



Fair Work
Commission

2 January 2024

Tracey Vieira
President
Screen Producers Association of Australia
Sent via email: info@screenproducers.org.au
CC: smilgate@daley.com.au

Dear Tracey Vieira

**Screen Producers Association of Australia
Financial Report for the year ended 30 June 2023 – (FR2023/156)**

I acknowledge receipt of the financial report for the year ended 30 June 2023 for the Screen Producers Association of Australia. The documents were lodged with the Fair Work Commission (the Commission) on 11 December 2023.

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

The financial report was filed based on a primary review. This involved confirming that the financial reporting timelines required under sections 253, 265, 266 and 268 of the *Fair Work (Registered Organisations) Act 2009* (RO Act) have been satisfied, all documents required under section 268 of the RO Act were lodged and that various disclosure requirements under the Australian Accounting Standards, RO Act and reporting guidelines have been complied with. A primary review does not examine all disclosure requirements.

Please note that the financial report for the year ending 30 June 2024 may be subject to an advanced compliance review.

Reporting Requirements

The Commission's website provides a number of factsheets in relation to the financial reporting process and associated timelines. The website also contains the section 253 reporting guidelines and a model set of financial statements.

The Commission recommends that reporting units use these model financial statements to assist in complying with the RO Act, the section 253 reporting guidelines and Australian Accounting Standards. Access to this information is available via [this link](#).

If you have any queries regarding this letter, please call 1300 341 665 or email regorgs@fwc.gov.au.

Yours sincerely

Fair Work 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 2023

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

- that the documents lodged herewith are copies of the full audited and narrative report for the Association for the period ended referred to in s.268 of the Fair Work (Registered Organisations) Act 2009; and
- that the audited report was passed by the committee of management, the first meeting, on 18 September 2023
- that the full audited and narrative report was provided to members of “the Association” on 15 November 2023; and
- that the full report was presented to a general meeting of members of “the Association” on 7 December 2023 in accordance with s.266 of the Fair Work (Registered Organisations) Act 2009.

Signature of prescribed designated officer:



Name of prescribed designated officer: Tracey Vieira

Title of prescribed designated officer: President

Dated: 11 December 2023

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 Association of Australia

ABN: 46 091 470 324

Financial Statements

For the Year Ended 30 June 2023

Screen Producers Association of Australia

ABN: 46 091 470 324

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Screen Producers Association of Australia

ABN: 46 091 470 324

Operating Report

30 June 2023

The Committee of Management presents their report together with the financial statements of the reporting unit, the operating report of the Screen Producers Association of Australia ("the Association") for the financial year ended 30 June 2023.

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

The names of each person who has been on the Committee of Management during the financial year were:

Name	Position	Period of appointment
Tracey Vieira	President	1 July 2022 - 30 June 2023
Suzanne Ryan	Vice President	1 July 2022 - 30 June 2023
Nathan Anderson	Councillor	1 July 2022 - 30 June 2023
Tsu Shan Chambers	Councillor	15 November 2022 - 30 June 2023
Veronica Fury	Councillor	15 November 2022 - 30 June 2023
Lisa Scott	Councillor	15 November 2022 - 30 June 2023
Nick Murray	Councillor	1 July 2022 - 15 November 2022
David Redman	Councillor	1 July 2022 - 15 November 2022

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

The principal activities of the Association during the financial 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 interest 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.

The operating surplus for the Screen Producers Association of Australia for the year ended 30 June 2023 was \$251,617 (2022: \$476,057).

A review of the operations and the results of the Association is performed in the regular meetings of the Committee of Management. The Committee of Management believe that they have furthered the interests of their members throughout the year through the conducting of the Association's principal activities.

Significant changes in financial affairs

There have been no significant changes in the financial affairs of the Association.

Screen Producers Association of Australia

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Operating Report

30 June 2023

Events after the reporting date

There has not been any 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.

Number of members

The number of members of the Association at the end of the financial year was 703 (30 June 2022: 691).

Number of employees

The total number of full-time equivalent employees as at 30 June 2023 was 11 (30 June 2022: 11).

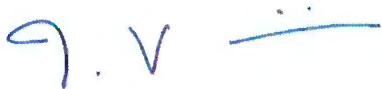
Right of members to resign

All members of the Association have the right to resign in accordance with Rule 10 of the Association's Rules [and section 174 of the Fair Work (Registered Organisation) Act 2009], namely, by providing written notice addressed and delivered to the Chief Executive Officer of the Association.

Officers or members who are superannuation fund trustee(s) or director of a company that is a superannuation fund trustee where being a member or officer of a registered organisation is a criterion for them holding such position

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 Committee of Management:



Tracey Vieira
President

Dated: 18 September 2023

Screen Producers Association of Australia

ABN: 46 091 470 324

Committee of Management Statement

For the Year Ended 30 June 2022

On 18 September 2023 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 for the year ended 30 June 2023:

The Committee of Management 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 ended 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 general purpose financial report 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 including the rules of a branch concerned; and
 - ii) the financial affairs of a reporting unit have been managed in accordance with the rules of the organisation including the rules of a branch concerned; 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 the General Manager duly made under section 272 of the RO Act that information has been provided to the member or the General Manager; 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.



Tracey Vieira
President

Dated: 18 September 2023

Screen Producers Association of Australia

ABN: 46 091 470 324

Statement of Profit or Loss and Other Comprehensive Income

For the Year Ended 30 June 2023

	Note	2023 \$	2022 \$
Revenue	4	3,733,043	3,211,989
Other income	4	33,898	183,132
		3,766,941	3,395,121
Employee benefits expense	5	(1,951,625)	(1,702,054)
Seminar and conference expenses		(899,564)	(640,748)
Lease expenses	11	(124,093)	(126,897)
Contractors		(154,596)	(91,608)
Travel expenses		(81,375)	(46,672)
Industry programs		(42,650)	(125)
Affiliation fees	5	(7,845)	(44,591)
Depreciation expense	9(a),10(a)	(48,146)	(43,467)
Advertising and promotion		(12,385)	(37,960)
Meeting expenses		(53,466)	(14,018)
Other operating expenses		(139,579)	(170,924)
Result for the year		251,617	476,057
Other comprehensive income for the year		-	-
Total comprehensive income for the year		251,617	476,057

The accompanying notes form part of these financial statements.

Screen Producers Association of Australia

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Balance Sheet

As at 30 June 2023

	Note	2023 \$	2022 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	6	1,693,232	1,545,819
Trade and other receivables	7	276,480	492,130
Financial assets	8	400,000	40,381
Prepayments		5,901	8,816
TOTAL CURRENT ASSETS		<u>2,375,613</u>	<u>2,087,146</u>
NON-CURRENT ASSETS			
Property, plant and equipment	9	27,962	43,329
Intangible assets	10	35,912	48,000
Right-of-use assets	11	122,466	220,439
TOTAL NON-CURRENT ASSETS		<u>186,340</u>	<u>311,768</u>
TOTAL ASSETS		<u>2,561,953</u>	<u>2,398,914</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	12	216,765	226,081
Lease liabilities		104,421	97,805
Employee benefits	13	130,952	128,985
Other financial liabilities	14	449,180	438,390
TOTAL CURRENT LIABILITIES		<u>901,318</u>	<u>891,261</u>
NON-CURRENT LIABILITIES			
Lease liabilities		28,235	132,654
Employee benefits	13	29,372	23,588
TOTAL NON-CURRENT LIABILITIES		<u>57,607</u>	<u>156,242</u>
TOTAL LIABILITIES		<u>958,925</u>	<u>1,047,503</u>
NET ASSETS		<u>1,603,028</u>	<u>1,351,411</u>
EQUITY			
Retained earnings		<u>1,603,028</u>	<u>1,351,411</u>
TOTAL EQUITY		<u>1,603,028</u>	<u>1,351,411</u>

The accompanying notes form part of these financial statements.

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Statement of Changes in Equity

For the Year Ended 30 June 2023

	Retained Earnings \$
Balance at 1 July 2022	1,351,411
Result for the year	<u>251,617</u>
Balance at 30 June 2023	<u><u>1,603,028</u></u>
Balance at 1 July 2021	875,354
Result for the year	<u>476,057</u>
Balance at 30 June 2022	<u><u>1,351,411</u></u>

The accompanying notes form part of these financial statements.

Screen Producers Association of Australia

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Statement of Cash Flows

For the Year Ended 30 June 2023

	2023	2022
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from members and other revenue	4,400,927	3,775,097
Payments to employees and suppliers	(3,784,826)	(3,100,140)
Interest received	10,398	392
Net cash provided by/(used in) operating activities	20 <u>626,499</u>	<u>675,349</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of plant and equipment	(5,618)	(31,753)
Purchase of intangible assets	(16,046)	-
Payment for investments	(359,619)	(381)
Net cash provided by/(used in) investing activities	<u>(381,283)</u>	<u>(32,134)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Repayment of borrowings - lease payments	(97,803)	(90,547)
Net cash provided by/(used in) financing activities	<u>(97,803)</u>	<u>(90,547)</u>
Net increase/(decrease) in cash and cash equivalents held	147,413	552,668
Cash and cash equivalents at beginning of year	1,545,819	993,151
Cash and cash equivalents at end of financial year	6 <u>1,693,232</u>	<u>1,545,819</u>

The accompanying notes form part of these financial statements.

Screen Producers Association of Australia

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Notes to the Financial Statements

For the Year Ended 30 June 2023

1 Basis of preparation of the financial statements

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

The financial statements, except for 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 at fair value, 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.

Comparatives are consistent with prior years, unless otherwise stated.

2 Summary of Significant Accounting Policies

(a) 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 and grants 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

The core principle of AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the Association expects to receive in exchange for those goods or services.

Revenue is recognised by applying a five-step model as follows:

1. Identify the contract with the customer;
2. Identify the performance obligations;
3. Determine the transaction price;
4. Allocate the transaction price to the performance obligations; and
5. Recognise revenue as and when control of the performance obligations is transferred.

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Notes to the Financial Statements

For the Year Ended 30 June 2023

2 Summary of Significant Accounting Policies

(a) Revenue and other income

Revenue from contracts with customers

Generally, the timing of the payment for sale of goods and rendering of services corresponds closely to the timing of satisfaction of the performance obligations, however where there is a difference, it will result in the recognition of a receivable, contract asset or contract liability.

None of the revenue streams of the Association have any significant financing terms as there is less than 12 months between receipt of funds and satisfaction of performance obligations.

Specific revenue streams

The revenue recognition policies for the principal revenue streams of the Association are:

Membership income

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

There is only one distinct membership service promised in the arrangement. Accordingly, 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 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 goods or services from the Association at their standalone selling price, the Association accounts for those sales as a separate contract with a customer.

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Notes to the Financial Statements

For the Year Ended 30 June 2023

2 Summary of Significant Accounting Policies

(a) Revenue and other income

Specific revenue streams

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.

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.

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 these services.

Government COVID-19 stimulus income

Income is recognised in the period it is earned. This is generally consistent with when payment is received for the cash flow boost.

Interest revenue

Interest is recognised on an accrual basis using the effective interest rate method.

Investment income

Investment income is recognised on an accruals basis when the Association is entitled to it.

Other income

Other income is recognised on an accruals basis when the Association is entitled to it.

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Notes to the Financial Statements

For the Year Ended 30 June 2023

2 Summary of Significant Accounting Policies

(b) Income Tax

The Association is exempt from income tax under section 50.1 of the *Income Tax Assessment Act 1997*, however still has obligations for Payroll Tax, Fringe Benefits Tax (FBT) and the Goods and Services Tax (GST).

(c) 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).

Receivables and payables are stated inclusive of GST.

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

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 taxation authority is classified as operating cash flows.

(d) Capitation fees and levies

Capitation fees and levies are recognised on an accruals basis and recorded as an expense in the year to which it relates.

(e) 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.

(f) Property, plant and equipment

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

Notes to the Financial Statements

For the Year Ended 30 June 2023

2 Summary of Significant Accounting Policies

(f) Property, plant and equipment

Depreciation

Property, plant and equipment, excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the Association, commencing when the asset is ready for use.

The depreciation rates used for each class of depreciable asset are shown below:

Fixed asset class	Depreciation rate
Office Equipment	5% - 25%

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

(g) Leases

At inception of a contract, the Association assesses whether a lease exists.

Lessee accounting

The non-lease components included in the lease agreement have been separated and are recognised as an expense as incurred.

Right-of-use asset

At the lease commencement, the Association recognises a right-of-use asset and associated lease liability for the lease term. The lease term includes extension periods where the Association believes it is reasonably certain that the option will be exercised.

The right-of-use asset is measured using the cost model where cost on initial recognition comprises of the lease liability, initial direct costs, prepaid lease payments, estimated cost of removal and restoration less any lease incentives received.

The right-of-use asset is depreciated over the lease term on a straight line basis and assessed for impairment in accordance with the impairment of assets accounting policy.

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Notes to the Financial Statements

For the Year Ended 30 June 2023

2 Summary of Significant Accounting Policies

(g) Leases

Lease liability

The lease liability is initially measured at the present value of the remaining lease payments at the commencement of the lease. The discount rate is the rate implicit in the lease, however where this cannot be readily determined then the Association's incremental borrowing rate is used.

Subsequent to initial recognition, the lease liability is measured at amortised cost using the effective interest rate method. The lease liability is remeasured whether there is a lease modification, change in estimate of the lease term or index upon which the lease payments are based (e.g. CPI) or a change in the Association's assessment of lease term.

Where the lease liability is remeasured, the right-of-use asset is adjusted to reflect the remeasurement or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Exceptions to lease accounting

The Association has elected to apply the exceptions to lease accounting for both short-term leases (i.e. leases with a term of less than or equal to 12 months) and leases of low-value assets. The Association recognises the payments associated with these leases as an expense on a straight-line basis over the lease term.

(h) Financial instruments

Financial instruments are recognised initially on the date that the Association becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through-profit or loss where transaction costs are expensed as incurred).

Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

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Notes to the Financial Statements

For the Year Ended 30 June 2023

2 Summary of Significant Accounting Policies

(h) Financial instruments

Financial assets

Classification

On initial recognition, the Association classifies its financial assets into those measured at amortised cost.

Financial assets are not reclassified subsequent to their initial recognition unless the Association changes its business model for managing financial assets.

Amortised cost

Assets measured at amortised cost are financial assets where:

- the business model is to hold assets to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows are solely payments of principal and interest on the principal amount outstanding.

The Association's financial assets measured at amortised cost comprise trade and other receivables, other financial assets and cash and cash equivalents in the balance sheet.

Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment.

Interest income and impairment are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

Impairment of financial assets

Impairment of financial assets is recognised on an expected credit loss (ECL) basis for financial assets measured at amortised cost.

When determining whether the credit risk of a financial assets has increased significant since initial recognition and when estimating ECL, the Association considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Association's historical experience and informed credit assessment and including forward looking information.

The Association uses the presumption that an asset which is more than 30 days past due has seen a significant increase in credit risk.

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Notes to the Financial Statements

For the Year Ended 30 June 2023

2 Summary of Significant Accounting Policies

(h) Financial instruments

Financial assets

The Association uses the presumption that a financial asset is in default when:

- the other party is unlikely to pay its credit obligations to the Association in full, without recourse to the Association to actions such as realising security (if any is held); or
- the financial assets is more than 90 days past due.

Credit losses are measured as the present value of the difference between the cash flows due to the Association in accordance with the contract and the cash flows expected to be received. This is applied using a probability weighted approach.

Trade receivables

Impairment of trade receivables have been determined using the simplified approach in AASB 9 which uses an estimation of lifetime expected credit losses. The Association has determined the probability of non-payment of the receivable and contract asset and multiplied this by the amount of the expected loss arising from default.

The amount of the impairment is recorded in a separate allowance account with the loss being recognised in finance expense. Once the receivable is determined to be uncollectable then the gross carrying amount is written off against the associated allowance.

Where the Association renegotiates the terms of trade receivables due from certain customers, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in profit or loss.

Other financial assets measured at amortised cost

Impairment of other financial assets measured at amortised cost are determined using the expected credit loss model in AASB 9. On initial recognition of the asset, an estimate of the expected credit losses for the next 12 months is recognised. Where the asset has experienced significant increase in credit risk then the lifetime losses are estimated and recognised.

Financial liabilities

The Association measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method.

Notes to the Financial Statements

For the Year Ended 30 June 2023

2 Summary of Significant Accounting Policies

(h) Financial instruments

Financial liabilities

The financial liabilities of the Association comprise trade payables and deferred income.

(i) Impairment of non-financial assets

At the end of each reporting period the Association determines whether there is any evidence of an impairment indicator for non-financial assets.

Where an indicator exists and regardless for indefinite life intangible assets and intangible assets not yet available for use, the recoverable amount of the asset is estimated.

Where assets do not operate independently of other assets, the recoverable amount of the relevant cash-generating unit (CGU) is estimated.

The recoverable amount of an asset or CGU is the higher of the fair value less costs of disposal and the value in use. Value in use is the present value of the future cash flows expected to be derived from an asset or cash-generating unit.

Where the recoverable amount is less than the carrying amount, an impairment loss is recognised in profit or loss.

Reversal indicators are considered in subsequent periods for all assets which have suffered an impairment loss.

(j) Intangible assets

Software

Software has a finite life and is carried at cost less any accumulated amortisation and impairment losses. It has an estimated useful life of between one and three years.

(k) Employee benefits

Short-term obligations

Obligations for contributions to defined contribution superannuation plans are recognised as an employee benefit expense in profit or loss in the periods in which services are provided by employees.

Screen Producers Association of Australia

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Notes to the Financial Statements

For the Year Ended 30 June 2023

2 Summary of Significant Accounting Policies

(k) Employee benefits

Liabilities for wages and salaries, including non-monetary benefits and accumulating sick leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

Other long-term employee benefit obligations

The liabilities for long service leave and annual leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the end of the reporting period of high-quality corporate bonds with terms and currencies that match, as closely as possible, the estimated future cash outflows. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(l) Adoption of new and revised accounting standards

The Association has adopted all standards which became effective for the first time during the year ended 30 June 2023. None of the new standards had a material impact on the reported financial position of performance.

(m) New accounting standards for application in future periods

Certain new accounting standards have been published that are not mandatory for 30 June 2023 reporting periods and have not been early adopted by the Association. These standards are not expected to have a material impact on the Association in the current or future reporting periods and on foreseeable future transactions.

Notes to the Financial Statements

For the Year Ended 30 June 2023

3 Critical Accounting Estimates and Judgments

The Committee of Management make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgements made have been described below:

Key estimates - impairment of property, plant and equipment

The Association assess impairment at the end of each reporting period by evaluating conditions specific to the Branch that may be indicative of impairment triggers.

Key estimates - useful lives of depreciable assets

The Association review its estimate of the useful lives of depreciable assets to each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical obsolescence that may change the utility of certain property, plant and equipment.

Key estimates - receivables

The receivables at reporting date have been reviewed to determine whether there is any objective evidence that any of the receivables are impaired. An impairment provision is included for any receivable where the entire balance is not considered collectible. The impairment provision is based on the best information at the reporting date.

Key estimates - employee entitlements

As described in the accounting policies, provisions are measured at management's best estimate of the expenditure required to settle the obligation at the end of the reporting period. These estimates are made taking into account a range of possible outcomes and will vary as further information is obtained.

Screen Producers Association of Australia

ABN: 46 091 470 324

Notes to the Financial Statements

For the Year Ended 30 June 2023

4 Revenue and Other Income

	2023	2022
	\$	\$
Revenue from contracts with customers		
- Compulsory levies	1,449,833	1,139,448
- Seminar and conference income	1,806,553	1,747,963
- Membership fees	233,584	236,323
- Sponsorships	243,073	88,255
	<u>3,733,043</u>	<u>3,211,989</u>
Other income		
- Grants	23,848	7,555
- Government subsidies	-	169,746
- Interest income	10,398	392
- (Loss)/profit on disposal of assets	(348)	-
- Other income	-	5,439
	<u>33,898</u>	<u>183,132</u>

(a) Disaggregation of revenue from contracts with customers

Revenue from contracts with customers has been disaggregated and the following table shows this breakdown:

Timing of revenue recognition		
- Over time	233,584	236,323
- At a point in time	3,499,459	2,975,666
Revenue from contracts with customers	<u>3,733,043</u>	<u>3,211,989</u>

Screen Producers Association of Australia

ABN: 46 091 470 324

Notes to the Financial Statements

For the Year Ended 30 June 2023

5 Result for the Year

	2023	2022
	\$	\$
Employee Expenses		
<i>Employees other than office holders</i>		
Wages and salaries	1,762,084	1,503,502
Superannuation	124,621	144,946
Leave and other entitlements	7,751	32,185
Other employee expenses (including payroll tax)	57,169	21,421
	<u>1,951,625</u>	<u>1,702,054</u>
Grants and donations expense		
Donations - total paid that were \$1,000 or less	100	1,045
	<u>100</u>	<u>1,045</u>
Legal costs		
Other matters	11,400	5,023
	<u>11,400</u>	<u>5,023</u>
Affiliation fees		
Australian Chamber of Commerce & Industry	-	5,455
Australian European Business Council	-	33,400
Creative Content Australia	1,000	1,000
Australian Copyright Council	1,573	1,460
International Academy of Television Arts & Science	-	1,413
International Institute of Communications	1,500	1,363
Council of Small Business Organisations	1,650	-
Screen Diversity & Inclusion Network	500	500
Australian Federation of Employers and Industries	1,622	-
	<u>7,845</u>	<u>44,591</u>
Meeting expenses	53,466	14,017

Screen Producers Association of Australia

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Notes to the Financial Statements

For the Year Ended 30 June 2023

5 Result for the Year

	2023	2022
	\$	\$
Screen Forever conference income		
Ticket sales	603,661	561,183
Sponsorships	1,115,429	1,129,527
Registrations	14,974	14,640
Sundry	3,543	1,660
	<u>1,737,607</u>	<u>1,707,010</u>
Other seminar income	<u>68,857</u>	40,952
	<u>1,806,464</u>	<u>1,747,962</u>
Screen Forever conference expenses		
Booking and payment	36,203	35,533
Venue and equipment	502,524	366,195
Catering	22,402	25,860
Production	114,615	73,729
Travel	186,926	24,758
Marketing and promotion	15,919	45,556
Administration expenses	6,154	15,100
Contract labour	4,027	53,816
Other seminar expenses	10,794	201
	<u>899,564</u>	<u>640,748</u>

6 Cash and Cash Equivalents

Cash at bank	<u>1,693,232</u>	<u>1,545,819</u>
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Screen Producers Association of Australia

ABN: 46 091 470 324

Notes to the Financial Statements

For the Year Ended 30 June 2023

7 Trade and Other Receivables

	Note	2023 \$	2022 \$
Trade receivables		263,098	419,148
Provision for impairment	(a)	-	-
Deposits		13,382	13,382
Other receivables		-	59,600
		<u>276,480</u>	<u>492,130</u>

The carrying value of trade receivables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable in the financial statements.

(a) Impairment of receivables

The Association applies the simplified approach to providing for expected credit losses prescribed by AASB 9, which permits the use of the lifetime expected loss provision for all trade receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The loss allowance provision as at 30 June 2023 is determined as follows, the expected credit losses incorporate forward looking information.

	Current	< 90 days overdue	> 90 days overdue	Total
30 June 2023				
Expected loss rate (%)	- %	- %	- %	
Gross carrying amount (\$)	219,220	43,878	-	263,098
ECL provision	-	-	-	-
30 June 2022				
Expected loss rate (%)	- %	- %	- %	
Gross carrying amount (\$)	317,860	101,288	-	419,148
ECL provision	-	-	-	-

Screen Producers Association of Australia

ABN: 46 091 470 324

Notes to the Financial Statements

For the Year Ended 30 June 2023

8 Financial Assets

	2023	2022
	\$	\$
<i>Financial assets at amortised cost</i>		
Term deposits	<u>400,000</u>	<u>40,381</u>

9 Property, plant and equipment

Office equipment		
At cost	176,264	172,809
Accumulated depreciation	<u>(148,302)</u>	<u>(129,480)</u>
	<u>27,962</u>	<u>43,329</u>

(a) Movements in carrying amounts 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 \$
Year ended 30 June 2023	
Balance at the beginning of year	43,329
Additions	5,618
Disposals	(973)
Depreciation expense	<u>(20,012)</u>
Balance at the end of the year	<u>27,962</u>
Year ended 30 June 2022	
Balance at the beginning of year	28,961
Additions	30,432
Depreciation expense	<u>(16,064)</u>
Balance at the end of the year	<u>43,329</u>

Screen Producers Association of Australia

ABN: 46 091 470 324

Notes to the Financial Statements

For the Year Ended 30 June 2023

10 Intangible Assets

	2023	2022
	\$	\$
<i>Software</i>		
Cost	175,528	159,482
Accumulated amortisation and impairment	<u>(139,616)</u>	<u>(111,482)</u>
	<u>35,912</u>	<u>48,000</u>

(a) Movements in carrying amounts of intangible assets

	Software \$
Year ended 30 June 2023	
Balance at the beginning of the year	48,000
Additions	16,046
Amortisation	<u>(28,134)</u>
Closing value at 30 June 2023	<u><u>35,912</u></u>
Year ended 30 June 2022	
Balance at the beginning of the year	74,083
Additions	1,320
Amortisation	<u>(27,403)</u>
Closing value at 30 June 2022	<u><u>48,000</u></u>

Screen Producers Association of Australia

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Notes to the Financial Statements

For the Year Ended 30 June 2023

11 Leases

Association as a lessee

The Association has leases over land and buildings only.

Terms and conditions of leases

Right-of-use assets

	Buildings \$
Year ended 30 June 2023	
Balance at beginning of year	220,439
Depreciation charge	<u>(97,973)</u>
Balance at end of year	<u><u>122,466</u></u>

Year ended 30 June 2022

Balance at beginning of year	318,411
Depreciation charge	<u>(97,972)</u>
Balance at end of year	<u><u>220,439</u></u>

Lease liabilities

The maturity analysis of lease liabilities based on contractual undiscounted cash flows is shown in the table below:

	< 1 year	1 - 5 years	> 5 years	Total undiscounted lease liabilities	Lease liabilities included in this Balance Sheet
	\$	\$	\$	\$	\$
2023					
Lease liabilities	107,479	26,870	-	134,349	132,656
2022					
Lease liabilities	104,498	134,349	-	238,847	230,459

Screen Producers Association of Australia

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Notes to the Financial Statements

For the Year Ended 30 June 2023

11 Leases

Statement of Profit or Loss and Other Comprehensive Income

The amounts recognised in the statement of profit or loss and other comprehensive income relating to leases where the Association is a lessee are shown below:

	2023	2022
	\$	\$
Interest on lease liability	(6,694)	(10,064)
Short term lease expense	(19,426)	(18,861)
Depreciation expense	(97,973)	(97,972)
	<u>(124,093)</u>	<u>(126,897)</u>

Statement of Cash Flows

Total cash outflow for leases	<u>123,923</u>	119,471
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12 Trade and Other Payables

Trade payables	4,771	52,053
GST payable	61,711	67,483
Sundry payables and accrued expenses	150,283	106,545
	<u>216,765</u>	<u>226,081</u>

Trade and other payables are unsecured, non-interest 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.

Screen Producers Association of Australia

ABN: 46 091 470 324

Notes to the Financial Statements

For the Year Ended 30 June 2023

13 Employee Benefits

	2023	2022
	\$	\$
<i>Current liabilities</i>		
Annual leave	74,621	84,485
Long service leave	56,331	44,500
	<u>130,952</u>	<u>128,985</u>
<i>Non-current liabilities</i>		
Long service leave	<u>29,372</u>	<u>23,588</u>

(a) Total employee benefits attributable to:

Employee provisions

Employees other than office holders - Current

Annual leave	74,621	84,485
Long service leave	56,331	44,500
	<u>130,952</u>	<u>128,985</u>

Employees other than office holders - Non-current

Long service leave	<u>29,372</u>	<u>23,588</u>
	<u>160,324</u>	<u>152,573</u>

14 Contract Liabilities

The Association has recognised the following contract liabilities from contracts with customers:

CURRENT

Income in advance	<u>449,180</u>	<u>438,390</u>
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The transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at 30 June 2022 is \$449,180 (30 June 2022: \$438,390). Consistent with the prior year, the Branch expects that all 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 member subscription contracts and unearned income. All unearned income disclosed as a liability as at 30 June 2022 was recognised as revenue during the year ended 30 June 2023.

Screen Producers Association of Australia

ABN: 46 091 470 324

Notes to the Financial Statements

For the Year Ended 30 June 2023

15 Financial Risk Management

The main risks Screen Producers Association of Australia is exposed to through its financial instruments are credit risk, liquidity risk and market risk consisting equity price risk.

The Association's financial instruments consist mainly of deposits with banks, short-term investments, accounts receivable and payable.

The totals for each category of financial instruments, measured in accordance with AASB 9 as detailed in the accounting policies to these financial statements, are as follows:

	Note	2023 \$	2022 \$
Financial assets			
<i>Held at amortised cost</i>			
Cash and cash equivalents	6	1,693,232	1,545,819
Trade and other receivables	7	276,479	492,130
Financial assets	8	400,000	40,381
Total financial assets		2,369,711	2,078,330
Financial liabilities			
Trade payables	12	216,766	226,081
Lease liabilities		132,656	230,459
Total financial liabilities		349,422	456,540

Liquidity risk

Liquidity risk arises from the Association's management of working capital. 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 manages its liquidity needs by carefully monitoring cash-outflows due in day-to-day business.

Screen Producers Association of Australia

ABN: 46 091 470 324

Notes to the Financial Statements

For the Year Ended 30 June 2023

15 Financial Risk Management

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

	Less than 1 year		Total	
	2023	2022	2023	2022
	\$	\$	\$	\$
Trade payables	216,765	226,081	216,765	226,081

The timing of expected outflows is not expected to be materially different from contracted cashflows.

Credit risk

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

The Association does not hold any financial assets with terms that have been re-negotiated, but which would otherwise be past due or impaired.

The other classes of receivables do not contain impaired assets.

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, as well as credit exposure to wholesale and retail customers, including outstanding receivables and committed transactions.

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.

Market risk

The Association is not exposed to a material level of interest rate risk.

(i) Interest rate risk

The Association is not exposed to interest rate risk as funds are borrowed at floating and fixed rates. Borrowings issued at fixed rates expose the Association to fair value interest rate risk.

Screen Producers Association of Australia

ABN: 46 091 470 324

Notes to the Financial Statements

For the Year Ended 30 June 2023

15 Financial Risk Management

The Association's policy is to minimise interest rate cash flow risk exposures on long-term financing. Longer-term borrowings are therefore usually at fixed rates. At the reporting date, the Association is exposed to changes in market interest rates through its bank borrowings, which are subject to variable interest rates.

Fair value estimation

The fair values of financial assets and financial liabilities are consistent with their carrying values as presented in the balance sheet. Fair values are those amounts at which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Net income and expense from financial assets

	2023	2022
	\$	\$
Financial assets at amortised cost		
Term deposits - interest income	10,398	391

16 Key Management Personnel Disclosures

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

Short term employee benefits

Salary (including any leave taken)	474,319	479,569
Leave accrued (annual leave)	40,223	22,556
Other long term benefits (long service leave)	7,676	20,542

Post-employment benefits

Post-employment benefits (superannuation)	54,904	45,952
	<u>577,122</u>	<u>568,619</u>

Key management personnel are defined at note 19(a).

Screen Producers Association of Australia

ABN: 46 091 470 324

Notes to the Financial Statements

For the Year Ended 30 June 2023

17 Auditors' Remuneration

	2023	2022
	\$	\$
Remuneration of the auditor Daley Audit for:		
- auditing the financial statements	<u>16,200</u>	<u>11,900</u>

18 Contingencies

In the opinion of the Committee of Management the Association did not have any contingencies at 30 June 2023 (30 June 2022 : None).

19 Related Parties

(a) **The Association's main related parties are as follows:**

Key Management Personnel (KMP):

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any Committee (whether executive or otherwise) of that entity are considered KMP.

For details of remuneration disclosures relating to key management personnel, refer to Note 16: Key Management Personnel Disclosures.

Screen Producers Association of Australia

ABN: 46 091 470 324

Notes to the Financial Statements

For the Year Ended 30 June 2023

20 Cash Flow Information

(a) Reconciliation of result for the year to cashflows from operating activities

	2023	2022
	\$	\$
Result for the year	251,617	476,059
Cash flows excluded from profit attributable to operating activities		
- depreciation	146,119	141,439
- net (gain)/loss on disposal of assets	973	-
Changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	215,650	(248,042)
- (increase)/decrease in other assets	2,915	6,270
- increase/(decrease) in trade and other payables	(9,316)	(38,060)
- increase/(decrease) in employee benefits	7,751	32,185
- increase/(decrease) in income in advance	10,790	305,498
Cashflows from operations	<u>626,499</u>	<u>675,349</u>

21 Events Occurring After the Reporting Date

There has not been any 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 2023

22 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 or General Manager:

1. A member of a reporting unit, or the General Manager, 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

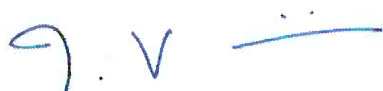
ABN: 46 091 470 324

Report required under Subsection 255(2A)

For the Year Ended 30 June 2023

The Committee of Management presents the expenditure report as required under subsection 255(2A) of the Reporting Unit for the year ended 30 June 2023.

Category of expenses	2023 \$	2022 \$
Remuneration and other employment-related costs and expenses - employees	1,951,625	1,755,995
Advertising	13,086	38,460
Operating Costs	1,491,067	1,075,619
Donations to political parties	-	500
Legal costs	11,400	5,023



Tracey Vieira
President

Dated: 18 September 2023

Screen Producers Association of Australia

ABN: 46 091 470 324

Officer Declaration Statement

For the Year Ended 30 June 2023

I, Tracey Vieira, being the President of the Screen Producers Association of Australia, declare that the following activities did not occur during the reporting period ending 30 June 2023 (including the comparative period).

The reporting unit 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 periodic or membership subscriptions~~
- receive capitation fees from another reporting unit
- receive any other revenue amount from another reporting unit
- ~~receive revenue via compulsory levies~~
- receive donations
- ~~receive grants~~
- 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 affiliation fees to other entity~~
- pay a grant that was \$1,000 or less
- pay a grant that exceeded \$1,000
- ~~pay a donation that was \$1,000 or less~~
- pay a donation that exceeded \$1,000
- pay wages and salaries to holders of office
- pay superannuation to holders of office
- pay leave and other entitlements to holders of office
- pay separation and redundancy to holders of office
- pay other employee expenses to holders of office
- ~~pay wages and salaries to employees (other than holders of office)~~
- ~~pay superannuation to employees (other than holders of office)~~
- ~~pay leave and other entitlements to employees (other than holders of office)~~
- pay separation and redundancy to employees (other than holders of office)
- ~~pay other employee expenses to employees (other than holders of office)~~
- pay to a person fees or allowances to attend conferences or meetings as a representative of the reporting unit
- ~~incur expenses due to holding a meeting as required under the rules of the organisation~~
- pay legal costs relating to litigation
- ~~pay legal costs relating to other legal matters~~
- pay a penalty imposed under the RO Act or the *Fair Work Act 2009*
- have a receivable with other reporting unit

Screen Producers Association of Australia

ABN: 46 091 470 324

Officer Declaration Statement

For the Year Ended 30 June 2023

- have a payable with other reporting unit
- 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 an annual leave provision in respect of holders of office
- have a long service leave provision in respect of holders of office
- have a separation and redundancy provision in respect of holders of office
- have other employee provisions in respect of holders of office
- ~~• have an annual leave provision in respect of employees (other than holders of office)~~
- ~~• have a long service leave provision in respect of employees (other than holders of office)~~
- ~~• have a separation and redundancy provision in respect of employees (other than holders of office)~~
- 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 unit 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



Tracey Vieira
President

Dated: 18 September 2023

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

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Screen Producers Association of Australia ("the Association"), which comprises the balance sheet as at 30 June 2023, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended 30 June 2023, and notes to the financial statements, including a summary of significant accounting policies, and the Committee of Management Statement, the subsection 255 (2A) report and the Officer Declaration Statement.

In our opinion, the accompanying financial presents fairly, in all material aspects, the financial position of the Association as at 30 June 2023 and its financial performance and its cash flows for the year ended on that date in accordance with:

- (i) the Australian Accounting Standards; and
- (ii) 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").

We declare that management's use of the going concern basis in the preparation of the financial statements of the Association is appropriate.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Association in accordance with the auditor independence of 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 our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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Professional Standards
Legislation



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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information Other than the Financial Report and Auditors 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 included in the Operating Report accompanying the financial report.

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

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

Responsibilities of Committee of Managements for the Financial Report

The Committee of Management of the Association are 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 are responsible for assessing the Association'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 Association or to cease operations, or have no realistic alternative but to do so.



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

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are 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 our 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, we exercise professional judgement and maintain professional scepticism throughout the audit. We 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 our 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 Association'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 Managements' 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 Association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Association 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.



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

We 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 we identify during our audit.

I declare that I am an auditor registered under the RO Act.

Daley Audit
Daley Audit

Stephen Milgate
Stephen Milgate
Partner

Wollongong

Dated: 18 September 2023

Registration Number (as registered under the RO Act): AA2017/127

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