FROM THE GENERAL MANAGER

FIRSTLY, I WOULD LIKE TO THANK EVERYONE WHO PARTICIPATED IN MAKING THIS YEARS 30TH ANNIVERSARY SUCH A GREAT SUCCESS. NEW MARDI GRAS IS A SMALL ORGANIZATION WITH LIMITED RESOURCES. WE CAN ONLY HOPE TO PROVIDE A PLATFORM FOR MARDI GRAS TO TAKE PLACE.

What makes the event really come alive is the creativity, enthusiasm and engagement of the local GLBTQ community. So it was incredibly satisfying to see so many of you turn out to mark this very special milestone, whether as spectators or participants.

I am pleased to report a profit of $483,650 for 2007-8. This is a fantastic achievement on our previous financial year. As a percentage of revenue our profit grew to 9.9% from 6.4% which is a great result. This is in large part due to an increased focus on strategic planning and operational improvements, as well as our community supporting their organisations to produce the events we have brought to you.

Staff, contractors and working groups did an amazing job in managing expense budgets, delivering savings and ensuring that we hit our overall targets. The result provides us with a strong financial basis for the coming year.

As a member-based organization we do not chase profit for its own sake. We exist to ensure the longevity and success of the jewel in our crown – the Sydney Gay & Lesbian Mardi Gras Parade. This year’s Parade was the biggest, and for many, the best in years. Over 150 floats and approximately 10,000 participants made their way up Oxford Street to the screaming throng of people lining the streets. This event continues to be a significant expense to the organization and the community and doing our best to balance their desires with financial reality, the growth in creativity and enthusiasm and engagement of the local GLBTQ community provides a great basis for making this a successful event in the future. We are very proud to be able to support the Gay & Lesbian Rights Lobby with a donation of $15,000 from this event.

However, we believe that the high quality of the event continues to go from strength to strength. Our creative and technical skills were admirably showcased at the Sleaze Ball – Zirkus party last September. The huge achievement in selling out the post-parade Party is a key milestone for the organisation - as was securing Olivia Newton John to perform Xanadu! Another first for New Mardi Gras was producing the harbour party under the title Sol y Luna (sun and moon). This is an event with a difficult recent history and reduced numbers meant this event was unprofitable. However we have learned that the high quality of the event provides a great basis for making this a successful event in the future. We are very proud to be able to support the Gay & Lesbian Rights Lobby with a donation of $15,000 from this event.

In the last three years since joining Mardi Gras, I have seen the organisation really come into its own. It has definitely got its mojo back. Careful planning, listening to our members and the community and doing our best to balance their desires with financial reality, the growth in creativity and attracting amazing artists, performers and professionals into the organisation, stronger financial and risk management, a growing number of strategic partners and a culture of having fun, are great successes of recent years.

As New Mardi Gras enters a new era, its challenges continue to be income diversification and ensuring we are not overly reliant on revenues from the parties, where we face stiff competition. We must also ensure we continue to evolve creatively, think differently, embrace change, remain relevant to our community and continue to be the premier advocacy platform for the many and diverse GLBTQ community groups.

The coming year brings a unique challenge for New Mardi Gras. We have come along way in building confidence and creating a more viable financial model. However after a very big year such as this one there is an inevitable feeling of ‘well, what next?’. I do not believe Mardi Gras’ best years are behind it, but to forge into the future we will need to demonstrate a new vision for the festival. We are still operating on the model inherited from the old Mardi Gras organization in many ways and it is undoubtedly time for us to look at fresh ways to achieve our fundamental goals of promoting GLBTQ rights and freedoms both here and further afield.

I would like to make a special mention of Gordon Wheatley and the small core team of staff that have returned season after season, who without their hard work, we would not be the success story we are. Also thanks to our long term partners and suppliers who continue to be so supportive and as enthusiastic about Mardi Gras as we are. Also to the Board and the Working Group volunteers who never stop volunteering, and help me plan, organise and manage the organization all year round. thank you for your support.

Anna McInerney
General Manager
From the Previous Chair

Mardi Gras is an amazing thing.

It seems to be loved and loathed in equal measures.

Dismissed by some as an embarrassing irrelevance, while supported by others who enjoy the camaraderie of volunteering or simply the sense of excitement of ‘gay Christmas’ as we hurtle towards the first weekend in March and to the Parade, where, each year, we march for our own pride and visibility. As you can read in this year’s Annual Report, the 30th anniversary has been a very successful year. The figures speak for themselves. For the last three years we’ve been able to declare a healthy, and more importantly, growing profit. This has been no mean feat and credit should be given to everyone involved in bringing Mardi Gras to life during this time, especially our volunteers who give up so much up there personal and professional time for free.

However, a degree of caution must be sounded. A large part of this year’s profit can, no doubt, be attributed to the 30th anniversary. Although accurate measures are difficult, it seemed that participation at all our events this year was up.

We had a bumper Fair Day. Margaret Cho’s show ‘Beautiful’ sold out several times. That’s Off meets the Stars Come Out was packed. And, most importantly of all, many people dusted off their dancing shoes for one last hurrah leading to a sold out Mardi Gras Party. This was a great result for our volunteers. If you haven’t volunteered with Mardi Gras before, you’re sure you can really appreciate the amount of time and commitment that our volunteers give up each year to make our events happen. And I’m not sure that over the past three years that I’ve said ‘thank you’ enough to our volunteers. So, I’ll sign off this brief introduction to this year’s annual report with a heartfelt ‘THANK YOU!’ to each one of you who has volunteered your time or supported the organisation in whatever shape or form since 1978. We couldn’t have got to where we are today without your support and hard work. And that is something all of us can be immeasurably proud of.

Marcus Bourget

From the Current Chair

Each year since 1978 Mardi Gras has woven itself into our lives and memories.

From its beginnings as a march which resulted in 53 arrests, to the vibrant Festival of colour, energy, glamour, passion and diversity that it is today, Mardi Gras has always been about pride, defiance, freedom and equality.

The sustainability and growth of Mardi Gras has however not been constant. There have been some tough times over the last 30 years, and it is testimony to the strength, determination, cohesiveness and sheer hard work of the GLBTIQ community that has led to the stability the Mardi Gras enjoys today, and the enormous success of the Festival this year.

I would like to take this opportunity to commend and thank our General Manager, Anna McInerney, for her own role in the growth and success of the organisation over the last three years culminating in this spectacular 30th Anniversary. Similarly, I thank Marcus Bourget, our now retired Chair, for his dedication and input. With Marcus’s departure as Chair, I follow in very big footsteps and I value his continued support. The nature and structure of New Mardi Gras is very much that of team effort, and so I am thankful to work alongside such passionate and committed directors, volunteers, staff and stakeholders. The vast array of skills and the seemingly unlimited devotion of the extended NMG family is personally humbling and inspiring.

The 2008 season had all the hallmarks of success and prosperity; world-class events, financial goals surpassed, happy people both within and outside the organisation, and growing membership.

Parade was certainly one of the biggest and most colourful of the last 30 years, and we were fortunate that following four weeks of intermittent rain, the skies cleared to enable hundreds of thousands to enjoy the spectacle. Despite our nervousness in the preceding weeks, the weather was similarly kind to Fair Day, and Sol y Luna the Mardi Gras’ harbour party certainly showed Sydney at its very best. The early sell-out of Party created a frenzied scramble for those last few hundred tickets, and 18,500 people celebrated the end of Festival well into Sunday, being entertained by Olivia Newton-John and Cyndi Lauper. But it’s not all about international names, with many feeling a highlight was David Campbell and Carlotta’s performance “I am what I am” featuring 30 years worth of Sydney drag stars.

David Imrie

Chair

We anticipated success entering this 30th year, themed “Brave New Worlds” and we have finished the season with a feeling of pride and accomplishment. But it is with caution that we now head towards the 31st. Now more than ever our focus remains on prudent risk management and careful planning for the next generation of Mardi Gras.

Among the many challenges in navigating any community organisation is the very delicate balance of fiscal management, corporate and government involvement, and “grass roots” focus. We are acutely aware of our social responsibility while also striving for financial growth.

As I write this report, we are working closely with government and corporate bodies to ensure the continued sustainability and growth of the organisation and the Festival. There does appear to be light at the end of this long tunnel, as our discussions proceed with the newly formed Events NSW.

We have also launched a new member benefits program, with exclusive member-only events throughout the year. These events encompass a broader geographical and cultural footprint than parties and offer members a great opportunity to meet and mix. The first member’s party was also the launch of the Sleaze Ball theme, The Villain’s Lair, and was attended by over 400. Membership has grown substantially over the last two years and we now have almost 3,500 members. We would like to see this figure break 5,000 by the end of 2009.

New Mardi Gras is above all a members’ organisation, and I therefore take this opportunity to thank our members for their involvement, loyalty and feedback in making this 30th Anniversary year the very best it could be.
Two years ago we conducted research on Sleaze Ball which pointed to a need to appeal to a younger crowd. This view was held across the board, including older partygoers. Ghetto Fabulous in 2006 was our first response to this and successfully grew party numbers and we believe brought in a new generation to this iconic event.

Our theme for ’07 was Zirkus – essentially a circus theme with a little hint of Germanic interwar style. We decided to build upon the great artwork Glen Hanson had done for us through leveraging Glen’s crisp and highly recognisable style. The theme was chosen for a number of reasons. It translated into wonderful shows, great scenic and a lively party between the halls. It was also crucial that it provided lots of scope for costuming. Our key marketing and communications strategy for the event was – and will be for this year again – that Sleaze Ball is Sydney’s dress-up night of the year. Now that claim might have been a bit of a stretch in recent years, but Zirkus really delivered.

A major new initiative this year was Project Sleazeway, essentially a costume competition and parade. Despite the idea coming quite late and only being publicised a month before the party, we had a tremendous response with around 100 people parading on our makeshift catwalks in the forecourt. This aspect of the event will get even more attention this year as it is an absolutely vital part of the party’s branding. The theme was chosen for a number of reasons. It has to rely on many different people to keep its site up to date. A big thank you to Givors! Considerable work was done by the creative representatives of all our major events to refine the 2008 season theme of Brave New Worlds. We felt that it was important as we faced the 30th Anniversary to stress the future as well as the past. The theme honoured the 78ers’ work to create a new world for themselves and future generations, but also asked questions about the future.

An important and necessary step was taken this year in appointing a marketing manager in the weeks leading up to the launch season. There are many functions that we successfully delegate to working groups, but marketing and communications is one of the most challenging. There is a very clear need for a degree of permanence and continuity. The marketing manager provided this and was assisted too by Pulse Communications who returned to manage our mainstream PR. Evolution Publishing (SX News, MCV, Queensland Pride, AX National and Cherrie), our Official Media Partner, printed and distributed the 2008 Official Festival Guide via their national network. Print advertising was also placed extensively throughout their titles in the months leading up to and during the Festival and provided access to a targeted national audience. Additional key media opportunities were secured through relationships with JCDecaux (Citylights), City of Sydney (banners) and The Sydney Morning Herald (Metro feature) enabling essential local visibility throughout the Festival period. There was also very modest spend in a handful of other media, but this was of course restricted by the size of the marketing budget. Online advertising appeared thanks to Gaydar, our Presenting Partner, who provided a significant amount of inventory across their international network of sites.

The hype surrounding the organisation’s 30th Anniversary attracted a lot of media interest, which in turn saw a large increase in requests from both local and international outlets for media accreditation. The Parade and Party were reported widely in the mainstream press and received the most coverage of recent years.

Tickets sales across the Festival were strong and reinforced the renewed interest in Mardi Gras. The Mardi Gras Party achieved a well-publicised sell-out as did many key Festival events, and Harbour Party – Sol y Luna also performed well in its first year as a New Mardi Gras event.

A big thank you must be given to the members of the Marketing & Communications Working Group who generously donated their time across a number of events and provided essential support to the marketing efforts of the organisation.

Since the season we have conducted a large-scale focus group project to get a picture of how we are doing and people’s expectations for the future. It is clear that we have come a long way in building up people’s confidence over the last few years that New Mardi Gras can deliver, however there is still much room for improvement.

Our first priority moving forward is to find messages that really galvanise the local gay community. Our creative choices need to be a bit braver and more surprising without alienating the broad base we need to appeal to. We gained a lot of goodwill for the 30th Anniversary, but for the 31st we will have to work very hard to keep people’s interest.

Secondly, our focus is to our international audience to encourage them to attend Mardi Gras again. Cities all over the world from Amsterdam to Vancouver are actively promoting their gay pride events in magazines and online. Sydney is simply not there. Over the last couple of years we haven’t had the resources to do this. There are many annual Sydney-based events that do not attract substantial numbers of overseas tourists and it’s hard to see that changing in the near future. Mardi Gras already does and the potential for many more is there. Hopefully we can change this in the year ahead.

Damien Eames
Head of Brand and Creative Strategy

Alistair Graham
Marketing Consultant
SLEAZE BALL 2007
ZIRKUS

ABOUT 7000 REVELLERS ROLLED UP FOR THE GREATEST SHOW ON EARTH
AT ZIRKUS ON SATURDAY 29TH SEPTEMBER TO MAKE SLEAZE BALL 2007
ONE OF THE MOST MEMORABLE PARTIES IN MANY YEARS.

Building upon the success of ‘Ghetto Fabulous’, we made a conscious effort to push the ‘dress up’ aspect of this party and encourage partygoers to make an effort to get into the vibe of the event. Great things can only be built on great foundations and the theme – Zirkus – provided a fantastic opportunity for so many creative elements to flourish.

A feature of many Mardi Gras parties of the past was the costume pageant, and with Zirkus we saw the opportunity to re-introduce this element and have a competition for the best dressed. It certainly proved to be a hit with so many people entering! We were everwhelmed by how much effort people made with their costumes. Congratulations to Carlos and Phillippe who won and thanks to our judges Joh Bailey and Courtney Act. Our hope is that the costume competition has found a new home and will be a regular event at Sleaze Ball parties in the future.

We also decided to commission the artist Glen Hanson once more to produce the poster for us, as he had produced such an amazingly popular piece of art for us in 2006. This also provided a strong link between Zirkus and Ghetto Fabulous from the year before and encouraged everyone to make an effort to dress up!

The Hordern provided the main backdrop for Zirkus with a massive ‘big top’ style lighting rig rising up into the rafters with a chandelier as the main centrepiece. The circus theme unfolded before your eyes. The 2am show saw Toby Allen through to Trance and we decided to push the DJ back-to-back idea in this room, with girls going back to back to open (Neroli / GI Jode), guys to close (Peter Newton / Tim Graham) and a 3-way mix in the middle (Alex Taylor / Kate Monroe / Jayson Forbes). As with most experimental things like this, you don’t really know if it will work until the night, and we received both great and not-so-great feedback after the party. Whatever people’s thoughts, it is only by trying things like this that we will be able to evolve the parties that NMG stages over the years and work to differentiate us from other events that same weekend.

For many people it is the Dome that forms the core of their party night and over many years this has been the preferred venue for people who like the ‘harder and darker’ style of music. DJs Rob Davis, Steve Senius and Feisty didn’t disappoint. The ante room off the Dome provided the area for women to have their space together with their ‘boy buddies’.

The Forum once again was packed to the rafters with people decorating the place and a large balloon clown looking down from above the DJs onto the crowd. Kitty Glitter got the night off to a great start and Justin Scott, Dan Murphy and Murray Hood would have kept the place packed until noon the next day if we didn’t have to shut at 8am!

For many people Sleaze Ball is their preferred party of the year. The reasons for this vary, but for some it is the smaller party size and some prefer the more ‘local’ feel it has compared to the Mardi Gras party. Whatever the reasons, it is great to see the support that people provide New Mardi Gras by attending this event.

It is important for New Mardi Gras to support the people who support it and at this party we paid particular attention to the members’ lounge upstairs in The Forum. Members also had their own entry off Driver Avenue, priority coat-check and were also given a limited edition Zirkus key ring as they entered the party as a souvenir.

The Party Working Group works hard to keep Sleaze Ball as one of the premier GLBTQ events of the year and we hope to see you all at Sleaze Ball 2008!

Derek Hodgkins
Party Working Group Chair
Greg Small
Board Sponsor
MARDI GRAS PARTY 2008

BRAVE NEW WORLDS – A SELL OUT!

OLIVIA NEWTON-JOHN, CYNDI LAUPER, CARLOTTA, SHAUNA JENSEN.

DAVID CAMPBELL, 6 INTERNATIONAL DJS, LIVE BANDS, CABARET, FANTASTIC SHOWS.

9 DANCE SPACES – NO WONDER THE 2008 PARTY WAS A SELL-OUT!

For the first time in a very long time the party sold out well in advance helping to make the 2008 party one of the most financially successful that New Mardi Gras has produced. Major international talent, amazing local DJs and the success of previous parties that have been building over the last three years delivered our first sell out.

The main venue, the Royal Hall of Industries was transformed into ‘Discotarium’ with a stunning revolving silver centrepiece and two giant mirror balls. Classic anthems past and present by Murray Mood, international DJ legend Hex Hector and Paul Goodyear kept the place packed until closing. The RHI would not be complete without spectacular shows and for this party the entertainment sub-group pulled out all of the stops to provide a stellar entertainment line-up. The shows kicked off at midnight with diva legend Shauna Jensen leading our volunteer dancers in an energy-filled ‘Free Gay and Happy’. ‘I am what I am’ has featured in shows in 1988 and 1998 and this year the showfie was performed by Olivia Newton-John appearing on stage singing her classic ‘Xanadu - bringing a tear to many an eye and a simile for with Olivia Newton-John appearing on stage singing her classic ‘Xanadu’.

The stunning neon scenic brought to life ‘neon fusion’ and the 3am laser man show, only finalised in Europe the week before, stunned many people as lasers were bent, twisted and thrown around the room. The Dome provided a solid line-up for the lovers of the harder style music with Sydney DJs Sveta and Mandy Rollins joined by Europeans Mike Kelly and Lion. The forecourt, despite the wet weather later on in the night, still proved to be a hit and featured the winners of the DJ competition held during the festival; DJ Toi and Mardi Gras newcomer Jack Chang.

The members of the Party Working Group and all of the related sub-groups work incredibly hard on producing two world class parties each year. In this day and age of on-line forums and social networks it is very easy for anyone to be a critic. However, it takes a very special kind of person to ride this criticism and dedicate many hours of free time to helping New Mardi Gras. I would therefore like to take this opportunity to thank all of the volunteers involved in whatever capacity that have helped stage Sleaze Ball ‘Zirkus’ and the 2008 Mardi Gras party over the last year. Without such people, NMG would not be the organisation that it is today.

Derek Hodgkins
Party Working Group Chair

Greg Small
Board Sponsor

Following the success of the live bands in the Dome at the 2007 party, we decided to take this concept further. Although previously dedicated to retro, the Forum naturally lends itself to a live music venue and we decided to have a full line-up of live music for this party. This was a risk for us, but the place was packed all night and proved to be a massive success. For those of you who didn’t want to queue up on the right, there are some great videos on youtube if you want to see what you missed! Our entertainment group worked hard to be able to programme the likes of Blush Foundation, Blow Waves, Grafton Primary, Faker and The Potbellezee and hopefully we will be able to secure such amazing talent at future parties. Live bands are another way that Mardi Gras can strive to differentiate our parties from other Gay and Lesbian events and prove to be a selling point for people who otherwise may not be interested in attending our parties.

The women’s space in The Fuse Bar once again proved what an important drawcard this area is, allowing the women to have their own dedicated entertainment and DJs. Although we receive feedback saying that the guys should also have their own space, the rest of the party is male dominated and having this area allows the women to socialise in an area which is less intimidating for some of them. Perhaps Nerida would be interested in taking this a bit further?

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Karaoke with Auntie Mavis, Video DJ Craig Payne and the Carpenters from Kempsey provided a more laid-back entertainment style for those wanting to chill out in the Fox and Lion. The forecourt, despite the wet weather later on in the night, still proved to be a hit and featured the winners of the DJ competition held during the festival; DJ Tzi and Stryker.

Special attention was given to members at this party as it is important to support those who support the organisation just that little bit extra. This year member’s were provided with a dedicated members’ marquee in the coach carpark with its own bar and entertainment and as usual members had their own entrance on Driver Avenue, priority coatcheck and the benefit of a reduced ticket price.

For the first time in a very long time the party sold out well in advance helping to make the 2008 party one of the most financially successful that New Mardi Gras has produced. Major international talent, awesome local DJs and the success of previous parties that have been building over the last three years delivered our first sell out.

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Derek Hodgkins
Party Working Group Chair

Greg Small
Board Sponsor
REMODELLING ITS STRUCTURE. A NEW ‘SEMI-CURATED’ THREE WEEK FESTIVAL WAS INTRODUCED

The new-look festival aimed to provide a wide range of platforms for artists and community groups to be involved whilst aiming for a higher quality festival. It also enabled New Mardi Gras to begin producing and co-producing a number of events for the first time, with great success.

Of significant note was the presentation by New Mardi Gras of the world premier of comedian Margaret Cho’s show ‘Beautiful’. With the assistance of the new festival venue partner Sydney Theatre, the show played to near sold-out audiences. New Mardi Gras then toured Margaret Cho to Melbourne at the Palais Theatre where audiences again raved. This venture showed the viability of touring major acts as an additional revenue stream and with earlier planning decisions on venues and interstate marketing this is an effective avenue to pursue in the future.

The ‘Countdown to Mardi Gras’, a selection of fourteen of the best events within the festival ran for its second year and was again a success, highlighting more commercial events alongside our own key events such as the parade and party. The marketing package that we delivered companies as part of the ‘Countdown’ program was received very well, with little concern over the small additional cost. The ‘Countdown’ top fourteen became an easy selection to deliver to mainstream media as a good example of the breadth and quality of the festival. The commercial value of being within the top fourteen events of the festival became a very valuable negotiation tool when securing Cyndi Lauper as part of the parade and party. The new-look festival aimed to provide a wide range of quality productions such as Pam Ann at the Lyric Theatre, and Cyndi Lauper, attracting a number of additional high profile productions.

The ‘Countdown’ top fourteen became an easy selection to deliver to mainstream media as a good example of the breadth and quality of the festival. The commercial value of being within the top fourteen events of the festival became a very valuable negotiation tool when securing Cyndi Lauper as part of the parade and party.

The continued support from the Studio at the Sydney Opera House who presented two quality international cabaret artists, coupled with our own events such as Margaret Cho and Cyndi Lauper, attracted a number of additional high profile productions such as Pam Ann at the Lyric Theatre, the Australian Ballet’s ‘Bodytorque’ at Sydney Theatre, and the Australian Centre for Photography, alongside new venue partners such as the Tap Gallery and Riverside Theatre Parramatta meant we had a stellar range of popular Sydney venues within the festival.

Regular community favourites returned as part of the 30th anniversary celebrations with the Sisters of Perpetual Indulgence conducting their walking tours and ACON producing a number of seminars alongside the Great Debate and Big Bingo. The Youth Festival was presented with the assistance of Twenty10 who programmed and administering the youth festival. It was great to work with a community group that had a specific youth focus to ensure this important area of the festival was cultivated. Team Sydney also assisted with administering the sporting groups as part of the Sports Festival.

New platforms for artists to be involved in the festival included the creation of the Mardi Gras Art Gallery, the opening night of which certainly showed how popular the re-introduction of this event was. The Supper Club at Will & Toby’s played host to cabaret and music acts creating the most diverse Festival Bar yet. Having a venue such as the Supper Club, which had ticketing systems, lighting and sound equipment and staff to assist with the managing of fourteen acts was enormously helpful. Our developing relationship with Parramatta’s Riverside Theatres grew the festival into new regions in Sydney and enabled three Australian production companies to produce works within the festival with assistance; a fantastic addition to the arts program that promotes new gay and lesbian works.

Events produced or assisted by New Mardi Gras under the festival banner included the ever popular Short Story Competition, The 42Below Festival Bar, two international one person shows and an interstate show at the Tap Gallery Theatre, two local and one interstate productions in association with Riverside Theatres, the Mardi Gras Visual Art Gallery, Margaret Cho at Sydney Theatre and the Palais Theatre Melbourne, Mardi Gras Launch, a VIP party at Zeta Bar with the Hilton Hotel and the special 30th anniversary event ‘Hat’s Off Meets The Stars Come Out’ at Sydney Theatre.

‘Hat’s Off Meets The Stars Come Out’ combined the musical theatre evening ‘Hat’s Off’ with an old favourite from years ago ‘The Stars Come Out’ creating a musical theatre showcase of local talents, festival events and comedy in a fantastic fundraiser for ACON at Sydney Theatre. Presented in association with Oz Showbiz Care/Equity fights AIDS this sold out presentation was a jewel within the festival featuring amazing performances and raising $28,000 for ACON.

Launch was delayed by heavy rain, however it morphed from an outdoor tree planting ceremony into a packed, emotion filled launch at the Festival Bar to mark the start of the season. Poignant speeches were made by Marcus Bourget, Sydney Lord Mayor Clover Moore and keynote speaker Jonathan Welch, director of the Choir of Hard Knox, along with a heartfelt Welcome to Country. Performances of the ‘Rainbow Connection’ by Jeremy Brennan and ‘True Colours’ by the Sydney Gay & Lesbian Choir were beautiful while Bob Downie energetically kicked of the proceedings with a 1978 pop medley and handed over to MC’s Julie McCrossin and Geoff Field who had the crowd in hysteric. Though the tree planting could not be done quite according to plan due to a change of venue, two ‘Bans unveiled a twinkling Christmas tree to symbolise the start of ‘gay Christmas’. The actual Morton Bay Fig is planted at the end area of Parade within the Centennial Parklands with a plaque commemorating the 30th anniversary and will remain there for all to enjoy.

The Festival enjoyed enormous media exposure in both gay and mainstream press. The new ventures by New Mardi Gras to self and co produce events and the additional platforms for people to be involved at Mardi Gras in venues like the Festival Bar and theatre and art venues made for a rich and diverse festival.

A big thank you to Mark Sutcliffe for marketing assistance of Margaret Cho and the festival interns Catherine Jay, Paige Match and Emily Bennett who handled the multiple events of the 2008 festival with efficiency and aplomb.

Danielle Harvey
Festival Executive Producer
**SOL Y LUNA - MARDI GRAS HARBOUR PARTY**

**IT WAS A PERFECT SUMMER’S DAY TO STAGE A PERFECT HARBOUR SIDE PARTY.**

The weather was stunning, with clear blue skies, a soft gentle breeze and the sun shining down on Mrs Macquarie’s Chair in Sydney’s Royal Botanical Gardens. And so went Sol Y Luna, Mardi Gras’ Harbour Party.

We were thrilled to be awarded the opportunity by the Botanical Gardens Trust to produce this event for the first time, as part of our 50th Anniversary celebrations. From the outset our goal was to return this party to the community with the level of production and sophistication it was once renown for when managed by First Fleet Productions.

The Sol Y Luna party was planned to encourage a more laid back, social atmosphere centred around friends sharing a cocktail and watching the magnificent sunset and Sydney skyline whilst relaxing on deck chairs or having a boogie on the dancefloor. We chose djs GI Jode, Scott Pullen, Kate Monroe, Alex Taylor and Jayson Forbes to play latin, funky house and keep us all entertained until late in the evening. Special guest Peyton from the U.K did a fantastic set with Alex Taylor and received massive applause from the crowd. It was however, the passing of the two Queens, the Queen Elizabeth and Queen Victoria cruise ships that stole the show, what a fantastic performance!

Despite the numbers being lower than previous years and the reduced size of the footprint, we planned the layout of the party to showcase the gardens and ensure the best possible experience for our guests. Upon entry the Love Police and a number of volunteers greeted guests and gave everyone a floral lei. Our presentation partner gaydar.com.au were also out in force providing much needed fans for the afternoon.

We introduced a 42Below cocktail bar with a deck overlooking the harbour with deck chairs and shade umbrellas. It was such a hit we ran out of vodka about 15 minutes before the end of the party. We also re-introduced the cover over the dancefloor to provide sun protection for everyone and of course dressed it with a mirror ball. We also included an outdoor restaurant with tables and chairs for people to sit and watch the world go by on the harbour and have something to eat or just a well earned break from the dancefloor.

We hope to be awarded the opportunity to continue to produce this iconic event for the community and provide a fantastic experience that everyone will return and support. As mentioned despite the lower attendance, we were able to support the Gay & Lesbian Rights Lobby and donated $15,000 for the amazing work they do.

Special thanks must be given to Adelle from Fuzzy, Annie and Ruth from the Botanical Gardens and Simone from I-SEC who were instrumental in planning and producing such a high quality event. Also special thanks to Philip, Lee, Terri, Damon, Marcus and the rest of the volunteers and contractors who gave lots of advice, expertise and time.

Anna McInerney  
General Manager

Marcus Bourget  
Board Sponsor

**POOL PARTY 2008**

**TWAS THE NIGHT BEFORE FAIR DAY AND OVER 800 BOYS AND GIRLS, MADE A SPLASH AT A POOL PARTY.**

Following a couple of weeks of intermittent rain, the sky cleared and a starry night sparkled over Victoria Park pool as it throbbed to music by DJs Luke Leal and Sista P for 5 hours. A highlight of the night’s entertainment was the Slippery When Wet swimwear show produced by Lenya Jones and hosted by drag queen Tora Hymen. Lighting and sound designed by Paul Marin and Damon Hartley gave the entire pool compound a dance party ambience. The boys from Gaydar created much fun around the pool for all. Catering for the event this year was managed by Advanced Catering Systems who operate the pool’s on-site café. This enabled faster service and a greater variety of food than was available at last year’s Pool Party.

Despite strong planning, excellent infrastructure and broad marketing, ticket sales for the event were lower than anticipated and while the party was enjoyed by all who attended it unfortunately was an expense rather than a profit for the organisation.

Special thanks to Ron Spriggs, City of Sydney Facility Coordinator, who manages the pool, and his team of administrative staff and lifeguards, who were a pleasure to work with and greatly assisted in the smooth operation of the event.

Terri Duarte  
Pool Party Working Group Chair

David Imrie  
Board Sponsor

Anna McInerney  
General Manager

Marcus Bourget  
Board Sponsor
FAIR DAY
2008

IF PARTY IS WHERE WE LET OUR HAIR DOWN, AND PARADE IS WHERE WE SHOW OUR SELVES OFF FAIR DAY IS WHERE WE ALL GET TOGETHER AS ONE AND CELEBRATE OUR COMMUNITY.

Thousands and thousands enjoyed fun in the sun at this year’s big gay day in Victoria Park.

Planning this mammoth event began back in July, with the Fair Day Working Group taking part in an intensive planning session away from Sydney in order to bond, plan and scope out the 2008 event. Key changes that came from that weekend was a new structure for the Working Group, with the formation of a steering group and sub-groups for Entertainment, Logistics, Stalls, and Media. This enabled the Working Group members to concentrate on their particular portfolios without being overloaded with extra work. We also allocated a budget for scenic and put one person in charge of park decoration. The result of course was evident in the vibrant festive style right throughout the park on the day.

Fair Day this year was more highly planned than previously, with the introduction of an on-line booking system for stallholders, a significantly enhanced project plan and action log, and the entire event being completely mapped out in detail using Microsoft Visio.

Steve McIntyre managed the Entertainment line-up for both the Main and Broadway stage, the latter sited in the food area and organised on a truly shoestring budget. Feedback has been excellent about the quality and variety of entertainment all day on both stages. The Broadway Stage in particular added a great ambience to the food area.

David Wilson took on the role of volunteer recruitment, training and organisation leading up to the event and on the day. During the last month prior to Fair Day, five “Super Volunteers” were recruited to assist with the operations of bump-in, bump-out and the event itself. A dedicated Control Tent was established, with David co-ordinating volunteers in the capacity of self-titled “Fat Controller” on the day. Everything ran like clockwork.

A dedicated Information Tent was also established this year, and Ticketek were on-site too, leading to several hundred Party ticket sales on the day.

Special mention needs to be made of Darren Cooper, assisted by Phoebe Meredith, who worked as Event Co-ordinator for both Fair Day and Parade. Darren’s experience in logistics and event management proved invaluable.

Following the feedback of volunteers and the community last year, the decision was made to outsource bar infrastructure and operations. This was managed by Hamilton’s Hospitality and Bar Europa. This proved to be a wise decision, leading to shorter bar queues, faster service and increased profitability.

Our liquor licence permitted trading until 9pm, which was later than previous years, and we also had two new bars – the Red Bull bar and the 42 Below cocktail bar. The infamous Bitch Lounge Tent partied until late, and the After Party at the Bank Hotel in Newtown has now become an established part of Fair Day.

One of the highlights of Fair Day in this 30th Anniversary year was the History Wall managed in conjunction with the Pride History Group. Thousands of people enjoyed writing and reading messages on the Wall, and we are currently investigating ways to maintain this new and important piece of history.

Fair Day of course comes at a cost, and as part of our strategy to maintain the sustainability and growth of this important event, a very dedicated team of volunteers assisted this year with increased bucket collection around the park.

Daniel Bone and Drew Simmons
Fair Day Working Group Co-Chairs
David Imrie
Board Sponsor
PARADE
2008

AS WE FINALLY ARRIVED AT OUR 30TH ANNIVERSARY PARADE A WARM SYDNEY EVENING BROUGHT OUT A RECORD CROWD...

...and the largest number of parade participants in recent history, numbering almost 10,000, who played to an enthusiastic local and visiting crowd of over 400,000 spectators.

Taking the parade theme “Join Together for Equality”, the parade was led by those who commenced this struggle 30 years ago, the 78ers, who demonstrated how far we had come, but with the inclusion of Craig and Shane, we were reminded how far we have to go, after the brutal bashing of these two men. Graeme Browning returned for his fourth year as Parade Creative Director, a role whereby he collaborates with the Parade Working Group to produce the NMG Parade entries, support community participants and bring that extra something special to the event.

Our Chief of Parade was one of the stars of this year’s Mardi Gras Festival, the talented comedienne, actress and Queer Rights supporter, Margaret Cho, who was our first openly Queer Chief of Parade. Margaret proved to be a popular choice with the media and crowd, and forthright in her support for our event, and its importance world wide.

The pre-parade entertainment, known as Foreplay, continued to be given greater focus this year with dedicated funding and the appointment of official ‘Foreplay Fluffer’ Charisma Belle, who with her team of ho-stesses brought a new level of pizzazz to this important aspect of the Parade night, melding both corporate sponsors and paid entertainers, to keep the crowds entertained whilst waiting for the parade to commence.

New Mardi Gras’ lead float, positioned at the end of the parade, was combined with the gaydar.com.au marching group with our “Wonky Willy’s from the Chocolate factory” a group of oompaloompoofs with oversized rainbow striped coil penises lead by our Madam Wonky-Carmen Geddit, which celebrated the diversity of our community and encouraged all to “wave your hands in the air like you just don’t care” and enjoy the feeling of acceptance that the parade brings.

The Parade grants scheme allows NMG to provide selected community entrants with funding and additional support to enhance the calibre of their entries. Now in its 4th year, the scheme was further expanded in 2008, with a total of $15,000 in grants given to 11 community groups.

As always, we could not have produced the Parade without our key partners and stakeholders, the Premier’s Department, OPSE and the City of Sydney. Special thanks this year goes to Michael Abbott from the City of Sydney for his tireless support of the event, and also to our Parade Production Manager Darren Cooper, our Parade Production Assistant Phoebe Meredith and Workshop Manager Justin Green and his hardworking workshop and wardrobe team. Thanks also to Gordon Wheatley in the NMG office for all his incredible support and to Shane Pascoe for his ongoing involvement.

Finally, on behalf of the Parade Working Group and NMG, we wish to thank the hundreds of passionate, professional and highly committed Parade Officials, without whom this amazing event could not occur.

Liz Dods and Tim Young
Parade Working Group Co-Chairs
Kirk Muddle
Board Sponsor
OUR PARTNERS

Welcome to a brave new world -
A world where Mardi Gras has its mojo back!

New Mardi Gras evolution is exciting to be a part of for all involved. With many new additions in 2008 that included, a semi-curated festival including new events such as Harbour Party and the Margaret Cho tour, combined with promoter and venue partnerships to deliver acts such as Cyndi Lauper - Mardi Gras has truly become a world class festival.

Our Partners weren’t afraid to be bold, understanding that NMG’s reach and relevance creates a platform that allows brands to benefit, whilst supporting the community and sharing our values.

2008 saw Gaydar/Gaydargirls continue their fantastic support and joining them in the exclusive Mardi Gras Partner Club were the City of Sydney, Pump, IKEA, 42 Below, ANZ, Red Bull, Virgin Blue and Michelob Ultra.

All of our partners enthusiastically embraced the Festival, by making their presence felt throughout.

As we head towards 2009, we need to continue to strike the perfect balance between community needs and sensitivities whilst securing the support of genuine partners.

With the community still fighting for equality and legal status, both at home and abroad and with a few brands still demonstrating an inherent homophobia; it is the brands with courage and conviction that have joined us together - in a brave new world.

Our partners support and commitment to the community is inspirational.

Greg Segal
mixitup
Partnerships Consultant

MEMBER SERVICES

In 2008, our membership has gone from strength to strength.

Our ambitious target of doubling the membership base was exceeded with the number of members growing by 115% from the year prior. All categories of membership rose but most encouraging was a 330% increase in youth membership and a 485% increase in international membership. While the 30th Anniversary no doubt played a key role a number of other initiatives including online membership applications and multi-year membership cannot be ignored.

The IT Working Group built and launched online membership mid last year and this was first used for renewals in October. Such a simple idea has revolutionised the processing of memberships and made joining New Mardi Gras easy than ever.

Multi-year membership was voted on and agreed to at last year’s Annual General Meeting. A 3 year option for Full members was subsequently introduced in October and 46% of all Full members have now taken up this option. Multi-year membership saves an enormous amount of processing time at annual renewal time and reduces the overall attrition rate.

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 fabulous parties including Sleaze Ball, Pool Party, Harbour Party and Mardi Gras Party. Other benefits such as our three member’s lounges at Party were well received while tickets to the popular member’s parade viewing area were snapped up in record time. In addition throughout the year we offered numerous special deals to major artistic and dance events plus gave away tickets to concerts including Tori Amos and Las Ballets Grandiva’s Men in Tutus.

The Member Services Working Group consists of four volunteers and two board sponsors, who set the direction, send the member emails, lick the envelopes 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.

Matthew Page
Member Services Working Group, Chair

David Imrie
Board Sponsor
IN 2008 THE VOLUNTEER WORKING GROUP CO-ORDINATED OUR HIGHEST NUMBER OF VOLUNTEERS ACROSS ALL EVENTS THROUGHOUT THE FESTIVAL AND YEAR.

The VWG consists of three Chairs and a liaison for the Parade Working Group. The aim of the VWG is to provide a central point of interaction between volunteers and New Mardi Gras. Maintaining this form of consistency encourages volunteers to interact with the broader events within the NMG Festival and in doing so allows for their enthusiasm to assist the VWG in maintaining a higher volunteer retention in upcoming years.

In 2008 the VWG achieved the following successes:

- Achieved its highest retention rate of volunteers.
- Organised a highly successful Volunteer Recognition and Thank You function where in excess of 300 people attended.
- Worked closely with the Parade Working Group via our liaison person to improve the ticketing and t-shirt distribution procedure, making it more professional and efficient.
- Higher 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.

The VWG recruited via ‘Job Seek’ websites and other Volunteer Recruiting websites. In 2008, retention was high and little recruitment was required. Parade Working Group advised that several of the areas they found difficult to fill in previous years, were full this year.

To those volunteers who gave us their time, enthusiasm and often encouragement at all of our Festival events and Sleaze Ball, we say a huge THANK YOU. It is true when we say we cannot do it without each and every one of 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 give us another year of support. We guarantee you’ll continue to meet some amazing people, make new friends, and feel a stronger bond with this great community.

Michael Donnelly, Joal Bowman and Rowena Bale
Co-chairs Volunteer Working Group.

Kirk Muddle
Board Sponsor

ADHERENCE TO DEFINED MATTERS OF CORPORATE GOVERNANCE – PRIMARILY RELATED TO OFFICERS AND DIRECTORS’ FIDUCIARY AND LEGAL RESPONSIBILITIES

This is not only an issue of compliance but reflects a belief that there is a need to develop a ‘governance culture’ which advances the management of the organisation and reflects the wider context of New Mardi Gras’ operations which impact and interact with, not only our members and volunteers, but also the wider GLBTQ community.

Our own history inherently presents an opportunity to learn from past mistakes and prevent avoidable errors in the future. This year saw a primary focus on management of risk. The risk associated with poor standards of corporate governance e.g. lack of disclosure, incompetent directors, directors who advance their own interests (or those of their friends) over those of the company as a whole, lack of risk assessment and mitigation, lack of prudence in investment and management of expenditure – all of these are risks that we would be better off without as they add no value. And I’m glad to say these are specific challenges we have not had to deal with.

We make no apology for, as part of our re-establishment strategy, directly associating our assessment of risk to financial measures. Some risks must be taken in order to generate appropriate returns. This is a fundamental feature of sound business practice and if this has allowed us to start to establish benchmarks from which we are endeavoring to develop a codified model which in may ways will define the operational platform – from which we can define our brand of corporate governance.

This process has not been without its ‘challenges’. The Board acknowledges that during the course of the year the Audit & Risk Committee has expressed concern over the management of risk in our operations. This ‘independent’ advice is a valuable part of a sound governance strategy though, on some occasions, the Board, managing a number of conflicting issues, has disagreed with that committee’s advice.

Yet many aspects of governance are imposed on us, broadly by legislation and our constitution, and it is still up to us to decide the ‘means’ by which we execute our corporate governance. As recently noted by the St James Ethics Centre “The sad fact is that an unhealthy number of Australian companies act as if fearful of the risks associated with trusting people to absorb and apply the basic values and principles that lie at the heart of all effective systems of corporate governance.”

This is undoubtedly a challenge for many organisations in the wider GLBTQ community and not-for-profit sector and we see sense in working with associated organisations to establish the needed basic values & principles and even establish an independent assessment of each company’s standing. This is one of our objectives as we move into season 2009.

Willie Law
Director
A HAPPY 30TH!

As you will see in the summary table below, I’m pleased to announce that our 30th anniversary season was not only a presentation success but also a fiscal success. Profits this year exceed raised previous years and whilst this represents a further step in our financial ‘rejuvenation’, and is a validation that the management controls and risk management strategies adopted over the last three seasons are producing resuassilences remain.

The results show an overall strong performance from Parties (NMG Party, Harbour Party, Pool Party and Sizzle 07), however, some individual events within that grouping are not satisfying our risk v profitability requirements. This is being addressed. The ever increasing cost of Parade is also an ongoing cause for concern. Fair Day, which was once again a presentation success but also a fiscal success. Profits this year exceed previous years and whilst this represents a significant improvement against budget, it was not a sustainable level of operating profitability and we will continue to work on diversifying revenue, reducing costs and improving and growing the offering of events and services to our community. Examples are:

- Harbour Party, a previously iconic event, was acquired by NMG
- Margaret Cho was successfully toured by NMG in Sydney and Melbourne as part of the Festival.

As you will see in the summary table below, I’m pleased to announce that the event, within the Fox Studio venue, maintained adherence to the agreed risk management strategy.

In fact, 30 years on, but only 5 years in its new clothes as NMG, the Festival has been assisted greatly in the last 2 years by the consistency and stability of the Board under the Chair of Marcus Bourget and General Manager Anna McInerney and the ‘unsung’ contributions of our Working Groups.

As you can see in the table; improvement year on year has brought profit as a % of revenue from a negative in 2004/05 to 2007/08 positive 9.9%. As an example this means NMG earns approximately $10 on every party ticket - the rest goes in costs. With input costs rising in the region of 5-6% each year - this is not a sustainable level of operating profitability and we will continue to work on diversifying revenue, reducing costs and developing new & innovative ways of delivering value to our members and the community.

So whilst 2007/08 has been a good year, the transition from the celebration of the 30th Anniversary to the challenges of the 31st year will require continuing careful stewardship.

RISK/REWARD MANAGEMENT

A more consistent focus on developing our management of risk, particularly in running events, has undoubtedly provided the basis of this stability. This has been assisted greatly in the last 2 years by the consistency and stability of the Board under the Chair of Marcus Bourget and General Manager Anna McInerney and the ‘unsung’ contributions of our Working Groups.

The Festival continued to exceed our expectations regarding the production and management of the event. In the end a budget was set which allowed for some “bells and whistles”, but continued this Board’s desire to be conservative in its growth forecasts and risk profiles. Each Event Manager was tasked with managing their event in accordance with the agreed Budget and performance against budget was reviewed regularly.

NEW MARDI GRAS LTD TREASURER REPORT

THE YEAR THAT WAS . . .

The process undertaken last year to set the 07/08 budget was again long and difficult. It was made more so by the understandable excitement & anticipation surrounding our 30th, which for some, raised expectations regarding the production & management of the season. In the end a budget was set which allowed for some “bells and whistles”, but continued this Board’s desire to be conservative in its growth forecasts and risk profiles. Each Event Manager was tasked with managing their event in accordance with the agreed Budget and performance against budget was reviewed regularly.

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DONATIONS – ‘GAYING IT FORWARD’

NMG implemented a plan after last year’s successful season to donate at least 10% of its net profit to support community organisations and other worthwhile causes and organisations. A total of $77,750 ($24,000 from last year and $53,750 from this year) will be considered available for distribution in this current year.

Cash donations amounting to $73,880 were made during the current year, under the 10% scheme and include:

- ACON $28,000 (Hats Off)
- Gay & Lesbian Rights Lobby $15,000
- Centennial Park Foundation $5,000 (Launch)
- Community Parade entrants $15,880 (Parade)
- Breast Cancer $10,000 (Party)
- Luncheon Club from 50 donated Party tickets
- Bobby Goldsmith Foundation benefits from licensing auctioned each year
- The Metropolitan Community Church through proceeds from coat check at Sleaze 07 and Party 08;
- Community Parade entrants
- Luncheon Club from 50 donated Party tickets auctioned each year

The Board will distribute targeted donations directly and will also determine an open process for application and distribution of other grants. This will be subject to members’ approval at the AGM.

Other community organisations that receive substantial benefits include:

- The Metropolitan Community Church through proceeds from coat check at Sleaze 07 and Party 08;
- Bobby Goldsmith Foundation benefits from licensing the raised seating area at Parade;
- Luncheon Club from 50 donated Party tickets auctioned each year

As a general rule the Board aims to increase the level of donation back to the community but also wants to ensure that this program is sustainable and does not impact the operational and fiscal viability of NMG.

COSTS & SPONSORSHIP CHALLENGES

Whilst occasional savings do occur, cost increases abound. I think it is worth noting some examples of the challenges facing the Board to address this issue.

Particular venues, which have become the ‘home ground’ for some events, offer little or no scope to make cost savings, as the venue owners find new and imaginative ways to charge us more. E.g at Party – NMG does not participate in any share of bar revenue/profit at Fox Studios. Overall, venue costs climbed 32% this year (13% on a like for like basis). But were we to move location to reduce the ticket price, would you go?

PPCA to whom we pay licence fees to play music were awarded significant price rises in November 2007. NMG was present at the hearing and put forward its case that such increases were exorbitant. NMG previously paid a discounted $14,000 per year, now Parade will cost $73,000. Party costs $56,000 and Harbour Party and Sleaze each cost $15,000 - a total increase of 245%. For the most part these costs are not wholly recoverable as increased ticket price reduces attendance.

Diversifying our income stream includes growing Festival and attracting corporate sponsorship. We have successfully partnered Gaydar through the third season of their three year deal. Three new sponsors were introduced and four sponsors continued with similar or increased support. Two major sponsors supported the Parade. Despite in increase in sponsor numbers, gross sponsorship dollars did not increase this year. The sponsorship market is more competitive and perversely as our community is perceived to progress our equality and rights by the wider community, the niche ‘cause’ value proposition offered has been diluted. Clearly sponsors don’t all have the same reason for sponsoring NMG and as we develop our marketing and sponsorship strategies we undoubtedly have to ensure that where they do sponsor NMG they get value for money without compromising our independence.

INSURANCE

It is again worthy to note that insurance premiums have fallen 22% this year on top of the 12% fall last year. NMG has again had a claim free year. I would like to thank Philip Sunshine from ACOn Risk for his commitment and support during 2007/08.

Volunteers

NMG cannot, and would not, exist without its volunteers. This incredible resource remains one of NMG’s greatest assets. To all those people who did volunteer their time, thank you.

Finally I would again like to thank Anna McInerney, General Manager and Gordon Wheatley, Office Manager for the efforts in assisting me with the preparation of financial results. Much of the result reported today is attributable to their hard work and strict adherence to our finance policies.

Michael Douglas, Treasurer (resigned 24 June, 2008)
Willie Law, Treasurer (acting Treasurer from 25 June, 2008)

DIRECTORS

The names and details of the company’s directors in office during the financial year and until the date of this report are as follows. Directors were in office for this entire period unless otherwise stated.

<table>
<thead>
<tr>
<th>DIRECTOR</th>
<th>DATE APPOINTED</th>
<th>DATE RESIGNED</th>
<th>QUALIFICATIONS / EXPERIENCE</th>
</tr>
</thead>
<tbody>
<tr>
<td>MARCUS BOUGRET</td>
<td>03.07.04</td>
<td></td>
<td>Marcus is a founding member of New Mardi Gras. He continues in his role as a director of the organisation, which commenced in 2004. 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, HR, 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>MICHAEL DOUGLAS</td>
<td>25.01.06</td>
<td>24.06.08</td>
<td>Michael was asked by the Board to fill the Treasurer vacancy on 25.01.06. Michael works in a senior finance role for an engineering consultancy firm in North Sydney after 23 years holding various finance positions commencing with KPMG and progressing through large listed Australian corporate entities and US subsidiaries. Michael holds a Bachelor of Business (Accountancy) from Queensland University of Technology.</td>
</tr>
<tr>
<td>DAVID IMRIE</td>
<td>12.12.07</td>
<td></td>
<td>David was appointed to the Board in 2007 and was Board Sponsor for Fair Day and Pool Party in 2008 and is the Board Sponsor for Membership. David was elected Chair on 7 May 2008. David holds a Commerce Degree and two Business diplomas. He is a Licensed Real Estate Agent and Auctioneer and consults on sales training and business development with estate agencies throughout the eastern states.</td>
</tr>
<tr>
<td>WILLIE LAW</td>
<td>24.01.07</td>
<td></td>
<td>Willie volunteered with the Board in 2006 and is the Board Sponsor for the strategic planning &amp; organisational structure for the 2009 season. An Honours Graduate of City University in London, he is now undertaking his legal degree at University of Sydney. A specialist in business process &amp; 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>
</tbody>
</table>
INTERESTS IN THE SHARES AND OPTIONS OF THE COMPANY

NMG ("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 NMG.

PRINCIPAL ACTIVITIES

The principal activities of the company in the course of the financial year were the organisation and co-ordination of events of celebration, commemoration, protest, and engage in other activities as part of the gay, lesbian, transgender, bisexual and queer community. There was no change in principal activity during, or since the end of, the financial year.

OPERATING RESULT

The profit of the company for the financial year amounted to $483,650 (2007: $240,424). 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 operations for the financial year is contained in the Treasurer’s Report.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

During the financial year there was no change in the state of affairs of NMG.

SIGNIFICANT EVENTS AFTER THE BALANCE DATE

There has not been any matter or circumstance, other than that referred to in the financial statements or notes thereto, that has 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 AND EXPECTED RESULTS

Disclosure of information regarding likely developments in the operations of NMG in future financial years and the expected results of those operations is likely to result in unreasonable prejudice to NMG. Accordingly, this information has not been disclosed in this report.

ENVIRONMENTAL REGULATION AND PERFORMANCE

The company’s operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a state or territory.

INDEMNIFICATION AND INSURANCE OF DIRECTORS AND OFFICERS

During or since the end of the year, the company has paid premiums in respect of a contract insuring the directors of the company (as named above) and officers against a liability incurred as such a director or officer to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

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

NEW MARDI GRAS LTD DIRECTORS’ REPORT

<table>
<thead>
<tr>
<th>DIRECTOR</th>
<th>DATE APPOINTED</th>
<th>DATE RESIGNED</th>
<th>QUALIFICATIONS / EXPERIENCE</th>
</tr>
</thead>
<tbody>
<tr>
<td>KIRK MUDDLE</td>
<td>25.06.05</td>
<td></td>
<td>Kirk was elected to the Board in 2005 and was Board Sponsor for Parade (Logistics) and Party in 05/06. During the 06/07 season, Kirk took on responsibility for Parade and the Volunteers Working Group. Kirk has been involved with Mardi Gras since 1999, initially as a Parade Official, and in 04/05 as Chair of the Volunteer Working Group (within Parade). He is currently employed with Bunnings Limited as a Senior Executive in the property management and development team, focusing on all states and territories. He holds an Associate Diploma in Business (Real Estate Valuation) and a Graduate Certificate in Commercial Property Management.</td>
</tr>
<tr>
<td>GREG SMALL</td>
<td>03.05.06</td>
<td></td>
<td>Greg was appointed just after the conclusion of the 2005/06 season. During his full first season in 2007 Greg was the Board sponsor for Fair Day and membership. For the 2008 season Greg’s assumed the Board sponsor role for Party and Sleaze. Greg is the Australian Logistics Manager for an international logistics company and is currently studying part time to complete industrial relations and business degrees.</td>
</tr>
<tr>
<td>DES TUPUA</td>
<td>17.01.07</td>
<td>14.11.07</td>
<td>Des joined the Board in early 2007. He holds a Bachelor of Business (Marketing) and a Bachelor of Arts (Human Resources). He has extensive corporate and not for profit experience acquired over many years. Des resigned in late 2007.</td>
</tr>
<tr>
<td>JAMES WRIGHT</td>
<td>12.12.07</td>
<td>01.07.08</td>
<td>James joined the Board in 2007 and was the Board Sponsor for Marketing. James holds an Honours degree in Politics and has ten years experience in marketing and business development. During the day, James is Strategic Account Director at RedBalloon Days.</td>
</tr>
<tr>
<td>REGINA WOOTTON</td>
<td>18.07.07</td>
<td>31.10.07</td>
<td>Regina joined the Board in 2007 after a successful stint as Fair Day working group joint Chair. Regina resigned when her career took her to take up a senior position with Worley Parsons in London.</td>
</tr>
</tbody>
</table>
NEW MARDI GRAS LTD DIRECTORS’ REPORT

DIRECTORS’ MEETINGS

During the year, 33 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>MEETINGS ATTENDED</th>
<th>MEETINGS HELD DURING DIRECTOR’S CURRENT TERM</th>
</tr>
</thead>
<tbody>
<tr>
<td>Marcus Bourget</td>
<td>33</td>
<td>33</td>
</tr>
<tr>
<td>Michael Douglas</td>
<td>33</td>
<td>33</td>
</tr>
<tr>
<td>David Imrie</td>
<td>11</td>
<td>11</td>
</tr>
<tr>
<td>Willie Law</td>
<td>29</td>
<td>33</td>
</tr>
<tr>
<td>Kirk Muddle</td>
<td>30</td>
<td>33</td>
</tr>
<tr>
<td>Greg Small</td>
<td>25</td>
<td>33</td>
</tr>
<tr>
<td>Des Tupua</td>
<td>7</td>
<td>21</td>
</tr>
<tr>
<td>James Wright</td>
<td>11</td>
<td>11</td>
</tr>
<tr>
<td>Regina Wooton</td>
<td>8</td>
<td>10</td>
</tr>
</tbody>
</table>

OPTIONS

No options over any interests of the company were granted during or since the end of the financial year and there were no options outstanding at the date of this report.

AUDITOR INDEPENDENCE AND NON-AUDIT SERVICES

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.

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

Dated this _day of 2008.

AUDITORS INDEPENDENCE DECLARATION
TO THE DIRECTORS OF NEW MARDI GRAS LIMITED

In relation to our audit of the financial report of New Mardi Gras Limited for the financial year ended 31 March 2008, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the Corporations Act 2001 or any applicable code of professional conduct.

Peroys Audit and Assurance

George Vourantonis
Partner
Sydney
15 June 2008
DIRECTORS’ DECLARATION

In accordance with a resolution of the directors of New Mardi Gras Limited, I state that:

1. In the opinion of the directors:
   (a) the financial statements and notes of the company are in accordance with the Corporations Act 2001, including:
      (i) giving a true and fair view of the company’s financial position as at 31 March 2008 and of their performance for the
          year ended on that date; and
      (ii) complying with Accounting Standards and the Corporations Regulations 2001; and
   (b) there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and
       payable

Michael Douglas
On behalf of the Board
June 2008

INDEPENDENT AUDIT REPORT TO THE
MEMBERS OF NEW MARDI GRAS LIMITED

SCOPE

THE FINANCIAL REPORT AND DIRECTORS’ RESPONSIBILITY

The financial report comprises the balance sheet, income statement, statement of changes in equity, cash flow statement, accompanying notes to the financial statements, and the Directors’ declaration as set out on pages 35 to 48 for New Mardi Gras Limited (“the Company”) for the year ended 31 March 2008.

The Directors of the Company are responsible for the preparation and true and fair presentation of the financial report in accordance with 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 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 in order to provide reasonable assurance as to whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgement, 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.

We performed procedures to assess whether in all material respects the financial report presents fairly, in accordance with the Corporations Act 2001, including compliance with Australian Accounting Standards and other mandatory financial reporting requirements in Australia, a view which is consistent with our understanding of the Company’s financial position and performance as represented by the results of its operations, its changes in equity and cash flows.

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

- examining, on a test basis, information to provide evidence supporting the amounts and disclosures in the financial report,
- assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the Directors.

The audit opinion expressed in this report has been formed on the above basis.

AUDIT OPINION

In our opinion, the financial report of New Mardi Gras Limited is in accordance with:

1. the Corporations Act 2001 including:
   (a) giving a true and fair view of the Company’s financial position as at 31 March 2008 and of the performance for the
       financial year ended on that date; and
   (b) complying with Accounting Standards and the Corporations Regulations 2001; and
2. other mandatory professional reporting requirements in Australia.

DESCRIPTION OF EMPHASIS OF MATTER

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

Peroys Audit and Assurance

George Vourantonis
Partner
June 2008
## INCOME STATEMENT

<table>
<thead>
<tr>
<th>FOR THE YEAR ENDED 31 MARCH 2008</th>
<th>NOTE</th>
<th>YEAR ENDED 31 MARCH 08 $</th>
<th>YEAR ENDED 31 MARCH 07 $</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>3,269,426</td>
<td>2,429,696</td>
</tr>
<tr>
<td>Sponsorship</td>
<td></td>
<td>581,854</td>
<td>575,812</td>
</tr>
<tr>
<td>Bad debts received</td>
<td></td>
<td>-</td>
<td>9,091</td>
</tr>
<tr>
<td>Membership Income</td>
<td></td>
<td>74,277</td>
<td>60,887</td>
</tr>
<tr>
<td>Stallholder fees for Fair Day</td>
<td></td>
<td>91,949</td>
<td>90,133</td>
</tr>
<tr>
<td>Sale of Goods</td>
<td></td>
<td>208,929</td>
<td>278,953</td>
</tr>
<tr>
<td>Grants</td>
<td>3</td>
<td>-</td>
<td>2,000</td>
</tr>
<tr>
<td>License Fees</td>
<td></td>
<td>79,856</td>
<td>51,451</td>
</tr>
<tr>
<td>Interest income</td>
<td></td>
<td>35,331</td>
<td>16,969</td>
</tr>
<tr>
<td>Other</td>
<td></td>
<td>-</td>
<td>10,755</td>
</tr>
<tr>
<td>Festival entry</td>
<td></td>
<td>30,842</td>
<td>28,776</td>
</tr>
<tr>
<td>Contra Revenue</td>
<td></td>
<td>422,062</td>
<td>170,625</td>
</tr>
<tr>
<td>Parade entrance fees and viewing room</td>
<td></td>
<td>48,545</td>
<td>23,748</td>
</tr>
<tr>
<td>Donations</td>
<td></td>
<td>39,098</td>
<td>15,599</td>
</tr>
<tr>
<td><strong>TOTAL REVENUE</strong></td>
<td></td>
<td>4,882,169</td>
<td>3,764,495</td>
</tr>
</tbody>
</table>

| **EXPENSES**                     |      |                          |                          |
| Occupancy costs                  |      | (38,591)                 | (28,497)                 |
| Employee benefits expense        |      | (310,241)                | (274,051)                |
| Amounts paid to contractors      |      | (293,337)                | (185,274)                |
| Insurance                        |      | (136,623)                | (174,237)                |
| Venue Hire                       |      | (557,316)                | (422,988)                |
| Amortisation of intangible software | 3    | (13,085)                 | (3,754)                  |
| Depreciation of property, plant & equipment | 3 | (9,319)                 | (12,325)                |
| Operating lease rental expenses  |      | (55,261)                 | (53,206)                 |
| Marketing & communications       |      | (16,995)                 | (192,510)                |
| Security                         |      | (290,048)                | (231,862)                |
| Entertainment                    |      | (295,587)                | (271,383)                |
| Cost of goods sold               |      | (12,598)                 | (181,161)                |
| Cost of ticketing                |      | (195,029)                | (153,898)                |
| Party staging                    |      | (189,226)                | (151,018)                |
| Equipment hire                   |      | (757,819)                | (664,286)                |
| License expenses                 |      | (889,421)                | (552,280)                |
| Professional fees                |      | (35,963)                 | (64,021)                 |
| Contra expenses                  |      | (422,062)                | (170,625)                |
| Other expenses                   |      | (231,649)                | (217,418)                |
| Donations                        |      | (142,823)                | (14,602)                 |
| **TOTAL EXPENSES**               |      | (4,396,889)              | (3,521,596)              |

**PROFIT/(LOSS) BEFORE FINANCE COSTS**

- 485,280
- 242,899

**NET PROFIT/(LOSS)**

- 483,650
- 240,424

## BALANCE SHEET

<table>
<thead>
<tr>
<th>AS AT 31 MARCH 2008</th>
<th>NOTE</th>
<th>31 MARCH 08 $</th>
<th>31 MARCH 07 $</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ASSETS</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current Assets</td>
<td>5</td>
<td>1,538,460</td>
<td>774,687</td>
</tr>
<tr>
<td>Trade and other receivables</td>
<td>6</td>
<td>96,728</td>
<td>31,278</td>
</tr>
<tr>
<td>Other current assets</td>
<td>7</td>
<td>94,896</td>
<td>134,284</td>
</tr>
<tr>
<td><strong>Total Current Assets</strong></td>
<td></td>
<td>1,730,084</td>
<td>940,249</td>
</tr>
<tr>
<td>Non-Current Assets</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Property, plant and equipment</td>
<td>8</td>
<td>14,731</td>
<td>12,833</td>
</tr>
<tr>
<td>Intangible assets</td>
<td>9</td>
<td>25,431</td>
<td>29,096</td>
</tr>
<tr>
<td><strong>Total Non-Current Assets</strong></td>
<td></td>
<td>40,162</td>
<td>41,929</td>
</tr>
<tr>
<td><strong>TOTAL ASSETS</strong></td>
<td></td>
<td>1,770,246</td>
<td>982,178</td>
</tr>
<tr>
<td><strong>LIABILITIES</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current Liabilities</td>
<td>10</td>
<td>410,416</td>
<td>178,544</td>
</tr>
<tr>
<td>Other Current Liabilities</td>
<td>11</td>
<td>134,722</td>
<td>39,481</td>
</tr>
<tr>
<td>Financial liabilities</td>
<td>12</td>
<td>-</td>
<td>26,695</td>
</tr>
<tr>
<td><strong>Total Current Liabilities</strong></td>
<td></td>
<td>549,138</td>
<td>244,720</td>
</tr>
<tr>
<td><strong>TOTAL LIABILITIES</strong></td>
<td></td>
<td>549,138</td>
<td>244,720</td>
</tr>
<tr>
<td><strong>NET ASSETS</strong></td>
<td></td>
<td>1,221,108</td>
<td>737,458</td>
</tr>
<tr>
<td><strong>EQUITY</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Retained earnings</td>
<td>13</td>
<td>1,221,108</td>
<td>737,458</td>
</tr>
<tr>
<td><strong>TOTAL EQUITY</strong></td>
<td></td>
<td>1,221,108</td>
<td>737,458</td>
</tr>
</tbody>
</table>
CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 MARCH 2008

<table>
<thead>
<tr>
<th>NOTE</th>
<th>31 MARCH 08</th>
<th>$</th>
<th>31 MARCH 07</th>
<th>$</th>
</tr>
</thead>
<tbody>
<tr>
<td>CASH FLOWS FROM OPERATING ACTIVITIES</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Receipts from customers</td>
<td>4,092,080</td>
<td></td>
<td>3,136,312</td>
<td></td>
</tr>
<tr>
<td>Receipts of government grants</td>
<td>-</td>
<td></td>
<td>2,200</td>
<td></td>
</tr>
<tr>
<td>Payments to suppliers and contractors</td>
<td>(3,314,375)</td>
<td></td>
<td>(2,957,789)</td>
<td></td>
</tr>
<tr>
<td>Interest received</td>
<td>35,331</td>
<td></td>
<td>16,969</td>
<td></td>
</tr>
<tr>
<td>Interest paid</td>
<td>(1,631)</td>
<td></td>
<td>(2,475)</td>
<td></td>
</tr>
<tr>
<td>NET CASH PROVIDED BY OPERATING ACTIVITIES</td>
<td>23(b)</td>
<td>811,405</td>
<td>195,217</td>
<td></td>
</tr>
<tr>
<td>CASH FLOWS FROM INVESTING ACTIVITIES</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Purchase of property, plant &amp; equipment</td>
<td>(11,218)</td>
<td></td>
<td>(2,655)</td>
<td></td>
</tr>
<tr>
<td>Purchase of other non-current assets</td>
<td>(9,419)</td>
<td></td>
<td>(32,850)</td>
<td></td>
</tr>
<tr>
<td>NET CASH USED IN INVESTING ACTIVITIES</td>
<td>(20,637)</td>
<td>(35,505)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>CASH FLOWS FROM FINANCING ACTIVITIES</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Repayment of borrowings</td>
<td>(26,995)</td>
<td></td>
<td>(1,885)</td>
<td></td>
</tr>
<tr>
<td>NET CASH USED IN FINANCING ACTIVITIES</td>
<td>(26,995)</td>
<td>(1,885)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>NET INCREASE IN CASH HELD</td>
<td>763,773</td>
<td></td>
<td>157,827</td>
<td></td>
</tr>
<tr>
<td>CASH AT BEGINNING OF FINANCIAL YEAR</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>774,687</td>
<td></td>
<td>616,860</td>
<td></td>
<td></td>
</tr>
<tr>
<td>CASH AT END OF FINANCIAL YEAR</td>
<td>23(a)</td>
<td>1,538,460</td>
<td>774,687</td>
<td></td>
</tr>
</tbody>
</table>

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2008

<table>
<thead>
<tr>
<th></th>
<th>31 MARCH 08</th>
<th>$</th>
<th>31 MARCH 07</th>
<th>$</th>
</tr>
</thead>
<tbody>
<tr>
<td>TOTAL RETAINED PROFITS AT THE BEGINNING OF THE YEAR</td>
<td>737,458</td>
<td></td>
<td>497,034</td>
<td></td>
</tr>
<tr>
<td>Profit for the year</td>
<td>483,650</td>
<td></td>
<td>240,424</td>
<td></td>
</tr>
<tr>
<td>TOTAL RETAINED PROFITS AT THE END OF THE YEAR</td>
<td>1,221,08</td>
<td>737,458</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2008

1. CORPORATE INFORMATION
   ABIN 87 102 451 785
   The financial report of New Mardi Gras Limited (NMG) for the year ended 31 March 2008 was authorised for issue in accordance with the resolution of the directors on 9 May 2008. New Mardi Gras Limited 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
   Directors’ report on pages 29 to 32. The Directors’ report does not form part of this financial report.
   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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
   (a) Basis of preparation
   The financial report is a general-purpose financial report, which has been prepared in accordance with the requirements of the Corporations Act 2001, Australian Accounting Standards and Interpretations, and complies with other requirements of the law. The financial report has been prepared on an accruals basis and on a historical cost basis.
   The financial report is presented in Australian dollars and all values are rounded to the nearest dollar unless otherwise stated.
   Certain Australian Accounting Standards and IAS Interpretations have recently been issued or amended but are not yet effective and have not been adopted by the company for the annual reporting period ended 31 March 2008. The directors have not yet assessed the impact of these new or amended standards and interpretations.
   (b) Statement of compliance
   The financial report complies with Australian Accounting Standards, which include Australian equivalents to International Financial Reporting Standards (IFRS). Compliance with IFRS ensures that the financial report, comprising the financial statements and notes thereto, complies with International Financial Reporting Standards (IFRS).
   (c) Significant accounting judgments, estimates and assumptions
   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 judgments, estimates and assumptions have been made in applying accounting policies that will impact upon amounts recognised in the financial statements.
   (d) Revenue recognition
   Revenue is recognised for the major business activities as follows:
   Provision of services
   Service revenue is recognised upon provision of the service to the customer.
   Sale of goods
   Sales of goods are recognised upon delivery of those goods to the customer.
   Members’ subscriptions
   Received throughout the year, for varying periods expiring on 31 October 2008 or 31 October 2010, are recognised only in respect of the period of membership to 31 March 2008.
   Donations
   Revenue arising 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.
   Contra revenue and expenditure
   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” contributes of goods and services received are recognised 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” revenue and expenditure is not brought to account.
   Sponsorship
   Where sponsorship income relates to a specific event, the income 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.
   Interest Income
   Interest income is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.
   (e) 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.
   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.
   (f) Cash and cash equivalents
   Cash and short-term deposits in the balance sheet comprise cash at bank and on hand and short-term deposits with an original maturity of three months or less.
   For the purposes of the Cash Flow Statement, cash and cash equivalents consist of cash and cash equivalents as defined above.
   (g) 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 uncollectible amounts.
   An allowance for doubtful debts is made when there is objective evidence that NMG will not be able to collect the debts. Bad debts are written off when identified.
   Receivables are recognised and carried at original invoice amount. The collectability of debts is reviewed on a regular basis and a specific provision is made for any doubtful debts
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2008

where objective evidence that NMG will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is recognised in the income statement.

(h) Property, plant and equipment
Plant and equipment is carried at cost less any accumulated depreciation and/or impairment.
All assets in a particular class of assets are required to be carried on the same basis as all other assets in that class. Depreciation is calculated on a straight-line basis to write-off the net cost of each item of property, plant and equipment over its expected useful life to NMG. Estimates of remaining useful lives are made on a regular basis for all assets, with annual reassessments for major items. The expected useful life for property, plant and equipment is as follows:

<table>
<thead>
<tr>
<th>Class of plant and equipment</th>
<th>Depreciation rates</th>
<th>Depreciation basis</th>
</tr>
</thead>
<tbody>
<tr>
<td>- leasehold improvements</td>
<td>14 – 15 Years</td>
<td>Straight-line</td>
</tr>
<tr>
<td>- plant and equipment</td>
<td>4 – 6 Years</td>
<td>Straight-line</td>
</tr>
</tbody>
</table>

(i) Intangibles
Intangibles include website development costs and goodwill that as part of the transition to AIFRS was considered to be fully impaired and was written down to Nil.

<table>
<thead>
<tr>
<th>Class of intangibles</th>
<th>Amortisation rates</th>
<th>Amortisation basis</th>
</tr>
</thead>
<tbody>
<tr>
<td>- website software</td>
<td>3 Years</td>
<td>Straight-line</td>
</tr>
</tbody>
</table>

(j) Impairment of assets
At each reporting date, the company reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset’s fair value less costs to sell and value in use, is compared to the asset’s carrying value. Any excess of the asset’s carrying value over its recoverable amount is expensed to the income statement.

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

(l) Financial liabilities
Interest bearing liabilities are initially measured at cost, being the fair value of the consideration received net of issue and other transaction costs associated with the borrowings. After initial recognition, interest bearing liabilities are subsequently measured at amortised cost using the effective interest rate method. Under this method, interest and principal directly related to the financial liability are spread over its expected life.

(m) 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.

(n) Goods and services taxes (GST)
Revenues, expenses, assets, and liabilities are recognised net of the amount of GST except:
• when any services provided by the company are GST-free sales or are export sales;
• when the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
• receivables and trade payables, which are stated with the amount of GST included.

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

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

(o) Employee leaves benefits
(i) Wages, salaries, annual leave and sick leave
Liabilities for wages and salaries, including non-monetary benefits and annual leave expected to be settled within 12 months of the reporting date are recognised in other payables in respect of employees’ services up to the reporting date. They are measured at the amounts expected to be paid when the liabilities are settled.

(ii) Long service leave
No employee has reached the threshold of 5 years service and therefore no liability is recognised at balance date.

(iii) Superannuation
The company contributes to unrelated, third party accumulated funds plans, which are available to all employees. Contributions to the respective plans are generally funded by payments from the employees and the company.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2008

The company’s contributions to the accumulated funds plans are expensed as incurred.

(p) Comparative amounts
Comparative figures are, where appropriate, reclassified so as to be comparable with the figures presented for the current financial year. The 2007 comparatives have been adjusted with the inclusion of Contra Revenue and Contra Expense each of $170,625, such amounts were not recorded in the 2007 result. Whilst Revenue and Expenses have been amended to reflect these changes to the 2007 comparatives of the Income Statement, the underlying profit for the year ended 31 March 2007 has remained unchanged.

(q) Provisions
Provisions are recognised when the company has a present obligation, the future sacrifice of economic benefits is probable, and the amount of the provision can be reliably measured.

(r) Financial Instruments
Recognition
Financial instruments are initially measured at cost on trade date, which includes transaction costs, when the related contractual rights or obligations exist. Subsequent to initial recognition these instruments are measured as set out below.

Financial assets at fair value through profit and loss
A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management and within the requirements of AASB 139: Recognition and Measurement of Financial Instruments. Realised and unrealised gains and losses arising from changes in the fair value of these assets are included in the income statement in the period in which they arise.

Loans and receivables
Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are stated at amortised cost.

Financial liabilities
Non-derivative financial liabilities are recognised at amortised cost, comprising original debt less principal payments and amortisation.

Impairment
At each reporting date, the Company assesses whether there is objective evidence that a financial instrument has been impaired. Impairment losses are recognised in the income statement.

3 REVENUES AND EXPENSES

<table>
<thead>
<tr>
<th>OTHER INCOME AND EXPENSES</th>
<th>31 MARCH 08 $</th>
<th>31 MARCH 07 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Government Grants</td>
<td>-</td>
<td>2,000</td>
</tr>
</tbody>
</table>

Grants have been received in respect of contributions to marketing and other activities. There are no unfulfilled conditions or contingencies attached to these grants.

<table>
<thead>
<tr>
<th>Depreciation and amortisation</th>
<th>31 MARCH 08 $</th>
<th>31 MARCH 07 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>- plant and equipment</td>
<td>9,277</td>
<td>12,283</td>
</tr>
<tr>
<td>- leasehold improvements</td>
<td>42</td>
<td>42</td>
</tr>
<tr>
<td></td>
<td>9,319</td>
<td>12,325</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Amortisation of intangibles</th>
<th>31 MARCH 08 $</th>
<th>31 MARCH 07 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>- software</td>
<td>13,085</td>
<td>3,754</td>
</tr>
</tbody>
</table>

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

5 CASH AND CASH EQUIVALENTS

<table>
<thead>
<tr>
<th>CASH AND CASH EQUIVALENTS</th>
<th>31 MARCH 08 $</th>
<th>31 MARCH 07 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash at bank and on hand</td>
<td>1,538,460</td>
<td>774,687</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 $1,538,460 (2007: $774,687).
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2008

6 TRADE AND OTHER RECEIVABLES

<table>
<thead>
<tr>
<th></th>
<th>31 MARCH 08 $</th>
<th>31 MARCH 07 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade receivables</td>
<td>89,291</td>
<td>31,041</td>
</tr>
<tr>
<td>Provision for doubtful debts</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Other receivables</td>
<td>7,437</td>
<td>237</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>96,728</strong></td>
<td><strong>31,278</strong></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 (2007: 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.

7 OTHER CURRENT ASSETS

<table>
<thead>
<tr>
<th></th>
<th>31 MARCH 08 $</th>
<th>31 MARCH 07 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prepayments</td>
<td>79,041</td>
<td>17,529</td>
</tr>
<tr>
<td>Deposits</td>
<td>15,855</td>
<td>16,755</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>94,896</strong></td>
<td><strong>134,284</strong></td>
</tr>
</tbody>
</table>

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

8 PROPERTY, PLANT AND EQUIPMENT

<table>
<thead>
<tr>
<th></th>
<th>PLANT AND EQUIPMENT $</th>
<th>LEASEHOLD PROPERTY $</th>
<th>TOTAL $</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>AT 31 MARCH 2008</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cost or fair value</td>
<td>74,605</td>
<td>599</td>
<td>75,204</td>
</tr>
<tr>
<td>Accumulated depreciation</td>
<td>(60,314)</td>
<td>(159)</td>
<td>(60,473)</td>
</tr>
<tr>
<td><strong>NET CARRYING AMOUNT</strong></td>
<td><strong>14,291</strong></td>
<td><strong>440</strong></td>
<td><strong>14,731</strong></td>
</tr>
<tr>
<td><strong>AS 31 MARCH 2007</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cost or fair value</td>
<td>63,389</td>
<td>599</td>
<td>63,988</td>
</tr>
<tr>
<td>Accumulated depreciation</td>
<td>(51,038)</td>
<td>(117)</td>
<td>(51,155)</td>
</tr>
<tr>
<td><strong>NET CARRYING AMOUNT</strong></td>
<td><strong>12,351</strong></td>
<td><strong>482</strong></td>
<td><strong>12,833</strong></td>
</tr>
</tbody>
</table>

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></th>
<th>31 MARCH 08 $</th>
<th>31 MARCH 07 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>AT 1 APRIL 2007</td>
<td>12,351</td>
<td>12,833</td>
</tr>
<tr>
<td>Additions</td>
<td>11,218</td>
<td>11,218</td>
</tr>
<tr>
<td>Depreciation expense</td>
<td>(9,277)</td>
<td>(9,319)</td>
</tr>
<tr>
<td><strong>AT 31 MARCH 2008</strong></td>
<td><strong>14,291</strong></td>
<td><strong>14,731</strong></td>
</tr>
</tbody>
</table>

9 INTANGIBLE ASSETS

<table>
<thead>
<tr>
<th></th>
<th>31 MARCH 08 $</th>
<th>31 MARCH 07 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Software (net of accumulated amortisation)</td>
<td>25,431</td>
<td>29,096</td>
</tr>
<tr>
<td>Goodwill (net of accumulated amortization and impairment)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>25,431</strong></td>
<td><strong>29,096</strong></td>
</tr>
</tbody>
</table>

SOFTWARE

<table>
<thead>
<tr>
<th></th>
<th>31 MARCH 08 $</th>
<th>31 MARCH 07 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost (gross carrying amount)</td>
<td>42,270</td>
<td>32,850</td>
</tr>
<tr>
<td>Accumulated amortisation</td>
<td>(16,839)</td>
<td>(3,754)</td>
</tr>
<tr>
<td><strong>NET CARRYING AMOUNT</strong></td>
<td><strong>25,431</strong></td>
<td><strong>29,096</strong></td>
</tr>
<tr>
<td>AT 1 APRIL 2007</td>
<td>29,096</td>
<td>-</td>
</tr>
<tr>
<td>Additions</td>
<td>9,420</td>
<td>32,850</td>
</tr>
<tr>
<td>Amortisation expense</td>
<td>(13,085)</td>
<td>(3,754)</td>
</tr>
<tr>
<td><strong>AT 31 MARCH 2008</strong></td>
<td><strong>25,431</strong></td>
<td><strong>29,096</strong></td>
</tr>
</tbody>
</table>

GOODWILL

<table>
<thead>
<tr>
<th></th>
<th>31 MARCH 08 $</th>
<th>31 MARCH 07 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost (gross carrying amount)</td>
<td>272,259</td>
<td>272,259</td>
</tr>
<tr>
<td>Accumulated amortisation and impairment</td>
<td>(272,259)</td>
<td>(272,259)</td>
</tr>
<tr>
<td><strong>NET CARRYING AMOUNT</strong></td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>
Financial Risk Management

(a) Risk management

NMG’s principal financial instruments comprise cash and a cash management account 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 2008.

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 and the un-avoidable risks, NMG is implementing a policy of maintaining and growing a cash reserve to be used only if the need arises. Without the continued support of sponsors, members and non-members to attend the types of events we hold, NMG will still remain at risk should a number of events be adversely affected by un-avoidable risk.

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 the other financial assets of NMG, which comprise cash and cash equivalents, NMG’s exposure to credit risk arises from default of the counter party. Since NMG trades only with major banks, there is no requirement for collateral.

Cash flow interest rate risk

NMG’s exposure to the risk of changes in market interest rates is minimal. NMG earns interest on its cash management account 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.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2008

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

18 COMMITMENTS AND CONTINGENT LIABILITIES
No commitments or contingent liabilities exist as at 31 March 2008.

NMG is currently on a month to month tenancy in relation to the premises it operates from.

19 AUDITORS’ REMUNERATION

(c) Risk analysis of financial assets and liabilities
(i) Cash and cash equivalents
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 variable interest rate of 6.1% at 31 March 2008.

31 March 2007
Cash and cash equivalents include $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 variable interest rate of 5% at 31 March 2007.

(ii) Trade and other receivables
31 March 2008 and 31 March 2007
This balance includes trade payables totaling $5,265 (2007: $31,701).

All amounts included in this balance relate to invoices dated within 30 days of the year end.
The remainder of the balance relates to accruals and taxes payable, generally to be settled within 12 months.

All trade and other payables are non-interest bearing.

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

<table>
<thead>
<tr>
<th>31 MARCH 08 $</th>
<th>31 MARCH 07 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Short term employee benefits</td>
<td>139,750</td>
</tr>
<tr>
<td>Post-employment benefits – superannuation</td>
<td>12,577</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>152,327</td>
</tr>
</tbody>
</table>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2008

16 DIRECTORS AND KEY MANAGEMENT PERSONNEL REMUNERATION DISCLOSURES

(a) Details of Directors and Key Management Personnel
The directors of New Mardi Gras Ltd during the financial year were:

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

DIRECTORS – CURRENT AT THE DATE OF THIS REPORT

<table>
<thead>
<tr>
<th></th>
<th>OTHER DIRECTORS WHO HELD OFFICE DURING THE YEAR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Marcus Bourget</td>
<td>Michael Douglas</td>
</tr>
<tr>
<td>David Imrie</td>
<td>Des Tupua</td>
</tr>
<tr>
<td>Willie Law</td>
<td>Regina Wootton</td>
</tr>
<tr>
<td>Kirk Muddle</td>
<td>James Wright</td>
</tr>
<tr>
<td>Greg Small</td>
<td></td>
</tr>
</tbody>
</table>

(b) Compensation of Key Management Personnel
Key management personnel compensation disclosed below was paid by the company:

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

<table>
<thead>
<tr>
<th>31 MARCH 08 $</th>
<th>31 MARCH 07 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Short term employee benefits</td>
<td>16,000</td>
</tr>
<tr>
<td>Other services</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>16,000</td>
</tr>
</tbody>
</table>

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

18 COMMITMENTS AND CONTINGENT LIABILITIES
No commitments or contingent liabilities exist as at 31 March 2008.

NMG is currently on a month to month tenancy in relation to the premises it operates from.

19 AUDITORS’ REMUNERATION

FINANCIAL ASSETS

<table>
<thead>
<tr>
<th></th>
<th>CARRYING AMOUNT 31 MARCH 2008 $</th>
<th>FAIR VALUE 31 MARCH 2008 $</th>
<th>CARRYING AMOUNT 31 MARCH 2007 $</th>
<th>FAIR VALUE 31 MARCH 2007 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents</td>
<td>1,538,460</td>
<td>1,538,460</td>
<td>774,687</td>
<td>774,687</td>
</tr>
<tr>
<td>Trade and other receivables</td>
<td>96,728</td>
<td>96,728</td>
<td>31,278</td>
<td>31,278</td>
</tr>
<tr>
<td>Deposits</td>
<td>15,855</td>
<td>15,855</td>
<td>16,755</td>
<td>16,755</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>1,651,043</td>
<td>1,651,043</td>
<td>822,270</td>
<td>822,270</td>
</tr>
</tbody>
</table>

LIABILITIES

<table>
<thead>
<tr>
<th></th>
<th>CARRYING AMOUNT 31 MARCH 2008 $</th>
<th>FAIR VALUE 31 MARCH 2008 $</th>
<th>CARRYING AMOUNT 31 MARCH 2007 $</th>
<th>FAIR VALUE 31 MARCH 2007 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade and other payables</td>
<td>377,537</td>
<td>377,537</td>
<td>178,544</td>
<td>178,544</td>
</tr>
<tr>
<td>Financial liabilities</td>
<td>-</td>
<td>-</td>
<td>26,695</td>
<td>26,695</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>377,537</td>
<td>377,537</td>
<td>205,239</td>
<td>205,239</td>
</tr>
</tbody>
</table>
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2008

20 EVENTS AFTER BALANCE SHEET DATE
There have been no items of significance, subsequent to 31 March 2008, and as at the date of this report that would impact the results as outlined in this financial report.

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

22 RELATED PARTY TRANSACTIONS
There were no related party transactions in either year.

23 CASH FLOW INFORMATION

(a) Reconciliation of cash
For the purposes of the statement of cash flows cash includes cash on hand and at call deposit with banks or financial institutions, investments in money market instruments maturing within less than three 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 follow:

<table>
<thead>
<tr>
<th></th>
<th>31 MARCH 08</th>
<th>31 MARCH 07</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash at bank</td>
<td>1,538,460</td>
<td>774,687</td>
</tr>
</tbody>
</table>

(b) Reconciliation of cash flows from operations with profit from ordinary activities after income tax

<table>
<thead>
<tr>
<th>PROFIT FROM ORDINARY ACTIVITIES</th>
<th>483,650</th>
<th>240,424</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-cash flows in profit from ordinary activities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Amortisation</td>
<td>13,085</td>
<td>3,754</td>
</tr>
<tr>
<td>Depreciation</td>
<td>9,319</td>
<td>12,325</td>
</tr>
<tr>
<td>Bad debts written off</td>
<td>-</td>
<td>(80,000)</td>
</tr>
<tr>
<td>Changes in assets and liabilities:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(Increase) / decrease in trade and other receivables</td>
<td>(65,450)</td>
<td>146,919</td>
</tr>
<tr>
<td>(Increase) / decrease in other current assets</td>
<td>39,388</td>
<td>45,776</td>
</tr>
<tr>
<td>(Decrease) / increase in trade and other payables</td>
<td>227,337</td>
<td>(148,059)</td>
</tr>
<tr>
<td>(Decrease) / increase in other current liabilities</td>
<td>99,241</td>
<td>(21,667)</td>
</tr>
<tr>
<td>(Decrease) / increase in provisions</td>
<td>4,835</td>
<td>(4,255)</td>
</tr>
<tr>
<td>NET CASH FROM OPERATING ACTIVITIES</td>
<td>811,405</td>
<td>195,217</td>
</tr>
</tbody>
</table>

(c) Non-cash transactions
During the year the company received goods and services to the value of $422,062 (2007: $170,625) in relation to services donated by other entities. The related revenue and expenditure is shown in the income statement as contra revenue and expenditure.