



SOUTH AUSTRALIAN FILM CORPORATION

2021-22 Annual Report

South Australian Film Corporation
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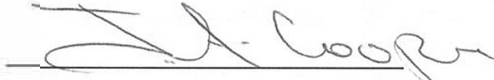
To: The Honourable Andrea Michaels MP
Minister for Arts

This annual report will be presented to Parliament to meet the statutory reporting requirements of the South Australian Film Corporation and the requirements of Premier and Cabinet Circular *PC013 Annual Reporting*.

This report is verified to be accurate for the purposes of annual reporting to the Parliament of South Australia.

Submitted on behalf of the South Australian Film Corporation by:

Julie Cooper
Chair

Date 31-10-2022 Signature 

Submission of the South Australian Film Corporation's Annual Report is late as a result of late provision of the Auditor's General Report resulting from audit timing and changes to the accounting treatment of a number of funding types to align with Accounting Standards, with changes impacting on the current year and prior periods.

From the Chief Executive



The South Australian Film Corporation performed strongly on its purpose to support, position, and champion South Australian screen businesses to achieve creative excellence and economic prosperity.

In the 2021-22 financial year, South Australia's screen industry achieved record levels of production activity and international recognition, providing a fitting lead-in to the South Australian Film Corporation's 50th anniversary year in 2022.

South Australia saw a consistent run of screen production, reaching a peak in October when a record six productions shot simultaneously across the state, collectively employing more than 400 skilled South Australian cast and crew

(an estimated 89% crew and 84% Heads of Department were South Australian residents), with a further three SAFC-funded productions in post-production. The unprecedented level of activity, matched with SAFC's investment and innovation in delivering new skilling programs, has expanded the state's screen workforce capacity and demonstrated our industry's world-class technical and creative excellence.

This state-wide screen boom was driven by a surge in productions from South Australian producers and production companies – a direct result of the SAFC's strategic priority to maximise the value of South Australian owned Intellectual Property. In production simultaneously were Glen Pictures' young adult drama series *Gymnastics Academy: A Second Chance!*, the first Netflix series commission from a South Australian production company; feature documentary *Embrace: Kids* from South Australian body image activist Taryn Brumfitt, with South Australian producers Anna Vincent and Bonnie McBride; ABC Kids series *Beep and Mort*, directed by Rosemary Myers and produced by Kaye Weeks of South Australia's Windmill Pictures; season two of docu-series *Aussie Snake Wranglers* from South Australian producer Colin Thrupp of Breakout Productions; AMC+ vampire series *Firebite* produced by SA producer Paul Ranford; and feature film *The Survival of Kindness*, produced, written and directed by Rolf de Heer with South Australian producer Julie Byrne of Triptych Pictures.

Other major screen production activity supported by the SAFC in 2021-22 included season two of Emmy award winning children's series *First Day* from Epic Films and KOJO Studios, which went on to premiere in March on ABC and Hulu in the US; season two of hit ABC comedy *Aftertaste* from Closer Productions, filmed in the Adelaide Hills; and feature film *Run Rabbit Run*, shot in the Riverland with Sarah

Snook; while pre-production began in regional South Australia and at Adelaide Studios on Kitty Green's feature film *The Royal Hotel* for See-Saw Films starring Julia Garner and Hugo Weaving.

Production also got underway on several major productions subsequently announced to premiere at the 2022 Adelaide Film Festival (AFF): feature documentary *The Angels: Kickin' Down the Door* from SA writer, director and producer Madeleine Parry with SA producers Peter Hanlon and Rick Davies, selected as the festival's Opening Night Gala; horror *Talk to Me*, the highly anticipated debut feature from co-directors Danny Philippou and Michael Philippou with co-writers Danny Philippou and Bill Hinzman; horror *Carnifex*, the debut feature film from SA director Sean Lahiff, produced by Helen Leake AM and Gena Ashwell of SA's Dancing Road Productions; and sci-fi *Monolith* from SA writer Lucy Campbell, SA director Matthew Vesely, and SA producer Bettina Hamilton, the inaugural feature film project to come from the SAFC and AFF's Film Lab: New Voices development program; as well as Virtual Reality (VR) project *Wave* from SA artists Gerry Wedd and Gabriella Smart and SA producer Mark Patterson, with digital production by SA's Jumpgate VR, set to premiere at the Art Gallery of South Australia as part of AFF's 2022 visual arts program.

South Australia's screen capability shone on screens globally in January alongside the state's rugged Flinders Ranges in the premieres of Zac Efron feature film *Gold*, and BBC One, Stan and HBO Max drama series *The Tourist*, South Australia's biggest ever TV production starring Jamie Dornan and produced by South Australian producer Lisa Scott of Highview Productions. *The Tourist* topped BBC iPlayer ratings as the streaming platform's most popular single episode of 2022, with UK viewers streaming the premiere 6.1 million times, and the series boxset 32 million times.

This year also saw premieres of SA made and SAFC supported productions *The Stranger* starring Joel Edgerton and Sean Harris, which received standing ovations in Cannes Film Festival's Un Certain Regard program, and Warwick Thornton's Coober Pedy shot AMC+ series *Firebite*, both for Academy Award winning production company See-Saw Films; ABC and Netflix children's series *Maverix*; the debut season of National Geographic docu-series *Aussie Snake Wranglers* from Breakout Productions; and immersive screen experiences *Square Circles VR* from Go Patterson Films and Jumpgate VR, and *Thin Ice VR* from Adelaide Studios based digital studio Monkeystack.

SAFC supported productions were honoured on the global stage with ABC series *First Day* winning Outstanding Kids Live Action Series at the 2021 International Emmy Awards, *The Tourist* taking the awards for Best Series and Best Creation at the 2022 Monte-Carlo Television Festival Golden Nymphs and SA produced feature *When Pomegranates Howl* selected as Australia's official submission for Best International Feature Film at the 2022 Academy Awards, while South Australian PDV studio Rising Sun Pictures was nominated for an Emmy Award for Visual Effects for their work on series *The Boys*, which was supported through the SA PDV Rebate.

SAFC supported productions and practitioners achieved accolades at the highest levels in Australia too, with multiple wins at the Australian Academy of Cinema and Television Arts (AACTA) Awards for both South Australian made blockbuster *Mortal*

Kombat and feature documentary *My Name is Gulpilil*, and nominations for *The Tourist*, *Aftertaste* and *A Sunburnt Christmas*, as well as *Jungle Cruise*, supported by the SA PDV Rebate, while *The Tourist* and *Aftertaste* were also nominated for multiple Logie Awards including Most Outstanding Miniseries or Telemovie and Most Popular Comedy Series.

The SAFC continued its support of the games sector, supporting 15 projects through the SA Video Game Development (VGD) Rebate including *Wolf Tales*, *Virtual Sim Story* and *Horse Riding Tales* from Foxie Games, *Conan Chop Chop*, *Ball Stars*, *Barbie Fashion Closet* and *Ava's Manor* from Mighty Kingdom and *Makers Play Planet* from Makers Empire. SA made games developed with support from the SAFC's 2019-20 and 2020-21 Games Innovation Fund also found success in 2021-22, with *Exo One* from Exbleative released to critical and commercial success on Playstation consoles, and Melonhead Games' *Rooftop Renegade* and We Made a Thing's *Box Knight* selected among six Australian indie titles to be showcased at Pax Australia, Australia's largest game industry trade show.

It was all part of an action-packed year for SA's game development sector, which saw Mighty Kingdom win the 2021 SA Premier's Export Award for Creative Industries, and Adelaide based ODD Games rank second in BDO's Top 25 Fast Movers SA 2022 Awards for the second year in a row, cementing its position as one of the state's fastest growing and most innovative businesses.

South Australia's thriving PDV sector continued to attract major international TV series and Hollywood blockbusters through the SA PDV rebate, with the SAFC supporting 33 productions in 2021-22 including Baz Luhrmann biopic *Elvis*, Marvel superhero epic *Shang Chi and the Legend of the 10 Rings*, and Disney action hit *Jungle Cruise*, with work done by South Australian studios including Rising Sun Pictures and Technicolor's MPC. SA post sound practitioners were honoured on the national stage with SAFC supported productions winning multiple categories at the Australian Screen Sound Guild (ASSG) Awards, including Best Sound Documentary for *My Name is Gulpilil*, Best Sound for Interactive Media for *Thin Ice VR*, and the awards for Best Film Sound Mixing and Editing for *Mortal Kombat*.

The SAFC made bold steps toward supporting diversity and inclusion this year, launching the agency's nation-leading Diversity and Inclusion Strategy 2022-2032, setting out 10-year targets for the representation of diversity both on and off screen in the South Australian screen sector, and launching a First Nations Cultural Protocols digital handbook outlining culturally appropriate working practices with South Australian First Nations communities for visiting productions.

The SAFC continued our deep commitment to growing South Australia's First Nations screen sector through the actions of our ongoing First Nations Screen Strategy 2020-25, including supporting seven First Nations practitioners to undertake attachments across major productions including *Firebite*, *Heartbreak High* and *Maverix*, and four First Nations crew to achieve their first feature film credits as HODs on forthcoming feature film *The Survival of Kindness*; supporting three emerging First Nations practitioners to develop their skills in TV production through the SAFC and Channel 44 First Nations Internship Program and supporting 12 First Nations participants to

develop their skills in immersive technologies through the Centralised Immersive Storytelling Lab facilitated by Crossover Labs; partnering with SBS and NITV on the Curious Australia initiative which saw the commissioning of South Australian First Nations led documentary *Black Empire*, and continuing our cross-state Centralised initiative with the Northern Territory.

Under the SAFC's Reconciliation Action Plan: Innovate 2020-22, the SAFC presented, in celebration of NAIDOC week 2022, a special screening of South Australian made First Nations vampire hunter drama series *Firebite* including a Q&A with cast members Shantae Barnes-Cowan, Elaine Crombie and emerging screen creative and *Firebite* post-production crew member Keith Gilbey-Warrior. Truth-telling, story-sharing and reconciliation were discussed at the SAFC's National Reconciliation Week event, which saw a strong crowd turn out to the Adelaide Studios screening theatre for a special panel discussion moderated by Shona Reid, CEO of Reconciliation SA, and featuring Sally Scales, Partnership Manager for the Uluru Statement from the Heart, Alira McKenzie-Williams, Public Programs Officer for Tarnanthi at the Art Gallery of SA and Uluru Statement from the Heart 2022 Youth Dialogue delegate and Paul Ryan, producer, director and owner of Adelaide Studios based production company 57 Films.

2021-22 saw the SAFC make significant progress towards its strategic aim of growing capability in the sector through the continuation of our successful skilling, training and employment initiatives including the second rounds of both the Film Lab: New Voices talent escalator initiative in partnership with Adelaide Film Festival (AFF) and Screen Australia, and the Master/Apprentice Mentorship, presented with Mercury CX, as well as delivering Australia's first screen sector micro-credential training program Skilling SA, enabling skilled workers from other industries to fast-track their transition into working in the screen sector, along with the establishment of two expert industry taskforce groups to identify short, medium and long-term workforce development needs and strategies for the sector.

The SAFC welcomed new First Nations Screen Strategy Executive Pauline Clague, farewelling Lee-Ann Tjunypa Buckskin who finished in the role after six years, while the SAFC Board welcomed new Chair Julie Cooper and new Board member Austin Taylor, farewelling outgoing Chair Peter Hanlon along with Board Member Ann-Maree Davies.

The 2021-22 year also saw the SAFC celebrate two major milestones: the 10th anniversary of Adelaide Studios, which officially opened in October 2011 as the state's first purpose-built screen production facilities and the new home of the agency, and the 50th anniversary of the SAFC itself, which came into existence on 20 April 1972 with the proclamation of the South Australian Film Corporation Act. This reporting period spans two South Australian Governments and two Ministers and we thank them both for their support of the SAFC. The SAFC thanks all Governments across its 50-year history for their support of the South Australian screen sector.

In 2021-22 the productions approved by the SAFC Board through the SAFC's funds and programs will enable South Australia's screen sector to directly contribute more than \$148 million to our State's economy. These projects are projected to create over 3000 South Australian jobs, welcome skilled migrants and expats back to South

Australia, generate export revenue for South Australian screen businesses, attract new sources of inward investment to the state, and enable the world's best productions to be made right here in South Australia.

Just as importantly, in 2021-22 the SAFC has put South Australia on the screen. South Australian screen projects across film, television, interactive, visual effects and games have projected our stories, our culture, our identity, our landscapes, our talent and our creative artistry to the world ensuring South Australian voices and perspectives contribute to Australia's national identity and culture.

As the SAFC celebrates the milestone of our 50th year, South Australia's reputation for world-class screen production has never been stronger. With a future-facing, technology driven screen industry fuelled by local creativity, South Australia is better positioned than ever to take advantage of the extraordinary global demand for screen content. The South Australian Film Corporation and SA screen industry look set to shine bright for the next 50 years.



Kate Croser

Chief Executive Officer

South Australian Film Corporation

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Overview: about the agency

Our strategic focus

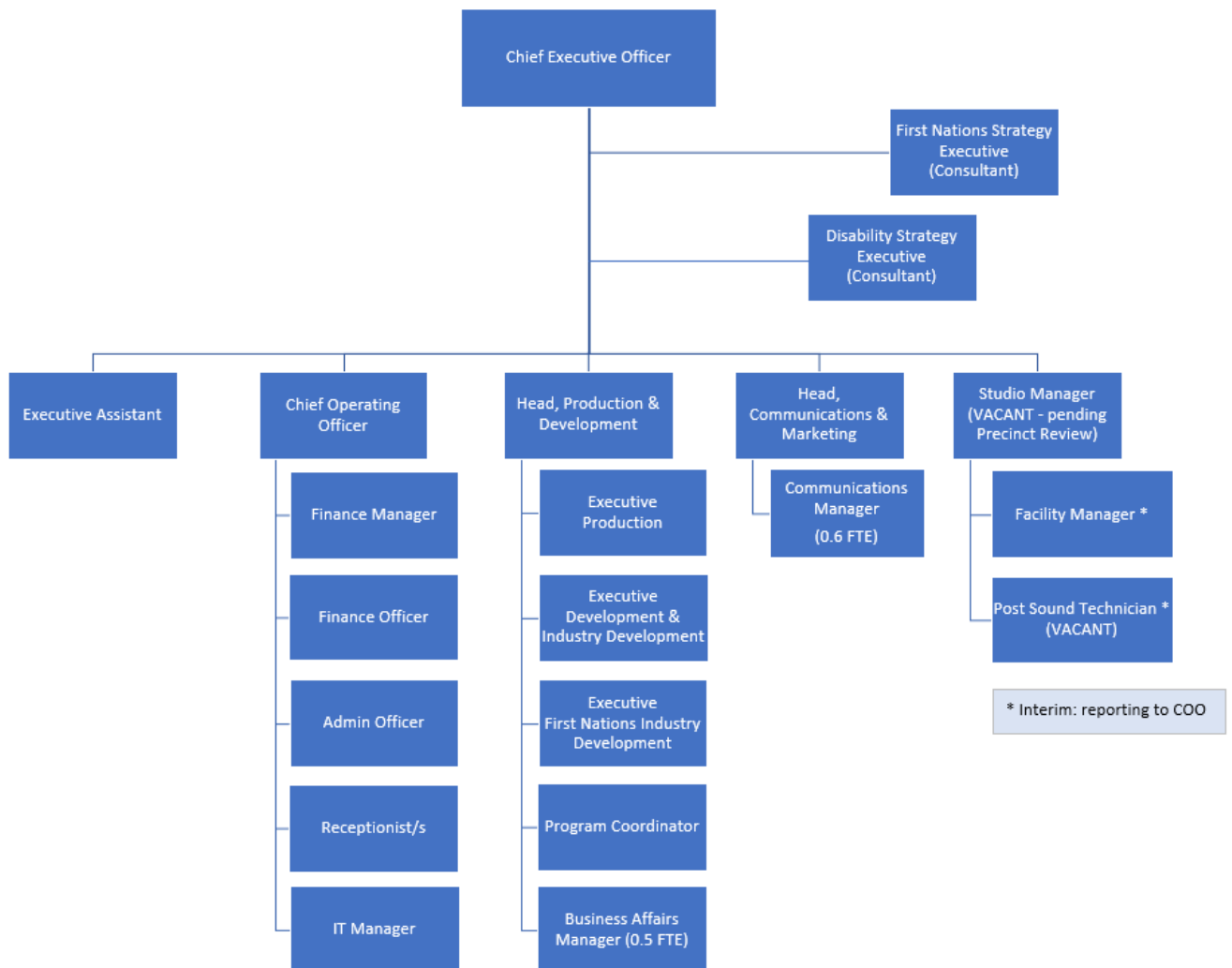
Our Purpose	The South Australian Film Corporation is a statutory body established under the South Australian Film Corporation Act 1972. Its purpose is to support, position, and champion South Australian screen businesses to achieve creative excellence and prosperity, contributing to a robust South Australian economy and creative vibrancy.
Our Vision	The South Australian Film Corporation is the state's leading screen authority and investment body. We focus on creating the conditions for the growth and prosperity of all components of the South Australian screen industry. Our industry-led approach ensures a return on government investment with minimal bureaucracy, exceptional service, and the agility to respond to changing industry conditions. The South Australian Film Corporation leverages its deep knowledge of the unique strengths and comparative advantages of the South Australian screen landscape to connect South Australia to the global market. The South Australian Film Corporation works with established talent and market partners to deliver a strong pipeline of production. We support and coordinate with the Mercury CX and other partners to ensure a growing pool of outstanding and diverse emerging talent. The South Australian Film Corporation operates custom-built facilities at Adelaide Studios which enhance the capacity of the local sector and the state's attractiveness as a production location and generate funds for industry activities.
Our Values	<p>SUPPORTIVE: We nurture and enable success.</p> <p>TRUSTWORTHY: We are expert, transparent and reliable in our advice and actions.</p> <p>PROFESSIONAL: We are accountable, fair, respectful, and service-oriented.</p> <p>"CAN DO": We are flexible, innovative, proactive. Doing business with us is easy and fast.</p> <p>OPEN: We collaborate and communicate in a timely and relevant way.</p> <p>INCLUSIVE: We promote diversity and representation.</p>
Our functions, objectives and deliverables	<p>Enable Entrepreneurship</p> <p>Grow Capability</p> <p>Champion South Australia</p> <p>Deliver Operational Excellence</p>

Our organisational structure

The South Australian Film Corporation has a governing board. At 30 June, 2022 members of the board were:

- Ms Julie Cooper (Chair)
- Ms Miriam Silva AM
- Ms Rebecca Summerton
- Mr Tony Ayres
- Mr Austin Taylor OAM

As at 30 June, 2022 the organisational structure was:



Changes to the agency

During 2021-22 there were the following changes to the agency's structure and objectives as a result of machinery of government changes:

- *South Australian Film Corporation Act 1972* gazetted from Minister for Innovation and Skills to Minister for Arts

Our Minister



The Honourable Andrea Michaels MP is the Minister for Arts.

The Minister's responsibilities include:

- Arts
- Cultural Policy
- Creative Industries
- Screen Sector
- Small and Family Business
- Small Business Commissioner
- Commissioner for Consumer and Business Services

Our Executive team

The Executive team is responsible for the management and administration of the SAFC. The members of the Executive team are:

- Chief Executive Officer – Kate Croser
- Chief Operating Officer – Robyn Jones
- Head of Production and Development – Beth Neate
- Head of Communications and Marketing – Petra Starke

Legislation administered by the agency

South Australian Film Corporation Act 1972.

The agency's performance

Performance at a glance

During 2021-22 key achievements included:

- SAFC Screen Production Funding to South Australian Screen Production Expenditure was approved at a ratio of 1:9.45 to enable \$42,817,012 in direct spend into the South Australian economy.*
- The SA Post-Production, Digital and Visual Effects (PDV) Rebate was approved at a ratio of 1:10 to enable \$ 92,797,259.50 in direct spend into the South Australian economy.*
- The SA Video Game Development (VGD) Rebate was approved at a ratio of 1:10 to enable \$13,172,802.00 in direct spend into the South Australian economy.*
- The SAFC launched its inaugural Diversity and Inclusion Strategy (2022-2023) which sets out comprehensive, quantifiable 10-year targets for the representation of the screen sector to reflect South Australia's population.
- The SAFC supported 76 creative screen projects and 28 screen industry events, programs and seminars.
- The SAFC supported training for 50 candidates through Skilling SA, 10 per each of the program areas: Production Office, Camera Department, Assistant Directing, Art Department and Production Accounting.
- The SAFC supported a record 20 paid attachments across Professional Crew and Targeted Diversity Attachments in 2021/22. 90% of attachments funded were from underrepresented groups.
- The SAFC supported seven paid attachment positions for First Nations practitioners on professional productions.

*Due to the timing differential between commitment and delivery- figures contain both audited and non-audited amounts and are current as of 17 October 2022.

Agency response to COVID-19

SAFC Skilling South Australia Workforce Project - Screen Industry Training

The Skilling SA Screen Industry Training Program closely aligned with the SAFC's strategic objective to grow and diversify the pool of crew in SA, creating jobs and piloting the first "micro-credential" program for the screen industry in Australia.

With additional funding from the Department for Innovation and Skills, the SAFC designed and delivered a nation-leading micro-credential trial to upskill South Australian workers from COVID affected industries. The program responded to urgent workforce shortages in South Australia driven by closed borders during COVID-19.

Commencing with a Technical Open Day at the Adelaide Studios, which saw 102 attendees from adjacent industries participate in 23 information sessions with South Australian screen Heads of Department, the program targeted candidates from under-

represented backgrounds with transferable skills from administration, accountancy, theatre, performing arts, events, festivals, visual arts, design, graphic design, costume design, photography, music industry, radio and tourism.

Fifty participants were selected to undertake a six-month program of accredited and non-accredited industry training. The SAFC worked with industry to prioritise the department areas with the biggest skills shortages and to tailor the training to match industry needs.

COVID-19 Compliance for Productions

The SAFC also continued to serve as the central liaison between SA Health and the South Australian screen industry which enabled screen production to proceed safely within COVID Directions.

Agency contribution to whole of Government objectives

Key objective	Agency's contribution*
More jobs	<p>SAFC Screen Production Funds committed in 2021-22 generated 1,058 South Australian screen production jobs. This was an increase of 52 per cent on 2020-21 totals.</p> <p>SA PDV Rebate Funds committed in 2021-22 generated 1,770 South Australian post-production and visual effects jobs. This was an increase of 173 per cent on 2020-21 totals.</p> <p>SA VGD Rebate funds committed in 2021-22 generated 257 South Australian jobs in game development jobs. This was an increase of 20 per cent on 2020-21 totals.</p> <p>88 per cent of SAFC Screen Production Funds were awarded to projects with at least one South Australian Key Creative (writer, director, producer).</p> <p>78 per cent of crew members employed on SAFC-funded productions were South Australian residents.</p> <p>81 per cent of Heads of Department roles on SAFC-funded productions were South Australian residents.</p>
Lower costs	<p>The SAFC partnered with 16 market/industry partners to deliver 11 new programs, leveraging an estimated \$575,000 into industry development programs.</p>
Better Services	<p>The SAFC launched its inaugural Diversity and Inclusion Strategy (2022-2023) which sets out comprehensive, quantifiable 10-year targets for the representation of the screen sector to reflect South Australia's population.</p> <p>Adelaide Studios tenancy was at 100 per cent occupancy and the production facility was utilised for 49 calendar weeks.</p> <p>The SAFC updated its Locations Database adding 36 new and updating 228 locations.</p> <p>The SAFC increased administrative efficiency through the implementation of Diligent Boards, a new finance system (Xero) implemented November 2021 and Smarty Grants integration with Xero.</p>

*Due to the timing differential between commitment and delivery- figures contain both audited and non-audited amounts and are current as of 17 October 2022.

Agency specific objectives and performance

Agency objectives	Indicators	Performance
Maximise the value of South Australian screen Intellectual Property (IP)	Screen Business Accelerator Program	The SAFC supported South Australian screen business KOJO Studios with a two-year business loan to enable company growth and attract inward investment.
	South Australian Screen Production Fund	61 per cent of SAFC Screen Production Funds were awarded to SA producers with SA-owned IP.
	Matched Market Development Fund	Eight SA owned projects were supported for Matched Market development.
	Targeted Development Fund	Six projects based on SA-owned IP were supported for Targeted Development.
	Streaming Video On Demand (SVOD) Outreach	<p>The SAFC facilitated 10 industry connections/pitches for South Australian screen businesses.</p> <p>The SAFC supported South Australian screen business Glen Pictures was commissioned by Netflix to produce a 10-episode children's series, <i>Gymnastics Academy: A Second Chance!</i> - the first South Australian Netflix commission.</p> <p>The SAFC partnered with Stan to match development funding for two South Australian owned television series: <i>Living Mistakes</i> (Closer Productions and Highview Productions) and <i>The Normals</i> (We Made A Thing Studios)</p>

Agency objectives	Indicators	Performance
Increase inward investment to enable SA screen businesses to scale	Investor Education and Connections	<p>The SAFC brought together philanthropists and social impact documentary filmmakers through an education and networking event at the Adelaide Studios.</p> <p>The SAFC managed funds and rebates which stimulated \$134 million of inward investment into the South Australian economy.</p>
	Increase awareness of market deals	<p>The SAFC facilitated a presentation from the Screen Australia Marketplace Unit to the South Australian Producers Working Group.</p> <p>The SAFC partnered with the Australian International Documentary Conference (AIDC) and Australians in Film (AiF) to give South Australian producers direct access to marketplace decision makers.</p>
Increase SA export revenue	Facilitate increased international market relationships for SA production companies	<p>South Australian screen business Closer Productions was one of six companies selected for the national Global Producers Exchange Program (supported by SAFC) which connects Australian screen businesses with key US decision makers.</p> <p>SAFC funds and rebates supported 58 projects with international finance or sales deals.</p>

Agency objectives	Indicators	Performance
Grow and diversify the pool of credited creatives – ‘Greenlighters’	Deliver Greenlighter talent initiatives	<p>The SAFC’s key talent escalator program Film Lab: New Voices (delivered with Adelaide Film Festival) enabled South Australian writer Lucy Campbell, director Matthew Vesely and producer Bettina Hamilton to each gain their first feature film credit on the project <i>Monolith</i>.</p> <p>The SAFC supported a further three South Australian teams for the second round of Film Lab: New Voices, including one First Nations Team.</p> <p>The SAFC supported new South Australian screenwriter Ansuya Nathan with a 12-month paid work placement in Closer Productions in partnership with Screen Australia and SBS.</p> <p>SAFC funding supported projects with 28 new South Australian “greenlighters”, three of whom gained their first professional screen credits in 2021/22.</p>
	Implement Diversity Strategy	The SAFC launched its inaugural Diversity and Inclusion Strategy (2022-2032) in May 2022.

Agency objectives	Indicators	Performance
	Deliver First Nations Screen Strategy	<p>The SAFC continued its partnership with Community Broadcaster Channel 44 to support three First Nations interns to gain production experience.</p> <p>The SAFC supported seven paid attachment positions for First Nations screen makers: Sierra Shrader: Producer Attachment (<i>Heartbreak High</i>); Keith Gilbey Warrior: Post-Production Attachment (<i>Maverix</i> and <i>Firebite</i>); Adam Galea: Sound Post-Production Attachment (<i>Maverix</i>); Thibul Nettle Director's Attachment (<i>Firebite</i>), Kiara Karpany-Day Costume Attachment (<i>Firebite</i>); Arthur Ah Chee 3D Artist Attachment (<i>There Exists VR</i>).</p> <p>The SAFC enabled director Lilla Berry and producer Pearl Berry to gain their first broadcast credits for the documentary <i>Black Empire</i> which screened on NITV as part of the Curious Australia program.</p> <p>The SAFC enabled writer/producer Jared Thomas to gain his first broadcast credits for the documentary <i>Close to the Bone</i> which screened on ABC's <i>Compass</i>.</p> <p>The SAFC supported 12 participants to undertake a five day VR Lab as part of the Centralised partnership with Screen Australia, AFTRS and Screen Territory.</p> <p>The SAFC delivered a First Nations Short Film Writers Program which supported six writers to gain screenwriting skills.</p>

Agency objectives	Indicators	Performance
Expand and diversify the bench of experienced crew	Deliver Skills Pathway programs	<p>The SAFC delivered the Skilling SA Screen Industry Training program which supported 50 skilled workers from other industries to gain the skills to transition to screen across five department areas: Production Office; Camera Department; Production Accounting; Assistant Directing; Art Department.</p> <p>The SAFC supported a record 20 paid attachments for emerging South Australian crew.</p> <p>90 per cent of attachments funded were from underrepresented groups.</p> <p>The SAFC partnered with the Mercury CX to deliver the Master's Apprentice Program which matched 10 experienced Heads of Department with 10 emerging below-the-line South Australian crew for mentorship.</p>
	Deliver a consistent pipeline of production activity	<p>The SAFC Screen Production Fund delivered a record level of production across 38 calendar weeks.</p> <p>Six SAFC-funded projects shot simultaneously in October 2021 – an unprecedented amount of simultaneous production in the state.</p>
Grow the economic contribution of screen service companies	Formalise support for SA companies	<p>The SAFC administered the SA PDV Rebate and SA VGD Rebate at record levels of demand.</p> <p>15 new South Australian screen service companies were added to the SAFC Crew and Services Directory – an increase of 11 per cent.</p>

Agency objectives	Indicators	Performance
Promote the achievements and capability of the South Australian screen sector	Update South Australian film location database	<p>The SAFC added 36 new locations to its Reelscout database and updated 228 locations with new photos and information, with entries across all location categories.</p> <p>The SAFC enabled relevant First Nations community authorities to list on each location in the Reelscout database.</p>
	Deliver a new suite of SAFC marketing collateral promoting the state's capability	<p>The SAFC updated its marketing collateral and trailers.</p> <p>All SAFC trailers and event videos now include Closed Captioning.</p>
Adelaide Studios facilities enable increased production activity in SA	Assist productions to locate additional facilities where required	<p>Adelaide Studios were at 100 per cent occupancy.</p> <p>The SAFC updated and shared production decks to promote all SA Production Facilities and SA PDV Facilities.</p>
Communicate with industry to help them deliver growth and success in their businesses	Deliver networking and education events	<p>The SAFC supported three South Australian production companies to participate in meetings with US producers and companies, through Australians in Film (AiF).</p> <p>The SAFC partnered with the Australian International Documentary Conference (AIDC) to deliver a marketplace webinar for SA businesses.</p> <p>The SAFC held an In Conversation event with Director Warwick Thornton including industry networking at Tandanya for NAIDOC Week 2021.</p> <p>The SAFC facilitated two networking events and a webinar for emerging filmmakers to learn about the Film Lab: New Voices program.</p> <p>SAFC Disability Strategy Executive Gaelle Mellis delivered an industry webinar on disability equality.</p>

Agency objectives	Indicators	Performance
	Increase awareness of marketplace deals	<p>The SAFC facilitated four meetings of the Producers Working Group to share information.</p> <p>The SAFC held an AIDC debrief at Adelaide Studios for South Australian documentary filmmakers to share marketplace intelligence.</p> <p>The SAFC facilitated a presentation from the Screen Australia Marketplace Unit to the South Australian Producers Working Group.</p>
Interact with stakeholders in line with SAFC values	Seek feedback from industry on SAFC performance	The SAFC delivered a screen industry stakeholder survey.
	Implement Diversity Strategy	<p>The SAFC launched its inaugural Diversity and Inclusion Strategy 2022-2032.</p> <p>The SAFC launched First Nations Cultural Protocols for producers filming in South Australia.</p>
Sound governance and management practices	Digitisation Project	The SAFC achieved full implementation of Smarty Grants, Diligent Boards and Xero including training for staff.

Corporate performance summary

During the year, the SAFC continued to support the industry during the COVID-19 pandemic. Full business continuity was maintained including rollout of industry programs.

Employment opportunity programs

Program name	Performance
Not Applicable	Not Applicable

Agency performance management and development systems

Performance management and development system	Performance
<p>The performance management and development system includes alignment of work outcomes to the strategic and business plan. Discussions are undertaken twice a year.</p> <p>Compliance is measured by the number of employees undertaking and documenting a performance agreement discussion during the financial year.</p>	<p>Total number of employees who had a performance and development review attributable to the 2021-22 year: 20 (100 per cent of eligible employees)</p> <p>In 2021-22 the SAFC's performance and development system was used to determine individual staff training and development opportunities, develop training calendars and to ensure training was undertaken to develop team members based on their individual needs.</p> <p>The SAFC achieved strong results in the I Work For SA survey including a 75 per cent employee engagement score.</p>

Work health, safety and return to work programs

Program name	Performance
Work Health and Safety (WHS) Program	<p>The program is built upon the Department for Industry, Innovation and Science WHS program and includes the local WHS group operations, hazard risk register, corrective action register, internal audits, building inspections and governance reporting.</p> <p>No claims were made in the 2020-21 financial year resulting in zero lost time claims.</p>

Workplace injury claims	2021-22	2020-21	% Change (+ / -)
Total new workplace injury claims	0	0	0%
Fatalities	0	0	0%
Seriously injured workers*	0	0	0%
Significant injuries (where lost time exceeds a working week, expressed as frequency rate per 1000 FTE)	0	0	0%

**number of claimants assessed during the reporting period as having a whole person impairment of 30% or more under the Return to Work Act 2014 (Part 2 Division 5)*

Work health and safety regulations	2021-22	2020-21	% Change (+ / -)
Number of notifiable incidents (<i>Work Health and Safety Act 2012, Part 3</i>)	0	0	0%
Number of provisional improvement, improvement and prohibition notices (<i>Work Health and Safety Act 2012 Sections 90, 191 and 195</i>)	0	0	0%

Return to work costs**	2021-22	2020-21	% Change (+ / -)
Total gross workers compensation expenditure (\$)	0	0	0%
Income support payments – gross (\$)	0	0	0%

**before third party recovery

Data for previous years is available at:

<https://data.sa.gov.au/data/organization/about/south-australian-film-corporation>

Executive employment in the agency

Executive classification	Number of executives
SAES 2	1

Data for previous years is available at:

<https://data.sa.gov.au/data/organization/about/south-australian-film-corporation>

The [Office of the Commissioner for Public Sector Employment](#) has a [workforce information](#) page that provides further information on the breakdown of executive gender, salary and tenure by agency.

Financial performance

Financial performance at a glance

The following is a brief summary of the overall financial position of the agency. The information is unaudited. Full audited financial statements for 2021-2022 are attached to this report.

Statement of Comprehensive Income	2021-22 Budget \$000s	2021-22 Actual \$000s	Variation \$000s	2020-21 Actual \$000s
Total Income	8 296	20 466	12 170	12 647
Total Expenses	8 415	20 837	(12 422)	12 051
Net Result	(119)	(371)	(252)	596
Total Comprehensive Result	(119)	(371)	(252)	596

Statement of Financial Position	2021-22 Budget \$000s	2021-22 Actual \$000s	Variation \$000s	2020-21 Actual \$000s
Current assets	7 954	19 293	11 339	17 373
Non-current assets	322	1 141	819	418
Total assets	8 276	20 434	12 158	17 791
Current liabilities	4 721	3 799	922	810
Non-current liabilities	199	199	0	174
Total liabilities	4 920	3 998	922	984
Net assets	3 356	16 436	13 080	16 807
Equity	3 356	16 436	13 080	16 807

Consultants disclosure

The following is a summary of external consultants that have been engaged by the agency, the nature of work undertaken, and the actual payments made for the work undertaken during the financial year.

Consultancies with a contract value below \$10,000 each

Consultancies	Purpose	\$ Actual payment
All consultancies below \$10,000 each - combined	Various	\$16,310

Consultancies with a contract value above \$10,000 each

Consultancies	Purpose	\$ Actual payment
BDO Advisory Services	Property Advisory Services	\$22,830
Deloitte Access Economics	Benchmarking	\$25,133
Deloitte Access Economics	Contribution Study	\$54,627
	Total	\$102,590

Data for previous years is available at:

<https://data.sa.gov.au/data/organization/about/south-australian-film-corporation>

See also the [Consolidated Financial Report of the Department of Treasury and Finance](#) for total value of consultancy contracts across the South Australian Public Sector.

Contractors disclosure

The following is a summary of external contractors that have been engaged by the agency, the nature of work undertaken, and the actual payments made for work undertaken during the financial year.

Contractors with a contract value below \$10,000

Contractors	Purpose	\$ Actual payment
All contractors below \$10,000 each - combined	Various	\$39,405

Contractors with a contract value above \$10,000 each

Contractors	Purpose	\$ Actual payment
ABCG Films	Public Relation Services	\$42,720
WhiteFalk Films	Film initiative mentor	\$39,230
	Total	\$81,950

Data for previous years is available at:

<https://data.sa.gov.au/data/organization/about/south-australian-film-corporation>

The details of South Australian Government-awarded contracts for goods, services, and works are displayed on the SA Tenders and Contracts website. [View the agency list of contracts.](#)

The website also provides details of [across government contracts.](#)

Risk management

Risk and audit at a glance

The Board of the South Australian Film Corporation oversees a robust risk and audit framework which includes:

- Annual review of the risk management framework
- Regular updates of existing and emerging risks
- Annual internal audit program
- Review of financial statements and interim audits from the Auditor-General
- Detailed and effective Financial Management Compliance Framework

Fraud detected in the agency

Category/nature of fraud	Number of instances
Financial Fraud	0

NB: Fraud reported includes actual and reasonably suspected incidents of fraud.

Strategies implemented to control and prevent fraud

The South Australian Film Corporation has a Fraud and Corruption Prevention policy issued to all staff, an extensive internal control environment including a sophisticated delegation policy, regular financial report review, internal audit program and governance oversight by the Board.

Data for previous years is available at:

<https://data.sa.gov.au/data/organization/about/south-australian-film-corporation>

Public interest disclosure

Number of occasions on which public interest information has been disclosed to a responsible officer of the agency under the *Public Interest Disclosure Act 2018*:

Nil

Data for previous years is available at:

<https://data.sa.gov.au/data/organization/about/south-australian-film-corporation>

Note: Disclosure of public interest information was previously reported under the *Whistleblowers Protection Act 1993* and repealed by the *Public Interest Disclosure Act 2018* on 1/7/2019.

Reporting required under any other act or regulation

Not applicable

Public complaints

Number of public complaints reported

Complaint categories	Sub-categories	Example	Number of Complaints 2021-22
Professional behaviour	Staff attitude	Failure to demonstrate values such as empathy, respect, fairness, courtesy, extra mile; cultural competency	1
Professional behaviour	Staff competency	Failure to action service request; poorly informed decisions; incorrect or incomplete service provided	0
Professional behaviour	Staff knowledge	Lack of service specific knowledge; incomplete or out-of-date knowledge	0
Communication	Communication quality	Inadequate, delayed or absent communication with customer	0
Communication	Confidentiality	Customer's confidentiality or privacy not respected; information shared incorrectly	0
Service delivery	Systems/technology	System offline; inaccessible to customer; incorrect result/information provided; poor system design	0
Service delivery	Access to services	Service difficult to find; location poor; facilities/ environment poor standard; not accessible to customers with disabilities	0
Service delivery	Process	Processing error; incorrect process used; delay in processing application; process not customer responsive	0
Policy	Policy application	Incorrect policy interpretation; incorrect policy applied; conflicting policy advice given	0

Complaint categories	Sub-categories	Example	Number of Complaints 2021-22
Policy	Policy content	Policy content difficult to understand; policy unreasonable or disadvantages customer	0
Service quality	Information	Incorrect, incomplete, out dated or inadequate information; not fit for purpose	0
Service quality	Access to information	Information difficult to understand, hard to find or difficult to use; not plain English	0
Service quality	Timeliness	Lack of staff punctuality; excessive waiting times (outside of service standard); timelines not met	0
Service quality	Safety	Maintenance; personal or family safety; duty of care not shown; poor security service/ premises; poor cleanliness	0
Service quality	Service responsiveness	Service design doesn't meet customer needs; poor service fit with customer expectations	2
No case to answer	No case to answer	Third party; customer misunderstanding; redirected to another agency; insufficient information to investigate	0
		Total	3

Additional Metrics	Total
Number of positive feedback comments	22
Number of negative feedback comments	3
Total number of feedback comments	25
% complaints resolved within policy timeframes	100%

Data for previous years is available at:

<https://data.sa.gov.au/data/organization/about/south-australian-film-corporation>

Service Improvements

The SAFC's Feedback and Complaints Management policy was updated in 2021-22, effective May 2022, in order to better identify trends, measure customer service quality, clarify response processes and make service improvements.

SAFC staff receive ongoing training and development to achieve service improvements.

Compliance Statement

South Australian Film Corporation is compliant with Premier and Cabinet Circular 039 – complaint management in the South Australian public sector	Y
South Australian Film Corporation has communicated the content of PC 039 and the agency's related complaints policies and procedures to employees.	Y

Appendix: Audited financial statements 2021-22

INDEPENDENT AUDITOR'S REPORT



Government of South Australia
Auditor-General's Department

Level 9
State Administration Centre
200 Victoria Square
Adelaide SA 5000
Tel +618 8226 9640
Fax +618 8226 9688
ABN 53 327 061 410
audgensa@audit.sa.gov.au
www.audit.sa.gov.au

**To the Chairperson
South Australian Film Corporation**

Opinion

I have audited the financial report of the South Australian Film Corporation (the Corporation) for the financial year ended 30 June 2022.

In my opinion, the accompanying financial report gives a true and fair view of the financial position of the South Australian Film Corporation as at 30 June 2022, its financial performance and its cash flows for the year then ended in accordance with relevant Treasurer's Instructions issued under the provisions of the *Public Finance and Audit Act 1987* and Australian Accounting Standards – Simplified Reporting Requirements.

The financial report comprises:

- a Statement of Comprehensive Income for the year ended 30 June 2022
- a Statement of Financial Position as at 30 June 2022
- a Statement of Changes in Equity for the year ended 30 June 2022
- a Statement of Cash Flows for the year ended 30 June 2022
- notes, comprising material accounting policies and other explanatory information
- a Certificate from the Chair, the Chief Executive and the Chief Operating Officer.

Basis for opinion

I conducted the audit in accordance with the *Public Finance and Audit Act 1987* and 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 South Australian Film Corporation (the Corporation). The *Public Finance and Audit Act 1987* establishes the independence of the Auditor-General. In conducting the audit, the relevant ethical requirements of APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* have been met.

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

- 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 South Australian Film Corporation's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Chief Executive
- conclude on the appropriateness of the Chief Executive'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 entity'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 the opinion. My conclusion is based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause an entity 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.

My report refers only to the financial report described above and does not provide assurance over the integrity of electronic publication by the entity on any website nor does it provide an opinion on other information which may have been hyperlinked to/from the report.

I communicate with the Chief Executive and members of the South Australian Film Corporation Board about, 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 the audit.



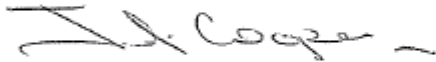
Daniel O'Donohue
Assistant Auditor-General (Financial Audit)
02 November 2022

SOUTH AUSTRALIAN FILM CORPORATION

Certification of Financial Statements

We certify that the:

- financial statements for the South Australian Film Corporation:
 - are in accordance with the accounts and records of the South Australian Film Corporation;
 - comply with relevant Treasurer's instructions
 - comply with relevant accounting standards; and
 - present a true and fair view of the financial position of the South Australian Film Corporation at the end of the financial year and the result of its operations and cash flows for the financial year.
- internal controls employed by the South Australian Film Corporation for the financial year over its financial reporting and its preparation of financial statements have been effective.



Julie Cooper
Chair
31 October 2022



Kate Croser
Chief Executive Officer
31 October 2022



Robyn Jones
Chief Operating Officer
31 October 2022

STATEMENT OF COMPREHENSIVE INCOME

For the year ended 30 June 2022

	Note No.	2022 \$'000	2021 \$'000
OPERATIONS			
Income			
Revenue from SA Government	4.1	2 905	3 320
Adelaide Studio Income	4.2	1 314	732
Film distribution returns		318	253
Interest revenues	4.3	49	39
Other revenues	4.4	38	14
Total operations income		4 624	4 358
Expenses			
Employee benefits expenses	2.3	2 077	1 830
Supplies and services	3.3	1 188	1 242
Depreciation	3.4	127	134
Total operations expenses		3 392	3 206
Net result from Operations		1 232	1 152
SCREEN INDUSTRY PROGRAMS			
Income			
Revenue from SA Government	4.1	1,470	1 209
Total Screen Industry income		1 470	1 209
Expenses			
Screen Industry programs	3.1	1 333	1 098
Total Screen Industry expenses		1 333	1 098
Net result from Screen Industry programs		137	111
PRODUCTION FUNDING			
Income			
Revenue from SA Government	4.1	14 372	7 080
Total Production Funding Income		14 372	7 080
Expenses			
Production Funding	3.2	16 112	7 747
Total Production Funding expenses		16 112	7 747
Net result from Production Funding		(1 740)	(667)
Total Comprehensive Result		(371)	596

The accompanying notes form part of these financial statements. The net result and total comprehensive result are attributable to the SA Government as owner.

STATEMENT OF FINANCIAL POSITION

As at 30 June 2022

	Note No.	2022 \$'000	2021 \$'000
Current assets			
Cash and cash equivalents	6.2	18 497	17 118
Receivables	6.3	564	255
Revolving Loan Fund	6.4	232	-
Total current assets		19 293	17 373
Non-current assets			
Equipment	5.1	241	368
Revolving Loan Fund	6.4	900	50
Total non-current assets		1 141	418
Total assets		20 434	17 791
Current liabilities			
Payables	7.2	3 640	578
Employee benefits	2.4	100	139
Contract liabilities		59	93
Total current liabilities		3 799	810
Non-current liabilities			
Employee benefits	2.4	163	151
Payables	7.2	25	14
Provisions	7.3	11	9
Total non-current liabilities		199	174
Total liabilities		3 998	984
Net Assets		16 436	16 807
Equity			
Contributed capital		8 460	8 460
Retained earnings		7 976	8 347
Total Equity		16 436	16 807

The accompanying notes form part of these financial statements. The total equity is attributable to the SA Government as owner.

STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2022

	Note No.	Contributed capital \$'000	Retained earnings \$'000	Total Equity \$'000
Balance at 30 June 2020		8 460	(7 538)	922
Prior period adjustment	8.2		15 289	15 289
Restated 1 July 2020		8 460	7 751	16 211
Restated net result for 2020-21		-	596	596
Balance at 30 June 2021		8 460	8 347	16 807
Net result for 2021-22		-	(371)	(371)
Balance at 30 June 2022		8 460	7 976	16 436

The accompanying notes form part of these financial statements. All changes in equity are attributable to the SA Government as owner.

STATEMENT OF CASH FLOWS

For the year ended 30 June 2022

	Note No.	2022 \$'000	2021 \$'000
Cash flows from operating activities			
Cash inflows			
Receipts from SA Government		18 747	11 609
Adelaide Studios and other income		1 745	1 347
Revolving Loan Fund repayments			1 185
GST received from the ATO		1 371	894
Interest received		49	38
Cash generated from operations		21 912	15 073
Cash outflows			
Production funding		(15 087)	(8 533)
Employee benefits payments		(2 091)	(1 873)
Screen Industry Programs		(1 423)	(1 497)
Payments for supplies and services		(850)	(1 347)
Revolving Loan Fund advances		(1 082)	-
Cash used in operations		(20 533)	(13 250)
Net cash provided by/(used in) operating activities		1 379	1 823
Cash flows from investing activities			
Cash outflows			
Purchase of property, plant and equipment		-	(59)
Cash used in investing activities		-	(59)
Net cash provided by/(used in) investing activities		-	(59)
Net increase/(decrease) in cash and cash equivalents		1 379	1 764
Cash and cash equivalents at the beginning of the period		17 118	15 354
Cash and cash equivalents at the end of the period	6.2	18 497	17 118

The accompanying notes form part of these financial statements.

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1. ABOUT THE SOUTH AUSTRALIAN FILM CORPORATION

The South Australian Film Corporation (SAFC) is a Board, established pursuant to the *South Australian Film Corporation Act 1972*. The responsible Minister is the Minister for the Arts. The SAFC is a Statutory Authority.

The SAFC does not control any other entity and has no interests in unconsolidated structured entities. The financial statements and accompanying notes include all the controlled activities of the SAFC.

Administered items are insignificant in relation to the SAFC's overall financial performance and position and are disclosed in Note 11.

1.1 BASIS OF PREPARATION

The financial statements are general purpose financial statements prepared in compliance with:

- section 23 of the *Public Finance and Audit Act 1987*;
- Treasurer's Instructions and Accounting Policy Statements issued by the Treasurer under the *Public Finance and Audit Act 1987*; and
- relevant Australian Accounting Standards applying simplified disclosures.

The financial statements are prepared based on a 12 month period and presented in Australian currency. The historical cost convention is used unless a different measurement basis is specifically disclosed in the note associated with the item measured.

Income, expenses and assets are recognised net of the amount of GST except:

- when the GST incurred on a purchase of goods or services is not recoverable from the Australian Taxation Office (ATO), in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item applicable; and
- receivables and payables, which are stated with the amount of GST included.

Assets and liabilities that are to be sold, consumed or realised as part of the normal operating cycle have been classified as current assets or current liabilities. All other assets and liabilities are classified as non-current.

1.2 OBJECTIVES

The purpose of the SAFC is to support, position and champion South Australian screen businesses to achieve creative excellence and prosperity, contributing to a robust South Australian economy and creative vibrancy.

The SAFC optimises opportunities for production and post-production in South Australia through providing financial assistance by way of grants, loans and equity investments across 2 key programs of Screen Industry Programs and Production Funding. The activities within these programs include funding for screen project development and production and screen industry development initiatives such as workshops, seminars and information.

The SAFC operates the Adelaide Studios which includes production and post-sound facilities and long-term tenancies for screen practitioners.

The SAFC's principal sources of funds are State Government grants and revenue from the Adelaide Studios operations.

The ongoing activities of the SAFC are dependent on the annual provision of grants from the State Government.

2. BOARD, COMMITTEES AND EMPLOYEES

The Chief Executive Officer is appointed by the Chief Executive Officer of the Department for Industry, Innovation and Science as the Employing Authority under Section 9(1) of the *South Australian Film Corporation Act 1972*. SAFC employees are appointed by the Chief Executive Officer SAFC under a sub-delegation provided by the Employing Authority under Section 9A(7) of the *South Australian Film Corporation Act 1972*.

The Executive Team comprises the Chief Executive Officer, Chief Operating Officer, Head of Production and Development, and Head of Communications and Marketing.

2.1 KEY MANAGEMENT PERSONNEL

Key management personnel of the SAFC include the Minister, Board members and the Chief Executive Officer who have responsibility for the strategic direction and management of the SAFC.

Total compensation for key management personnel was \$310,000 (\$290,000).

The compensation disclosed in this note excludes salaries and other benefits the Minister receives. The Minister's remuneration and allowances are set by the *Parliamentary Remuneration Act 1990* and the Remuneration Tribunal of SA respectively and are payable from the Consolidated Account (via the Department of Treasury and Finance) under section 6 the *Parliamentary Remuneration Act 1990*.

Transactions with key management personnel and other related parties

The Board includes individuals who work within both the local and national screen industry. This is a longstanding historical practice and is consistent with Board composition in similar agencies across Australia. There is a clear and industry accepted benefit for this practice, as practitioners provide important expertise and understanding about financing and production, and strategic insights about the future directions for the SAFC. The SAFC has policies and procedures in place to ensure that potential and perceived conflicts of interest are managed in a robust and transparent manner. Related party disclosures are recognised at the time of Board approval. Relevant Board members do not participate in the approval process relating to that commitment.

During 2021-22, payments totalling \$1,465,424 were paid to related parties. Closer Productions (or affiliated businesses), of which Rebecca Summerton is a producer was paid a total of \$1,221,080 for *Aftertaste Season 2*, including a production grant of \$412,560 and \$808,520 from the Revolving Loan Facility. Closer Productions (or affiliated businesses) also received \$20,000 for the project called *The Easy Way Out*, \$3,800 for the *Cataclysmo* project, \$18,000 for the production project titled *Fighting for Hakeem*, \$21,000 for the Emerging Writers Incubator initiative and \$10,000 for the *Living Mistakes* project. The amounts paid were completed on normal business terms. In line with SAFC policies and procedures, Ms Summerton declared her interest and absented herself from any Board discussion or decision.

During 2021-22, Production, Digital and Visual Effects (PDV) rebate of \$171,544 was paid for *La Brea Season 1*, for which Anthony Ayres is a related party. This amount was paid on normal business terms. Mr Ayres declared his interest in line with SAFC policies and procedures and absented himself from any Board discussion or decision.

2.2 BOARD MEMBERS

Members during the 2021-22 financial year were:

- Ms Julie Cooper (Chair)
- Mr Peter Hanlon (retired December 2021)
- Ms Kate Croser *
- Ms Ann-Maree Davies (retired April 2022)
- Mr Tony Ayres
- Mr Austin Taylor
- Ms Miriam Silva
- Ms Rebecca Summerton

*In accordance with the Premier and Cabinet Circular No. 016, government employees did not receive any remuneration for board/committee duties during the financial year.

Board remuneration

The number of members whose remuneration received or receivable falls within the following bands:

	2022 No	2021 No
\$0 - \$ 19 999	7	5
Total	7	5

The total remuneration received or receivable by members was \$19,500 (\$15,000). Remuneration of members include sitting fees, superannuation contributions and salary sacrifice benefits.

2.3 EMPLOYEE BENEFITS EXPENSE

	2022 \$'000	2021 \$'000
Salaries	1 604	1 534
Employment on-costs – superannuation	187	161
Annual leave	134	85
Employment on-costs – other	69	62
Long Service Leave	61	(27)
Board fees	20	15
Workers compensation	2	-
Total employee benefits expenses	2 077	1 830

Employment on-cost superannuation

The superannuation employment on-cost charge represents the SAFC's contribution to superannuation plans in respect of current services of current employees.

Executive Remuneration

The number of employees whose remuneration received or receivable falls within the following bands.	2022 No	2021 No
\$157,001 to \$177,000	1	-
\$197,001 to \$217,000	1	-
\$257,001 to \$277,000	-	1
\$277,001 to \$297,000	1	-
Total	3	1

The table includes all employees who received remuneration equal to or greater than the base executive remuneration level during the year. Remuneration of employees reflects all costs of employment including salaries and wages, payments in lieu of leave, superannuation contributions, salary sacrifice benefits and fringe benefits and any fringe benefits tax paid or payable in respect of those benefits.

The total remuneration received by those employees during the 2021-22 year was \$652,632 (\$275,000).

2.4 EMPLOYEE BENEFITS LIABILITY

	2022 \$'000	2021 \$'000
Current		
Annual leave	100	87
Accrued salaries and wages	-	52
Total current employee benefits	100	139
Non-current		
Long service leave	163	151
Total non-current employee benefits	163	151
Total employee benefits	263	290

Employee benefits accrue as a result of services provided up to the reporting date that remain unpaid. Long-term employee benefits are measured at present value and short-term employee benefits are measured at nominal amounts.

2.5 LONG SERVICE LEAVE LIABILITY - MEASUREMENT

The liability for long service leave is 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 using the projected unit credit method.

AASB 119 Employee Benefits contains the calculation methodology for long service leave liability.

The actuarial assessment performed by the Department of Treasury and Finance has provided a basis for the measurement of long service leave and is based on actuarial

assumptions on expected future salary and wage levels, experience of employee departures and periods of service. These assumptions are based on employee data over SA Government entities.

AASB 119 Employee Benefits requires the use of the yield on long-term Commonwealth Government bonds as the discount rate in the measurement of the long service leave liability. The yield on long-term Commonwealth Government bonds has increased from 2021 (1.25%) to 2022 (3.5%). This increase in the bond yield, which is used as the rate to discount future long service leave cash flows, results in a decrease in the reported long service leave liability.

The net financial effect of the changes to actuarial assumptions in the current financial year is a decrease in the long service leave liability and employee benefits expense of \$35,000. The impact on future periods is impracticable to estimate as the long service leave liability is calculated using a number of demographical and financial assumptions – including the long-term discount rate.

The actuarial assessment performed by the Department of Treasury and Finance maintained the salary inflation rate at 2.5% in 2022 for long service leave liability.

The SAFC is not expecting any payment for long service leave in the next 12 months. As a result the full quantum of long service leave has been classified as non-current.

3. EXPENSES

Employee benefits expenses are disclosed in Note 2.3.

The SAFC's key expenditure items relate to:

- screen industry programs;
- production funding; and
- management of the Adelaide Studios facilities.

3.1 SCREEN INDUSTRY PROGRAMS

	2022	2021
	\$'000	\$'000
Industry development	747	548
Project development	534	429
Company support	25	90
Production attraction	27	31
Total screen industry programs	1 333	1 098

Screen industry programs are undertaken by the SAFC to support the skills and capabilities of screen industry practitioners and company viability. These programs are recognised as an expense upon approval given the applicant is advised of the approval and there is sufficient certainty of the obligation to pay.

Where the funding is for a specific financial year the expense is recognised in that financial year. Prior to that year the obligation is recognised as an unrecognised contractual commitment where a contract has been executed.

3.2 PRODUCTION FUNDING

	2022	2021
	\$'000	\$'000
PDV Rebate	5 440	4 730
Production Funding	10 257	3 017
VGD Rebate	415	-
Total production funding	16 112	7 747

Production Funding relates to the SAFC contribution towards the production of digital content including drama and documentary screen content. In particular, projects that are creative and original, possess overall appeal to diverse audiences, display good market prospects and have significant economic benefits to the South Australian production and post-production screen sector. Funding to the production is by way of grant and the SAFC is one of a number of funding partners.

Post Production, Digital and Visual Effects (PDV) Rebate supports post production, and digital and visual effect work undertaken in South Australia and is designed to complement the Australian Federal Government's PDV Offset. Eligible projects may seek a rebate equivalent to 10% of expenditure on post production, digital and visual effects where the South Australian expenditure is greater than \$250,000.

Video Games Development (VGD) Rebate enables video games studios to claim a percentage of costs incurred to develop a video game in South Australia.

At the point of approval there is always a degree of uncertainty in relation to the projects proceeding and funding obligations being met. As a result, Production Funding instalments are only recognised as an expense when all of the conditions are met for payment of that instalment, and PDV and VGD Rebates only recognised as expenses upon final acquittal. Prior to that point the obligations are recognised as contingent liabilities. Note: this is a change in accounting treatment from previous years for the SAFC. Refer to Note 8.2 Prior Period Adjustments for further information on the change in accounting treatment.

3.3 SUPPLIES AND SERVICES

	2022 \$'000	2021 \$'000
Utility and communication expenses	218	218
Facility expenses	162	182
Computer and related expenses	153	161
Industry promotion and participations	148	143
Tenant and production recovered charges	132	129
Consultants	119	78
General administrative expenses	95	152
Audit and legal fees	61	85
Staff related expenses	58	74
Minor asset purchase and maintenance	30	15
Travel	12	5
Total supplies and services	1 188	1 242

Consultants

The number and dollar amount of consultancies paid/payable (included in supplies and services expense) that fell within the following bands:

	No	2022 \$'000	No	2021 \$'000
Below \$10 000	4	16	2	4
Above \$10 000	2	103	1	74
Total	6	119	3	78

3.4 DEPRECIATION

	2022 \$'000	2021 \$'000
Office equipment	79	82
Production equipment	48	52
Total depreciation	127	134

Review of accounting estimates

Assets' residual values, useful lives and amortisation methods are reviewed and adjusted, if appropriate, on an annual basis. Changes in the expected life or the expected pattern of consumption of future economic benefits embodied in the assets are accounted for prospectively by changing the time period or method, as appropriate.

Useful life

Depreciation is calculated on a straight-line basis over the estimated useful life of the following classes of assets as follows:

Class of asset	Useful Life (years)
Production equipment	3-25
Office equipment	3-20

4. INCOME

The SAFC receives income from the State Government, including grant funding from the Department for Industry, Innovation and Science under a 3 year Memorandum of Administrative Arrangement. This funding may be supplemented for specific projects during the year where the SAFC annual budget has been exhausted. The SAFC also generates income sourced from the private sector for long term office rentals, the short term hire of production and post sound facilities and from distributions from previous film investments.

4.1 REVENUE FROM SA GOVERNMENT

	2022 \$'000	2021 \$'000
Production Funding	14 372	7 080
Operations	2 905	3 320
Screen Industry Programs	1 470	1 209
Total revenue from SA Government	18 747	11 609

Revenue from SA Government is recognised on receipt under ASSB 1058.

The SAFC is funded via the Department for Industry, Innovation and Science for activities undertaken. The SAFC is required to seek approval from the Minister for the annual budget allocation against various activities.

The SAFC received funding for the South Australian Post Production, Digital and Visual Effects (SA PDV) Rebate and Video Game Development (VGD) Rebate from the Department of Treasury and Finance following provisional approval of individual projects. The SAFC recognise this revenue in the financial year the cash is received under AASB 1058.

Funds are paid out to recipients once a final approval assessment has been satisfactorily undertaken. On final acquittal the SAFC recognises an expense, prior to this the provisional approval amount is recognised as a contingent liability. Note that this is a change in accounting treatment from previous years for the SAFC.

At times, payments may not occur in the same financial year as the payment received by the SAFC.

In addition, the SAFC may secure grant funding from other parts of the South Australian Government such as the Department for Premier and Cabinet for specific programs. This income is recognised in the relevant activity dependent on the purpose of the program.

4.2 ADELAIDE STUDIOS INCOME

	2022 \$'000	2021 \$'000
Studio Hire	856	445
Tenant Rental	308	143
Other	150	144
Total Adelaide Studios income	1 314	732

4.3 INTEREST REVENUE

	2022 \$'000	2021 \$'000
Deposits with the SA Government Financing Authority	19	30
Revolving Loan Fund	28	7
Deposits with non-SA Government financial institutions	2	2
Total interest revenues	49	39

4.4 OTHER REVENUE

	2022 \$'000	2021 \$'000
Sundry income	16	14
Revolving Loan Fund administration fees	22	-
Total other income	38	14

5. NON-FINANCIAL ASSETS

The SAFC's assets comprise production equipment and office equipment. Production equipment is used to undertake sound mixing and recording services and is income generating for the SAFC. Office equipment includes the provision of the IT and phone network for the Adelaide Studios site in addition to traditional office equipment such as desks and chairs. Where this equipment is deployed in the production and office tenancies it contributes to the generation of income for the SAFC.

5.1 EQUIPMENT

	2022 \$'000	2021 \$'000
Production Equipment		
Production equipment at cost (deemed fair value)	1 185	1 185
Accumulated depreciation at the end of the period	(1 117)	(1 069)
Total production equipment	68	116
Office Equipment		
Office equipment at cost (deemed fair value)	1 143	1 143
Accumulated depreciation at the end of the period	(970)	(891)
Total office equipment	173	252
Total equipment	241	368

Equipment with a value equal to or in excess of \$2,000 is capitalised, otherwise it is expensed.

Initial recognition

Non-current tangible assets are initially recorded at cost or at the value of any liabilities assumed, plus any incidental cost involved with the acquisition.

Where assets are acquired at no value, or minimal value, they are recorded at fair value in the Statement of Financial Position.

Revaluation

Non-current tangible assets are subsequently measured at fair value after allowing for accumulated depreciation. Revaluation of non-current assets or a group of assets is only performed when the fair value at the time of acquisition is greater than \$1.5M and estimated useful life is greater than three years.

Equipment has not been revalued in accordance with APS 116.E. The carrying amount of these items are deemed to be approximate fair value.

Fair Value

AASB 13 Fair Value Measurement defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants, in the principal or most advantageous market, at the measurement date

Impairment

Equipment has not been assessed for impairment as they are non-cash generating assets, that are specialised in nature and held for continued use of their service capacity and are subject to regular stocktake and visual inspection. There is no evidence of impairment.

Reconciliation 2021-22

	Production equipment \$'000	Office equipment \$'000	Total \$'000
Carrying amount at the beginning of the period	116	252	368
Acquisitions	-	-	-
Depreciation	48	79	127
Carrying amount at the end of the period	68	173	241

5.2 PROPERTY LEASED BY THE SAFC

Property leased by the SAFC is recorded at cost.

A concessionary lease is held with the Premier for the Adelaide Studio precinct located at Glenside. The building is used to enable the operation of the Adelaide Studios and to support, encourage and facilitate creative industries including but not limited to film, television, audio-visual and multi-media production, investment and development and ancillary purposes. The building may not be used for any other purpose. Without the supply of this lease at concessionary terms, the SAFC would incur costs for an alternative property to deliver its objectives.

The lease commenced on 1 July 2011 and expires on 30 June 2036. Rent of \$1 for the term of the lease is payable if demanded.

6. FINANCIAL ASSETS**6.1 CATEGORISATION OF FINANCIAL ASSETS**

	Notes	2022 Carrying amount (\$'000)	2021 Carrying amount (\$'000)
Financial assets			
Cash and cash equivalents			
- Cash and cash equivalents	6.2	18 497	17 118
Financial assets at amortised cost			
- Receivables	6.3	564	255
- Revolving Loan Fund	6.4	1 132	50
Total financial assets		20 193	17 423

6.2 CASH AND CASH EQUIVALENTS

	2022 \$'000	2021 \$'000
Short-term deposits with SAFA	18 418	16 934
Cash at bank and on hand	79	184
Total cash and cash equivalents	18 497	17 118

Short-term deposits

Short-term deposits are made for varying periods of between one day and three months. The deposits are lodged with SAFA and earn interest at the respective short-term deposit rates.

The Short-term deposits include cash holdings held by the Corporation for payments to be made in relation to Post Production, Digital and Visual Effects (SA PDV) Rebate and Video Game Development (VGD) Rebate. The cash is received by the Corporation from DIIS at the time the rebates are provisionally approved by the Corporation. The timing of these rebate payments to recipients is uncertain and relies on a final acquittal being provided. Further information on these rebates is disclosed under Note 4.1 Revenue from SA Government and Note 10.2 Contingent Assets and Liabilities.

6.3 RECEIVABLES

	2022 \$'000	2021 \$'000
Contractual receivables		
From non-government entities	89	23
From government entities	28	67
Prepayments		
Prepayments	134	158
Prepaid salaries and wages	6	-
Statutory receivables		
GST input tax recoverable	307	7
Total current receivables	564	255

Contractual receivables arise in the normal course of selling goods and services to other government agencies and to the public. Contractual receivables are normally settled within 30 days after the issue of an invoice or the goods/services have been provided under a contractual arrangement.

Statutory receivables do not arise from contracts with customers. They are recognised and measured similarly to contractual receivables (except impairment) but are not classified as financial instruments for disclosure purposes.

Receivables are non-interest bearing. Receivables are held with the objective of collecting the contractual cash flows and they are measured at amortised cost.

6.4 REVOLVING LOAN FUND

	2022 \$'000	2021 \$'000
Current	232	-
Non-Current	900	50
Total Revolving Loan Fund	1 132	50

The SAFC provides Revolving Loan Fund secured loans to film and television producers.

As at 30 June 2022 loans provided were either interest bearing or non-interest bearing basis and secured, with due regard to the credit worthiness of the producer and its track record for delivery, by a combination of:

- (a) a first ranking security over guarantees provided by either
 - film distributors and/or sales agents: or
 - the federal Government through its Producer Offset Scheme;
- (b) a further security interest over the producer's company entitlement to gross proceeds from exploitation of the film;
- (c) where the borrower is a special purpose vehicle (SPV) created solely for the production of the film, surety provided by the parent company in the form of a Deed of Guarantee; and
- (d) in exceptional circumstances, a bank guarantee may be required.

There were no impaired loans in 2022 or 2021.

7. LIABILITIES

Employee benefit liabilities are disclosed in note 2.4.

7.1 CATEGORISATION OF FINANCIAL LIABILITIES

	Notes	2022 Carrying amount (\$'000)	2021 Carrying amount (\$'000)
Financial liabilities			
Financial liabilities at amortised cost			
- Screen Industry Programs	7.2	443	399
- Payables	7.2	2 972	33
Total financial liabilities		3 415	432

Payables as disclosed in this note does not include accrued expenses or statutory amounts as these are not financial instruments.

7.2 PAYABLES

	2022 \$'000	2021 \$'000
Current		
Contractual payables		
Creditors	2 972	33
Screen Industry programs	443	399
Accrued expenses	210	125
Statutory payables		
Employment on-costs	15	21
Total current payables	3 640	578
Non-current		
Statutory payables		
Employment on-costs	25	14
Total non-current payables	25	14
Total payables	3 665	592

Creditors and accrued expenses are raised for all amounts owing but unpaid. Creditors are normally settled within 30 days from the date the invoice is first received. All payables are non-interest bearing. The carrying amount of payables represents fair value due to their short term nature.

Employment on-costs

Employment on-costs include payroll tax, recognised workers compensation and superannuation contributions and are settled when the respective employee benefits that they relate to is discharged.

The SAFC contribute to several externally managed and State Government superannuation schemes. These contributions are treated as an expense when they occur. There is no liability for payments to beneficiaries as they have been assumed by the respective superannuation schemes. The only liability outstanding at report date relates to any contributions due but not yet paid to those schemes.

7.3 PROVISIONS

	Workers Compensation 2022 \$'000
<i>Movement in provisions</i>	
Carrying amount at the beginning of the period	9
Additional provisions	2
Amounts used	-
Carrying amount at the end of the period	11

The SAFC has no open workers compensation claims.

A provision has been reported to reflect unsettled workers compensation claims. The workers compensation provision is based on actuarial assessment of the outstanding liability as at 30 June 2022 provided by a consulting actuary engaged through the Office of the Commissioner for the Public Sector Employment. The provision is for the estimated cost of ongoing payments to employees as required under current legislation. The SAFC is responsible for the payment of workers compensation claims.

8. OTHER DISCLOSURES

8.1 CASH FLOW

Cash flows are included in the Statement of Cash Flows 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 as part of operating cash flows.

8.2 PRIOR PERIOD ADJUSTMENTS

During 2021-22, the SAFC reviewed its accounting treatment for Post Production, Digital and Visual Effects (PDV) Rebates, Video Game Development (VGD) Rebates and Screen Production Funding. In prior years Screen Production Funding expenses were recognised as liabilities when they were approved and there was a reasonable certainty of the project moving into production, and PDV and VGR rebate expenses were recognised as liabilities at provisional approval stage. Given there is always a degree of uncertainty in relation to Screen Production Funding projects proceeding and the amount of timing of final acquittals for PDV and VGD rebates from 2021-22 these expenses will be treated as contingent liabilities until such time as the conditions of payment are met. As a result, retrospective adjustments have been made to the financial statements as follows:

- The Production Funding Payable balance was reduced from \$14.1m to \$0 at 30 June 2021.
- Production Funding expense increased by \$1.236 million for the year ended 30 June 2021, with an increase in retained earnings of \$14.1 million.
- Contingent Liabilities at 30 June 2021 increased by \$14.1m.
- The opening balance of retained earnings at 1 July 2020 was increased by \$15.289 million.

9. CHANGES IN ACCOUNTING POLICY

No changes in accounting policy impacted the 2021-22 Financial Statements.

10. OUTLOOK

10.1 UNRECOGNISED CONTRACTUAL COMMITMENTS

There were no unrecognised contractual commitments as at 30 June 2022 or 30 June 2021.

10.2 CONTINGENT ASSETS AND LIABILITIES

Contingent assets and contingent liabilities are not recognised in the Statement of Financial Position, but are disclosed by way of a note and, if quantifiable, are measured at nominal value.

The SAFC is not aware of any contingent assets.

Where production funding has been approved and the applicant has been advised the total funding is recorded as a contingent liability until there is evidence that the specific milestone requirements have been achieved. At this time, the amounts are recognised as expenses.

All provisional approvals of PDV and VGD Rebates are recognised as contingent liabilities. Once the final acquittals have been approved the amounts are recognised as expenses.

Liabilities	2022 \$'000	2021 \$'000
Production funding	12 151	15 068
Industry development program	600	800
Total contingent liabilities	12 751	15 868

10.3 EVENTS AFTER THE REPORTING PERIOD

There are no events occurring after the end of the reporting period.

11. ADMINISTERED ITEMS

The SAFC previously provided a service to producers for disbursing investment returns to investors (non-SAFC titles) in addition to managing the disbursement of investment returns for SAFC titles. The SAFC has acquitted all disbursement of non SAFC titles and the balances below reflect the funds held in relation to SAFC titles only.

The SAFC does not have control of, or discretion to apply these investment returns towards achieving the SAFC's objectives unless the SAFC is contractually entitled to a proportion of these funds, generally as the original producer of these titles. Therefore, prior to reconciliation, disbursement returns are not recognised in the financial statements but are reflected below.

Once the SAFC has determined the quantum that may be attributable to the SAFC as producer of these titles these funds are transferred to the SAFC controlled accounts and reflected as Investment Returns in the Statement of Comprehensive Income. Funds that are due to other investors of SAFC titles are disbursed directly from the accounts below.

	2022 \$'000	2021 \$'000
Disbursement Returns Account		
Balance at 1 July	149	172
Add:		
Royalties and distribution advances	50	79
Less:		
Disbursements to investors	-	(102)
Balance at 30 June	199	149
	2022 \$'000	2021 \$'000
Unclaimed Investor Returns Accounts		
Balance at 1 July	93	55
Add:		
Royalties and distribution advances	-	38
Less:		
Disbursements to investors	(1)	-
Balance at 30 June	92	93