assistant to the CEO.

In 2009-10 Katrina Márton will join New Mardi Gras as Head of Events, bringing a huge wealth of experience from her previous stints at the Sydney Gay & Lesbian Mardi Gras and as Producer of Sydney’s world famous New Year’s Eve celebrations.

This professionalising of the organisation is a vital part of making New Mardi Gras every bit as much of a cultural force and community hub as was its predecessor organisation.

We will continue to rely on the voluntary efforts of many thousands of people in our community without whom this iconic event could not happen. I would like to extend my enormous thanks to them for helping us reach this point. It is your Mardi Gras.

Anna McInerney  
Chief Executive Officer
FROM THE CHAIR

This year saw Mardi Gras further cement its place as one of Sydney’s major cultural forces, adding major partnerships and generating ever greater enthusiasm within our community and outside.

First of all I would like to begin with a big thank you to our volunteers. One of the high points for me this year has been to meet so many of you. You come from all kinds of backgrounds, come in all shapes, sizes and ages, but all sharing a great enthusiasm for Mardi Gras.

We have plans to add further professional staff to New Mardi Gras to provide a backbone for the organisation and to ensure we build up expertise, processes and organisational wisdom. However New Mardi Gras will always be an organisation which depends hugely on volunteers giving their time, from marshalling at Parade to painting floats or collecting donations at Fair Day.

This volunteerism is New Mardi Gras’ greatest asset and has been instrumental in getting us this far. The good news is that your efforts over the last few years are really beginning to reap rewards.

New Mardi Gras Ltd will turn seven on 9 October this year. With the support of Pride, ACON, Gay & Lesbian Rights Lobby, Queer Screen and a great many individuals, our Mardi Gras was rescued and rebuilt from the ashes of the insolvent SGUMS. Sustainability of the organisation has always been a key aim and a great challenge. I am therefore very pleased, especially given the GFC, to report another strong profit this year. Over the past eighteen months, for the first time in NMG’s life, we have created considerable investment accounts, including a highly secure and substantial cash reserve account, helping to ensure continued sustainability.

Confidence in the organisation and the popularity of its events have made this a year where everyone seemed to want to work with Mardi Gras.

Increasingly artists and other promoters have our parties on their radar. Sydney’s major arts organisations now have Mardi Gras integrated into their calendars and are increasingly programming events aligned with our Festival. Television, radio and print media have begun to focus on Mardi Gras earlier in the year, with more sustained coverage and more enthusiasm than for many years. We are well and truly back as a key part of Sydney’s cultural fabric.

This year saw some major strategic partnerships put in place. Events NSW came on board as a supporter bringing financial support and integrating Mardi Gras within its Vivacity Season. Their vision is to bring more visitors to NSW. This is something we already felt passionate about. Every time we have asked groups of community members what gets them excited about Mardi Gras, many say that it is the influx of visitors, particularly from overseas. Our partnership with Events NSW means we increasingly have the resources to grow this market.

We were also delighted to sign a sponsorship in December 2008 with FOXTEL to broadcast the 2009 Parade in its entirety on their pay-per-view Main Event service. This was the first time the Parade had been broadcast nationally in seven years and will have done a great deal to raise our profile outside Sydney. FOXTEL’s access to talent and entertainment expertise did a great deal to make the Parade more entertaining for both viewers at home and the audience on the Parade route itself.

We also developed a strategic relationship with Atlantis Events which will deliver huge benefits to Mardi Gras in 2010 and beyond. In February next year over one thousand additional visitors will reach Sydney in time for Mardi Gras Parade, mainly from the US, but also from elsewhere. This is an enormous coup and will introduce Mardi Gras to a whole new audience.

In addition to these deals we maintained an impressive roster of key sponsors who each brought tremendous benefit to our events. I would like to say a big thank you to our other sponsors Virgin Blue, KEA, Pump, ANZ, Right Centre, Gaydar, Budweiser, Midori, Redbull and Advance Pet Care. We have also benefitted from our media partnerships with DNA and in particular Evolution Publishing who have provided tremendous support throughout the year.

This was also the year when we were able to put in place a three-year agreement with the Botanic Gardens Trust, allowing us to invest in building up the Mardi Gras Harbour Party to be the key season event it is meant to be. We also put in place a new partnership with the Bobby Goldsmith Foundation to grow the Parade Glamstand.

We continue to benefit from a great relationship with the City of Sydney and their support has again been invaluable. We are delighted that we have been able to take space in their new year to come. Please drop by!

Lastly, I would like to acknowledge my fellow directors for their own tireless efforts. The commitment shown by the board, who give massive amounts of their time for no financial reward and often very little thanks, is humbling to say the least. Thank you.

David Imrie
Chair
MARKETING & COMMUNICATIONS

2008-9 was always going to be a watershed year for New Mardi Gras. Happily 2009 proved in many ways a bigger year than the one that preceded it and certainly a great platform for future growth.

The theme chosen for Sleaze Ball this year was ‘Villains’ Lair’. For the artwork we again commissioned Glen Hanson to create an illustration that brought to life some of the many costuming possibilities that this theme opened up. The trilogy of artworks Glen produced have been important in giving Sleaze Ball a definite brand again as the highly themed, costume-driven part of the year.

The result was a sell-out party albeit on a smaller footprint than in recent years. We wanted to see how people responded to a single venue party (in this case the Hordern). We have since tested people’s responses to the party in focus groups and, whilst there were definitely some who liked a party where there was a single shared experience, the vast majority of people clearly missed the musical variety made possible by multiple venues. This finding has been taken on board for Sleaze Ball 2009.

Our season theme this year was ‘Nations United’. Mardi Gras enjoys a degree of global media attention and it seems fitting then that from time to time we should have a global message. This year we choose to march for the rights and freedoms of gay people everywhere. We also extended an invitation to the rest of the world to come to Sydney to be part of our Parade.

The run-up to the season really began with the launch of our Season Guide, 70,000 copies of which were distributed around the country. Four really strong stories accompanied the launch: Joan Rivers as our Festival headliner; Paul Oakenfold and the Freemasons headlining the Party; Matthew Mitcham as Chief of Parade; and Foxtel bringing Mardi Gras back to national television for the first time in seven years.

We also launched our season imagery at that time. Our season logo made up of a butterfly and globe was created by our designer Lewis Oswald who worked tirelessly over the season to produce the massive number of designs required, including everything from posters to crew passes. The key images we used – the Nations United flag raising scene and the Harbour ’09 image – were photographed by Helen White who did a fantastic job bringing our creative concepts to life.

After the season we conducted focus groups to gauge reaction to the season as well as a 500-person survey. The results of this were extremely encouraging right across the board. Mardi Gras Party was rated as very good by 48% of those asked, good by 39% and adequate by 11%. Just over 2% thought it was less than adequate. That is an excellent result for any event, let alone one which has to cater to as many different groups as Mardi Gras Party.

Particular thanks goes to a number of key volunteers. Blandine Guillet managed the translation of our press releases and ensured that Mardi Gras appeared in print and online more...
SLEAZE BALL 08
VILLAINS’ LAIR

Giant insects, aerial kidnappings and the Supervillains were highlights for a sell-out Sleaze Ball crowd of more than five thousand.

Let’s get dressed up! The costume elements of the party were again strongly featured in the marketing campaign and resulted in our guests showing a new enthusiasm towards dressing in theme. This is breathing new life into Sleaze Ball. We are now renowned as being Sydney’s premier costume party. This has increased the coverage of our party in the media, helping to build our brand.

2008 saw the party consolidated into one major venue - The Hordern Pavilion. This had advantages and disadvantages. The party felt more cohesive, people said it was easy to find friends and felt like everyone was on the same journey. It was however difficult to cater musically to all sub groups under one roof. The Dome is also an iconic venue for our leather and fetish crowd and it was a challenge to provide what they expect from Sleaze Ball without this venue. Members were also not able to have as big an area in the smallest footprint and were not spoiled as much as we would have liked!

The Costume parade ‘Project Sleazeway’ was run by media partner SX and was a huge success. The increased media coverage that SX provided the event enabled participants to get a lot more excited about their involvement in the party. It also increased awareness of the theme in the community and got people talking about what they would wear. The amazing costumes also increased post party media coverage.

A conscious decision was made to try and take the party in a darker direction to differentiate Sleaze from Mardi Gras and honour it’s traditional roots. DJ’s Alan Thompson, The Potbellez, Svetla, Mark Murphy and Simon Caldwell served up a mixture of House, Electro, Nu-Disco and Deep House in the Hordern Pavilion. DJ’s Beatrice, GI-Jode, Luke Leal and Jake Kilby kept the hands in the air in The Forecourt.

Thanks must also go to the hundreds of performers who donated their services to keep the 5 performance spaces humming throughout the day.

Other surprise happenings in the Hordern were a hoard of bears turning green like bizarre Hulks and an amazing inflatable pod show, which saw giant yellow pods grow and give birth to lycra clad dancers. Meanwhile, an aerial kidnapping saw a party guest sail through the air in the clutches of a very evil villain. Giant insects roamed the Hordern which was decorated with statues of some distinctly homoerotic super-villains.

The look of The Villains’ Lair was inspired by and referenced the secret bases and dangerous lairs of various villains found in movies ranging from James Bond to Batman. Entrance to the party was gained via a forbidding technologically styled trench.

In the Hordern, a dual levelled stage and hazard tape highlighting the exposed gantry were used to give a dangerous industrial feel. Towering tapered pillars gave an impression of increased height. Within each pillar, entrance doors allowed entry for an array of performers and a sliding glass staircase provided access to the main level. A looming effigy of a demented hostess was also echoed by silver robotic erotic statues who ringed the dance floor.

Partygoers even went forward in time with the onset of daylight savings in the middle of the party setting off a spectacular laser show to coincide with the beginning of Sveta’s set.

Clever marketing and a smaller footprint helped to achieve a sell out party, building our reputation for producing successful events. We would now like to look at the future of this iconic party and decide on a clear direction for it. What is Sleaze Ball? What does the community want it to be? We hope that with the help of consultation from the community we can set Sleaze Ball on the best track for the future.

Nerissa Groth
Chairperson, Party Working Group

FAIR DAY 09

Gourmet food and wine, a spectacular launch and mud, mud, mud!

In spite of a week of torrential downpours tens of thousands of gays, lesbians and their families and friends braved the rain to attend Fair Day - presented in partnership with Gaydar.com.au.

Plans for Fair Day 2009 began nine months earlier when the ‘09 Fair Day Working Group met for the first time. The Fair Day Working Group is a small team of dedicated volunteers who give up hundreds of hours throughout the year to plan and organise every aspect of Fair Day.

According to the success of the first year’s Stalls Team (under Eamonn Lorraine’s stewardship) who brought a greater number and range of stalls to Fair Day than ever before, Nick Bocanat and Penny Stringer also did a fantastic job of organising the entertainment line up and new Launch event with Gary Wright.

Special mention should also go to Paul Bradshaw and his team who made our volunteers feel loved and cared for as they moved hundreds of muck coated track mats around the park and fought valiantly to prevent the park becoming a sea of mud. Benedict Brock and Phil Starkey once again worked together to look after the media and communications aspects of Fair Day. This year we sought feedback from the community concerning what they love and hate about Fair Day. Phil organised two surveys, one in October and one just after Fair Day.

Work has already begun on preparation for Fair Day 2010, as we are always seeking enthusiastic new members of the Working Group, so why not get involved and help make Fair Day 2010 the best ever.

Daniel Bone and Tim Vial
Co-Chairs Fair Day 2009

NEW MARDI GRAS ANNUAL REPORT 2009

Co-Chairs Fair Day 2009
FESTIVAL 09

The 30th anniversary of the Sydney gay & lesbian mardi gras saw the festival reach a higher level of excellence. Through reinvigorating and remodelling its structure, a new ‘semi-curated’ three-week festival was introduced.

Following on from the success of Mardi Gras’ 30th anniversary in 2008, the Mardi Gras Festival in 2009 was full of colour, variety and humour. The aim for 2009 was to complement the ‘Nations United’ theme with a diverse and quality Festival. We achieved this with the inclusion of many international artists, alongside our local artists and community events, with the resulting Festival an eclectic mix with something for everyone.

The Festival booed many big showbiz and art names, achieved by close programming with venues and local promoters. The strong partnership continued with The Sydney Opera House with a dynamic showcase featuring Alan Cumming, Justin Bond and Amanda Palmer whilst the Sydney Symphony hosted Roberta Falla. Tina Arena performed at the State Theatre and the visual art program included Singaporean artist Ming Wong at 4A Gallery in a fantastic laneway event ‘Cinema Alley’.

Presented by New Mardi Gras, a very lively Joan Rivers appeared at the Enmore Theatre with two sold out shows back to back before climbing on top of a float to be part of the Parade broadcast. The Festival continued to programme the Festival Bar at the Supper Club, which featured local and interstate performers plus international guitarist Kaki King as part of the three-week bar. Crowd favourites included the infamous Bob Downe hosting Retro Gras each Thursday night and the women’s comedy night Girl Corrupted.

A strong theatre line up included the double bill Born/Natural Born Hooker at Downstairs Belvoir Street, produced by local theatre company Focus Theatre, whose works for the past few years within Mardi Gras have been really well received. The Performance Space at Carriageworks produced the very queer Quick & Dirty and New Theatre’s Take Me Out was very popular. Ros Warsby’s dance solo Monumental was a fantastic addition delivering a very niche dance piece within the Festival alongside popular favourites The Sydney Gay & Lesbian Choir who ventured into opera with Purcell’s The Fairy Queen.

The visual arts section of the Festival shone in 2009 with unique group exhibitions and some amazing solo works including Deborah Kelly and Tina Fiveash’s Big Butch Billboard presented by the Australian Centre for Photography, which popped up all over Sydney, and finished its season as part of the Parade. Ming Wong as previously mentioned was another highlight as was the very contemporary Cyberqueen Future Fashion exhibition.

The ever popular Short Story Competition ran again with the epic topic ‘war and peace’, a big thank you to Gary Dunn and the judges and sponsors who each year continue to make this event a highlight on the Mardi Gras calendar. Thanks also to Team Sydney who continue to administrate the sports section of the programme, ensuring that sporting events from scuba diving to ten-pin bowling make their way into the Festival and add to the variety on offer.

Alongside a Festival partnership for the second year with Riverside Theatres, The Factory Theatre in Marrickville joined the Festival fold presenting a vast array of social and theatrical nights with favourites being the Ya Leil Arab dance party and Club Kooky’s music and performance extravaganza. Partnerships with Riverside and The Factory continue to allow the Festival to offer affordable spaces to local and interstate performers who are important parts of each season. The presentation of an Indian dance story in Gods In War, and Adelaide’s Jay Robinson’s dance solo Four Faces at both venues allowed these community artists to reach a new audience across Sydney.

We had great feedback from the artists and audiences about the amount of help and marketing support these venues offered and it is great to see this level of support for emerging artists in Mardi Gras.

Joan Rivers made her first appearance at a VIP Party held at the Zeta Bar where those involved with the Festival and entertainment in various Mardi Gras key events were able to mingle and catch up before the finale to an excellent season.

The Festival would not have been possible without the assistance of the wonderful interns Amy Morcome and Vanessa Christ. Again a huge thanks goes to Mark Sutcliffe for his valuable assistance in marketing and looking after Joan Rivers. The contribution of his skills made this event happen.

Danielle Harvey
Festival Executive Producer
ARBOUR 09 –
MARDI GRAS’
HARBOUR PARTY

This was the second year in which we have been lucky enough to produce this iconic party on one of the most spectacular outdoor stages in the world, Sydney’s Royal Botanic Gardens, with the backdrop of the Opera House, Harbour Bridge and city skyline.

2009 marked the first party under a new three-year agreement between the Botanic Gardens Trust and New Mardi Gras following on the success of the 2008 Sol y Luna party. This agreement provides New Mardi Gras with a solid basis on which to invest in the creativity and production values of the party and ensure its place as a signature event on our Festival calendar.

On 1st March we were once again blessed with clear blue skies, sunshine and a gentle breeze for Harbour ’09 presented in partnership with Gaydar.com.au. The party atmosphere was again enhanced by a cocktail bar stocked with delicious Midori cocktails. A covered dancefloor provided some respite from the sun whilst our concierge boys patrolled the party making sure everyone had some sunscreen. Meanwhile the Gaydar boys and girls moved round the party distributing all kinds of goodies.

Partygoers were treated to an array of Australia’s favourite DJs - Stephen Atkins, Kate Monroe, Alex Taylor and Shigeki - with a very special performance by Peyton. Later in the evening, we welcomed the Pop Soul singing sensation Sam Sparro in a show that took him from the top of the steps, through the leering dancefloor and onto the stage, performing his worldwide hit ‘Black and Gold’.

There was also a touching moment towards the end of the night when partygoers joined Shauna Jensen in singing happy birthday to this year’s Chief of Parade Matt Mitcham. Matt was presented with a platter of ‘Beijing Gold’ cupcakes which he then shared with the crowd. It was a touching ending to a beautiful day.

Given the degree of economic uncertainty this year, we were pleased with our ticket sales which were up over 10% since 2008. We believe this party can be much bigger in the future and deliver solid profits to the organisation. Our strategy is to continue to build this event by consistently delivering an excellent party experience.

The results from our post-season survey suggest we achieved this. Of those attending Harbour ’09 40% rated it as ‘very good’ and 38.3% as ‘good’. There are obvious areas for improvement, notably toilets and bar capacity, but the overall picture is extremely positive.

In 2010 this party will be the recovery on the day after the Parade. It will be marketed extensively to tour operators bringing visitors into Sydney for Mardi Gras and we believe this will ensure a big turnout.

PARADE 09

After all the excitement of the 30th Anniversary of Mardi Gras in 2008 some people were wondering what we could do to top it. Well 2009 exceeded expectations. With over 10,000 participants, 135 entries and the nations of the world represented with pride; the 2009 Parade showed that it continues to be relevant and grow each year.

This year saw the Parade televised for the first time in many years. Foxtel broadcast the Parade as a pay per view event on the night and the following Tuesday. This threw up a number of challenges to a team who had not been involved in a broadcast before. It also bought many benefits in raising the profile of the Parade.

International star Joan Rivers held court in the start area with her very own pink carpet while in Taylor Square Pam Ann gave the crowd their pre-Parade briefing.

Our decision as to who would be Chief of Parade was a unanimous choice after his performance at the Beijing Olympics. Who else could we have chosen but Matthew Mitcham, gold medal winner and local out & proud gay man.

This year’s theme Nations United gave participants the chance to show their national pride and the diversity that is not only gay Sydney, but also the wide range of visitors that come to Sydney for our Mardi Gras.

The Parade Creative Working Group were honoured with the talent of our workshop manager Justin Green and costume designer Matthew Aberline. They came up with an unprecedented 8 New Mardi Gras entries embodying this year’s theme. We were also assisted by Board member Tony Knight and the Bright Young Things.

Our lead float “It’s A Gay World After All” was a pastiche of the world from gay eyes with flowers, glitter and Katrina (our giant mirror ball) that came out of storage for the night. The 7 continents were represented by elaborately decorated pushables, each with its own marching group and message. The Parade Grants Scheme handed out over $20,000 to community groups to enhance their entry and give it that little bit more pizzazz. This scheme has grown considerably over the past 5 years and continues to be a valuable source of funds for the community.

Volunteers are the life blood of Parade with over 1500 involved. The Logistics Working Group along with the Area Coordinators and their teams continue to come back year after to year to manage the essentials that make the Parade functional and safe on the night.

Our lead float “It’s A Gay World After All” was a pastiche of the world from gay eyes with flowers, glitter and Katrina (our giant mirror ball) that came out of storage for the night. The 7 continents were represented by elaborately decorated pushables, each with its own marching group and message. The Parade Grants Scheme handed out over $20,000 to community groups to enhance their entry and give it that little bit more pizzazz. This scheme has grown considerably over the past 5 years and continues to be a valuable source of funds for the community.

Volunteers are the life blood of Parade with over 1500 involved. The Logistics Working Group along with the Area Coordinators and their teams continue to come back year after to year to manage the essentials that make the Parade functional and safe on the night.

Our lead float “It’s A Gay World After All” was a pastiche of the world from gay eyes with flowers, glitter and Katrina (our giant mirror ball) that came out of storage for the night. The 7 continents were represented by elaborately decorated pushables, each with its own marching group and message. The Parade Grants Scheme handed out over $20,000 to community groups to enhance their entry and give it that little bit more pizzazz. This scheme has grown considerably over the past 5 years and continues to be a valuable source of funds for the community.

Volunteers are the life blood of Parade with over 1500 involved. The Logistics Working Group along with the Area Coordinators and their teams continue to come back year after to year to manage the essentials that make the Parade functional and safe on the night.

Our lead float “It’s A Gay World After All” was a pastiche of the world from gay eyes with flowers, glitter and Katrina (our giant mirror ball) that came out of storage for the night. The 7 continents were represented by elaborately decorated pushables, each with its own marching group and message. The Parade Grants Scheme handed out over $20,000 to community groups to enhance their entry and give it that little bit more pizzazz. This scheme has grown considerably over the past 5 years and continues to be a valuable source of funds for the community.
After the hype and success of the sell-out 30th Anniversary Party, expectations were high but the 2009 ‘Nations United’ party went above and beyond expectations and had something for everyone.

Originally budgeting for a 14,000 person, 5 venue party, early ticket sales prompted us to expand the footprint to include 2 brand new venues – Le Discoteque in the coach park, and a members’ lounge on the Peter Finch Lawn. The Party sold 15,200 tickets, below capacity on the expanded footprint of 16,500. Tracking ticket sales against 2007, we were almost 3,000 up on 2007 by the final week of sales, but sold under 4000 tickets in full sales compared to over 7,000 in 2007.

The first indication of the Party’s shape came with the announcement of key DJ talent Paul Oakenfold and the Freemasons. The Freemasons were back after setting the Party alight in 2007 with their trademark blend of samples and loops from Classic Dance, and Disco tracks and Contemporary House and electronic sounds. Paul Oakenfold has been named as one of the world’s leading DJ/remixers by Rolling Stone, and is currently opening for Madonna on her Sticky and Sweet world tour.

A survey had been conducted in late 2008 asking members what it was that they valued most at the party, including a list of DJ names from all over the world. Both the Freemasons and Paul Oakenfold had some of the highest ratings in the survey results. The calibre of talent that was once again attracted to the Party is testament to the event’s reputation.

The Royal Hall of Industries (RHI) stayed true to its roots as the home of anthems with DJs Kitty Glitter, Wayne G and Dan Murphy on the decks. The Hordern Pavilion (The General Assembly) blended House and Progressive House with spectacular visual effects. Giant hollow silver cubes with the flags of the world cut into them allowed laser light to pass through. The scenic and lighting combined perfectly to produce stunning effects.

As well as headliner Oakenfold, partygoers danced the night away to internationals Brent Nichols, Alan Thompson and Mike Kelly. The Dome was at its Tribal best with DJs Annabelle Gaspar, Ben Drayton, Rob Gilbert and Feisty and the scenic drawn from the world’s tribal traditions. The sound in the Dome was greatly improved this year by draping around the inside walls. After the success of last year’s live music in the Forum there was again a mix of Rock, Electro and Nu-Disco in this atmospheric venue. DJs Avra, Dan Random, Matt Vaughn, Stereogamous and New York’s Lauren Flax starred alongside live performances by bands Beau Monde, The Ones (NY), Infusion and Miami Horror (VIC). New Mardi Gras is now renowned for nabbing the hottest new talent and provides a stage to showcase some of the world’s best queer bands. This clever combination is proving a hit with our younger audience and providing a fantastic new flavour to the Party. Bands are going on to state in the media that Mardi Gras is one of the best gigs they have ever played. This feedback is encouraging more high calibre bands to be lining up to come and play to our crowd.

For the first time the Coach Carpark was fully integrated into the party and served up original retro sounds throughout the night courtesy of David Hiscock, Justin Scott and Jake Kilby as well as the winners of the Mardi Gras DJ Spin-Off competition. This grand marquee, lovingly plastered with disco paraphernalia, boasted live performances by NY drag sensation Peppermint, Australian Idol favourite Rochelle Frisda and Swedish singing superstar Emilia De Pore. Followed by a night of Drag fun with Spiceworld, Carmen Gredatl, Kiki Fetch and the drag king group Fake That. Having the return of a dedicated retro space proved a hit.

For the third year running the Fuse bar played host to ‘Girl’s Republic’, a space for Women and their male friends. This space was bursting at the seams and provided entertainment from the country’s hottest female DJ’s and a bevy of local and international performers including the Vixen Nor, Ullian Star and Bunny Hoopstar. The popularity of this space proves just how many girls are out there ready to party with us. Catering towards the girls guarantees increased ticket sales to the lesbian market. This space also proves popular with boys who enjoy this mix of House and Electro music.

The Nations United theme was reflected in scenic and shows across the multi-venue party, with key elements of the Parade again taking pride of place within the party footprint. The RHI was transformed into ‘It’s a Gay World After All’. This giant replica of the Disney Classic was complete with a stunning, sparkling revolving world globe suspended in the centre of the hall. The midnight show saw Alison Jiear set the crowd wild with her signature “I Just Wanna Dance”. This giant volunteer show choreographed by Craig Haines united the crowd with a chorus of thousands of voices singing “I Just Wanna Fucking Dance!” This was a memorable Mardi Gras moment, which hit the spot with the crowd and was a perfect way to kick off the night. Alison later joined surprise guest Tina Arena on stage for a duet of “Enough is Enough”. Those who stayed right till the end were rewarded with a knockout performance from Natalie Bassingthwaighte singing “Heart of Glass” and her number one hit “Supersensual”.

With 26 DJ’s, 23 live performances and 4 live bands, 2009 was one of the largest entertainment line-ups we have ever showcased. Providing the elements that our members rated as most important to them was key to getting this year’s Party just right and taking each venue back to its traditions provided something for everyone.

The production team, NMG staff and the dedicated team of volunteers that make up the Party Working Group need to be applauded for taking the Party to a new level. Everything came together perfectly this year – the weather line up, scenic, career making performances, and an enthusiasm from a crowd in full support of making this the greatest Party in the world.

Nerida Groth
Chairperson – Party Working Group
MEMBER SERVICES

In 2007 a Human Rights and Equal Opportunity Commission report recommended more than a hundred amendments to federal law in Australia. The then government sidelined the report as too controversial. The community, we were told, was not ready for it. The new federal government introduced many of the reforms in 2008 with little opposition, proving society was in advance of the politicians.

Change and progress takes time. Since the 1969 Stonewall riots and the original 1978 Sydney protest march, much has been learnt and achieved. Indeed, not everything has been achieved. But one day it will be.

Our Mardi Gras partners and partnerships demonstrate the large intellectual movement afoot in Australia. All of our partners truly believe that it is intolerable for any person, straight or gay, to be discriminated against. When “blue-chip” companies recognize their sexual orientation minorities as an attribute of their corporate nature, we can be certain that we are on the path towards treating all citizens of our nation equally.

Acknowledging Mardi Gras as the world's premiere GLBT Festival were our government partners, Events NSW and the City of Sydney. We celebrated with first time sponsors Flight Centre, Midori, Atlantis and Budweiser. Joining us again to create a brave new world were ANZ, IKEA, Red Bull, Gaydar, Virgin Blue, Pump and SX.

Our partners' bravery and commitment are vital in helping the community achieve the ultimate goal of creating laws that protect minorities and assure all people of a full and equal place in our nation.

Greg Segal
Partnership Consultant

Increasing the range of member benefits remains a key focus of New Mardi Gras. This year members were able to take advantage of discounted tickets to over 50 Mardi Gras Festival events as well as discounted tickets to our parties including Staxx Ball, Harbour 09 and Mardi Gras Party. Other benefits such as our members-only party at Midnight Shift and Member’s Lounges at Mardi Gras Party were well received while tickets to the popular Members' Parade Viewing Area were eagerly snapped up. In addition, throughout the year we offered numerous special deals to major events and retailers, including many Oxford Street stores during Mardi Gras Season.

We have very big plans for members in 2010 so watch this space!

Matthew Page
Member Services Working Group, Chair

Steph Sands
Board Sponsor

The Member Services Working Group consists of four volunteers and one board sponsor, who set the direction and do whatever it takes to keep our members happy. We are of course ever indebted to Gordon, the New Mardi Gras Office Manager, who tirelessly processes all the membership applications and renewals as well as the IT Working Group who look after all our IT needs. And of course 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!

16 NEW MARDI GRAS ANNUAL REPORT 2009
VOLUNTEERS

In 2009 the Volunteer Working Group (VWG) continued to coordinate NMG volunteers across all events throughout the Festival and year.

The VWG consisted of two Co-chairs and two Working Group members.

The aim of the VWG is to provide a central point of interaction between volunteers and New Mardi Gras. The mode of practice here maintains consistency and therefore encourages volunteers to interact with the broader events within the Mardi Gras Festival.

In 2009 the VWG achieved the following successes:

- Introduced a new online recruitment registration process which can be expanded in the future to allow volunteers to log-in and automatically update their information and preferences for volunteering.
- Organised a highly successful Volunteer Recognition and Thank You function where 300 people attended and had a great night.
- Worked closely with the Parade Working Group to improve the registering of Parade Entrants and their needs.
- Worked more closely with event coordinators to provide volunteers at Harbour Party.
- Strong numbers of volunteer recruitment for all events.
- Continuation throughout the year of the Volunteer Hotline allowing volunteers to ask questions about the various roles available, skills needed and to voice expressions of interest in Working Groups as well as individual events.
- Coordination and ordering of t-shirts for all events.
- Achieved more recognition for volunteers, especially for those who volunteer at 2 or more events.

Some people outside of the organisation find it difficult to comprehend the value volunteers bring to our organisation. The VWG and New Mardi Gras have a different view. We mean it when we say we cannot do it without each and every one of you.

Your enthusiasm at all of our Festival events and Sleaze Ball is inspiring, and we say a huge THANK YOU.

If you have not yet volunteered for Mardi Gras, we encourage you to grab your friends and get involved. If you’re one of our enthusiastic volunteers who returns year after year we certainly hope that you will support us in 2010. We guarantee you’ll continue to meet some amazing people, make new friends, and feel a stronger bond with this great community.

Michael Donnelly and John Kininjew
2009 Co-chairs Volunteer Working Group

CORPORATE GOVERNANCE

To date, the Board of New Mardi Gras (NMG) has undertaken various activities in relation to good governance. Its responses have been summarised and measured against each of the ASX recommendations contained in the March 2003 Australian Stock Exchange publication, Principles of Good Corporate Governance and Best Practice Recommendations.

During 2008-2009 the corporate governance objectives of New Mardi Gras were challenged by a higher than expected attrition rate of Directors that resulted in loss of some governance experience and some aspects of the Board’s existing structure. The Board responded by re-assessing the roles and responsibilities of the Directors and the management in order to ensure better governance going forward.

During 2009 the directorial re-organisation process was finalised, however, it resulted in less than optimal governance practices which were hampered by less than optimal resources and experience. The re-organisation resulted in the Board currently consisting of the Chair, the Chief Executive and three non-executive Directors.

Plans are in place to improve on this current situation including the definition and establishment of the Nominations and Governance Committee to work in conjunction with an enhanced Audit and Risk Committee. These two key governance committees are expected to be fully operationalised within the 2009 calendar year and it is hoped that these will provide stronger and more proactive ongoing support and assistance to the Company.

Additionally the NMG Board commits to formulating a 3 year strategic plan over the next 12 months to further address these areas.

Nicholas Parker and Steph Sands
Audit and Risk Committee
1. Lay solid foundations for management and oversight
Recognise and publish the respective roles and responsibilities.
- Agreed a work plan and KPIs for the CEO and the newly created position of Head of Events.
- Further clarification of delegated and non-delegated decision making areas between staff and Board.
- The Board has remained focused on the governance and strategic issues of the organisation while Staff and Working Group Co-chairs manage operational issues.

2. Structure the Board to add Value
Have a Board of an effective composition, size and commitment to adequately discharge its responsibilities and duties.
- Run induction program for new Board members shortly after election.
- Develop a revised Board induction manual, including role statements for Board executive positions and directors.
- Implement a Nominations & Governance Committee, reporting to the Board and working with the Audit & Risk Committee to identify and develop talented individuals to be future potential candidates for Board positions.
- Define and establish the role of Board Associate to develop young talent from within the volunteer base.
- Write and publish Strategic Plan 2009-2010.

3. Promote ethical and responsible decision-making
Actively promote ethical and responsible decision-making.
- Formal Board level declarations of non-conflict of interest implemented at all meetings.
- Code of Business Conduct in place for all volunteers and staff.
- Further refine the organisational codes of conduct and ensure all staff and volunteers are trained and agree.
- Enhance the role of the Audit & Risk Committee in actively reviewing policy, codes and process alongside the planned Nominations and Governance Committee.

4. Safeguard integrity in financial reporting
Have a structure to independently verify and safeguard the integrity of the company’s financial reporting.
- Audit Services employed for annual and ad hoc support as required.
- Tax exempt status once again validated by external Tax Advisors.
- Reform the Finance Committee to support the Treasurer and Board in key Finance reporting matters.
- Enhance the Audit and Risk committee to play a more regular consultative role in the organisational finances and risk assessments.
- Define a Management Accounts package for Board reporting (monthly).

5. Make timely and balanced disclosure
Promote timely and balanced disclosure of all material matters concerning the company
- Proposed amendment to the constitution of the 2009 AGM to provide a consultation process with our members.

6. Respect the rights of Shareholders
Respect the rights of shareholders and facilitate the effective exercise of those rights.
- AGM held Wednesday August 27th 2008.

7. Recognise and manage risk
Establish a sound system of risk oversight and management and internal control.
- Organisational risk register reviewed.
- Further document event related processes and timelines to ensure knowledge management is not human based.
- NMG Risk Management Handbook updated to reflect current organisational structure and processes.

8. Encourage enhanced performance
Fairly review and actively encourage enhanced Board and management effectiveness.
- Formal Staff performance management approaches defined and operationalised.
- Undertake Board performance assessment.
- Review training needs of Board Directors and staff.
- Seek opportunities for outside in training and specialist advisory services to support Board and Staff competencies.

9. Remunerate fairly and responsibly
Ensure that the level and composition of remuneration is sufficient and reasonable and that its relationship to corporate and individual performance is defined.
- Reviewed equivalence of remuneration and relative status of executive positions.
- Review remuneration of contractors to better reflect industry standards.

10. Recognise the legitimate interests of stakeholders
Recognise legal and other obligations to all legitimate stakeholders.
- Reviewed and continued memoranda of understandings with key stakeholders (predominantly around exchange of services and mutual support).
- Provided more regular newsletters to members
- Finalise establishment of Intellectual Property Trust and present to Company members for consideration and ratification within 6 Months of the AGM.

Further enhance organisational relationships within our community.
- Foster open and ongoing consultation and dialogue with members, volunteers, staff, community and government.
2009 saw Mardi Gras Medical providing the highest level of pre-hospital care for our community at various events and venues. The Medical team maintains a non-judgemental, confidential and evidenced-based medical service to support the GLBT community.

The Medical Committee regularly met throughout the past 12 months planning for all Mardi Gras events. The 11 member strong committee has seen the resignation of two members within the last 12 months due to their own work commitments. Their contribution to the team has been greatly appreciated.

Two new committee members have been appointed who bring with them a great range of skills and commitment to the medical team, New Mardi Gras and our community.

Over the past 12 months Mardi Gras Medical has provided first line/pre-hospital medical assessment and care at all major New Mardi Gras events- Sleaze Ball, Fair Day, Harbour Party, Parade and Mardi Gras Party. The team has assessed and treated 440 at the parties with 20 party patrons needing more extensive treatment at hospital. While Fair Day is the largest single event with the potential for any medical situation, the team looked forward to just having a presence and being acknowledge by the community for what they do, and the constant thanks as people walked by the tent. The team also provided extensive first aid care on the Parade route for Parade participants and spectators, with a significant number of situations requiring medical intervention on the Parade route this year.

Matthew Aberline’s work for New Mardi Gras was also honoured as an Icon of Australian Style in Harpers Bazarre’s hard cover coffee table book Australian Style. (The NMG 2009 Parade costumes were featured on several post-Parade magazine covers and received excellent editorial coverage).

The department in 2008/2009 included Design Assistants James Browne and Jo Briscoe, who have gone on to design for Sydney Dance Company and Oz Opera respectively.

The department has also instituted a serious archival project, both physically and photographically archiving important costume pieces for future use.

Matthew Aberline
Designer
WORKSHOP 08/09

Another exciting and challenging year has come to a close, adding to the organisation’s knowledge and expertise.

Sleaze Ball bumped in and ran more smoothly this year, but as always there is still room for improvement. Artistically Zirkus was a hard act to follow. With Villain’s Lair we again attempted to take our partygoers on a journey though perhaps this didn’t work as effectively as in the last two years. On the other hand we did create a space with a strong visual impact all around the dancefloor.

Mardi Gras season was particularly hectic this year, with last minute adjustments and additions coupled with the occasional inevitable communication breakdown. Artistically, it was a terrific success and the Working Groups excelled themselves. The quality and dedication of the artistic volunteers this season was outstanding. The cooperation and creative freedom within each team was the best it has been since I joined the organisation.

Though Graeme Browning was hugely missed, the young and enthusiastic Parade Creative Group was a joy to work with. They brought a wonderful enthusiasm to the process and were extremely generous with their time and ideas.

We still found it challenging to engage the community during the float building process. This year we paid staff to come in on the weekends to assist with community projects and supervise volunteers working on the Mardi Gras floats but, unfortunately, very few people took advantage of this. We would really love to see the Parade workshop bustling with community members again, to help build their feeling of ownership of the Parade and to develop their skills for building their own entries in the future.

The Party ran very well this year and the atmosphere was really terrific. A surprise was how well the “Pushable” floats from the Parade went into the Party, particularly the ones that weren’t fenced off. It made me think we need to incorporate more interactive elements in the Party, where partygoers can sit, lounge and be a part of the scenery.

Finally, I would like to welcome Katrina Marton on board. With her appointment we are taking a huge step forward as an organisation and I am very excited to have the opportunity to work with such a well respected and decorated event producer.

Congratulations to all and here’s to a bright future in 2010!

Justin Green
Workshop Manager
I am pleased to announce that for the 2008-2009 year we can report a profit of $389,900. This result is a strong testament to the work of the staff and volunteers of New Mardi Gras and builds on the success of the 30th year.

This result compares favourably to the result for the 2008 Financial year.

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>FESTIVAL</td>
<td>364,718</td>
<td>370,219</td>
<td>-5,501</td>
<td>331,583</td>
<td>319,611</td>
<td>11,972</td>
</tr>
<tr>
<td>FAIR DAY</td>
<td>217,617</td>
<td>238,250</td>
<td>-20,633</td>
<td>184,178</td>
<td>232,965</td>
<td>-48,787</td>
</tr>
<tr>
<td>PARADE</td>
<td>100,668</td>
<td>613,950</td>
<td>-513,282</td>
<td>57,416</td>
<td>414,693</td>
<td>-357,277</td>
</tr>
<tr>
<td>PARTIES</td>
<td>2,597,113</td>
<td>1,933,886</td>
<td>663,227</td>
<td>3,035,969</td>
<td>2,052,424</td>
<td>983,545</td>
</tr>
<tr>
<td>SPONSORSHIP</td>
<td>1,050,853</td>
<td>107,509</td>
<td>943,344</td>
<td>581,855</td>
<td>100,649</td>
<td>481,206</td>
</tr>
<tr>
<td>CONTRA</td>
<td>434,689</td>
<td>434,689</td>
<td>-</td>
<td>422,062</td>
<td>422,062</td>
<td>-</td>
</tr>
<tr>
<td>OTHER REVENUE &amp; OVERHEADS</td>
<td>208,624</td>
<td>885,880</td>
<td>-77,255</td>
<td>269,106</td>
<td>856,114</td>
<td>-587,008</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>4,974,283</td>
<td>4,584,383</td>
<td>389,900</td>
<td>4,882,169</td>
<td>4,398,518</td>
<td>483,651</td>
</tr>
</tbody>
</table>

The contribution of Events New South Wales, and the continued support of the City of Sydney along with all our other sponsors, has allowed us to present a successful season both artistically and financially. Quite simply it would have been impossible to provide a parade and festival to the same high level that New Mardi Gras is renowned for without this support.

This support does not come without strong financial justification. The Rev Fred Nile may question the economic impact of Mardi Gras, but in a survey conducted by an independent research company on behalf of Events NSW it was found that the New Mardi Gras Festival, Parade and Parties generate an economic impact of around $29 million for the state per annum and draws in around 21,000 visitors from both interstate and overseas. The Rev’d Fred Nile may pray for rain each year, but the shopkeepers and hoteliers of NSW and their employees must breathe a sigh of relief when they see a clear sky over Oxford Street.

Again the success of the parties continued. Profits from Sleaze and Mardi Gras Parties allowed us to fund the community events such as Fair Day, Launch and Parade, as well as providing funding for all of the required administrative functions.

It must be noted that the parties have begun to decline in profitability due to factors such as increased costs and competition.

PARTY RESULTS (A$000’s)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>RESULT</td>
<td>663</td>
<td>983</td>
<td>748</td>
<td>765</td>
<td>631</td>
</tr>
</tbody>
</table>

* It should be borne in mind that the jump in party figure was due to the 30th Anniversary

The Board and management of New Mardi Gras made a specific decision this year to increase expenditure in a number of areas and to take greater control of activities around New Mardi Gras. This was done against an increasing unsettled economic outlook, and with the knowledge that the decision would incur added costs and be unpopular in some quarters.

Parade - in excess of $117,000 extra expenditure was approved this year to increase the production values of the Parade. This was split between $80,000 to enhance the general parade route and a further $37,000 to enhance the floats.

This approval in expenditure was directed specifically to maintaining and increasing the quality of the Parade. This in turn, builds and maintains the high public profile for New Mardi Gras and our sponsors.

Party Entertainment - As discussed above along with the general increased costs of running a party, the Board and management specifically increased entertainment expenditure at all of the parties to attract high quality international and local acts.

Investing in the Future

<table>
<thead>
<tr>
<th>PARTY COSTS (A$000’s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>RESULT</td>
</tr>
</tbody>
</table>

* It should be borne in mind that the jump in party figure was due to the 30th Anniversary

The season was a financial success in difficult trading times caused by the Global Economic Crisis. These difficult trading times are expected to continue and New Mardi Gras will be assessing community organisations through these demanding times with its policy of distributing at least 10% of its profits to community organisations as well as continuing to build an organisation that will be able to do this well into the future.

Finally, again, I would like to thank all the Volunteers of the Parade, Parties, Fair Day and all other New Mardi Gras operations. Quite simply this organisation lives on the support provided by its community and our aim at the end of the day is to support and contribute to our community.

Rob Partos
Treasurer

But while the Melbourne heatwave and fires were unexpected, the rain is a well known risk associated with running our outdoor events. To address the concern of the financial impact of events being rained out NMG took out ‘wet weather insurance’.

It is with some relief that while Fair Day was seriously impacted with constant rain we were able to mitigate the financial impact of lower bar sales and takings through insurance. We will always be hoping for warm sunny days at these events, but we should no longer face any serious financial consequences if one of our major events is rained out.

**Summary**

After our success in the 2008 season with Margaret Cho, another big headline act Joan Rivers, was brought out to tour in Sydney and Melbourne as part of the Festival.

Sydney was a financial success, but multiple problems caused some issues with her Melbourne dates. The fires and unusual heat waves in Melbourne had a direct impact on ticket sales.

Strategies implemented to address this situation saw a recovery to reasonable ticket sales but unanticipated problems wiped out the Melbourne result. So after early forecasts of a profit of $150k, the final result should be a small profit of around a quarter of that.

Planning for the future is currently underway to remove the excess risk associated with bringing headline acts to Australia. This planning includes a greater focus on limiting our risk to the Sydney and NSW portion of any tour by transferring the risk to other parties if the acts tour in other cities or states, and at the same time minimising the associated costs of arranging the tours.

**Risks and Rewards**

These expenses are a form of ‘brand protection’. The parties are one of the key draw cards for overseas and interstate tourists and it is vitally important that we maintain the integrity of the New Mardi Gras name as the Premiere GLBTQ Australian event.

The organisation this year has also taken a more active role in the management and operation of events that leverage off the major events (Party & Parade). The most high profile example of this in 2009 was the Issues around the Glamazon. The actions undertaken by New Mardi Gras are intended to make it possible for us to more broadly benefit the community through having greater flexibility to provide grants to as many community groups as possible who meet the objectives of our organisation.

Finally New Mardi Gras has been investing in the organisation’s employees. The decision to build the capacity of the organisation is one of the most important, but also carries a degree of risk. It is vital that the organisation expands its revenue base, with less reliance on the revenue from just the parties, by building a series of events that offer a suitable alternative revenue source and adding to the festival. The costs of new staff will always be controversial in any volunteer organisation but with the increasing importance of providing national and international events of world standard, it is vital the organisation has the necessary resources.

Rob Partos
Treasurer
The directors present their report together with the financial report of New Mardi Gras Limited for the year ended 31 March 2009 and auditors 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:

<table>
<thead>
<tr>
<th>DIRECTOR</th>
<th>DATE APPOINTED</th>
<th>DATE RESIGNED</th>
<th>QUALIFICATIONS / EXPERIENCE</th>
</tr>
</thead>
<tbody>
<tr>
<td>JOSHUA KEECH</td>
<td>18.02.09</td>
<td></td>
<td>Josh joined the Board in February 2009 and is currently the Board Sponsor for Legal and 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 bowing organisation, Lifesavers With Pride. He also has had extensive involvement with the Anti Discrimination Commission of Queensland in an advisory capacity. Josh is qualified as a solicitor, and has several tertiary degrees in law and business management. Professionally, Josh is employed as a lawyer in local government where he specialises in employment and workplace law.</td>
</tr>
<tr>
<td>GREGORY SMALL</td>
<td>03.05.06</td>
<td>06.01.09</td>
<td>Greg was appointed just after the conclusion of the 2006/07 season. During his full first season in 2007 Greg was the Board sponsor for Fair Day and membership. For the 2008 season Greg assumed the Board sponsor role for Party and Sleaze.</td>
</tr>
<tr>
<td>WILLIAM LAW</td>
<td>24.01.07</td>
<td>12.11.08</td>
<td>An honours Graduate of the City University in London, Willie is now undertaking his legal degree at University of Sydney. A specialist in business process and systems optimization with a focus on operational execution, he has recently moved into private practice, a change from his previous role as Vice President of Business Review for an international management consultancy firm.</td>
</tr>
<tr>
<td>STEPHANIE SANDS</td>
<td>09.07.08</td>
<td>27.08.08</td>
<td>Appointed to the Board in August of 2008, Kimberley is intensely involved with the Aboriginal Women’s Consultation Group. Working in a managerial role for a state wide service, Kimberley also contributed her experience in conference and AGM organisation, festival specific OH &amp; S, volunteer management &amp; fundraising.</td>
</tr>
<tr>
<td>MARCUS BOURGE</td>
<td>03.07.04</td>
<td>26.07.08</td>
<td>Marcus is a founding member of New Mardi Gras. Marcus was previously Chair, a role which he stepped down from on 7 May 2007 after 3 years. He has gained experience with, or been responsible for, many of NMG’s working groups, including Sponsorship, Sleaze, Party, Legal, Hills Marketing, Communications and Festival. He has a degree in law from Cambridge University and currently works as corporate counsel for Virgin Mobile Australia.</td>
</tr>
<tr>
<td>JAMES WRIGHT</td>
<td>12.12.07</td>
<td>02.07.08</td>
<td>James joined the Board in 2007 and was also the Board Sponsor for Marketing. James holds an Honours degree in Politics and has ten years experience in marketing and business development.</td>
</tr>
<tr>
<td>MICHAEL DOUGLAS</td>
<td>25.01.06</td>
<td>24.08.08</td>
<td>Michael works in a senior finance role and has over 23 years 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.</td>
</tr>
<tr>
<td>NICHOLAS PARKER</td>
<td>15.05.09</td>
<td></td>
<td>Moving to Sydney in 1994, Nick has a successful career in IT and is currently Head of Risk Management and Project Management for a large global software company Volunteering for various Sydney GLBTIQ community organisations and working on New Mardi Gras’ Audit and Risk Board since 2004, Nick remembers his 2003 contribution to New Mardi Gras ‘phoenix’ Board in 2003 as one of his proudest moments. Nick rejoined the New Mardi Gras Board in 2009.</td>
</tr>
</tbody>
</table>

**Information on Company Secretary**

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 in house counsel for one of Australia’s largest accounting firms.
NEW MARDI GRAS LTD DIRECTORS’ REPORT

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 profit of the company for the year after providing for
income tax amounted to $389,900.

Operating result

The profit of the company for the financial year amounted to
$389,900 (2008: $483,651). No income tax expense / benefit
has been calculated on this current year profit 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 is 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 engage 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.

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.

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.

Indemnification of Officer

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 of the company and officers against
liability incurred as a director of 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.

NEW MARDI GRAS LTD DIRECTORS’ REPORT

Directors’ meetings

During the year, 27 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.

<table>
<thead>
<tr>
<th>DIRECTOR</th>
<th>NUMBER ELIGIBLE TO ATTEND</th>
<th>NUMBER ATTENDED</th>
</tr>
</thead>
<tbody>
<tr>
<td>KIRK MUDDLE</td>
<td>27</td>
<td>23</td>
</tr>
<tr>
<td>DAVID IMRIE</td>
<td>27</td>
<td>27</td>
</tr>
<tr>
<td>STEPHANIE SANDS</td>
<td>17</td>
<td>15</td>
</tr>
<tr>
<td>ASHLEY HOGAN</td>
<td>14</td>
<td>14</td>
</tr>
<tr>
<td>ROBERT PARTOS</td>
<td>14</td>
<td>13</td>
</tr>
<tr>
<td>ANTHONY KNIGHT</td>
<td>14</td>
<td>13</td>
</tr>
<tr>
<td>JOSHUA KEECH</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>GREGORY SMALL</td>
<td>17</td>
<td>14</td>
</tr>
<tr>
<td>WILLIAM LAW</td>
<td>15</td>
<td>13</td>
</tr>
<tr>
<td>KIMBERLY JOY PRICE</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>MARCUS BOURGET</td>
<td>8</td>
<td>3</td>
</tr>
<tr>
<td>JAMES WRIGHT</td>
<td>7</td>
<td>5</td>
</tr>
<tr>
<td>MICHAEL DOUGLAS</td>
<td>6</td>
<td>5</td>
</tr>
</tbody>
</table>
AUDITOR’S INDEPENDENCE DECLARATION
TO THE DIRECTORS OF NEW MARDI GRAS LIMITED

In relation to the independent audit for the year ended 31 March 2009, to the best of my knowledge and belief there have been:

(i) No contraventions of the auditor independence requirements of the Corporations Act 2001.
(ii) No contraventions of any applicable code of professional conduct.

Peroys Audit and Assurance

George Vourantonis
Partner
PEROYS AUDIT & ASSURANCE
Sydney

Dated this 3rd day of July 2009

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

Kirk Muddle

Director

David Imrie

Dated this 3rd day of July 2009
INDEPENDENT AUDIT REPORT TO THE
MEMBERS OF NEW MARDI GRAS LIMITED

Scope

The financial report and Directors’ responsibility

The financial report comprises the income statement, balance sheet, statement of changes in equity, statement of cash flows, accompanying notes to the financial statements, and the directors’ declaration for New Mardi Gras Limited (“the Company”) for the year ended 31 March 2009.

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 maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and 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.

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, and
• 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.

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.

Audit Opinion

In our opinion, the financial report presents fairly, in all material respects, the financial position of New Mardi Gras Limited as of 31 March 2009, and its financial performance and cash flows for the year then ended in accordance with the Corporations Act 2001 and the Australian Accounting Standards (Including Australian Accounting Interpretations).

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... 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.

Peroys Audit and Assurance

George Vourantonis
Partner
PEROYS AUDIT & ASSSURANCE
Sydney

July 2009
## DIRECTORS’ DECLARATION

The directors of the company declare that:

1. The financial statements and notes, as set out on pages 39 to 51, are in accordance with the Corporations Act 2001:
   (a) the financial statements and notes of the company are in accordance with the Corporations Act 2001, including:
      (i) comply with Accounting Standards in Australia and the Corporations Regulations 2001; and
      (ii) give a true and fair view of the financial position as at 31 March 2009 and performance for the year ended on that date of the company.
   (b) 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  
Kirk Muddle

Director  
David Imrie

Dated this 3rd day of July 2009

## INCOME STATEMENT

<table>
<thead>
<tr>
<th>For the Year Ended 31 March 2009</th>
<th>Notes</th>
<th>2009 $</th>
<th>2008 $</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>REVENUE</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ticket Sales</td>
<td></td>
<td>2,842,799</td>
<td>3,269,426</td>
</tr>
<tr>
<td>Sponsorship</td>
<td></td>
<td>1,050,853</td>
<td>581,855</td>
</tr>
<tr>
<td>Membership Income</td>
<td></td>
<td>116,907</td>
<td>74,277</td>
</tr>
<tr>
<td>Stallholder fees for Fair Day</td>
<td></td>
<td>104,770</td>
<td>91,949</td>
</tr>
<tr>
<td>Sale of Goods</td>
<td></td>
<td>106,772</td>
<td>208,929</td>
</tr>
<tr>
<td>Licence Fees</td>
<td></td>
<td>48,381</td>
<td>79,856</td>
</tr>
<tr>
<td>Interest Income</td>
<td></td>
<td>82,184</td>
<td>35,331</td>
</tr>
<tr>
<td>Insurance recoveries</td>
<td></td>
<td>56,838</td>
<td>-</td>
</tr>
<tr>
<td>Festival Entry</td>
<td></td>
<td>63,316</td>
<td>30,842</td>
</tr>
<tr>
<td>Contra Revenue</td>
<td></td>
<td>434,689</td>
<td>422,062</td>
</tr>
<tr>
<td>Parade entrance fees and viewing room</td>
<td></td>
<td>38,992</td>
<td>48,545</td>
</tr>
<tr>
<td>Donations</td>
<td></td>
<td>27,782</td>
<td>39,098</td>
</tr>
<tr>
<td><strong>TOTAL REVENUE</strong></td>
<td></td>
<td>4,974,283</td>
<td>4,882,169</td>
</tr>
<tr>
<td><strong>EXPENSES</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Occupancy Costs</td>
<td></td>
<td>(10,103)</td>
<td>(38,591)</td>
</tr>
<tr>
<td>Employee benefits expense</td>
<td></td>
<td>(655,850)</td>
<td>(310,241)</td>
</tr>
<tr>
<td>Amounts paid to contractors</td>
<td></td>
<td>(223,984)</td>
<td>(293,137)</td>
</tr>
<tr>
<td>Insurance</td>
<td></td>
<td>(125,284)</td>
<td>(136,623)</td>
</tr>
<tr>
<td>Venue hire</td>
<td></td>
<td>(440,074)</td>
<td>(527,316)</td>
</tr>
<tr>
<td>Amortisation of intangible software</td>
<td></td>
<td>(15,965)</td>
<td>(13,085)</td>
</tr>
<tr>
<td>Depreciation of property, plant and equipment</td>
<td></td>
<td>(4,307)</td>
<td>(9,319)</td>
</tr>
<tr>
<td>Operating lease rental expenses</td>
<td></td>
<td>(57,394)</td>
<td>(55,261)</td>
</tr>
<tr>
<td>Marketing &amp; communications</td>
<td></td>
<td>(142,068)</td>
<td>(116,999)</td>
</tr>
<tr>
<td>Security</td>
<td></td>
<td>(286,865)</td>
<td>(290,048)</td>
</tr>
<tr>
<td>Entertainment</td>
<td></td>
<td>(464,803)</td>
<td>(295,587)</td>
</tr>
<tr>
<td>Cost of goods sold</td>
<td></td>
<td>(11,852)</td>
<td>(112,598)</td>
</tr>
<tr>
<td>Cost of ticketing</td>
<td></td>
<td>(198,173)</td>
<td>(199,029)</td>
</tr>
<tr>
<td>Party staging</td>
<td></td>
<td>(188,301)</td>
<td>(189,226)</td>
</tr>
<tr>
<td>Equipment hire</td>
<td></td>
<td>(886,653)</td>
<td>(757,892)</td>
</tr>
<tr>
<td>License expenses</td>
<td></td>
<td>(141,365)</td>
<td>(189,421)</td>
</tr>
<tr>
<td>Professional fees</td>
<td></td>
<td>(30,368)</td>
<td>(35,983)</td>
</tr>
<tr>
<td>Contra expenses</td>
<td></td>
<td>(434,689)</td>
<td>(422,062)</td>
</tr>
<tr>
<td>Donations</td>
<td></td>
<td>(43,322)</td>
<td>(142,823)</td>
</tr>
<tr>
<td>Other expenses</td>
<td></td>
<td>(405,963)</td>
<td>(231,648)</td>
</tr>
<tr>
<td><strong>TOTAL EXPENSES</strong></td>
<td></td>
<td>(4,584,383)</td>
<td>(4,396,888)</td>
</tr>
<tr>
<td><strong>FINANCE COSTS</strong></td>
<td></td>
<td>-</td>
<td>(1,630)</td>
</tr>
<tr>
<td><strong>PROFIT BEFORE INCOME TAX EXPENSE (INCOME TAX BENEFIT)</strong></td>
<td></td>
<td>389,900</td>
<td>483,651</td>
</tr>
<tr>
<td>Income tax benefit (income tax expense)</td>
<td></td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>PROFIT FROM CONTINUING OPERATIONS</strong></td>
<td></td>
<td>389,900</td>
<td>483,651</td>
</tr>
</tbody>
</table>

The accompanying notes form part of these financial statements.
The financial report of New Mardi Gras Limited (NMG) for the year ended 31 March 2009 was authorised for issue in accordance with a resolution of the directors on 8 July 2009.

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 1 to 6. The Director’s report does not form part of this financial report.

The accompanying notes form part of these financial statements.

The registered office and principal place of business is:

Address: 297-299 Trafalgar Street, Petersham NSW 2049
Telephone: 02 9568 8600
Facsimile: 02 9568 8666
Email: newmardigras@mardigras.org.au
Web address: www.mardigras.org.au
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2009

2 Statement Of Significant Accounting Policies

The financial report is a general purpose financial report that has been prepared in accordance with Accounting Standards, Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001.

The financial report was approved by the directors as at the date of the directors’ report.

The financial report is for the entity 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 of the financial report

Compliance with AFRS
Australian Accounting Standards include Australian Equivalents to International Financial Reporting Standards (AIFRSs). Compliance with AFRSs ensures compliance with International Financial Reporting Standards (IFRSs).

Historical Cost Convention
The financial report has been prepared under the historical cost convention, as modified by revaluations to fair value for certain classes of assets as described in the accounting policies.

(b) Revenue

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.

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 2009, 2010 and 2011, in respect of the period of membership to 31 March 2009.

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 organisations. 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” contributions of goods and services received as revenue in the year in which the company receives the goods and services. Where no invoices have been provided by suppliers/donors of “in kind” goods and services, “in kind” revenues and expenditure is not brought to account.

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 cash 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 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:

<table>
<thead>
<tr>
<th>Class of fixed asset</th>
<th>Depreciation rates</th>
<th>Depreciation basis</th>
</tr>
</thead>
<tbody>
<tr>
<td>Leasehold Improvements</td>
<td>7 %</td>
<td>Straight Line</td>
</tr>
<tr>
<td>Plant and equipment</td>
<td>20 %</td>
<td>Straight Line</td>
</tr>
<tr>
<td>Office Equipment</td>
<td>20 %</td>
<td>Straight Line</td>
</tr>
<tr>
<td>Furniture, Fixtures and Fittings</td>
<td>20 %</td>
<td>Straight Line</td>
</tr>
<tr>
<td>Computer Equipment</td>
<td>20 %</td>
<td>Straight Line</td>
</tr>
</tbody>
</table>

(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 own the asset at the time 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 when 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.

(l) 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.

Interest bearing loans and receivables are designated as receivables 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 balance sheet 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) Government grants

Government grants are recognised when there is reasonable assurance that the grant will be received and all attaching conditions will be complied with.
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2009

When the grant relates to an expense item, it is recognised as income over the periods necessary to match the grant on a systematic basis to the costs that it is intended to compensate.

(1) 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. Receivables are recognised and carried at original invoice amount. The collectability of a receivable 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 the debts. Bad debts are written off when identified.

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 impaire. No allowance is required for this current year (2008: 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

<table>
<thead>
<tr>
<th>CURRENT</th>
<th>2009</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prepayments</td>
<td>75,357</td>
<td>79,041</td>
</tr>
<tr>
<td>Deposits</td>
<td>14,855</td>
<td>15,655</td>
</tr>
<tr>
<td>Other receivables</td>
<td>90,212</td>
<td>94,896</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>PLAN AND EQUIPMENT</th>
<th>2009</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost or fair value</td>
<td>80,995</td>
<td>74,606</td>
</tr>
<tr>
<td>Accumulated depreciation</td>
<td>(64,579)</td>
<td>(60,315)</td>
</tr>
<tr>
<td>LEASEHOLD PROPERTY</td>
<td>16,416</td>
<td>14,291</td>
</tr>
<tr>
<td>Cost or fair value</td>
<td>36,963</td>
<td>599</td>
</tr>
<tr>
<td>Accumulated depreciation</td>
<td>(201)</td>
<td>(159)</td>
</tr>
<tr>
<td>TOTAL PLANT AND EQUIPMENT</td>
<td>53,178</td>
<td>14,731</td>
</tr>
</tbody>
</table>

(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.

<table>
<thead>
<tr>
<th>CARRYING AMOUNT AT THE BEGINNING OF THE YEAR</th>
<th>2009</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>PLANT &amp; EQUIPMENT</td>
<td>14,291</td>
<td>440</td>
</tr>
<tr>
<td>LEASEHOLD PROPERTY</td>
<td>440</td>
<td>14,731</td>
</tr>
<tr>
<td>TOTAL</td>
<td>14,731</td>
<td>14,731</td>
</tr>
<tr>
<td>CARRYING AMOUNT AT THE END OF THE YEAR</td>
<td>14,291</td>
<td>440</td>
</tr>
<tr>
<td></td>
<td>14,731</td>
<td>14,731</td>
</tr>
<tr>
<td>2008</td>
<td>Balance at the beginning of the year</td>
<td>12,350</td>
</tr>
<tr>
<td></td>
<td>Additions</td>
<td>11,218</td>
</tr>
<tr>
<td></td>
<td>Depreciation expense</td>
<td>9,277</td>
</tr>
<tr>
<td></td>
<td>CARRYING AMOUNT AT THE END OF THE YEAR</td>
<td>14,291</td>
</tr>
</tbody>
</table>

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 $1,469,307 (2008: $1,538,460).

3 Income Tax

NMG has sought and received independent advice confirming that the company is income tax exempt for all years since inception up to 30 June 2009 under Section 50-10 of the Income Tax Assessment Act 1997.

4 Cash And Cash Equivalents

<table>
<thead>
<tr>
<th>CURRENT</th>
<th>2009</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash on hand</td>
<td>698</td>
<td>300</td>
</tr>
<tr>
<td>Cash at bank</td>
<td>1,468,609</td>
<td>1,538,160</td>
</tr>
<tr>
<td>TOTAL</td>
<td>1,469,307</td>
<td>1,538,460</td>
</tr>
</tbody>
</table>

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 (2008: 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.

5 Trade And Other Receivables

<table>
<thead>
<tr>
<th>CURRENT</th>
<th>2009</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade receivables</td>
<td>266,356</td>
<td>89,291</td>
</tr>
<tr>
<td>Provision for doubtful debts</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Other receivables</td>
<td>261,018</td>
<td>7,437</td>
</tr>
<tr>
<td>TOTAL</td>
<td>527,384</td>
<td>96,728</td>
</tr>
</tbody>
</table>
8 Intangible Assets

<table>
<thead>
<tr>
<th></th>
<th>2009 $</th>
<th>2008 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Goodwill at cost</td>
<td>272,259</td>
<td>272,259</td>
</tr>
<tr>
<td>Less accumulated impairment losses</td>
<td>(272,259)</td>
<td>(272,259)</td>
</tr>
<tr>
<td>Software</td>
<td>42,270</td>
<td>42,270</td>
</tr>
<tr>
<td>Accumulated amortisation</td>
<td>(32,805)</td>
<td>(16,839)</td>
</tr>
<tr>
<td></td>
<td>9,465</td>
<td>25,431</td>
</tr>
</tbody>
</table>

RECONCILIATION OF INTANGIBLE ASSETS

<table>
<thead>
<tr>
<th></th>
<th>SOFTWARE $</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009</td>
<td></td>
</tr>
<tr>
<td>Balance at the beginning of the year</td>
<td></td>
</tr>
<tr>
<td>Amortisation</td>
<td>(15,966)</td>
</tr>
<tr>
<td>CARRYING AMOUNT AT THE END OF THE YEAR</td>
<td>9,465</td>
</tr>
<tr>
<td>2008</td>
<td></td>
</tr>
<tr>
<td>Balance at the beginning of the year</td>
<td>29,096</td>
</tr>
<tr>
<td>Additions</td>
<td>9,420</td>
</tr>
<tr>
<td>Amortisation expense</td>
<td>(13,085)</td>
</tr>
<tr>
<td>CARRYING AMOUNT AT THE END OF THE YEAR</td>
<td>25,431</td>
</tr>
</tbody>
</table>

9 Trade And Other Payables

<table>
<thead>
<tr>
<th></th>
<th>2009 $</th>
<th>2008 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade payables</td>
<td>10,567</td>
<td>5,265</td>
</tr>
<tr>
<td>Employee benefits</td>
<td>26,355</td>
<td>16,879</td>
</tr>
<tr>
<td>Goods &amp; Services tax (net)</td>
<td>47,887</td>
<td>121,947</td>
</tr>
<tr>
<td>Other payables</td>
<td>356,690</td>
<td>266,324</td>
</tr>
<tr>
<td></td>
<td>441,499</td>
<td>410,415</td>
</tr>
</tbody>
</table>

Employee benefits comprises annual leave and superannuation applicable to the annual leave that are due and payable within 12 months, are recognised at undiscounted amounts.

10 Other Current Liabilities

<table>
<thead>
<tr>
<th></th>
<th>2009 $</th>
<th>2008 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Memberships</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>- subscriptions paid in advance</td>
<td>97,038</td>
<td>138,722</td>
</tr>
</tbody>
</table>

11 Retained Profits

<table>
<thead>
<tr>
<th></th>
<th>2009 $</th>
<th>2008 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retained profits at the beginning of the financial year</td>
<td>1,221,109</td>
<td>737,458</td>
</tr>
<tr>
<td>Net profit (loss) attributable to members of the entity</td>
<td>389,900</td>
<td>483,651</td>
</tr>
<tr>
<td>Retained profits at the end of the financial year</td>
<td>1,611,009</td>
<td>1,221,109</td>
</tr>
</tbody>
</table>

12 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:

<table>
<thead>
<tr>
<th></th>
<th>2009 $</th>
<th>2008 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Full members</td>
<td>832</td>
<td>1,360</td>
</tr>
<tr>
<td>Full members 3 year</td>
<td>1,456</td>
<td>1,157</td>
</tr>
<tr>
<td>Concession members</td>
<td>136</td>
<td>195</td>
</tr>
<tr>
<td>Under 25 members</td>
<td>148</td>
<td>195</td>
</tr>
<tr>
<td>Organisation members</td>
<td>3</td>
<td>6</td>
</tr>
<tr>
<td>Complimentary members</td>
<td>7</td>
<td>-</td>
</tr>
<tr>
<td>International members</td>
<td>300</td>
<td>516</td>
</tr>
<tr>
<td></td>
<td>2,882</td>
<td>3,429</td>
</tr>
</tbody>
</table>

13 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 2009.

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 unforeseeable 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 as NMG trades only with major banks, there is no requirement for collateral.
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2009

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 below 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.

(c) Risk analysis of financial assets and liabilities
(i) Cash and cash equivalents
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 2008 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.

31 March 2008
Cash and cash equivalents includes $170,770 relating to amounts invested in term deposits. The term deposit includes $150,770 maturing on 28 April 2008 accruing interest at a rate of 6.64%. The remaining $20,000, accruing interest at a rate of 6.50%, 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 6.1% at 31 March 2008.

(i) Trade and other receivables
31 March 2009 and 31 March 2008
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 (2008: $Nil).

(ii) Trade and other payables
31 March 2009 and 31 March 2008
This balance includes trade payables totaling $10,567 (2008: $5,265)

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.

31 March 2008
Cash and cash equivalents includes $170,770 relating to amounts invested in term deposits. The term deposit includes $150,770 maturing on 28 April 2008 accruing interest at a rate of 6.64%. The remaining $20,000, accruing interest at a rate of 6.50%, 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 6.1% at 31 March 2008.

INCOME PAID OR PAYABLE, OR OTHERWISE MADE AVAILABLE, TO KEY MANAGEMENT PERSONNEL OF THE COMPANY

<table>
<thead>
<tr>
<th></th>
<th>2009 $</th>
<th>2008 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>short term employee benefits</td>
<td>160,798</td>
<td>139,750</td>
</tr>
<tr>
<td>post-employment benefits – superannuation</td>
<td>14,472</td>
<td>12,577</td>
</tr>
<tr>
<td>Total</td>
<td>175,270</td>
<td>152,327</td>
</tr>
</tbody>
</table>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2009

14 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  Anthony Knight  Marcus Bourget
David Imrie  Joshua Keech  James Wright
Stephanie Sands  Gregory Small  Michael Douglas
Ashley Hogan  William Law
Robert Partos  Kimberly Joy Price

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 General Manager 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.

15 Director Retirement Benefits

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

16 Commitments And Contingent Liabilities

No contingent liabilities exist as at 31 March 2009.

NMG was on a month to month tenancy in relation to the premises it operates from however it has entered into a new five (5) year lease for its new premises (refer Note 21).
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2009

17 Auditor's Remuneration

<table>
<thead>
<tr>
<th></th>
<th>2009 $</th>
<th>2008 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>AMOUNTS DUE OR DUE AND RECEIVABLE BY PEROYS</td>
<td></td>
<td></td>
</tr>
<tr>
<td>audit of the financial report of NMG</td>
<td>17,500</td>
<td>16,000</td>
</tr>
<tr>
<td>other services</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>17,500</strong></td>
<td><strong>16,000</strong></td>
</tr>
</tbody>
</table>

18 Events After Balance Sheet Date

There have been no items of significance subsequent to 31 March 2009, and as at the date of this report that would impact the results as outlined in this financial report.

19 Segment Information

NMGr 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.

20 Related Party Transactions

(a) There were no related party transactions in either year.

21 Capital And Leasing Commitments

(a) Operating lease commitments

Non cancellable operating leases contracted for but not capitalised in the financial statements.

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 follow:

<table>
<thead>
<tr>
<th></th>
<th>2009 $</th>
<th>2008 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>not later than one year</td>
<td>43,209</td>
<td>-</td>
</tr>
<tr>
<td>later than one year and not later than five years</td>
<td>186,459</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>208,769</strong></td>
<td><strong>-</strong></td>
</tr>
</tbody>
</table>

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, 2009.

(b) Capital expenditure commitments contracted for:

<table>
<thead>
<tr>
<th></th>
<th>2009 $</th>
<th>2008 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>leasehold improvements</td>
<td>13,000</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>13,000</strong></td>
<td><strong>-</strong></td>
</tr>
</tbody>
</table>

22 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.

23 New Accounting Standards And Interpretations

A number of accounting standards and interpretations have been issued at the reporting date but are not yet effective. The directors have not yet assessed the impact of these standards or interpretations.

24 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:

<table>
<thead>
<tr>
<th></th>
<th>2009 $</th>
<th>2008 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash on hand</td>
<td>698</td>
<td>300</td>
</tr>
<tr>
<td>Cash at bank</td>
<td>2,087,511</td>
<td>1,742,741</td>
</tr>
<tr>
<td>Bank overdrafts</td>
<td>(618,902)</td>
<td>(204,581)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1,469,307</strong></td>
<td><strong>1,538,460</strong></td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th></th>
<th>2009 $</th>
<th>2008 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Profit from ordinary activities after income tax</td>
<td>389,900</td>
<td>483,651</td>
</tr>
<tr>
<td>Non cash flows from ordinary activities</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Amortisation</td>
<td>15,965</td>
<td>13,085</td>
</tr>
<tr>
<td>Depreciation</td>
<td>4,307</td>
<td>9,319</td>
</tr>
<tr>
<td>Changes in assets and liabilities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Increase in receivables</td>
<td>(430,655)</td>
<td>(65,450)</td>
</tr>
<tr>
<td>Decrease in other assets</td>
<td>4,684</td>
<td>39,387</td>
</tr>
<tr>
<td>Increase in payables</td>
<td>31,084</td>
<td>232,172</td>
</tr>
<tr>
<td>Increase/(decrease) in other current liabilities</td>
<td>(41,684)</td>
<td>99,241</td>
</tr>
<tr>
<td>Cash flows from operations</td>
<td>(26,399)</td>
<td>811,405</td>
</tr>
</tbody>
</table>