



10 December 2021

Mr Michael Tear
President
Screen Producers Association of Australia

By e-mail: info@screenproducers.org.au

Dear Mr Tear

Screen Producers Association of Australia
Financial Report for the year ended 30 June 2021 - FR2021/205

I acknowledge receipt of the financial report for the year ended 30 June 2021 for the Screen Producers Association of Australia (**the reporting unit**). The financial report was lodged with the Registered Organisations Commission (**ROC**) on 2 December 2021.

The financial report has now been filed. You are not required to take any further action in respect of the report lodged.

1. Timescale requirements

As you are aware, an organisation is required under the RO Act to undertake certain steps in accordance with specified timelines. Information about these timelines can be found on the ROC website. In particular, I draw your attention to the fact sheet titled 'Financial reporting process' which explains the timeline requirements, and the fact sheet titled 'Summary of financial reporting timelines' which sets out the timelines in diagrammatical format.

I note that the following timescale requirements were not met:

Documents must be lodged with ROC within 14 days after general meeting

Section 268 of the RO Act requires a copy of the full report and the designated officer's certificate to be lodged with the ROC within 14 days after the general meeting of members referred to in section 266.

The designated officer's certificate indicates that this meeting occurred on 4 November 2021. If this is correct the documents should have been lodged with the ROC by 25 November 2021.

The full report was not lodged until 2 December 2021.

If this date is correct, the organisation/branch should have applied to the Commissioner for an extension of time to allow a longer period to lodge the required documents.

Please note that section 268 is a civil penalty provision.

2. General Purpose Financial Report (GPFR)

Reporting guideline activities – not disclosed

Item 21 of the reporting guidelines states that if any activity described within items 10-20 of the reporting guidelines has not occurred in the reporting period, a statement to this effect must be included in the GPFR or in an officer's declaration statement.

The notes/officer's declaration statement contained nil activity information for all prescribed reporting guideline categories except the following:

- Item 14(e)(iv) – pay a donation that exceeded \$1,000
- Item 16(d)(iii) - have a separation and redundancy provision in respect of employees (other than holders of office)
- Item 16(d)(iv) - have other employee provisions in respect of employees (other than holders of office)

3. Rotation of registered auditor

You must rotate your registered auditor

Correspondence was provided to the reporting unit on 10 June 2021, which alerted you that your registered auditor is approaching their statutory limit on how many consecutive financial years they are permitted to audit your financial report. The financial report lodged identifies that Gary Williams was the reporting unit's registered auditor for this financial year. Our records indicate that you have now used your current registered auditor for five consecutive financial years, which is the statutory limit under section 256A.

Please ensure that Gary Williams is not assigned to audit the financial report of the reporting unit for at least the following two financial years. Further information on the rotation of registered auditor requirement can be found on the ROC website.

Should you wish to discuss the matters raised in this letter, or if you require further information on the financial reporting requirements of the Act, I may be contacted on (03) 9603 0707 or by email at ken.morgan@roc.gov.au

Yours faithfully



KEN MORGAN

Financial Reporting Specialist

Registered Organisations Commission

Screen Producers Association of Australia

s.268 Fair Work (Registered Organisations) Act 2009

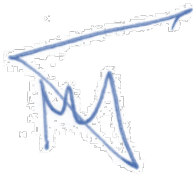
Certificate by prescribed designated officer¹

For the year ended 30 June 2021

I, Michael Tear, being the President of the Screen Producers Association of Australia (“the Association”) certify:

- that the documents lodged herewith are copies of the full report for the Association for the period ended referred to in s.268 of the Fair Work (Registered Organisations) Act 2009; and
- that the full report was provided to members of “the Association” on 21 October; and
- that the full report was presented to a general meeting of members of “the Association” on 4 November 2021 in accordance with s.266 of the Fair Work (Registered Organisations) Act 2009.

Signature of prescribed designated officer:



Name of prescribed designated officer: Michael Tear

Title of prescribed designated officer: President

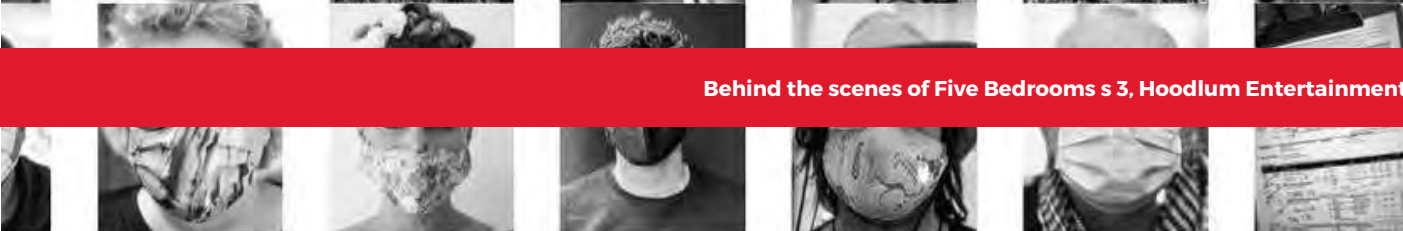
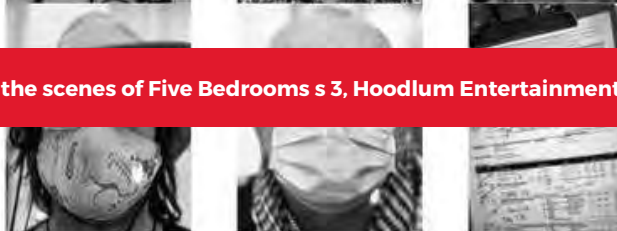
Dated: 4 November 2021

¹ Regulation 162 of the Fair Work (Registered Organisations) Regulations 2009 defines a ‘prescribed designated officer’ of a reporting unit for the purposes of s.268(c) as:
(a) the secretary; or
(b) an officer of the organisation other than the secretary who is authorised by the organisation or by the rules of the organisation to sign the certificate mentioned in that paragraph.



SCREEN
PRODUCERS
AUSTRALIA

ANNUAL REPORT 2020/21



Behind the scenes of Five Bedrooms s 3, Hoodlum Entertainment



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INTRODUCTION



Ms Fisher's Modern Murder Mysteries s 2, Every Cloud Productions

ABOUT

Screen Producers Australia (SPA) is the peak industry and trade body supporting the interests of over 500 screen businesses, both large and small, in their production of screen stories across all genres and formats.

Every year our member businesses support thousands of roles and generate billions in production revenue – offering a significant contribution to the Australian economy.

On behalf of our member businesses we are focused on delivering a healthy commercial environment through ongoing engagement with broadcasters, distributors, government, the union and other screen organisations.

This coordinated dialogue ensures that our industry is successful, employment levels are strong and the community's expectations of access to high quality Australian content have been met.



PRESIDENT'S REPORT



During the past 12 months there have been times of hope, disappointment, resignation and ultimately endurance. The yoyo-ing in and out of restrictions has placed considerable strains on the business environment and very specifically on the production sector. Despite this challenge the production industry has done an outstanding job in adapting to the 'new normal' challenge of COVID-19.

SPA has played an important and successful role in assisting the industry to adapt, with the extending of the Temporary Interruption Fund - which ensured projects had the necessary insurance to proceed - being an important outcome. SPA has also helped with advice to members to navigate ever changing Government rules and regulations and been an important source of Industrial Relations information during this difficult time. Travel and movement remain a challenge and are adding to the cost burden on productions as well as causing delays, and we will continue to work with members and the Government to try and improve the situation for our producers.

The inbound production sector has some challenges with recent COVID outbreaks

and there has been some reputational damage internationally, where our image as a COVID free jurisdiction has taken a hit. This is coming at a time when our competitor countries are beginning to open up with higher vaccination rates. This reminds me of the important role the domestic industry has, not only in creating our favourite Australian film and television programs, but also as a training ground for skills and the development of globally competitive creative talent.

I welcome the reforms and note with appreciation the lift of the Producers Offset to 30%, and the retention of the 40% offset for feature films. I anticipate that this will generally assist the continued growth of the industry and employment. I also appreciate the reform efforts initiated by Minister for Communications, Urban Infrastructure, Cities and the Arts The Hon Paul Fletcher MP, who has undertaken to update a raft of legislation and incentives to modernise the Government's policy in this area. While we don't agree on everything, I congratulate the Minister on his endeavour and congratulate our members for their positive engagement with Government through SPA throughout this process.



Michael Tear and Matthew Deaner at the SPA Awards 2018



The Hon Tony Burke MP and Michael Tear at Canberra Screen Stories 2019



Michael Tear, The Hon Paul Fletcher MP, Matthew Deaner and Barbara Stephen (SPA Vice President 2018-2020)



Matthew Deaner, Fiona Cameron and Michael Tear at SCREEN FOREVER Feb 2021

I urge the Government to examine the impact of policy changes that may undermine the sustainability of our SME members. A broad terms of trade will assist our industry to maintain control of their intellectual property and to ensure ongoing revenue streams particularly when working with the global streaming platforms. A content quota on streamers will ensure our Australian stories are protected for generations to come.

This is my final year as President. I have enjoyed the role immensely and welcomed the close contact with the many members across the country. Our members' work, creating world class content, is a constant inspiration. I would like to thank my fellow Councillors who have been a great source of advice and knowledge and helped to guide the work of SPA through a difficult period. I would also like to extend my thanks to the staff of SPA for an outstanding job.

I would like to conclude with two special thanks. Firstly, to Matt Deaner for his leadership of SPA during what has been a difficult time. It is not an easy job being the CEO of SPA. Rightly the industry has high

expectations, there are a number of stakeholders and our members have widely diverse business models and so inevitably changes to policy and business conditions affect our members differently. Balancing these interests and acting to benefit the whole of industry is constantly challenging. It demands skills in diplomacy as well as knowledge of policy, and Matt has done an outstanding job this year.

Finally, I have had the pleasure of serving on the Council with some wonderful Councillors and Advisors to Council. Thank you all very much for your service and comradery through an exciting period of leadership for our sector.

I reserve particular thanks to Tania Chambers and Barbara Stephen who both served as Vice President offering great support, leadership and outstanding advocacy for the industry.

I wish the new incoming Council, President and Vice President every success.

- Michael Tear, President





Tania Chambers (SPA Vice President 2016-2018) and Michael Tear



Michael Tear at SCREEN FOREVER 2019



Wayne Borg, Tania Chambers, Michael Tear and The Hon Julie Bishop MP



Michael Tear and Matthew Deaner at SCREEN FOREVER 2018

COUNCIL

We are governed by an elected council and appointed advisors. Our elections are held annually with industry leaders selected from across the feature film, television and immersive media sectors.



MICHAEL TEAR
President



AMY NOBLE
Councillor



DAN READ
Councillor



ED PUNCHARD
Councillor



DAVID REDMAN
Councillor



JOHN HUGHES
Councillor



JENNI TOSI
Councillor



RACHEL CLEMENTS
Advisor to Council



STUART MENZIES
Advisor to Council



SUZANNE RYAN
Advisor to Council



TRACEY VIEIRA
Advisor to Council

CEO'S REPORT



I want to start my report by acknowledging Michael Tear and his thoughtful, supportive, and reassuring leadership as outgoing President of our organisation over the last four years. It takes a certain spirit of generosity but also knowledge of Canberra, commissioning relationships, business skills and experience to lead in what has been a period of great change in our industry. Michael has these qualities in spades. We as a body, and I as its CEO, are lucky to have had Michael's engagement and abilities during this time, and I thank him wholeheartedly for the permanent, positive indelible mark he has left during his term.

Michael has been supported over his term by an incredible group of people including two wonderful Vice Presidents - Tania Chambers and Barbara Stephen - and a diverse range of talented Councillors and Advisors who have all given their time generously to our organisation, myself, and the SPA team in different ways.

This contribution and leadership across our industry deserves a particular mention. Our members are natural leaders. They take responsibility for circumstances and

situations that others don't, they are visible when others might hide, they push through the challenges when others might run. They stand up for what's right and champion and leverage the best of everyone and every resource they have before them to achieve optimum outcomes that balance the needs of often a very complex set of stakeholders - and that is just when they do their day job.

The producers who truly care about our sector - the way to achieve the best outcomes with Governments and the way our industry needs to manage its intra industry relationships with guilds and unions that represent creative talent and the labour force - are members of SPA. They support our work through the collective resourcing and guidance that it takes to propel our vision of the future for our industry.

What we deliver as a body is for the most part provided for the benefit of everyone - not just our members - every crew member, producer, performer and creative participant is better off for our work.

To that end, I want to thank the SPA team as a collective for their skill and their own leadership of the industry whether that be in policy, industrial advice and support, inter-industry agreement and representation, or the many events and activities our organisation runs to support our industry. Throughout a challenging year the SPA team has provided seamless work for the betterment of members and the sector overall.

And it's been quite a year - moving our national conference to a successful online event, connecting the sector through weekly learning and networking activities, around the clock support for changing COVID requirements, and a changing marketplace for commissions - it's all amounted to a huge undertaking for a small resilient team.

Perhaps the most public facing expression of our work though has been in the ongoing efforts to advance regulatory reforms for streamers and to successfully mitigate the worst of the negative effects of policy reforms announced in September last year. It was SPA's work that ultimately paused the reduction of subscription television regulation and created the environment for the Government to announce a reversal of its decision to reduce the Film Offset. It has recently added to that a broadening of the opportunities to claim copyright on

productions as well as a review. And all the while we have retained support for the increase of the Television Offset to 30% which - in its own right - has been a massive success for our organisation and our members after many years of diligent campaigning.

Much of SPA's work though has an endless horizon and with limited resource we always need to focus our efforts and energies for maximum effect. During the remainder of the year we will be sharing with our members our next three-year strategic plan which has been developed by our Council during the most rapidly changing and challenging periods for our sector. This plan distills the organisation's continuing efforts to deliver the best of what we can do to serve you, our members, and your interests both now and in the upcoming years.

In the meantime, I and the team look forward to welcoming you again - but this time physically - at the 35th iteration of SCREEN FOREVER at the Gold Coast where our community will once again be together in person after being separated for too long. Until then, congratulations to you all on delivering the best that our industry has to offer to our partners, and to our audiences, across another fantastic year.

- Matthew Deaner, CEO



STAFF

Our team is made up of a range of experienced and passionate executives and creatives with diverse backgrounds from across the screen industry.



MATTHEW DEANER
CEO



GLENN HAMILTON
COO



JAMES MALCOLM
CFO



HOLLY BRIMBLE
Policy



ZOE ANGUS
Industry & Commercial



GEORGIA KINNINMONT
Communications



BRAD TAYLOR
Membership



SAMANTHA GILL
Partnerships



ANGUS YOUNG
Producer



OWEN JOHNSTON
Industry & Commercial



JESS GIACCO
Programming & EA



MICHELLE HARDY
SPA Connect



TERRY LIDDICOAT
Senior Accountant



RENEE RICHARDSON
Bookkeeper

ADVOCACY

Australia Come Fly With Me, Wildbear Entertainment

REFORM PACKAGE



The policy and advocacy landscape in 2020-21 was yet another complex one, marked by a combination of achievement and opportunity on the one hand, and by challenge and perseverance on the other.

The year was marked by extremely high levels of member engagement, as we faced up to policy opportunities and threats and secured landmark wins which will help set up the success of many in our sector in the coming years.

In September 2020, the Minister announced a range of reforms to deregulate Australian content on commercial free-to-air and subscription television, and to overhaul the Producer and PDV Offsets.

Given the breadth of the reforms, the impact across the industry was mixed. Whilst the changes to eligibility for the tax offsets raised substantial concern for many practitioners, others warmly welcomed the increase in the rate of Offset for television.

There has been widespread concern expressed by the industry regarding deregulatory changes to television quotas.

The challenge for SPA has been to engage with and attempt to influence the challenging aspects of the announced reforms whilst ensuring safe passage of the positive elements.

In a major win for the sector, some elements of the package were reversed, with a 40% rate of Offset retained for features, and a forestalling of the cut to the subscription TV Australian drama requirement. This was achieved whilst protecting the increase in the television offset rate. These successes were underlined by a broad campaign and the support and engagement of our members, for which we are extremely grateful.

Nevertheless, work has continued with Government and other stakeholders to raise the profile and seek mitigation of the restrictive changes to Offset eligibility.

Legislation to implement the changes is currently before Parliament.



The Hon Paul Fletcher MP



Simon Baker and Senator Sarah Hanson-Young



Bryan Brown and The Hon Michelle Landry MP



Parliamentary Friends of the Screen Industry cocktail function

GREEN PAPER



The Unusual Suspects, Aquarius Films

SPA's persistence and clarity of message around the need for regulatory intervention to safeguard Australian content on streaming platforms helped bring about the release of the Minister's 'Green Paper' in November 2020. The Green Paper established a case for regulation and sought views on what that regulation should look like.

SPA undertook an extensive program of member engagement in the following months, which culminated in the proactive and early release of SPA's regulatory proposal in March at a star studded industry event in Parliament House under the revamped 'Make it Australian' banner.

A delegation of SPA members, joined by representatives from the union and major guilds, spearheaded the annual Parliamentary Friends of the Screen Industry cocktail function and Screen Stories Long Table Dinner.

SPA also took our message direct to key political stakeholders, with groups of SPA members meeting with representatives from the Government, ALP and the Greens.

SPA's proposal for a 20% expenditure requirement on streaming platforms, with safeguards for vulnerable genres, requirements to work with the independent sector and a pathway to terms of trade, has the support of the broader industry and would see a bright and sustainable future for the sector.

Since the announcement in March, SPA has formalised the position into a major submission and undertaken far-reaching advocacy activity across the Parliament in support of the industry position.



Canberra Screen Stories Long Table Dinner



Justine Clarke, Senator Sarah Hanson-Young and Marta Dusseldorp



The Hon Tony Burke MP



Fiona Donovan, Simon Baker, Justine Clarke, Bryan Brown and Marta Dusseldorp

TEMPORARY INTERRUPTION FUND

The Government's \$50 million Temporary Interruption Fund (TIF) has been a crucial initiative which has provided assistance for new productions which have been unable to start production due to production insurance exclusions relating to COVID-19.

Following representations by SPA, it was announced in April that the TIF will be extended for a further six months, to provide coverage for productions that commence principal photography prior to 31 December 2021.

EMDG REFORM

In 2020-21, Austrade conducted a review and reform program relating to the Export Market Development Grant Scheme (EMDG). The scheme is used by many SPA members to support export activity and innovation.

SPA engaged extensively with Austrade regarding the review, making consistent representations to ensure the new scheme adequately accommodated the particular business practices employed by producers when access overseas markets.

This culminated in an important win with Austrade confirming the scheme will continue to support existing industry practice regarding offset loan arrangements.

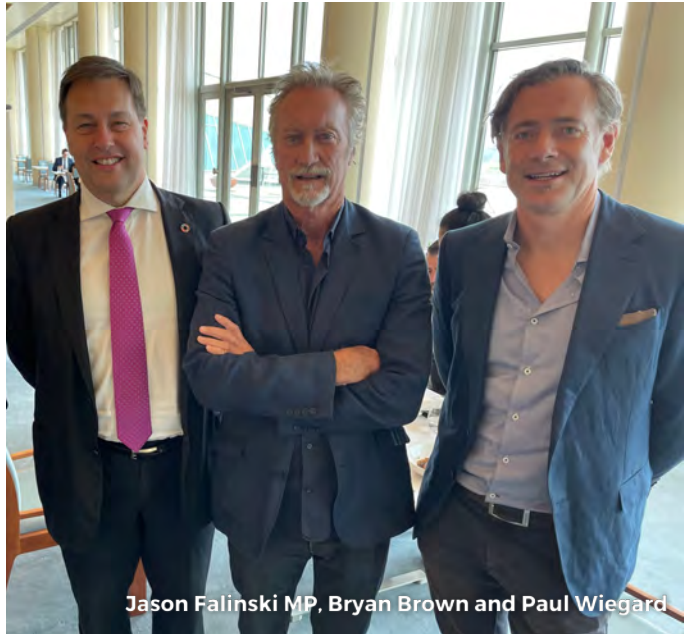




Senator Jacqui Lambie and Bryan Brown



The Hon Paul Fletcher MP and Bryan Brown



Jason Falinski MP, Bryan Brown and Paul Wiegard



Paul Wiegard, Bryan Brown, Prime Minister Scott Morrison and Matthew Deaner

SCREEN EXPORT COUNCIL

SPA also provided ongoing support for the Screen Export Council (SEC), including an SEC submission to the Media Reform Green Paper, which supported the importance of regulatory intervention to protect the export capability of the sector. The SEC also met regularly to provide leadership and advocacy on export issues.



BRUCE BAIRD AM
SEAC Co-Chair



SIMON CREAN
SEAC Co-Chair



BARBARA STEPHEN
Councillor



BRYAN BROWN
Councillor



EMILE SHERMAN
Councillor



FIONA DE JONG
Councillor



KATE CARNELL AO
Councillor



PROF LARISSA BEHRENDT
Councillor



MARTA DUSSELDORP
Councillor



GENERAL THE HON SIR
PETER COSGROVE AK
AC (MIL) CVO MC
(RETD)
Councillor



RUSSEL HOWCROFT
Councillor



ZOE MCKENZIE
Councillor

SUBMISSIONS

SPA made 10 submissions to Government in 2020-21, including on:

- the EMDG Scheme;
- the cultural sector;
- the offsets legislation;
- the Media Reform Green Paper; and
- new television content standards.

GAMES OFFSET



The End. See-Saw Films

In early-May SPA welcomed the announcement of a tax incentive to support games development in Australia, forming part of the \$1.2 billion digital economy strategy included in the 2021/22 Federal budget.

From 1 July 2022, eligible businesses will be able to claim a 30% refundable tax offset for qualifying Australian games expenditure.

The new incentive will provide much needed support for games development, and brings it into alignment with the other elements of our screen content industry which are already supported by incentives through the tax system. The announced incentive will support the growth of the screen sector overall.

INDUSTRIAL

2067, KOJO Entertainment & Arcadia

INDUSTRIAL OVERVIEW



##

Demolition Down Under, Wildbear Entertainment

SPA provides daily assistance and advice to members on a wide range of production, commercial and industrial matters. We run workshops designed to develop expertise amongst emerging producers and smaller member businesses, convene Roundtable discussions with broadcasters, and hold all-of-industry seminars on the leading issues confronting the sector.

This was another very intensive year. Ordinarily, SPA will field some 1,000 phone calls a year and 2,000 emails on industrial and commercial matters. During a pandemic year, requests from members for assistance and advice more than quadrupled.

Screen production work depends on a mobile workforce. This year we assisted countless productions navigate snap lockdown rules, seek exemptions from travel restrictions and keep production continuing.

SPA released a series of information sheets on workplace rights and responsibilities in a pandemic. These covered a broad range of issues, including the legality of mandatory vaccination, employee warranties and disclose requirements, privacy issues relating to health data, producer indemnities and insurance cover.

SCREEN PRODUCERS AUSTRALIA COVID-19 FACT SHEET

LEAVE ENTITLEMENTS COVID-19 FACT SHEET

If the event that a cast or crew member is unable to work and is required to take leave during the Coronavirus pandemic, no less than the following minimum leave entitlements apply:

COST AND CREW ENGAGED ON A WEEKLY BASIS

2622 - ACCREDITED PERSONNEL (18%)

All employees are entitled to access accrued paid personal leave if they are unable to attend work due to illness or injury or to care for an ill or injured member of their immediate family or household.

Personal leave accrues progressively to 10 days per year, based on the employee's ordinary hours, although for weekly crew, all of the sick leave entitlement is available from the start of the employment relationship. The maximum accrual rate is 1 day for 120 hours of 28 hours a week, whichever is the greater (MPFCA 355B).

Weekly Artists taking accrued personal leave are paid their full rate for the ordinary hours of that period (AFWA 1186, AFPCA 1792, FFWA 328). Crew are paid accrued personal leave at the rate they would normally have received in the same week they worked that period (MPFCA 355B).

2623 - ACCREDITED ANIMAL CARE TEAM

The Fair Work Commission has recently ruled that accredited animal care team members are entitled to COVID-19 related expenses.

An employer who employs any member of an animal care team should refer to the relevant award for the ordinary hours of that period (AFWA 1186, AFPCA 1792, FFWA 328). Crew are paid accrued personal leave at the rate they would normally have received in the same week they worked that period (MPFCA 355B).

2624 - ACCREDITED ANIMAL CARE TEAM

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SCREEN PRODUCERS AUSTRALIA COVID-19 TRAVEL RESTRICTIONS FACT SHEET

INTERNATIONAL TRAVEL RESTRICTIONS

As you'll be aware, international travel restrictions have been implemented by the Australian Border Force. This means there is an overall stop to international air and sea travel. The Commissioner of the Australian Border Force (ABF) may consider an exemption from these restrictions for a limited number of people, including people with special circumstances, emergency, marine, port and crew.

The request for an exemption should be accompanied by a supporting statement and evidence of the need for the exemption.

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SCREEN PRODUCERS AUSTRALIA COVID-19 FACT SHEET

SUMMARY OF GOVERNMENT SUPPORT

FEDERAL GOVERNMENT

Estimated total: \$122.44 billion

Minimum | **Description**

JobKeeper package

On 23 March, the Government announced a \$120 billion stimulus package which includes JobKeeper, a temporary wage subsidy for employers of eligible employees. There is a limit on total amount of JobKeeper payments that can be made for each employee. The package also includes a temporary wage subsidy for employers of eligible employees. There is a limit on total amount of JobKeeper payments that can be made for each employee.

Eligible employees

Eligible employees are those who are employed by an eligible employer. Eligible employers are those who are registered for GST and have a turnover of at least \$1 million in the previous financial year. Eligible employees are those who are employed by an eligible employer. Eligible employers are those who are registered for GST and have a turnover of at least \$1 million in the previous financial year.

SCREEN PRODUCERS AUSTRALIA JOBBEKEEPER PAYMENT SCHEME FACT SHEET

OVERVIEW

The JobKeeper Payment Scheme was passed by Parliament last week. SPPA members are encouraged to speak independent advice on how the JobKeeper Payment Scheme applies to their circumstances. This information sheet provides general advice on how JobKeeper is likely to apply for screen production.

ELIGIBILITY

A business will be eligible if it is carrying on business in Australia, has a turnover of at least \$1 million in the previous financial year, and is not a public entity.

WHAT IS THE DECLINE IN TURNOVER TEST?

The turnover test is based on the decline in turnover of the business in the previous financial year compared to the corresponding period in 2019. The decline in turnover is calculated as a percentage of the 2019 turnover.

SCREEN PRODUCERS AUSTRALIA COVID-19 FACT SHEET

PRACTICAL WORKPLACE MEASURES TO MINIMISE EXPOSURE TO PRODUCTIONS

The following is a list of practical measures that can be taken to reduce and avoid any production exposure:

GENERAL

- Reduce visitor numbers to the production site.
- Limit the number of people on set at any one time.
- Use physical barriers to separate people.
- Wear face masks at all times.
- Wash hands frequently.

CASTING

- Use remote casting methods.
- Limit the number of people on set during casting.
- Use physical barriers to separate people.
- Wear face masks at all times.
- Wash hands frequently.

SCREEN PRODUCERS AUSTRALIA COVID-19 FACT SHEET

ADVISE FOR PRODUCTIONS

Please note that the advice contained in this information sheet is general advice and does not constitute legal advice. Producers are encouraged to seek independent legal advice on their particular circumstances. Producers should comply with the law and should consult closely with stakeholders.

SAFETY OF COVID-19

The employer has a duty of care to provide a safe workplace. This includes taking steps to prevent the spread of COVID-19. Producers should ensure that all workers are aware of the risks of COVID-19 and are taking appropriate steps to prevent its spread.

SCREEN PRODUCERS AUSTRALIA

NATIONAL GOVERNMENT COVID RESPONSE MEASURES – SUPPORT FOR LOCAL PRODUCTION SECTORS TO DATE

INTERNATIONAL COMPARISON: ANALYSIS OF NEW MEASURES AND ADDITIONAL FUNDING AS AT AUGUST 2020

Country	Direct stimulus	Insurance assistance	Foreign production boost ¹	Broadcaster quota change	Broadcaster licence fee relief	
United Kingdom	Leading – net boost to local production sector	Expensive insurance support plus measured broadcaster quota forbearance plus quarantine exemption	The BFI COVID-19 Production Continuation Fund has made up to £2m available to independent British productions interrupted by COVID-19. It covers unexpected additional production costs arising from the pandemic. ²	Nothing additional but noting that the UK had existing competitive support for international production.	Ofcom to consider individual instances of inability to comply on a case by case basis, looking to exceptional circumstances ¹⁰	N/A – no substantive fees.
United States	Cinemas will benefit from a cut in VAT on tickets to 5%. Independent cinemas are also eligible for funding through the £1.57bn cultural recovery package. ³	Covers costs incurred due to delays or abandonment as a result of COVID.	Can be backdated.	Runs through to end June 2021.		

SPA COVID Information Sheets

SAFETY GUIDELINES

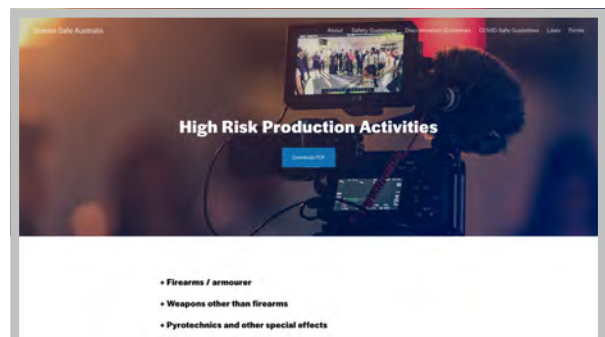
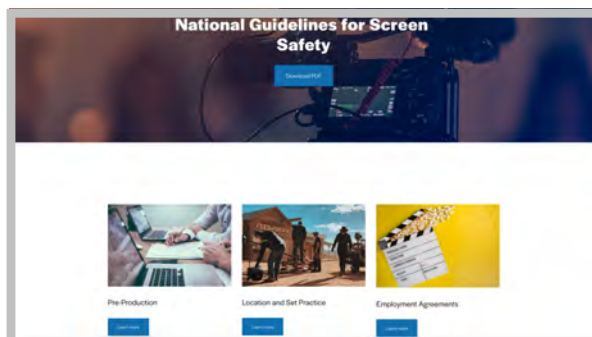
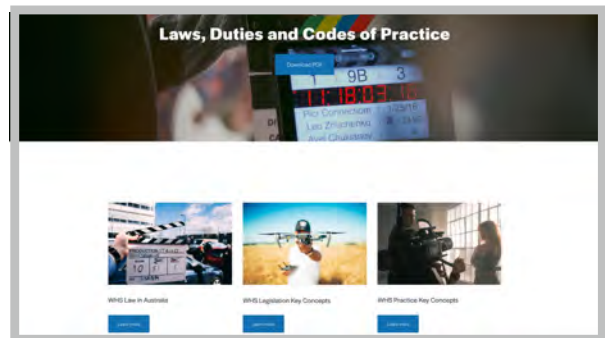
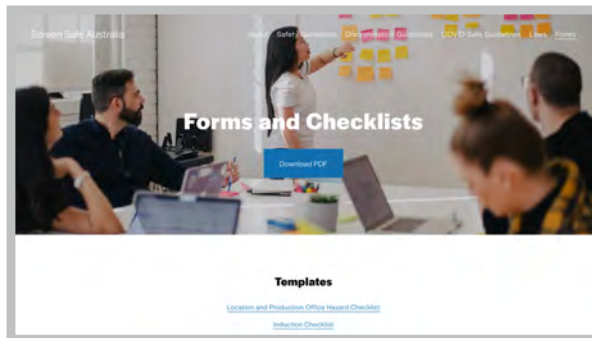
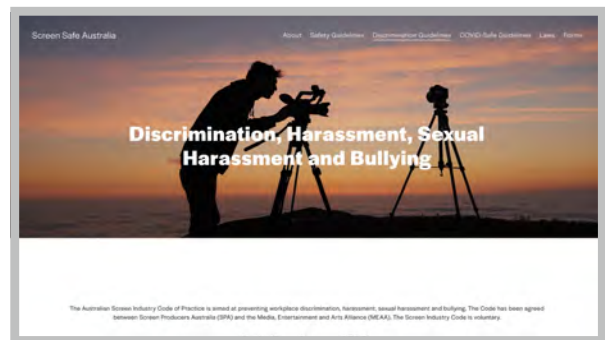
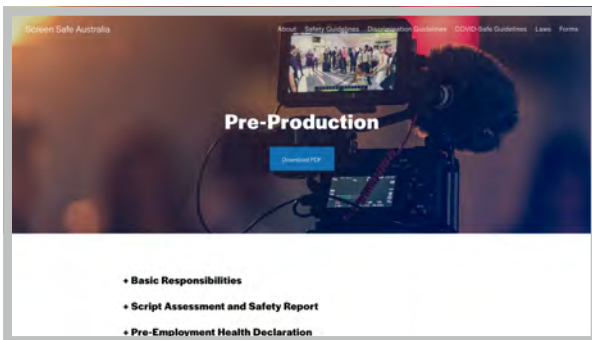
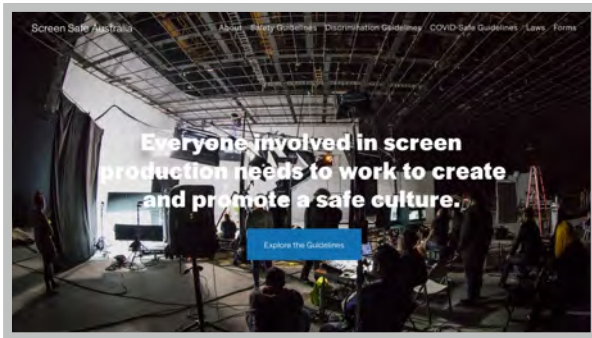
One of the key achievements from this year was the release of new National Guidelines for Screen Safety. The Guidelines were drafted jointly by SPA and the Media, Entertainment & Arts Alliance (MEAA) after widespread industry consultation.

An interactive online version of the Guidelines is available to the entire industry for free via the bespoke website www.screensafety.com.au.

Directed at productions of all levels and in all media - from music videos to international feature film co-productions - the Guidelines:

- explain the legal framework that governs WHS in Australia;
- provide guidance for screen workers to identify, avoid, and manage risks - from the start of pre-production to wrap; and
- facilitate WHS compliance, through provision of forms, checklists and templates, including an incident response guide.





National Guidelines for Screen Safety website

INDUSTRIAL AGREEMENTS



SPA collectively bargains with other industry bodies under authorisations granted by the Australian Competition and Consumer Commission (ACCC). Copies of the authorisations can be viewed on the ACCC website. While most collective industrial negotiations were suspended this year, SPA continued to provide advice on the industrial arrangements for the sector.

We manage the following common law industrial agreements:

Cast and crew agreements negotiated with MEAA

- Motion Picture Production Certified Agreement (MPPCA) - for screen technicians
- Australian Feature Film Collective Agreement (AFFCA) - minimum pay, conditions and residuals for actors on local feature films
- Actors Television Programs Agreement (ATPA) - minimum pay and conditions for actors on television, SVOD and online programs

- Australia Television Repeats and Residuals Agreement (ATRRRA) - the rights and residual for actors on television, SVOD and online programs, comprising the 2000, 2004 and 2016 Agreements for free-to-air, Pay TV and streaming
- Intimacy Guidelines for Screen and Stage
- TV Animation Voiceover MOU 2018 (Animation Voiceover MOU) - updated this year to provide greater flexibility for engaging supporting cast on animation productions

Writers agreements negotiated with the Australian Writers Guild (AWG)

- Series and Serials Agreement (SASA)
- Miniseries and Telemovies Agreement (MATA)
- Children's Television Agreement (CTA)

SPA remains committed to providing swift, relevant, reliable and proactive industry support to our members.

MARKETING



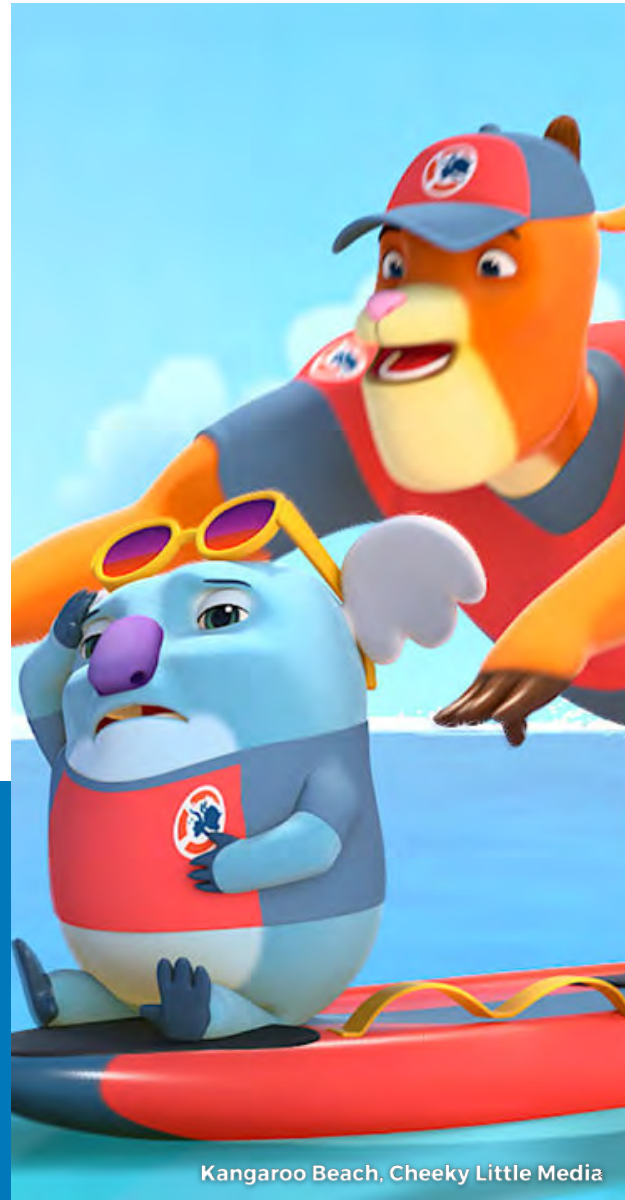
High Ground, Bunya Productions

NEWSLETTERS

SPA sent 208 email campaigns this year to a database of over 6,500 subscribers. These campaigns were a mix of industrial and policy member updates, monthly newsletters, media releases and event invitations.

Open rates were down marginally this year to 31.7% - still well above the entertainment industry benchmark of 20.5%. Click rates remained steady at 2.3%, exactly on par with the industry standard.

The campaign with the highest unique opens was the SCREEN FOREVER ticket launch and the campaign with the highest unique clicks was the program launch.



Kangaroo Beach, Cheeky Little Media

SOCIAL MEDIA

SPA's social media following saw strong growth across the board this year, with LinkedIn in particular gaining 3.5k followers in 12 months.

The posts which received the highest engagement related to SCREEN FOREVER keynote announcements, SPA Awards winners and Make It Australian campaign updates.

A summary of each platform as at 30 June 2021 is as follows:

- **Facebook:** 8.9k followers | 602 posts | 16k engagements
- **Twitter:** 15k followers | 1.3k posts | 4.4k engagements
- **Instagram:** 4.5k followers | 257 posts | 5.9k engagements
- **LinkedIn:** 12k followers | 465 posts | 4.6k engagements

WEBSITES

The SPA corporate website had 26k visitors this year, who performed 65k actions on the site. As was the case in 2019/20, the most visited pages were the Industrial and Membership pages, showcasing how SPA remains an authoritative voice for the industry during the ongoing disruption caused by the pandemic.

The SCREEN FOREVER website received 51k visitors, who performed an impressive 300k actions on the site. The most popular pages were the Program and Tickets pages.



Luxe Listings Sydney, Eureka Productions

PUBLICITY

COVID-19 generated immense interest in Australia's production capacity in mainstream media this year. SPA's media engagement skyrocketed this year, with our key messaging and spokespeople appearing in 245 news articles across print, online, TV and radio.

Our strong policy position and work with iconic Australian actors Bryan Brown, Simon Baker, Justine Clarke, and Marta Dusseldorp, helped us to secure stories in a number of mainstream consumer and business outlets including the Australian Financial Review, Guardian Australia, Sydney Morning Herald, The Project, SBS World News, Gold Coast Bulletin, The Daily Telegraph, ABC Radio National, The Australian, 7 News, and the TODAY Show, as well as local and international trade publications such as Variety and Kidscreen.

We were proud to once again welcome back IF Magazine, ScreenHub, FilmInk and Metro Magazine as Official Media Partners of SCREEN FOREVER and look forward to working with these publications again in the year to come.

EVENTS

Wakefield, Jungle Entertainment

BUSINESS ESSENTIALS

The ever-popular Screen Business Essentials workshop, presented in conjunction with AFTRS, continued online in October 2020 and June 2021.

The course covers the commercial framework in which producers operate, including issues surrounding operating a creative business from the ground up.

Speakers included:

- **Cristina Pozzan**, Screen Australia;
- **Elle Curran**, DWA;
- **Ian Murray**, 113 Partners;
- **Max Dalton**, Fulcrum Media;
- **Jane Corden**, MoneyPenny Production Accounting Services;
- **John Myers**, Media Super;
- **Rebecca Hardman**, See-Saw Films; and
- **Tony Nagle**, Nagle Accounting.



TAKEAWAYS

SPA continued to foster important policy, commercial and creative conversations and create a sense of community for our members and supporters with our 'in conversations' with industry leaders live and free on Facebook.

Guests this year included:

- **Caroline Pitcher**, Film Victoria;
- **Darren Chau**, Discovery;
- **David Michôd**, Director;
- **Graeme Mason**, Screen Australia;
- **Jack Thompson**, Actor;
- **Jérôme Dechesne**, European Audiovisual Production (CEPI);
- **Joel Edgerton**, Actor;
- **Kevin Whyte**, Token Group;
- **Reynolds Mastin**, Canadian Media Producers Association (CMPA); and
- **Trent Zimmerman MP**, Member for North Sydney.



The Secrets She Keeps, Lingo Pictures

WEBINARS

As COVID-19 continued to cause unprecedented upheaval to production schedules, SPA provided our members and supporters with the most up to date information, resources and advice through a series of live and interactive webinars. The topics covered included:

- 22 July - Back to Work: COVID-Style
- 28 July - Options Paper Submissions Deep Dive
- 28 August - COVID Support Funds Webinar with
- 1 September - Global Perspectives on Screen Regulation Roundtable
- 30 September - Make it Australian
- 5 November - Location Incentive Deep Dive with the Department of Infrastructure, Transport, Regional Development and Communications;
- 8 December - Media Reform Green Paper Roundtable; and
- 3 June - SPA's submission to the Media Reform Green Paper.

SCREEN FOREVER



SCREEN FOREVER is Australia's premier event for screen industry professionals.

After eight years in Melbourne, SCREEN FOREVER was slated to move to the Gold Coast in November 2020, capitalising on the Sunshine State's long and proud tradition of film and television production. However, due to COVID-19 impacts, the conference moved to 16-18 February 2021 and pivoted to a purely online offering. This presented the chance for delegates to connect digitally with a greater range of national and international industry leaders than ever before.

Across three days, 897 delegates from 13 different countries came together to learn from 161 speakers and moderators across 48 sessions; do business with 166 commissioners, financiers and production services providers during 1,400 opportunities at the SPA Connect market; and network with their peers during 573 1:1 meetings with other delegates.



Day One of SCREEN FOREVER was jam packed with Matthew Deaner (CEO, SPA) and Kylie Munnich (CEO, Screen Queensland) reminding us of the export potential of our local industry, while The Hon Paul Fletcher MP (Minister for Communications, Cyber Safety and the Arts) reiterated the Government's support for our culturally and economically important sector.

The illuminating discussions continued with ABC's Q&A Live tackling the topic of 'Disrupted, cancelled and reimagined', with speakers Nicholas Brown (Actor & Musician, Kites & The Unlisted), Stephanie Dower (Creative Director, Dower Productions), Benjamin Law (Writer & Broadcaster), Nathan Mayfield (Co-Founder & Chief Creative Officer, Hoodlum Entertainment) and Chantelle Murray (Writer & Director, My Name is Mudju & Shed) debating current media content issues in Australia and around the world.

The day closed with Brave New World, where a panel of industry leaders from the ACTF, ACMA, Screen Australia, ADG, Screen Queensland and SPA shared their opinions on the major changes to Government support and regulation in our sector and discussed what this means for an industry in flux.



Owen Johnston and Kylie Munnich



Chantelle Murray



Nicholas Brown



Matthew Deaner, Fiona Cameron and Michael Tear



Benjamin Law, John Godfrey, Sally Riley and Yeesum Lo

Day Two hit the ground running with the first session in our Future Proof stream - the Got a Minute? pitching competition, in partnership with TikTok.

The Business stream kicked off with the ever popular Meet the Buyers panels, with executives from Discovery, ABC, NITV, SBS, Network 10, Amazon Prime Video, Stan, Seven and Nine sharing exclusive insights into what content is performing well on their platform, and what they are looking to commission over the coming months.

We also took a deep dive into emerging business models and changes in financing with How to Find Money for Your Must-Tell Doco, How Producers can Compete in a Global Screen Ecosystem, and Australian Feature Films - 2021 and Beyond.

With a number of key regulatory and funding changes in the children's content space in recent months, we celebrated Aussie storytelling in How Good are Aussie Kids Shows? and connected with leading publishers at the Kids Publishers Market.

Next, it was time to discuss the practical measures being taken to improve diversity and inclusion with Everyone Included and Disability Employment Pathways in the Screen Industry.

Last but not least, the Content track examined the subjects of our story universes with the aptly named What is a Showrunner? and an in conversation with, Sera Gamble (You and The Magicians).

The SPA Connect market got underway with vigour, with the Screenrights Roundtables providing relaxed and informal meetings with the key players, while Ready, Steady, Pitch! presented an invaluable opportunity for producers to pitch directly to potential buyers and co-production partners.

International participation was greatly increased this year by hosting the market online, with 50 international hosts from the USA, Canada, UK, Germany, France, Netherlands, New Zealand and Singapore all taking part.



Felicity McVay



Hannah-Rae Meegan and Monique Terry



Rachel Millar



Julie McGauran, Nick Forward, Sally Riley and Andy Ryan



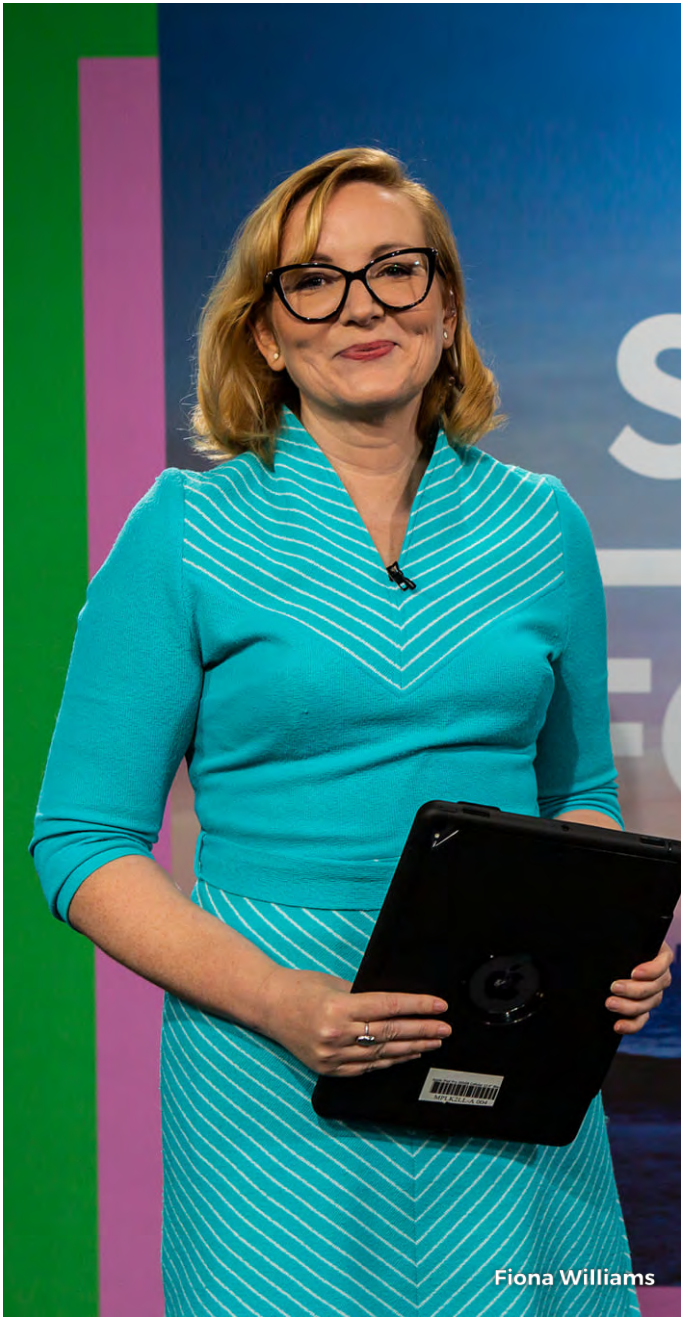
Day Three was action-packed, with SPA Connect meetings with the USA and Canada starting at 8am. On the domestic front, delegates had the opportunity to connect with key local players across production companies, commissioners including Nine, Ten, Seven, Foxtel, SBS and ABC, feature film distributors, and accountants, lawyers, financiers and production service suppliers.

Over on the programming side, it was time to be inspired by international groundbreakers, with William Horberg (*The Queen's Gambit*), Bruce Miller (*The Handmaid's Tale*), and Franklin Leonard (*The Black List*) all appearing in conversation.

The illuminating discussions continued with our Day Three Future-Proof panels - the Unreal Engine Showcase, Can Robots Write More Successful Scripts?, and Another Brick In The Wall - challenging the status quo and using data and tech to highlight areas of opportunity.

It was time to get serious over in the Business track, with What's Selling?, Streaming Rights, and YouTube Copyright all examining the nitty gritty details of running a successful screen business.

Last but certainly not least, we took a deep dive into a number of case studies in the Content track, with *Start at The End*, *Nude Tuesday*, *My Format Rules*, and *Hammering Out a Format* all identifying the ingredients a producer needs to create culturally significant and commercially successful Australian content.



Fiona Williams



Todd Abbott



Lana Greenhalgh



Ben Ulm and Debbie Cuell

ONES TO WATCH

Eden, Every Cloud Productions

ONES TO WATCH



Ones to Watch is a professional development and mentoring program which provides emerging producers the tools to accelerate their careers to the next level.

From podcasters to genre junkies, animation experts and drama diehards, the twelve screen professionals selected for this year's program were a talented bunch who highlight the skills a producer needs to succeed.

As in previous years, the participants began their journey by being paired with a leading producer from within the SPA membership for six months of one-on-one mentoring.

In response to COVID-19, this year's program was offered entirely online, with the participants given the opportunity to develop their skills, business and slate through a series of professional development webinars:

- Developing Your Projects & Brand
- Making the Most of the Program

- How to tell & sell a story on TikTok
- Developing your script
- Option and Purchase Agreement
- Screen Business Essentials
- Back to Work: Covid-Style
- Finishing your Project in Post
- How to tell & sell a story on YouTube
- Packaging your Project

During SCREEN FOREVER the Ones to Watch had advanced access to book their pitches and Roundtables at SPA Connect. They also had access to a series of exclusive virtual Roundtables with Sera Gamble (You, The Magicians), Bruce Miller (The Handmaid's Tale) and Nakul Legha (Netflix).

Following SCREEN FOREVER, the Ones to Watch were given the opportunity to apply for the \$15,000 First Look Grant (supported by SBS) and \$10,000 Screen Internship (supported by Screen Australia). Congratulations to Hayley Adams and Ljudan Michaelis-Thorpe on winning these fantastic initiatives.



CHRIS LUSCRI
Mentored by:
Unicorn Films



CLARE SLADDEN
Mentored by:
Fremantle Australia



DANIELLE REDFORD
Mentored by:
Aquarius Films



HAYLEY ADAMS
Mentored by:
Unless Pictures



JOANNA BEVERIDGE
Mentored by:
Werner Film Productions



JOSHUA LONGHURST
Mentored by:
Matchbox Pictures



LIZ TOMKINS
Mentored by:
Northern Pictures



LJUDAN MICHAELIS-THORPE
Mentored by:
720 Creative



MAHVEEN SHAHRAKI
Mentored by:
Hoodlum Entertainment



PETER DALY
Mentored by:
Beyond Productions



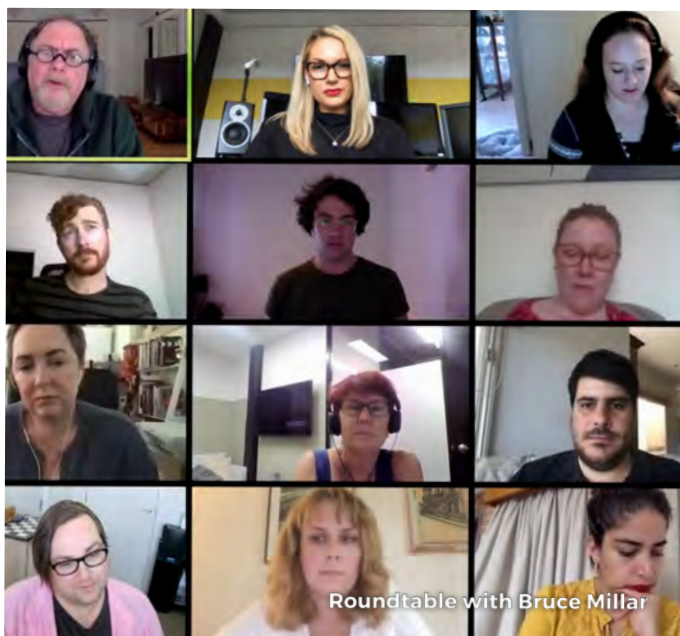
PHILIP TARL DENSON
Mentored by:
See Pictures



RUBY SCHMIDT
Mentored by:
Easy Tiger Productions



Liz Tomkins and Danielle Redford



Ljudan Michaelis-Thorpe, Liz Tomkins, Clare Sladden, Ruby Schmidt & Danielle Redford

FINANCE



Anh's Brush with Fame s 6, Screentime

Screen Producers Association of Australia

A.B.N 46 091 470 324

Financial Statements

for the Year Ended 30 June 2021

Date: 11 October 2021

Screen Producers Association of Australia

A.B.N 46 091 470 324

Financial Statements for the Year Ended 30 June 2021

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Screen Producers Association of Australia

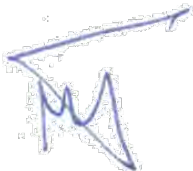
A.B.N 46 091 470 324

Report required under subsection 255(2A) for the year ended 30 June 2021

The Committee of Management presents the expenditure report as required under subsection 255(2A) of the Screen Producers Association of Australia for the year ended 30 June 2021.

Categories of expenditures	2021	2020
	\$	\$
Remuneration and other employment-related costs and expenses - employees	1,252,782	1,224,686
Advertising	168	4,861
Operating costs	1,384,265	1,798,666
Donations to political parties	-	-
Legal costs	13,163	11,910

Signature of designated officer:



Name and title of designated officer: Michael Tear, President

Dated: 14 October 2021

**Operating Report
for the year ended 30 June 2021**

The Council of Management of the Screen Producers Association of Australia (“the Association”) presents its operating report for the year ended 30 June 2021.

Review of principal activities, the results of those activities and any significant changes in the nature of those activities during the year

The principal activities of the Association during the year were to provide a representative forum for members involved in the Australian Film, Television, Online and Immersive Media Industry.

This included regular consultations with members, representing the interests of members to government, organising the Screen Forever conference, and regular meetings of the committee of management.

There were no significant changes in the nature of the Association’s principal activities during the year.

Significant changes in financial affairs

The Association’s financial affairs continue to be affected by the impact of Covid19 which continues to adversely affect television and film production and has caused the cancellation or deferral of a number of events. This has resulted in greater uncertainty around the quantum and timing of levies and event income, which has been offset to some extent through the running of some events on-line as well as the availability of some government support.

Right of members to resign

Members of the Association may resign in accordance with rule 10 of the Constitution, which reads as follows:

- (a) A member of the Association may resign from membership by written notice (by post, facsimile or email) addressed and delivered to the Chief Executive Officer of the Association.
- (b) A notice of resignation from membership of the Association takes effect:
 - (i) where the member ceases to be eligible to become a member of the Association:
 - (A) on the day on which the notice is received by the Association; or
 - (B) on the day specified in the notice, which is a day not earlier than the day when the member ceases to be eligible to become a member,whichever is the later; or
 - (ii) in any other case:
 - (A) at the end of 2 weeks after the notice is received by the Association; or
 - (B) on the day specified in the notice,whichever is the later.
- (c) Any dues (including subscriptions and/or levies) payable but not paid by a former member of the Association, in relation to a period before the member’s resignation from the Association took effect, may be sued for and recovered in the name of the Association, in a court of competent jurisdiction, as a debt due to the Association, provided that such legal proceedings are commenced within 12 months after date on which the debt became payable.
- (d) A notice delivered to the Chief Executive Officer of the Association in accordance with subclause (a) shall be taken to have been received by the Association when it was delivered.
- (e) A notice of resignation that has been received by the Association is not invalid because it was not addressed and delivered in accordance with subclause (a).
- (f) A resignation from membership of the Association is valid even if it is not effected in accordance with this clause if the member is informed in writing by or on behalf of the Association that resignation has been accepted.

Screen Producers Association of Australia

A.B.N 46 091 470 324

Operating Report (continued)

Number of members

The number of members recorded in the Register of Members of the Association at the end of the reporting period was 517.

Number of employees

The number of persons employed by the Association at the end of the reporting period was 10 measured on a full time equivalent basis.

Names of Committee of Management members and period positions held during the financial year

Committee members held their positions for the entire reporting period unless indicated otherwise.

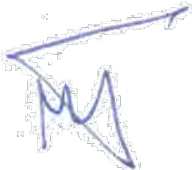
President	Michael Tear
Vice President	Barbara Stephen (Resignation affective 1 January 2021, position vacant)
Feature Film Councillor	David Redman
Television Councillors	Amy Noble Jenni Tosi
Service & Facility Councillors	John Hughes Dan Read
Documentary Councillor	Ed Punchard

Trustee of Superannuation entity

To the best of our knowledge, no officer or member of the reporting unit holds a position as a trustee or director of a superannuation entity or exempt public sector superannuation scheme where the criterion for holding such position is that they are an officer or member of an organisation.

Signed in accordance with a resolution of the Council of Management of the Association

Signature of designated officer:



Name and title of designated officer: Michael Tear, President

Dated: 14 October 2021

Screen Producers Association of Australia

A.B.N 46 091 470 324

Committee of Management Statement for the Year Ended 30 June 2021

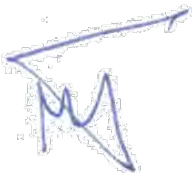
On **14 October 2021** the Committee of Management of the Screen Producers Association of Australia ("the Association") passed the following resolution in relation to the general purpose financial report ("GPFR") for the year ended 30 June 2021:

The committee declares that in its opinion:

- (a) the financial statements and notes comply with the Australian Accounting Standards;
- (b) the financial statements and notes comply with any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the *Fair Work (Registered Organisations) Act 2009* (the RO Act);
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable; and
- (e) during the financial year to which the GPFR relates and since the end of that year:
 - (i) meetings of the committee of management were held in accordance with the rules of the organisation; and
 - (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation; and
 - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the RO Act; and
 - (iv) where the organisation consists of two or more reporting units, the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner with each of the other reporting units of the organisation; and
 - (v) where information has been sought in any request by a member of the reporting unit or Commissioner duly made under section 272 of the RO Act has been provided to the member or Commissioner; and
 - (vi) where any order for inspection of financial records has been made by the Fair Work Commission under section 273 of the RO Act, there has been compliance.

This declaration is made in accordance with a resolution of the Committee of Management.

Signature of designated officer:



Name and title of designated officer: Michael Tear, President

Dated: 14 October 2021

Screen Producers Association of Australia

A.B.N 46 091 470 324

Statement of Comprehensive Income

for the year ended 30 June 2021

	Notes	2021 \$	2020 \$
Revenue from contracts with customers			
Membership subscriptions		177,474	104,858
Levies	3a	1,070,998	962,311
Screen Forever conference revenue	3b	1,107,430	1,400,871
Other revenue	3c	216,927	259,152
Total revenue from contracts with customers		2,572,829	2,727,192
Income from furthering objectives			
Grants and/or donations	3d	32,266	40,237
Total Income from furthering objectives		32,266	40,237
Other Income			
Jobkeeper and other ATO subsidies		226,850	113,000
Interest		18	5,491
Total other income		226,868	158,728
Total income		2,831,963	2,885,920
Expenses			
Employee expenses	4a	1,252,782	1,224,686
Affiliation fees	4b	33,624	32,004
Administration expenses	4c	145,643	199,757
Screen Forever conference expenses	4d	933,061	1,267,439
Depreciation and amortisation	4e	154,746	186,340
Legal costs	4f	13,163	11,910
Audit fees	17	8,100	6,950
Events, governance and provision for IR	4g	159,258	111,036
Total expenses		2,700,378	3,040,122
Surplus/(deficit) for the year		131,585	(154,202)

The accompanying notes form part of these financial statements.

Screen Producers Association of Australia

A.B.N 46 091 470 324

Statement of Financial Position as at 30 June 2021

	Note	2021 \$	2020 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	5	1,033,151	513,613
Trade and other receivables	6	303,664	526,171
TOTAL CURRENT ASSETS		1,336,815	1,039,784
NON-CURRENT ASSETS			
Property, plant and equipment	7	28,961	40,133
Intangible assets	8	74,083	75,116
Right of use assets	9	377,530	192,452
TOTAL NON-CURRENT ASSETS		480,574	307,701
TOTAL ASSETS		1,817,389	1,347,485
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	10	264,159	158,228
Lease liabilities	11	101,899	150,073
Employee provisions	13	75,173	49,829
Income in advance		132,892	179,446
TOTAL CURRENT LIABILITIES		574,123	537,576
NON-CURRENT LIABILITIES			
Lease liabilities	11	275,631	42,379
Employee provisions	13	45,215	26,696
Long-term provisions	12	178,000	128,000
TOTAL NON-CURRENT LIABILITIES		498,846	197,075
TOTAL LIABILITIES		1,072,969	734,651
NET ASSETS		744,419	612,834
EQUITY			
Retained earnings		744,419	612,834
TOTAL EQUITY		744,419	612,834

The accompanying notes form part of these financial statements.

Screen Producers Association of Australia

A.B.N 46 091 470 324

Statement of Changes in Equity

for the year ended 30 June 2021

2021

	Retained Earnings	Total
	\$	\$
Balance at 1 July 2020	612,834	612,834
Surplus / (deficit) for year	131,585	131,585
Balance at 30 June 2021	744,419	744,419

2020

	Retained Earnings	Total
	\$	\$
Balance at 1 July 2019	767,036	767,036
Surplus / (deficit) for the year	(154,202)	(154,202)
Balance at 30 June 2020	612,834	612,834

Screen Producers Association of Australia

A.B.N 46 091 470 324

Statement of Cash Flows For the year ended 30 June 2021

	2021	2020
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from members, sponsors and others	2,863,212	2,845,107
Payments to suppliers and employees	(2,309,030)	(3,122,043)
Interest received	18	5,491
Net cash provided by/(used in) operating activities	554,200	(271,445)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of Intangible assets	(27,550)	(19,012)
Purchase of property, plant and equipment	(8,774)	(20,200)
Disposals of property, plant and equipment	1,663	-
Net cash provided by/(used in) investing activities	(34,661)	(39,212)
Net increase/(decrease) in cash and cash equivalents held	519,538	(310,658)
Cash and cash equivalents at beginning of the financial year	513,613	824,271
Cash and cash equivalents at end of financial year	1,033,151	513,613

Screen Producers Association of Australia

A.B.N 46 091 470 324

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Notes to the Financial Statements

for the Year Ended 30 June 2021

Notes to the Financial Statements

1 Summary of Significant Accounting Policies

(a) Basis of Preparation

The financial statements are general purpose financial statements ("GPFS") that have been prepared in accordance with the Australian Accounting Standards and Australian Accounting Interpretations issued by the Australian Accounting Standards Board ("AASB") that apply for the reporting period and the Fair Work (Registered Organisation) Act 2009. For the purpose of preparing the general purpose financial statements, the Screen Producers Association of Australia ("the Association") is a not-for-profit entity.

The financial statements, except for the cash flow information, have been prepared using the accrual basis of accounting. The financial statements have been prepared on a historical cost basis, except for certain assets and liabilities measured, as explained in the accounting policies below. Historical cost is generally based on the fair values of the consideration given in exchange for assets. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position. The financial statements are presented in Australian dollars.

The significant accounting policies used in the preparation and presentation of these financial statements are provided below and are consistent with prior reporting periods unless otherwise stated.

(b) Comparative amounts

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

(c) Significant accounting judgements and estimates

No accounting assumptions or estimates have been identified that would have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

(d) Adoption of new Australian Accounting Standard requirements

The accounting policies adopted are consistent with those of the previous financial year except for the following standards and amendments, which have been adopted, if relevant to the Association, for the first time this financial year:

- AASB 15 Revenue from Contracts with Customers, which replaces AASB 1058 Income of Not-for-Profit-Entities, which replaces the income recognition requirements of AASB 1004 Contributions

Nil impact. Not applicable to the Association

- AASB 2020-4 Amendments to Australian Accounting Standards – Covid-19-Related Rent Concessions

These amendments provide relief to lessees from applying AASB 16 guidance on lease modification accounting for rent concessions arising as a direct consequence of the Covid-19 pandemic. A new lease was negotiated to commence from 1 April 2021 and AASB 16 has been properly applied to this new lease.

Impact: The amendments had no impact on the financial statements of the reporting entity.

Notes to the Financial Statements

for the Year Ended 30 June 2021

1 Summary of Significant Accounting Policies (continued)

(e) Current versus non-current classification

The Association presents assets and liabilities in the statement of financial position based on current/non-current classification.

An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

The Association classifies all other liabilities as non-current.

(f) Revenue and other income

The Association enters into various arrangements where it receives consideration from another party. These arrangements include consideration in the form of membership subscriptions, levies and sponsorship funding.

The timing of recognition of these amounts as either revenue or income depends on the rights and obligations in those arrangements.

Revenue from contracts with customers

Where the Association has a contract with a customer, the Association recognises revenue when or as it transfers control of services to the customer. The Association recognises accounts for an arrangement as a contract with a customer if the following criteria are met:

- the arrangement is enforceable; and
- the arrangement contains promises (that are also known as performance obligations) to transfer services to the customer (or to other parties on behalf of the customer) that are sufficiently specific so that it can be determined when the performance obligation has been satisfied

Notes to the Financial Statements

for the Year Ended 30 June 2021

1 Summary of Significant Accounting Policies (continued)

(f) Revenue and other income (continued)

Membership Subscriptions

For membership subscription arrangements that meet the criteria to be contracts with customers, revenue is recognised when the promised services transfer to the customer as a member of the Association.

If there is only one distinct membership service promised in the arrangement, the Association recognises revenue as the membership service is provided, which is typically based on the passage of time over the subscription period to reflect the Association's promise to stand ready to provide assistance and support to the member as required.

For member subscriptions paid annually in advance, the Association has elected to apply the practical expedient to not adjust the transaction price for the effects of a significant financing component because the period from when the customer pays and the good or services will transfer to the customer will be one year or less.

When a member subsequently purchases additional services from the Association at their standalone selling price, the Association accounts for those sales as a separate contract with a customer.

Levies

Levies paid by a member (or other party) in an arrangement that meets the criteria to be a contract with a customer is recognised as revenue when the Association invoices the member who contributes 0.25% of the total budgeted direct costs for all new film and television productions.

Income of Screen Producers Association of Australia as a Not-for-Profit Entity

Consideration is received by the Association to enable it to further its objectives. The Association recognises each of these amounts of consideration as income when the consideration is invoiced or received, even if

- the arrangements (e.g. grants, donations etc) do not meet the criteria to be contracts with customers because either the arrangement is unenforceable or lacks sufficiently specific promises to transfer services to the customer; and
- the Association's recognition of the cash contribution does not give rise to any related liabilities.

Sponsorships

The Association receives sponsorships from various sources to fund special-events and activities throughout the year. Such revenue is recognised when the sponsorship is invoiced and the sponsored event or activity has been completed.

Interest revenue

Interest is recognised when received or credited using the effective interest method.

Volunteer services

During the year, the Association did not recognise any volunteer services as revenue because it could not reliably measure the fair value of those services.

(g) Employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave, long service leave and termination benefits when it is probable that settlement will be required, and they are capable of being measured reliably.

Liabilities for short-term employee benefits (as defined in AASB 119 Employee Benefits) and termination benefits which are expected to be settled within twelve months of the end of reporting period are measured at their nominal amounts. The nominal amount is calculated with regard to the rates expected to be paid on settlement of the liability.

Other long-term employee benefits which are expected to be settled beyond twelve months are measured as the present value of the estimated future cash outflows to be made by the Association in respect of services provided by employees up to reporting date.

Notes to the Financial Statements

for the Year Ended 30 June 2021

1 Summary of Significant Accounting Policies (continued)

(h) Leases

The Association assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Association as a lessee

The Association applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Association recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The Association recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the lease term and the estimated useful lives of the assets, as follows:

	2021	2020
Land & buildings	3 years	2 years

Lease liabilities

At the commencement date of the lease, the Association recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include payments of penalties for terminating the lease, if the lease term reflects the Association exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, Screen Producers Association of Australia uses the implicit interest rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

Screen Producers Association of Australia short-term leases are those that have a lease term of 12 months or less from the commencement. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

(i) Cash and cash equivalents

Cash is recognised at its nominal amount. Cash and cash equivalents includes cash on hand, deposits held at call with bank, other short-term highly liquid investments with original maturity of 3 months or less that are readily convertible to known amounts of cash and subject to insignificant risk of changes in value and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

Notes to the Financial Statements

for the Year Ended 30 June 2021

1 Summary of Significant Accounting Policies (continued)

(j) Financial instruments

Financial assets and financial liabilities are recognised when the Association becomes party to the contractual provisions of the instrument.

Financial assets

Contract assets and receivables

A contract asset is recognised when the Association's right to consideration in exchange for goods or services that has transferred to the customer when that right is conditioned on the Association's future performance or some other condition.

A receivable is recognised if an amount of consideration that is unconditional is due from the customer (i.e., only the passage of time is required before payment of the consideration is due).

Contract assets and receivables are subject to impairment assessment. Refer to accounting policies on impairment of financial assets below.

Initial recognition and measurement

The Association's financial assets are classified, at initial recognition, and subsequently measured at amortised cost, fair value through other comprehensive income, or fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Association's business model for managing them. With the exception of trade receivables that do not contain a significant financing component, the Association initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

Impairment

Receivables for goods and services, which have 30-day terms, are recognised at the nominal amounts due less any loss allowance due to expected credit losses (ECLs) at each reporting date.

For trade receivables that do not have a significant financing component, the Association applies a simplified approach in calculating ECLs which requires lifetime ECLs to be recognised from initial recognition of the receivables.

Therefore, the Association does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, at amortised cost or at fair value through profit or loss.

All financial liabilities are recognised initially at fair value and, in the case of financial liabilities at amortised cost, net of directly attributable transaction costs.

The Association's financial liabilities include trade and other payables.

Liabilities relating to contracts with customers

Contract liabilities

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the Association transfers the related goods or services. Contract liabilities include deferred income. Contract liabilities are recognised as revenue when the Association performs under the contract (i.e., transfers control of the related services to the customer).

Notes to the Financial Statements

for the Year Ended 30 June 2021

1 Summary of Significant Accounting Policies (continued)

(j) Financial instruments (continued)

Liabilities relating to contracts with customers (continued)

Refund liabilities

A refund liability is recognised for the obligation to refund some or all of the consideration received (or receivable) from a customer. The Association's refund liabilities arise from customers' right of return. The liability is measured at the amount the Association ultimately expects it will have to return to the customer. The Association updates its estimates of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period.

Contingent liabilities and contingent assets

Contingent liabilities and contingent assets are not recognised in the statement of financial position but are reported in the relevant notes. They may arise from uncertainty as to the existence of a liability or asset or represent an existing liability or asset in respect of which the amount cannot be reliably measured. Contingent assets are disclosed when settlement is probable but not virtually certain, and contingent liabilities are disclosed when settlement is greater than remote.

(k) Land, Buildings, Plant and Equipment

Asset recognition threshold

Purchases of land, buildings, plant and equipment are recognised initially at cost in the statement of financial position. The initial cost of an asset includes an estimate of the cost of dismantling and removing the item and restoring the site on which it is located.

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment

Depreciation

Depreciable property, plant and equipment assets are written-off to their estimated residual values over their estimated useful life using, in all cases, the straight-line method of depreciation. Depreciation rates (useful lives), residual values and methods are reviewed at each reporting date and necessary adjustments are recognised in the current, or current and future reporting periods, as appropriate.

Depreciation rates applying to each class of depreciable asset are based on the following useful lives:

	2021	2020
Plant and equipment	3 to 5 years	3 to 5 years
Leasehold improvements	5 years	5 years

Derecognition

An item of land, buildings, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the profit and loss.

Notes to the Financial Statements

for the Year Ended 30 June 2021

1 Summary of Significant Accounting Policies (continued)

(l) Intangibles

Intangible assets with finite lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful life. The estimated useful lives and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses. The useful life of Association's intangible assets are:

	2021	2020
Intangibles	5 years	5 years

Derecognition

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in profit and loss when the asset is derecognised.

Impairment of non-financial assets

All assets are assessed for impairment at the end of each reporting period to the extent that there is an impairment trigger. Where indications of impairment exist, the asset's recoverable amount is estimated, and an impairment adjustment made if the asset's recoverable amount is less than the carrying amount.

The recoverable amount of an asset is the higher of its fair value less costs of disposal and its value in use. Value in use is the present value of the future cash flows expected to be derived from the asset. Where the future economic benefit of an asset is not primarily dependent on the asset's ability to generate future cash flows, and the asset would be replaced if the Association were deprived of the asset, its value in use is taken to be its depreciated replacement cost.

(m) Taxation

The Association is exempt from income tax under section 50.15 of the Income Tax Assessment Act 1997 however still has an obligation for Fringe Benefits Tax (FBT) and the Goods and Services Tax (GST).

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where:

- the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO); and
- for receivables and payables.

Cash flows in the statement of cash flows are included 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 ATO is classified within operating cash flows.

Screen Producers Association of Australia

A.B.N 46 091 470 324

Notes to the Financial Statements

for the Year Ended 30 June 2021

2 Events after the reporting period

As a result of the continuing impact of the COVID-19 outbreak and the rapidly evolving government policies of restrictive measures put in place to contain it, as at the date of these financial statements, the Association is not in a position to reasonably estimate the financial effects of the COVID-19 outbreak on the future financial performance and financial position of the Association.

The timing and quantum of revenues from production levies is uncertain due to the impact of Covid19 on film and television production activity.

Also the timing and scale of the annual Screen Forever Conference is also uncertain. Planning is underway for a live event in March 2022 with commitments by some sponsors for support are yet to be finalised.

Other than the current disclosures, there has not been any other matter or circumstance occurring subsequent to the end of the financial year that has significantly affected, or may significantly affect, the operations of the Association, the results of those operations, or the state of affairs of the Association in subsequent financial periods.

Notes to the Financial Statements for the Year Ended 30 June 2021

Note 3 Revenue and other income

Disaggregation of revenue from contracts with customers

A disaggregation of the Association's revenue by type of arrangement is provided on the face of the Statement of Comprehensive Income. The table below also sets out a disaggregation of revenue by type of customer:

<i>Type of customer</i>	2021	2020
Members	1,459,991	1,574,749
Other reporting units	-	-
Government	644,577	648,348
Other parties	468,261	504,094
Total revenue from contracts with customers	2,572,829	2,727,191

Disaggregation of income for furthering activities

A disaggregation of the Association's income by type of arrangement is provided on the face of the Statement of Comprehensive Income. The table below also sets out a disaggregation of income by funding source:

<i>Source of funding</i>	2021	2020
Members	-	-
Other reporting units	-	-
Government	32,266	40,237
Other parties	-	-
Total income for furthering activities	32,266	40,237

	2021	2020
	\$	\$
(a) Levies		
Levies for the purpose of funding the Association's activities	1,070,998	962,311
Total levies	1,070,998	962,311
(b) Screen Forever conference revenue		
Ticket sales	170,350	490,374
Sponsorship	937,077	884,552
Other	3	25,945
Total Screen Forever conference revenue	1,107,430	1,400,871
(c) Other Revenue		
Sponsorship	132,984	195,461
Event registration fees	41,169	17,207
Other	42,774	46,484
Total other revenue	216,927	259,152
(d) Grants or donations		
Export Market Development Grant	32,266	40,237
Total grants and donations	32,266	40,237

**Notes to the Financial Statements
for the Year Ended 30 June 2021**

	2021	2020
	\$	\$
Note 4 Expenses		
(a) Employee expenses		
Wages and Salaries	1,071,759	1,104,472
Superannuation	120,486	91,761
Leave and other entitlements	43,863	15,386
Separation and redundancies	-	-
Other Employee expenses	16,674	13,067
Total employee expenses other than office holders	1,252,782	1,224,686
Total employee expenses for office holders	-	-
Total employee expenses	1,252,782	1,224,686
(b) Affiliation fees		
Australian Chamber of Commerce & Industry	10,909	8,181
Australian European Business Council	13,400	20,000
Council of Small Business Organisations	3,000	1,364
Australian Federation of Employers and Industries	1,622	-
Creative Content Australia	1,000	1,000
Australian Copyright Council	1,384	1,364
International Academy of Television Arts & Sciences	1,309	-
Screen Diversity & Inclusion Network	500	-
The Everyone Project Subscription	500	-
Other	-	95
Total affiliation fees	33,624	32,004
(c) Administration expenses		
Meeting expenses	26,655	26,099
Travel	5,948	41,128
Occupancy expenses	13,166	11,597
Office expenses	7,025	19,282
Information communications technology	44,957	40,371
Insurances	14,365	16,540
Advertising and promotion	168	4,861
Other	33,360	39,879
Total administration expenses	145,643	199,757

**Notes to the Financial Statements
for the Year Ended 30 June 2021**

	2021	2020
	\$	\$
(d) Screen Forever conference expenses		
Marketing & promotion	20,650	64,391
Booking and payment management fees	-	105,200
Wages & salaries	440,120	368,793
Conference admin expenses	31,626	33,218
Venue & equipment	399,938,049	309,275,049
Catering	27,361	127,957
Production	6,945	63,984
Travel	6,449	194,625
Total Screen Forever conference expenses	933,061	1,267,439
(e) Depreciation & amortisation		
Depreciation		
Leasehold improvements	-	-
Property, plant and equipment	19,618	18,029
Total depreciation	19,618	18,029
Amortisation		
Intangibles	28,583	23,185
Right of use assets	106,545	145,126
Total amortisation	135,128	168,311
Total depreciation and amortisation	154,746	186,340
(f) Legal costs		
Legal advice on industrial relations matter	-	17,600
Legal advice on insurance matter	7,313	-
Legal advice on employment law matters	790	34,274
Legal advice on new Association constitution	-	13,018
Other legal matters	5,060	11,910
Total legal costs paid	13,163	76,802
Release of provision for IR	-	(64,892)
Total legal costs	13,163	11,910
(g) Research, events, governance and IR		
Governance including Council meetings	16,773	45,123
Research	40,000	32,430
Events and sponsorship	52,485	33,483
Transfer to provision for IR	50,000	-
Total events and governance	159,258	111,036

**Notes to the Financial Statements
for the Year Ended 30 June 2021**

	2021 \$	2020 \$
5 Cash and cash equivalents		
Cash at bank and in hand	993,151	513,613
Short-term deposits	40,000	-
	<u>1,033,151</u>	<u>513,613</u>
6 Trade and other receivables		
Trade receivables	230,835	370,538
Prepayments	59,555	120,965
Accrued income	-	21,000
Deposits	13,274	13,274
Other receivables	-	395
Total current trade and other receivables	<u>303,664</u>	<u>526,172</u>

The Association has recognised the following assets and liabilities related to contracts with customers:

Receivables	<u>230,835</u>	370,538
Receivables – current	230,835	370,538
Receivables – non-current	-	-

Performance obligations

Revenue recognised in the reporting period from performance obligations unsatisfied (or partially satisfied) in previous periods (sponsorships for future events and activities and membership fees paid in advance) was \$179,446.

The transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at 30 June 2021 is \$132,892. The Association expects that 100% of the transaction price allocated to remaining performance obligations is expected to be recognised as revenue within one year. These performance obligations primarily relate to sponsorships for future events and activities and membership fees paid in advance.

7 Property, plant and equipment

Office equipment		
At cost	142,377	135,266
Accumulated depreciation	(113,416)	(95,132)
Total office equipment	<u>28,961</u>	<u>40,134</u>
Leasehold improvements		
At cost	63,259	63,259
Accumulated Depreciation	(63,259)	(63,259)
Total leasehold improvements	<u>-</u>	<u>-</u>
Total property, plant and equipment	<u>28,961</u>	<u>40,134</u>

Notes to the Financial Statements for the Year Ended 30 June 2021

7 Property, plant and equipment (continued)

(a) Reconciliation of opening and closing balances of property, plant and equipment

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

	Office Equipment \$	Leasehold Improvements \$	Total \$
Year ended 30 June 2021			
Balance at the beginning of year	40,133	-	40,133
Additions	8,774	-	8,774
Disposals	(1,663)	-	(1,663)
Depreciation expense	(18,283)	-	(18,283)
Balance at the end of the year	28,961	-	28,961

8 Intangible Assets

Development costs Software
Cost

Accumulated amortisation and impairment

Net carrying value

Total Intangibles

2021 \$	2020 \$
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158,162	130,612
(84,079)	(55,496)

74,083	75,116
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74,083	75,116
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(a) Reconciliation of opening and closing balances of intangibles

	Development costs Software \$	Total \$
Year ended 30 June 2021		
Balance at the beginning of the year	75,116	75,116
Additions	27,550	27,550
Amortisation	(28,583)	(28,583)
Balance at the end of the year	74,083	74,083

9 Right of use Assets

Office lease

Cost

Accumulated amortisation

Net carrying value

Total Intangibles

407,751	291,274
(30,221)	(98,822)

377,530	192,452
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377,530	192,452
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**Notes to the Financial Statements
for the Year Ended 30 June 2021**

9 Right of use Assets (continued)

(a) Movements in carrying amounts of right of use assets

	Office lease \$	Total \$
Year ended 30 June 2021		
Balance at the beginning of the year	192,452	192,452
Additions	407,751	407,751
Amortisation	(106,545)	(222,673)
Impairment of terminated lease	(116,128)	-
Balance at the end of the year	377,530	377,530

10 Trade and other payables

Current

Trade payables	145,981	34,751
GST payable	55,780	54,522
Payroll liabilities	46,486	46,629
Accrued expenses	9,550	17,400
Other payables	6,362	4,926
	264,159	158,228

Trade and other payables are unsecured, noninterest bearing and are normally settled within 30 days. The carrying value of trade and other payables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

11 Lease liabilities

CURRENT

Unsecured:

Lease liabilities – office	101,899	150,073
Total current lease liability	101,899	150,073

NON-CURRENT

Unsecured:

Lease liabilities - office	275,631	42,379
Total non-current lease liabilities	275,631	42,379
Total lease liabilities	377,530	192,452

Notes to the Financial Statements for the Year Ended 30 June 2021

	2021 \$	2020 \$
12 Provisions		
Provision for Industrial Relations	178,000	128,000
Total provisions	178,000	128,000

Reconciliation of opening and closing balances of provision for Industrial Relations

	Prov for IR \$	Total \$
Year ended 30 June 2021		
Balance at the beginning of the year	128,000	128,000
Increase in provision	50,000	50,000
Balance at the end of the year	178,000	178,000

	2021 \$	2020 \$
13 Employee Provisions		
CURRENT		
<i>Employees other than office holders</i>		
Provision for Long service leave	-	-
Provision for Annual leave	75,173	49,829
Total employee provisions - current	75,173	49,829
NON CURRENT		
<i>Employees other than office holders</i>		
Provision for Long service leave	45,215	26,696
Total employee provisions – non current	45,215	26,696
Total employee provisions	120,388	76,525

14 Related party transactions

There are no related party transactions apart from membership fees and levies invoiced to members of council or their related organisations as a normal part of the Associations operations.

Notes to the Financial Statements for the Year Ended 30 June 2021

15 Financial Instruments

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices.

Objectives, policies and processes

The Committee of Management have overall responsibility for the establishment of the Association's financial risk management framework. This includes the development of policies covering specific areas such as foreign exchange risk, interest rate risk, credit risk and the use of derivatives, if material.

Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Association's activities.

The day-to-day risk management is carried out by the Association's finance function under policies and objectives which have been approved by the Committee of Management. The Chief Financial Officer has been delegated the authority for designing and implementing processes which follow the objectives and policies. This includes monitoring the levels of exposure to interest rate and foreign exchange rate risk and assessment of market forecasts for interest rate and foreign exchange movements.

The Committee of Management receives monthly reports which provide details of the effectiveness of the processes and policies in place.

Mitigation strategies for specific risks faced are described below:

Liquidity risk

Liquidity risk arises from the Association's management of working capital and the finance charges and principal repayments on its debt instruments. It is the risk that the Association will encounter difficulty in meeting its financial obligations as they fall due.

The Association's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities as and when they fall due. The Association maintains cash and marketable securities to meet its liquidity requirements for up to 30-day periods. Funding for long-term liquidity needs is additionally secured by an adequate amount of committed credit facilities and the ability to sell long-term financial assets.

The Association manages its liquidity needs by carefully monitoring scheduled debt servicing payments for longterm financial liabilities as well as cash outflows due in day to day business.

Liquidity needs are monitored in various time bands, on a day-to-day and week to week basis, as well as on the basis of a rolling 30day projection. Longterm liquidity needs for a 180day and a 360day period are identified monthly.

At the reporting date, these reports indicate that the Association expected to have sufficient liquid resources to meet its obligations under all reasonably expected circumstances and will not need to draw down any of the financing facilities.

Financial guarantee liabilities are treated as payable on demand since the Association has no control over the timing of any potential settlement of the liabilities.

The timing of cash flows presented in the table to settle financial liabilities reflects the earliest contractual settlement dates and does not reflect management's expectations that banking facilities will be rolled forward. The amounts disclosed in the table are the undiscounted contracted cash flows and therefore the balances in the table may not equal the balances in the statement of financial position due to the effect of discounting.

Notes to the Financial Statements for the Year Ended 30 June 2021

15 Financial Instruments (continued)

The Association's liabilities have contractual maturities which are summarised below:

Contractual maturities for financial liabilities 2021

	On Demand	0 - 1 year \$	1– 2 years \$	2– 5 years \$	5+ years \$	Total \$
Trade and other payables	264,159					264,159
Lease liabilities		121,988	126,442	162,320	-	410,750
Total	258,872	121,988	126,442	162,320	-	669,622

Contractual maturities for financial liabilities 2020

	On Demand	0 - 1 year \$	1– 2 years \$	2– 5 years \$	5+ years \$	Total \$
Trade and other payables	158,228					158,228
Lease liabilities		150,073	42,379	-	-	192,452
Total	158,228	150,073	42,379	-	-	350,680

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Association.

Credit risk arises from cash and cash equivalents, derivative financial instruments and deposits with banks and financial institutions, including outstanding receivables and committed transactions.

Ongoing credit evaluation is performed on the financial condition of accounts receivable.

The Committee of Management receives monthly reports summarising the turnover, trade receivables balance and aging profile of each of the key customers individually.

Management considers that all the financial assets that are not impaired for each of the reporting dates under review are of good credit quality, including those that are past due.

The credit risk for liquid funds and other short-term financial assets is considered negligible, since the counterparties are reputable banks with high quality external credit ratings.

The Association has no significant concentration of credit risk with respect to any single counterparty or group of counterparties.

On a geographical basis, the Association has significant credit risk exposures in Australia.

The following table details the Association's trade and other receivables exposure to credit risk (prior to collateral and other credit enhancements) with ageing analysis and impairment provided for thereon. Amounts are considered as 'past due' when the debt has not been settled, within the terms and conditions agreed between the Association and the customer or counter party to the transaction. Receivables that are past due are assessed for impairment by ascertaining solvency of the debtors and are provided for where there is objective evidence indicating that the debt may not be fully repaid to the Association.

The balances of receivables that remain within initial trade terms (as detailed in the table) are considered to be of high credit quality.

Notes to the Financial Statements for the Year Ended 30 June 2021

15 Financial Instruments (continued)

Aging of financial assets that were past due but not impaired for 2021

	0 – 30 days \$	31-60 days \$	61-90 days \$	90+ days \$	Total \$
2021					
Trade receivables	217,594	4,658	5,219	3,363	230,835
Total	<u>217,594</u>	<u>4,658</u>	<u>5,219</u>	<u>3,363</u>	<u>230,835</u>
2020					
Trade receivables	188,574	92,544	86,056	3,364	370,538
Total	<u>188,574</u>	<u>92,544</u>	<u>86,056</u>	<u>3,364</u>	<u>370,538</u>

The Association does not hold any financial assets with terms that have been renegotiated, but which would otherwise be past due or impaired. The other classes of receivables do not contain impaired assets.

(i) Foreign exchange risk

Exposure to foreign exchange risk may result in the fair value or future cash flows of a financial instrument fluctuating due to movement in foreign exchange rates of currencies in which Screen Producers Association Australia holds financial instruments which are other than the AUD functional currency of Screen Producers Association Australia.

Exposures to currency exchange rates arise from the Association's overseas purchases, which are primarily denominated in USD.

The Association's exposure to foreign exchange risk is not material.

(ii) Price risk

Price risk relates to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices of securities held being available for sale or fair value through profit and loss.

The Association's investments are held predominately in cash or cash equivalents bank accounts and term deposits, and as such not subject to market fluctuations.

16 Key Management Personnel Disclosures

The totals of remuneration paid to the key management personnel of Screen Producers Association Australia during the year is as follows:

	2021 \$	2020 \$
Short-term employee benefits	306,830	273,683
Annual leave accrued	6,976	8,748
Long-term benefits accrued	9,178	-
Post-employment benefits	-	-
Termination benefits	-	-
Share based payments	-	-
	<u>322,984</u>	<u>282,431</u>

Notes to the Financial Statements for the Year Ended 30 June 2021

16 Key Management Personnel Disclosures (continued)

Committee Members Remuneration

Committee Members did not receive any remuneration during the financial year

17 Auditors' Remuneration

Financial statement audit services	8,100	6,950
Other services	-	-
Total auditors' remuneration	8,100	6,950

18 Cash Flow

(a) Reconciliation of cash and cash equivalents as per balance sheet to cash flow statement

	2021	2020
	\$	\$
Cash and cash flow equivalents as per:		
Cash flow statement	1,033,151	513,613
Balance sheet	1,033,151	513,613
Difference	-	-

(b) Reconciliation of profit/(defecit) to net cash from operating activities

Profit/(Defecit) for the year	131,585	(154,202)
Cash flows excluded from profit attributable to operating activities		
Non-cash flows in profit:		
- depreciation and amortisation	46,867	41,214
Changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	222,113	(175,234)
- increase/(decrease) in income in advance	(46,554)	149,776
- increase/(decrease) in trade and other payables	106,326	(83,493)
- increase/(decrease) in provisions	50,000	(64,892)
- increase/(decrease) in employee benefits	43,863	15,386
Cashflows from operations	554,200	(271,445)

19 Section 272 Fair Work (Registered Organisations) Act 2009

In accordance with the requirements of the Fair Work (Registered Organisations) Act 2009, the attention of members is drawn to the provisions of subsections (1) to (3) of section 272, which reads as follows:

Information to be provided to members:

1. A member of a reporting unit, or the Commissioner, may apply to the reporting unit for specified prescribed information in relation to the reporting unit to be made available to the person making the application.
2. The application must be in writing and must specify the period within which, and the manner in which, the information is to be made available. The period must not be less than 14 days after the application is given to the reporting unit.
3. A reporting unit must comply with an application made under subsection (1).

Screen Producers Association of Australia

A.B.N 46 091 470 324

Notes to the Financial Statements for the Year Ended 30 June 2021

20 Association Details

The registered office of the Association is:
Screen Producers Association of Australia
Suite 2, Level 1
36 Fitzroy Street
Surry Hills NSW 2010

Screen Producers Association of Australia

A.B.N 46 091 470 324

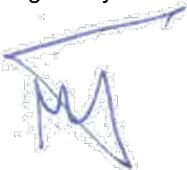
Officer Declaration Statement

I, Michael Tear, being the President of the Screen Producers Association of Australia ("the Association"), declare that the following activities did not occur during the reporting period ending 30 June 2021.

The Association did not:

- agree to receive financial support from another reporting unit to continue as a going concern (refers to agreement regarding financial support not dollar amount)
- agree to provide financial support to another reporting unit to ensure they continue as a going concern (refers to agreement regarding financial support not dollar amount)
- acquire an asset or liability due to an amalgamation under Part 2 of Chapter 3 of the RO Act, a restructure of the branches of an organisation, a determination or revocation by the General Manager, Fair Work Commission
- receive capitation fees from another reporting unit
- receive any other revenue from another reporting unit
- receive revenue from undertaking recovery of wages activity
- incur fees as consideration for employers making payroll deductions of membership subscriptions
- pay capitation fees to another reporting unit
- pay any other expense to another reporting unit
- pay compulsory levies
- pay a grant that was \$1,000 or less
- pay a grant that exceeded \$1,000
- pay a donation that was \$1,000 or more
- pay to a person fees or allowances to attend conferences or meetings as a representative of the reporting unit
- pay legal costs relating to litigation
- pay a penalty imposed under the RO Act or the Fair Work Act 2009
- pay any employee payments to any office holders
- provide for any employee provisions for office holders
- have a receivable with other reporting unit(s)
- have a payable with other reporting unit(s)
- have a payable to an employer for that employer making payroll deductions of membership subscriptions
- have a payable in respect of legal costs relating to litigation
- have a payable in respect of legal costs relating to other legal matters
- have a fund or account for compulsory levies, voluntary contributions or required by the rules of the organisation or branch
- transfer to or withdraw from a fund (other than the general fund), account, asset or controlled entity
- have a balance within the general fund
- provide cash flows to another reporting unit and/or controlled entity
- receive cash flows from another reporting units and/or controlled entity
- have another entity administer the financial affairs of the reporting unit
- make a payment to a former related party of the reporting unit

Signed by the officer:



Dated: 14 October 2021

Independent Audit Report to the Members of Screen Producers Association of Australia

Report on the Audit of the Financial Report

Opinion

I have audited the financial report of Screen Producers Association of Australia, which comprises the statement of financial position as at 30th June 2021, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended 30th June 2021 notes to the financial statements, including a summary of significant accounting policies, the committee of management statement, the subsection 255(2A) report and the officer declaration statement.

In my opinion, the accompanying financial report presents fairly, in all material aspects, the financial position of Screen Producers Association of Australia as at 30th June 2021 and its financial performance and its cash flows for the year ended on that date in accordance with:

- a) the Australian Accounting Standards; and
- b) any other requirements imposed by the reporting guidelines or Part 3 of Chapter 8 of the *Fair Work (Registered Organisations) Act 2009* (the **RO Act**).

I declare that management's use of the going concern basis in the preparation of the financial statements of the reporting unit is appropriate.

Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report. I am independent of the reporting unit in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the **Code**) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Information Other than the Financial Report and Auditor's Report Thereon

The committee of management is responsible for the other information. The other information obtained at the date of this auditor's report is in the operating report accompanying the financial report.

My opinion on the financial report does not cover the other information and accordingly I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial report, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Responsibilities of Committee of Management for the Financial Report

The committee of management of the reporting unit is responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the RO Act, and for such internal control as the committee of management determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the committee of management is responsible for assessing the reporting unit's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the committee of management either intend to liquidate the reporting unit or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

My objective is to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are

considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the reporting unit's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the committee of management.
- Conclude on the appropriateness of the committee of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the reporting unit's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the reporting unit to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the reporting unit to express an opinion on the financial report. I am responsible for the direction, supervision and performance of the reporting unit audit. I remain solely responsible for my audit opinion.

I communicate with the committee of management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit. I declare that I am an auditor registered under the RO Act.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of section 257(7) of the RO Act, I am required to describe any deficiency, failure or shortcoming in respect of the matters referred to in section 252 and 257(2) of the RO Act.

My opinion on the financial report is not modified in respect of the following matter(s) because, in my opinion, it has been appropriately addressed by the reporting unit and is not considered material in the context of the audit of the financial report as a whole:

Rosenfeld Kant & Co



Gary Williams

Partner

Sydney NSW

14th October 2021

Registration number (as registered by the Commissioner under the RO Act) : AA2017/73