



Annual Report 2015-16

South Australian Film Corporation

Adelaide Studios

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1. LETTER OF TRANSMITTAL

The Hon Jack Snelling MP

Minister for the Arts

GPO Box 2555

ADELAIDE SA 5001

Dear Minister

On behalf of the South Australian Film Corporation (SAFC), I have the pleasure of submitting for your information and tabling in Parliament, the SAFC Annual Report 2015-16.

The Annual Report was developed in accordance with the Department of the Premier and Cabinet Circular PC013 – Annual Reporting Requirements.

The Annual Report incorporates audited financial statements for the year ending 30 June 2016 as required by section 14 of the South Australian Film Corporation Act 1972.



John Hill

Chair

South Australian Film Corporation

10 November 2016

2. THE CORPORATION

2.1 LEGISLATION

The SAFC was established under the South Australian Film Corporation Act 1972. The functions of the SAFC as detailed under the act are:

- to undertake the production of films; and
- to promote and participate in any scheme for the financing of film production; and
- to provide library, services and facilities relating to films and their screening; and
- to provide information services about films and their availability; and
- to offer and arrange courses of instruction for persons who are interested in film projection; and
- to store, distribute, sell and exhibit or otherwise deal with films; and
- to do all things necessary to promote public interest in film as a medium of communication and as an art form; and
- to carry out research into the distribution of films and the effectiveness of films to meet the purposes for which they are made with a view to improving such distribution and effectiveness; and
- to advise the Minister on matters relating to the development and promotion of the South Australian film industry.

Purpose and Vision

Our Purpose

To empower the South Australian screen production industry to achieve success.

Our Vision

Our vision is to be a dynamic industry leader and the preferred (Government) partner for Australian and international screen production companies.

Our Mission

Our mission is to enable the growth and success of the South Australian independent screen production industry and by doing so contribute to the economic and cultural development of the state.

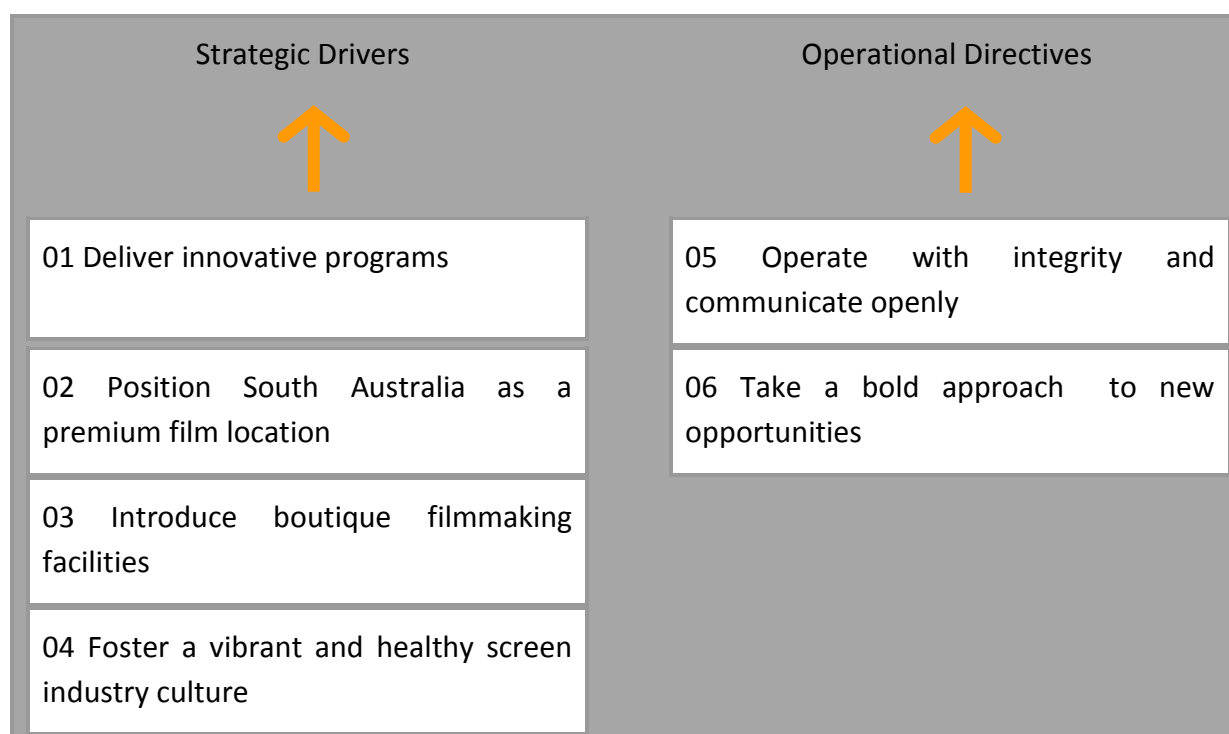
The SAFC is a statutory body established under the South Australian Film Corporation Act 1972. It is the lead agency in South Australia for the development, support and promotion of the screen industries. Since its inception, the SAFC has formed a vital part of South Australia's cultural and economic life. The SAFC has made a commitment to engaging directly with the local industry and to creating an environment that encourages creativity and is open to doing things differently.

2.2 Strategies and Objectives

South Australia has a number of advantages that make this state an ideal place for screen content production. It has highly skilled key creatives and crews that are among the most experienced in Australia, with credits and awards on domestic and international feature films, television series, telemovies, documentaries, animation and cross platform digital content. The state also has world class post production and visual effects houses, casting agents, equipment suppliers, insurers and other service providers.

The SAFC's strategies have been developed and reviewed over a number of years in close consultation with the Board, management and staff, and in consultation with representatives of the screen industry. The strategies are also aligned to deliver on the objectives and targets of South Australia's Strategic Plan Target 100 – 'Increase South Australia's share of Australian film and screen production to 6% by 2020'.

Given the variable nature of filmmaking, the South Australian Film Corporation's strategic plan is based on a foundation of four key strategic drivers and two operational directives. Underlying these drivers and directives is a clear set of objectives that guide and define annual goals and initiatives.



Core Activities

The core activities of the SAFC are to foster the creation and delivery of critically acclaimed and commercially successful ideas, moving images and sound for any viewing medium; to support the SA screen industry in a dynamic and responsive manner and to optimise opportunities for production and post-production in this state. Examples of the programs developed with this in mind include:

- Screen practitioner development and support.
- Script and project development.
- Production investment funding, cash flow loans and incentives.
- Operation of production and post-production facilities.
- Marketing South Australia's unique locations, professional crew and state of the art facilities (Adelaide Studios) to both domestic and international markets, including offering a confidential locations and production liaison service for projects looking to shoot in South Australia.

3 BOARD AND MANAGEMENT

3.1 Board

Appointed by the Governor, the Board is subject to the control and direction of the Minister for the Arts. Board members are selected for their individual and combined expertise to provide strategic governance and direction to the operations of the SAFC.

In 2015-16 the SAFC Board of Directors were:

JUDY POTTER - retired 25 April 2016

Judy Potter is Chairperson of Adelaide Botanic Gardens and State Herbarium. She took up the role of Chair of Adelaide Festival Corporation in April 2016 on completion of her duties as Chair of the SAFC. She is also the Director and State President of Musica Viva and the Duke of Edinburgh Awards. Judy's engaged by venture HYLIC JV (Hansen & Yuncken, Leighton Contractors Joint Venture) since early 2009 as a consultant on the new Royal Adelaide Hospital. Her previous boards include, Chair Adelaide Fringe, Adelaide Central School of Art, Hillcrest Trust Fund, Arts Around Adelaide and Director Come Out Youth Arts Festival.

JOHN HILL: CHAIR – effective 26 April 2016

John retired from Parliament in 2014 after 16 years, during which time he held a number of ministerial positions, including Health, Environment & Arts. He now serves as a non-executive director on a number of boards. John holds a BA, Dip Ed, LLB & is a FAICD.

SUSAN MITCHELL

Susan Mitchell is an author, columnist, freelance journalist, broadcaster, scriptwriter for theatre, film and television, and public speaker. With fifteen best-selling titles, including the ground breaking book and subsequent TV Series Tall Poppies, Susan's work has been published in the USA, UK, Germany and Holland. A former senior lecturer in Creative Writing at University of South Australia and an Adjunct Professor in Creative Writing, Susan has lived and worked in London, Melbourne, Brisbane and Sydney. A previous Chair of Adelaide Writers Week, a Director on the Boards of Film Australia, The Literature Board of the Australia Council and the Adelaide Convention Centre, Susan is currently a Director on the Board of TAFE S.A. Susan holds a BA, MA (Drama) and PHD (Creative Arts).

DES MONAGHAN

Des Monaghan is one of Australia's leading and multi-award winning Executive Producers. Des formed the television production company Screentime in 1996 with Bob Campbell with operations in Australia, New Zealand and Ireland. With productions in all genres, Screentime produces formats in over 40 countries and has produced many of Australia's most celebrated dramas.

CHRIS WARD

Chris Ward is a professional director with extensive experience in multiple business disciplines. Chris is currently Deputy Chair of HomeStart Finance where he also Chairs the Asset and Liability Committee and the Credit Committee. As well as being an Advisory Board member to several private companies he is an Executive Partner at UniSA.

ADRIAN TISATO

Adrian Tisato is an experienced commercial lawyer, company director and Government board appointee. He has practised law since 1995 and is the principal of his own law firm. He currently serves on a number of boards and advisory boards, including the Independent Gambling Authority, the Motor Accident Commission, the Art Gallery of South Australia and Youthinc. Adrian's previous board positions include roles as Deputy Chairman of Australia's biggest arts festival, the Adelaide Fringe, and Chairman of multi-award-winning animation studio, The People's Republic of Animation.

MIRIAM SILVA

Miriam Silva has more than 20 years' experience managing large and geographically diverse teams across multiple industries including pharmaceuticals, banking and agriculture. Miriam sits on a number of boards including TAFE SA Board, University of SA Council, SA Multicultural and Ethnic Affairs Commission, Islamic Museum Board and Chairs Premier's Council for Women (SA), Islamic College of SA School Board and CEDA SA&NT State Council. She volunteers with a number of organisations including the Muslim Women's Association of SA Inc., International Women's Day Committee (SA) and Rotary International. Miriam is a member of the South Australian Women's Honour roll 2011, one of the inaugural 100 Women of Influence, winner of the Governor's Multicultural Award for the Private Sector 2012 and is the Multicultural Patron for the SA Police Academy.

LIZ WATTS

Liz Watts is an independent producer and partner of Porchlight Films based in Sydney. Her feature credits as Producer include *Mary Magdalene*, *The Rover*, *Animal Kingdom*, *The Home Song Stories*, *Little Fish*, *Jewboy*, *Walking On Water* and *Lore and Dead Europe* as German Australian co-productions. As Executive Producer, Liz's credits include the recent TV series, *The Kettering Incident*; and features *The Lost Aviator*, *The Hunter*, *Prime Mover* and *Lou*. Liz's television credits include two seasons of *Laid*, *Martha's New Coat*, as well as documentaries including *Buried Country*, *The Pitch* and *Island Style*. She has worked with all key investment bodies throughout Australia, has strong international ties with financiers and production entities, and is known for working with the very best in directing, writing and acting talent.

3.2 Board Committees

Risk and Audit

The Risk and Audit Committee (RAC) provides an advisory role and function to the SAFC Board in relation to risk and audit governance functions of the South Australian Film Corporation.

In 2015-16 the members of the Risk and Audit Committee were:

- Chris Ward (Chair)
- Judy Potter (to April 2016)
- John Hill
- Adrian Tisato
- Annabelle Sheehan

Remuneration and Nominations

Within the Committee structure adopted by the Board, the Remuneration and Nominations Committee oversees the contractual and compensation arrangements for the Chief Executive Officer and, where necessary, identifies suitable individuals and proposes candidates for Board membership.

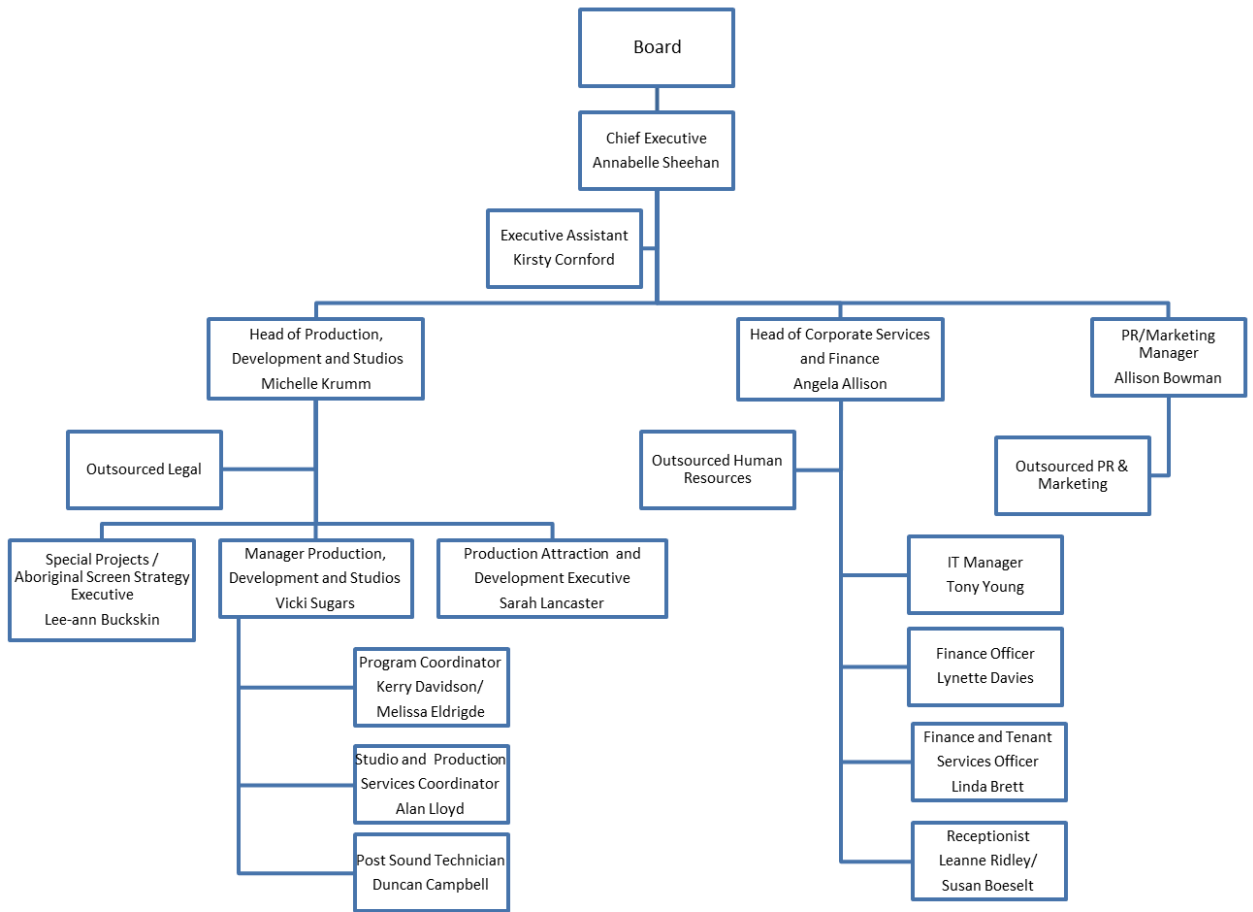
In 2015-16 the members of the Remuneration and Nominations Committee were:

- John Hill (Chair)
- Judy Potter (former Chair)
- Chris Ward
- Des Monaghan

The Board has also established a number of committees which support the implementation of programs. These committees are detailed in the Corporate Governance Section of this report.

3.3 Management

The organisational structure as at 30 June 2016 is shown below.



4 MESSAGE FROM THE CHAIRMAN

During the 2015-16 year the SAFC continued to foster the growth of the South Australian screen sector and build the reputation of the state and its filmmakers nationally and internationally. During the year, SAFC-supported productions were acknowledged in a number of key national screen awards. At the Australian Academy of Cinema and Television Arts (AACTA) Awards, SAFC-supported projects received a total of nineteen nominations, from which four awards were received. In addition, SAFC projects also received award nominations in four categories from the Australian Writer's Guild, seven from the Australian Film Critics Circle and two from the Australian Screen Sound Guild.

The 2015 Adelaide Film Festival featured fourteen SAFC projects, including the opening night premiere of Scott Hicks' *Highly Strung*. SAFC-supported projects have also been recognised at major international festivals, with *Last Cab to Darwin* and *A Month of Sundays* screening in Official Selection at the Toronto International Film Festival, and *Girl Asleep* at the Berlin Film Festival. These projects have been celebrated in film festivals around the world with strong international interest in Australian content.

SAFC underwent significant changes to its structure and programs during 2015-16 which culminated in an acceleration of production towards the end of the year, with several major feature projects filming or in preproduction by June 2016. This acceleration was also supported by an additional \$1 million in funding provided from the South Australian Government that went directly to securing two major productions, *Hotel Mumbai* and *Cargo* that will shoot in 2016-17. This injection of funds has resulted in the SAFC being able to retain cash reserves for future years where demand may outstrip the annual funding envelope.

In the first quarter of 2015-16 a new organisational structure was implemented at SAFC, with the corporation streamlining from twenty two (22) staff to fifteen (15). The organisation has welcomed a new management team, and continues to improve administrative procedures and strengthen its links with key creatives and major companies in the local, national and global screen industries.

A highlight of the 2015-16 production calendar was the shoot for *Wolf Creek TV*, a six part television series, filmed in the Adelaide Studios and on location in South Australia in late 2015. *Wolf Creek TV* broke viewing records on the major new Australian online platform, Stan, when it was released in March, exceeding 500,000 views within days of its launch. It was the most popular original series premiere on the platform and has since been sold to Fox UK and US cable network Pop.

I would like to pay tribute to Chairman Judy Potter, who led the SAFC Board for the past three years until April 2016. Judy oversaw significant changes during her tenure - her drive and business acumen were major assets to the organisation and to the Board. She has taken up the role of Chair at the Adelaide Festival and I wish her well in that position. My thanks also go to the other members of the Board and CEO Annabelle Sheehan and her staff for their commitment to the organisation.



John Hill
Chair

5 CEO'S REPORT

It has been a strong year for production in the state with five SAFC-supported television and online projects as well as six SAFC-supported feature films commencing production in 2015-16. The four major drama features brought substantial opportunities for crew and the two documentary features explored key aspects of Australian cultural life and social issues. Projects such as *Boys In The Trees* and *Embrace* have already seen significant recognition with upcoming festival and release successes. Two projects from the new SAFC ABC iView initiative got underway providing new links for emerging South Australian talent with a national broadcaster. As the financial year drew to a close, a major international feature film *Hotel Mumbai*, went in to preproduction. Directed and produced by South Australians Anthony Maras and Julie Ryan, late stage development and financing of the project had been underway through 2015-16 with their global partners, Arclight and Thunder Road Pictures.

Developing international partnerships is a significant objective for the SAFC as it provides the opportunity to attract investment to the state, connect local filmmakers with global companies and promote South Australia to the world. In March, South Australian production company 57 Films finalised the first episode of *Chef Exchange* with its Chinese co production partner Qingdao TV and the program was launched at SAFC's Adelaide Studios by Premier Jay Weatherill, joined by Minister Jack Snelling and other VIP guests. Born from SAFC's engagement with Qingdao TV as part of the 2015 South Australian Government delegation to Shandong province, *Chef Exchange* is a unique television series showcasing the best of South Australian food and the regions featuring two celebrity chefs from sister cities Adelaide and Qingdao. The *Chef Exchange* series has gone on to screen across Shandong province, and will ultimately have screened across China by the end of 2016 via the national broadcaster CCTV.

A key objective for the SAFC in 2015-2016 was to strengthen relationships within the screen industry - locally, nationally and internationally. The SAFC staff have made industry events a particular focus for the year delivering twenty one major seminars or broadcaster presentations in order to increase opportunities for the local screen sector to engage with screen agencies, broadcasters, interstate producers and practitioners. Events during the year have included workshops and facilitated one-on-one pitching sessions with executives from eOne, ABC, SBS, NITV, and Screen Australia as well as a range of producers and industry specialists.

Professional development initiatives and support for screen companies requires continuous review to keep up with changes in the global industry. The SAFC has introduced or adjusted several major initiatives including the Career Accelerator, Targeted Travel Grants, Crew Attachments, the Post-Production Grant, the Short Film Production Fund and the SA Writers program. Overall SAFC's programs interact to support professional development, sustainability and commercial enterprise across the South Australian screen sector. To that end the SAFC has also set up the Generation Next group made up of key South Australian post-secondary and tertiary screen educators, post-production, VFX and online game companies as well as unions and industry associations. There have been several meetings across 2015-16 to develop and implement strategies that can bridge the gap for graduates transitioning from education and training to engagement within the industry.

This year the SAFC marked National Aboriginal And Islander Day Observance Committee (NAIDOC) week (5-12 July 2015) with the SAFC Micro-Docs initiative, a partnership with National Indigenous Television (NITV) and the Media Resource Centre (MRC). The initiative saw five Micro-Docs, directed by emerging South Australian based Aboriginal filmmakers launched at MRC'S Mercury Cinema and screened on NITV. This initiative was the first activity of the South Australian Film Corporation's Aboriginal Screen Strategy 2015-2020, aimed at providing professional development and increasing production for South Australian Aboriginal filmmakers.

Senior arts and culture executive Lee-Ann Buckskin was confirmed as SAFC's Aboriginal Screen Strategy Executive and implementation of the strategy is now well advanced, with three new production initiatives launched during the 2015-16 year. The Aboriginal Project Development Grant provided script and project development grants to five South Australian based Aboriginal and Torres Strait Islander storytellers for the development of long form drama and factual projects. The Aboriginal Short Film Initiative selected five projects for production in 2016-17. The SAFC has also established Pirrku Kuu (The Story Room) at Adelaide Studios. Pirrku Kuu will provide a creative and administrative hub for Aboriginal filmmakers to work on project development throughout the year.

SAFC strives to build on the strength of home-grown filmmaking talent by supporting local productions, practitioner and company development as well as offering a range of incentives which attract national and international business to the state for co-production activities and partnerships. It is essential to secure a steady production slate, delivering sustainable employment opportunities for local crews and production companies so South Australia's diverse screen heritage can continue to flourish.

My appreciation and thanks must go to the Board and to all the SAFC Staff for their commitment and hard work during this time of change and of great achievement. I also want to particularly acknowledge Michelle Krumm, Head of Production, Development and Studios who joined the SAFC in October 2015 bringing with her a strong global perspective. In conclusion I acknowledge and thank the Government of South Australia for their support – the Minister Jack Snelling, Minister for the Arts and the team at Arts South Australia.



Annabelle Sheehan

Chief Executive Officer

6 OBJECTIVES, OPERATIONS AND INITIATIVES

The SAFC's Strategic Plan provides a framework for building ongoing capacity and sustainability within the sector. The programs and initiatives arising from the Strategic Plan support the South Australian screen industry in the development and production of screen content with projects shot in South Australia, creating significant job opportunities and spend across the state.

Furthermore, South Australian screen businesses and professionals can access a range of development initiatives. The opportunity to develop projects and ideas through these programs contributes substantially to the culture of innovation and enterprise in the sector.

The state-of-the-art Adelaide Studios continues to host South Australian production companies as tenants and provides studio and production office space to local and interstate productions. Features, television-series, commercials and short films have employed primarily local production crews and contributed the sustainability of a robust, creative industry.

The mission of the SAFC is to enable the growth and success of the South Australian independent screen production industry and by doing so contribute to the economic and cultural development of the state. A range of funding programs and business and professional development programs support this objective, as well as the hosting of inbound location reces from out-of-state production companies. In addition, the operation of the Adelaide Studios as a facility available for production, post production, screenings, production offices and office tenancies for screen businesses, provides organic opportunities for employment and production stimulation.

6.1 Strategic Objective 1:

Foster the growth and sustainability of the South Australian Screen Production industry

Production Development & Studio

During the 2015-16 financial year eleven projects supported by the SAFC commenced production in South Australia.

The Production Development & Studio Department undertook the core business of the SAFC in delivering support to the South Australian sector through either direct funding of projects, or the facilitation of business and professional development programs.

Feature Film Production

Six SAFC-supported feature films (including feature documentaries) commenced production in 2015-16:

- *Raise the Bar* – drama (95mins)
- *Boys in the Trees* – drama (90mins)
- *Bad Blood* – drama (90mins)
- *SFv1* – drama (95mins)
- *Barbecue* – documentary (75mins)
- *Embrace* – documentary (85mins)

Television & Online Production

Four SAFC-supported television and online projects commenced production in 2015-16:

- *Wolf Creek TV* – drama series (6 x 44mins)
- *Chef Exchange* – documentary series (10 x 28mins)
- *Goober* – iview Originals online series (6 x 5mins)
- *Pop-Ability* - iview Originals online series (6 x 5mins)

Short Film Production

One SAFC-supported short film produced in South Australia in 2015-16:

- *Don't f with me* – animation (12mins)

South Australian Film Corporation's Aboriginal Screen Strategy 2015-2020

A significant project for the 2015-2016 year was the development of The South Australian Film Corporation's Aboriginal Screen Strategy 2015-2020. Launched in June 2016, the Strategy aims to strengthen South Australia's Aboriginal and Torres Strait Islander people's involvement in screen production in the State.

The Strategy, which builds upon a tradition of 75,000 years of Aboriginal storytelling from South Australia, will grow investment, increase production, provide professional development and mentoring for filmmakers, and build valuable industry partnerships.

The development of the new strategy has been guided by SAFC's Aboriginal Screen Strategy Executive Lee-Ann Buckskin, and SAFC's Chief Executive Annabelle Sheehan, and supported with advice from the SAFC Aboriginal Advisory Committee. The Committee comprises key national and local aboriginal arts and media figures.

Implementation of the strategy commenced in mid-2015, with the NAIDOC Week Micro-Documentaries Series. This initiative funded five micro-documentaries with support from partners National Indigenous Television (NITV) and the Media Resource Centre to create up to 5 x 5 minute documentaries (Micro-Docs) inspired by the 2015 NAIDOC week theme: *We all Stand on Sacred Ground: Learn, Respect and Celebrate*. The micro-documentaries were all screened on NITV during NAIDOC Week (5-12 July, 2015).

The following month, SAFC launched the Aboriginal Project Development Grant to provide script and project development grants to South Australian based Aboriginal and Torres Strait Islander (ATSI) storytellers for the development of long form (feature and series) drama and factual projects. In 2016, SAFC launched the Aboriginal Short Film Initiative, for the development and production of 5 high quality short films. SAFC also established Pirrku Kuu (The Story Room) at Adelaide Studios, which will provide a creative and administrative hub for Aboriginal filmmakers to work on project development

Studio and Production Services

The Studio and Production Services department manages operation of the Adelaide Studios including assisting productions hiring all aspects of the facilities across pre-production, production and post production stages. The department also assisted national, international and local producers to source South Australian locations, facilities and crew.

The main activities for the 2015-16 financial year was the management of workflow in the Adelaide Studios facilities, including Sound Stages, Production Offices, Mix Theatre and Foley Suite. Projects utilising the facilities include two animations, three documentaries, four feature films, four television series, eight TV Commercials and a range of short films. The Screening Theatre was also booked for eighteen projects which used the facility for grading, recording and screening purposes.

Location Services

In addition to Recce Assistance Grants the SAFC provides a confidential location services program providing location galleries and, as appropriate, on-the-ground costs for inbound location recce (assessed on a case by case basis).

Across the 2015-16 financial year project specific location galleries were created for 39 projects, with an accumulated value of those projects in excess of \$300M.

14 projects undertook location recces in South Australia; 7 were supported with funding to assist in recce activities while 7 projects were provided with non-financial, on-the-ground support including location galleries, advice and contacts.

The SAFC utilizes the assistance of SA location managers who are experienced in international and domestic feature film, television and television commercial production. The SAFC also works with AUSFILM to identify international projects and track leads for projects with potential for SA production, as well as hosting international delegations coming to Australia as part of their Familiarization program.

6.2 Strategic Objective 2:

Build the brand of the local screen production industry by telling its story to the world.

The SAFC brand performs as an umbrella brand for the entire South Australian screen industry. As such, the brand also represents the following; the State of South Australia and its' diverse locations; the Adelaide Studios facilities; the depth of talent and expertise of local practitioners; the organisation's rich heritage and connection to South Australia's community; and the success of projects which are produced in the State, particularly those with funding support from SAFC.

Building the brand of the SAFC therefore incorporates celebrating awards and festivals selections for SAFC-supported projects and a range of communication and marketing activities.

Awards and Festival selections for SAFC-supported projects

Awards for productions supported by SAFC are a key avenue for building the brand of the South Australian screen industry in international markets. In addition to acknowledging the quality of individual productions, awards draw attention to the diverse range of expertise and talent in the State. As in previous years, SAFC funded projects were strongly represented in international, national and state awards receiving significant industry recognition.

During the year, SAFC-supported productions were acknowledged in a number of key national screen awards. At the Australian Academy of Cinema and Television Arts (AACTA) Awards, SAFC-supported projects received nineteen nominations, with two award wins for *Last Cab to Darwin* and *Deadline Gallipoli* a piece. In addition, SAFC projects also received award nominations in four categories from the Australian Writer's Guild, seven from the Australian Film Critics Circle and two from the Australian Screen Sound Guild.

Feature Films

A Month of Sundays

Festivals:

- Toronto International Film Festival 2015
- Adelaide Film Festival 2015
- Cine-World Film Festival
- Glasgow Film Festival
- Stonybrook Film Festival
- Victoria Film Festival
- Greater Farmington Film Festival
- South Bay Film & Music Festival

Girl Asleep

Awards

- **Won:** *Best Feature Film*, South Australian Screen Awards 2016

Festivals

- Adelaide Film Festival 2015 **Won:** *Best Feature Film (Audience Award)*
- Seattle Film Festival 2016 **Won:** *Grand Jury Prize, Futurewave Youth Jury Award*
- Berlin Film Festival 2016 *Nomination: Generation 14plus - Best Feature Film*

Last Cab to Darwin

Awards

- **Won:** Best Lead Actor - Michael Caton, (AATCA Awards 2016)
- **Won:** Best Adapted Screenplay - Jeremy Sims, Reg Cribb, (AATCA Awards 2016)
- *Nomination:* Best Feature Film, Australian Film Institute (AATCA Awards 2016)
- *Nomination* Best Direction, Australian Film Institute (AATCA Awards 2016)
- *Nomination* Best Lead Actress, Australian Film Institute (AATCA Awards 2016)
- *Nomination* Best Supporting Actress, Australian Film Institute (AATCA Awards 2016)
- *Nomination* Best Supporting Actor, Australian Film Institute (AATCA Awards 2016)
- *Nomination:* Best Cinematography, Australian Film Institute (AATCA Awards 2016)
- *Nomination:* People's Choice Award for Favourite Australian Film Australian Film Institute (AATCA Awards 2016)
- *Nomination:* Best Direction in a Feature Film, Australian Directors Guild Awards 2016
- *Nomination:* Best Film, Australian Film Critics Association Awards 2016
- *Nomination:* Best Director, Australian Film Critics Association Awards 2016
- *Nomination:* Best Screenplay, Australian Film Critics Association Awards 2016
- *Nomination:* Best Actor, Australian Film Critics Association Awards 2016
- *Nomination:* Best Actress, Australian Film Critics Association Awards 2016
- *Nomination:* Best Actor in a Supporting Role, Australian Film Critics Association Awards 2016

- *Nomination:* Best Actress in a Supporting Role, Australian Film Critics Association Awards 2016
- *Nomination:* Feature Film – Adaptation, Australian Writers' Guild (AWGIE Awards 2015)

Festivals:

- Sydney Film Festival 2015
- Toronto International Film Festival 2016
- Perth International Film Festival, 2015

One Eyed Girl

Awards

- *Nomination:* Best Editing in a Feature Film Australian, Screen Editors Awards 2015

The Infinite Man

Awards

- *Nomination:* Best Feature Film, Screen Producers Australia Awards 2015

Touch

Festivals

- Manchester Film Festival 2016 – *Nomination:* Best Editing in Feature Film

Documentary

Michelle's Story

Awards

- ***Won:*** Best Composition, South Australian Screen Awards 2016
- ***Won:*** Best Documentary, South Australian Screen Awards 2016
- *Nominated:* Achievement in Film Media Australian Dance Awards 2016

Festivals

- Adelaide Film Festival 2015 ***Won: Best Short Film***
- Flickerfest 2016

Sam Klemke's Time Machine

Awards

- ***Won:*** Best Feature Documentary, Australian Writers' Guild (AWGIE Awards 2015)
- *Nomination:* Best Feature Documentary, Screen Producers Australia Awards 2015

Festivals

- Galway Film Fleadh (Ireland)
- Era New Horizons International Film Festival (Poland)
- Amsterdam Open Air Film Festival
- Cinefest Hungary
- Vancouver International Film Festival
- B3 Biennial of the Moving Image (Germany)

- Thessaloniki International Film Festival (Greece)
- Guelph Film Festival (Canada)
- Denver Film Festival
- UCD Science Expression Film Festival (Ireland)
- CUFF.docs (Canada)
- International Film Festival of India - Goa
- Frames of Mind Film Festival (Canada)

Television

Danger 5: Series 2

Awards

- *Nomination: Best Television Comedy Series, Australian Film Institute (AACTA Awards 2016)*
- *Nomination: Best Comedy TV Production, Screen Producers Australia Awards 2015*

Deadline Gallipoli

Awards

- ***Won:*** Best Cinematography in Television, Australian Film Institute (AACTA Awards 2016)
- ***Won:*** Best Sound in Television, Australian Film Institute (AACTA Awards 2016)
- ***Won:*** Best Editing in Television, Australian Film Institute (AACTA Awards 2016)
- *Nomination Best Lead Actor in a TV Drama – Joel Jackson, Australian Film Institute (AACTA Awards 2016)*
- *Nomination: Best Screenplay in Television, Australian Film Institute (AACTA Awards 2016)*
- *Nomination: Best Direction in a Television Drama or Comedy, Australian Film Institute (AACTA Awards 2016)*
- *Nomination: Best Original Music Score in Television, Australian Film Institute (AACTA Awards 2016)*
- *Nomination: Best Production Design in Television, Australian Film Institute (AACTA Awards 2016)*
- *Nomination: Best New Talent - Joel Jackson, Logie Awards 2016*
- *Nomination: Most Outstanding Newcomer – Actor Joel Jackson, Logie Awards 2016*
- *Nomination: Most Outstanding Miniseries or Telemovie, Logie Awards 2016*
- *Nomination: Most Outstanding Actor – Hugh Dancy, Logie Awards 2016*
- *Nomination: Best Achievement in Sound for a Tele-Feature, Australian Screen Sound Guild (ASSG)*
- ***Won:*** Television Mini Series Original Australian Writers' Guild (AWGIE Awards 2015)

The New Adventures of Figaro Pho

Awards

- *Nomination: Best Children's TV Series, Australian Film Institute (AACTA Awards 2016)*

- *Nomination: Best Achievement in Sound in a TV Drama Series, Australian Screen Sound Guild (ASSG)*

Short Films

My Best Friend is Stuck on the Ceiling

Awards

- **Won:** Best Comedy, South Australian Screen Awards 2016
- **Won:** Best Screenplay, South Australian Screen Awards 2016
- *Nomination: Best Comedy - Situation or Narrative, Australian Writers' Guild (AWGIE Awards 2015)*
- *Nomination: Best Writer, Matt Vesely, South Australian Screen Awards 2016*

Upside Down Feeling

Awards

- **Won:** Best Direction, South Australian Screen Awards 2016
- **Won:** Best Drama, Australian Screen Awards 2016

Festivals

- Shorts in Paradise Festival 2016 - **Won:** Best Film and Best Cinematographer

Versus

Awards

- **Won:** Best Web Series, South Australian Screen Awards 2016

Heaps Good Hostel

Awards

- **Won:** Best Screenplay, South Australian Screen Awards 2016

Communications and Marketing

The Communications & Marketing Department undertakes a broad portfolio of activities encompassing corporate communication, stakeholder relations, media liaison, brand management, sponsorship, publicity, promotions and advertising at local, national and international levels. A variety of events were also held in the reporting period the SAFC which support the brand awareness objectives.

Publicity

During the 2015-2016 period, publicity coverage for the SAFC included media stories in various streams including print media, online press and radio, with local, national and international audiences.

Thirteen media releases were distributed during the year, which generated 144 media stories about the SAFC, Adelaide Studios or projects related to the SAFC, either in print, radio, television or in online media, **delivering a cumulative media value of \$ 561,536.**

Locally, articles have appeared in *The Advertiser*, local *Messenger* press, several regional South Australian newspapers and *InDaily*. Nationally, articles have also appeared in major newspapers in Victoria, NSW, Queensland and Western Australia. Internationally, articles have appeared in *Variety Magazine*, *Screen International (Screen Daily)* and *Deadline Hollywood*. In addition, articles have also been published in industry journals and publications including *Inside Film Magazine*, *FilmInk* and *Encore Magazine*.

During the year, SAFC also received coverage in a number of television items, including a story which appeared on Channel 7 News Adelaide and syndicated regional stations, recorded from the set of *Boys in the Trees* in October 2015 including an interview with the CEO, as well as a feature piece in March 2016 on Channel 9 News Adelaide, recorded from the set of *Wolf Creek TV*, with Minister Snelling and *Wolf Creek* cast and crew. The SA China co-production, *Chef Exchange*, received coverage on SA regional television, as well as being broadcast on Qingdao TV in China, to an estimated potential audience of 10 million people.

Marketing, Advertising and Sponsorship

Marketing activities undertaken this year have focused on attracting production to the State, branding SAFC as the State's leading screen sector body, and promoting the strength and diversity of the local screen industry.

Advertisements were designed and placed in Screen International's *ScreenDaily* monthly issue for the Cannes Film Festival, and *World of Locations* publications, which is distributed at multiple film festivals, as well as IF Magazine's *Location's Feature* edition, each accompanied with editorial articles.

Sponsorship provided under Screen Culture agreements also ensured SAFC received branding exposure through logo placement, banner displays, program advertising and participation in panel sessions at key industry events throughout the year.

Website

In September 2015, SAFC launched a new website to enhance SAFC's digital presence and increase stakeholder engagement, designed to reflect the dynamic nature of the film industry. Visitor numbers to the site have steadily increased since the launch, with over 102,000 page views since the launch (an average of 357 page views per day) and over 18,500 users, averaging 65 users per day.

The website has two key features which build the SAFC brand and celebrate both the heritage of the organisation and the current pool of talent in South Australia.

The ***Made in SA Showcase*** catalogues SAFC's rich and diverse screen heritage, from *Sunday Too Far Away* 1974 to the most recent SAFC-supported productions. It is a remarkable anthology which celebrates SAFC's history and achievements.

The website's *Crew and Services Directory* lists the crew available in SA, and is the 'shopfront' for SA screen industry expertise. During the 2015-2016 financial year, a consultation meeting was held with key crew Heads of Department (HOD's) to discuss the eligibility of crew, credits, category listings and functionality of the site. Work is underway to implement these improvements, for completion in the 2016-2017 period.

Social & Digital Media

Social media platforms Facebook and Twitter are utilised by SAFC to share news and build awareness of the organisation's activities, as well as updates and news from other industry bodies and associations. SAFC Facebook page 'Likes' have increased by 23% in the 2015-2016 year, while Twitter followers have increased by 20%.'

Stakeholders are also provided with regular updates via SAFC's e-newsletters and e-alerts, with news about SAFC funding initiatives and programs, SAFC-supported projects and broader industry news. During the year, newsletter subscriber database underwent email address cleansing, which has improved engagement/open rates to an average of 50%, and increased the subscriber base by 10%.

6.3 Strategic Objective 3:

Operate as a leading best practice agency

To ensure SAFC is an organisation which is trusted, has a strong reputation and is respected by our stakeholders, SAFC is committed to a set of clear and transparent procedures which ensure best practice methodology is at the forefront of the organisation's operations. These include:

- A commitment to robust and transparent financial management, including undertaking internal and external audits in 2015-16.
- Adhering to corporate governance and legislative policies including; Risk Management, Work Health & Safety, Procurement and Information Services as per policy updates and reviews as well as staff sessions on policies was undertaken throughout the year.
- Conducting a planning day on 11 November 2015 to review the Operational Plan and Key Performance Indicators (KPI) with all staff, and ongoing monitoring of KPI's throughout the year as reported to the Board.
- Development of a Reconciliation Action Plan (RAP), which sets out a foundation for the organisation's commitment to reconciliation.
- Efficient rollout and ongoing review of all funding programs and initiatives.

New Initiatives

The constantly changing landscape of the screen sector requires SAFC to have a flexible and responsive approach which reflects global practices and trends. As such, SAFC has implemented a number of new initiatives to engage our stakeholders with global companies to grow their skill set and companies.

This includes identifying opportunities in changing screen content consumption patterns and examining the various platforms screen content is now being delivered in, to adapt programs and initiatives which tap into these trends.

The SAFC/ABC *iview originals* initiative is an example of a program developed during the 2015-16 reporting period as a response to these changing consumer patterns.

In addition, a range of initiatives ensure SAFC provides best-practice professional development opportunities, as well as offering innovative funding models which are in line with worldwide industry practices.

The Short Film Production Grant has also been redesigned to ensure that each short film can connect to a career pathway with applicants providing material linking their short film to a long form project.

The Career Accelerator Program is a professional placement initiative that provides opportunities for South Australian screen industry practitioners to design and undertake a professional development program that is responsive to their particular career and business needs.

The Targeted Travel Grant provides funding to assist SA producers, writers, and directors to attend an approved international festival with an eligible project or undertake targeted business travel.

SAFC has also created a **post-production grant** to attract post production work to South Australia, developing competitive incentives which rival interstate providers.

Financial assistance for location recces have also been adapted, to ensure SAFC offers inbound productions attractive incentives to production companies considering shooting in South Australia.

Funding Programs

The SAFC continues to support a very diverse range of funding programs and initiatives that contribute to the growth of infrastructure, capacity, sustainability and jobs in the South Australian screen sector. The screen industry is constantly evolving across financing, production and distribution. The SAFC responds to that context by adjusting the emphasis of its programs but above all it always seeks to support the complex ecology of local producers, creatives, crews, and post houses while also serving the broader aim of contributing to the state's economy and rich arts culture.

Production Support

SAFC provides investment and cash flow to narrative driven drama and documentary screen 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 film and television sector through the following programs:

Screen Production Investment	The Production Investment program supports the production of narrative driven documentary and drama screen content. In particular those 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 film and television sector.
Producer Equity Scheme	The Producer Equity Scheme (PES) aims to provide copyright and recoupment benefits to South Australian producers to enable them to share in the rewards from the success of their films and to build their production businesses within the state.
Revolving Film Fund	The Revolving Film Fund (RFF) is a \$3 million financing facility administered by the South Australian Film Corporation. The aim of the RFF is to assist projects to move into production by cashflowing the Federal Producer Offset.
Payroll Tax Exemption	The South Australian Government offers a payroll tax exemption to producers shooting feature films in South Australia. The incentive may reduce a project's total payroll liability by approximately 4.95%.
Post Production Grant	Grants for post- production will only be considered where a substantial amount of post-production work is undertaken in South Australia.
Short Film Production Grant	The Short Film Fund provides South Australia's filmmakers and digital media practitioners an opportunity to develop their skills as a way of progressing towards long form feature film, television drama, documentary, and digital media production.
Aboriginal Short Film Initiative	This initiative provides an opportunity for a South Australian resident ATSI director and/or writer and their team to develop and produce a high quality short film. Supporting the development of projects from treatment through to production and exploring the potential for partnerships with a broadcaster or digital platform.
Recce Assistance	Reserved for interstate and international inbounds, SAFC provides scouting support to long form productions based upon the production's stage of development and its estimated South Australia spend. Scouting assistance may include covering some of the costs associated with on-ground travel including vehicle hire, accommodation, flights, and the contracting of a local Location Manager by SAFC.

Development Support

This scheme provides development investment to market viable projects to stimulate narrative driven drama and documentary screen content in South Australia through the following programs:

Matched Market Development Grant	Matched Market Development Investment supports the development of outstanding, original and creative, narrative driven Australian drama and documentary projects, which have secured third-party market or high level production company development funding from a recognised market or production company source.
SA Writers Development Grant	This scheme provides early stage script and project development grants to South Australian drama and documentary writers.
Aboriginal Project Development Grant	A dedicated grant fund for the development of stories from SA based Aboriginal and Torres Strait Islander creatives. This initiative will see up to \$15,000 per project made available for the development of long form drama and factual projects for cinema and television broadcast. This includes features, one off programs and series.
Attachment Scheme	The SAFC Crew Attachment Scheme aims to provide on-set development opportunities for emerging South Australian screen practitioners who are seeking to further developing their careers. The scheme is designed to address skill gap areas that exist (or emerge over time) within South Australia's professional crew base.
Conference and Market Subsidy	<p>With the assistance of SAFC Conference and Market Subsidy, 14 South Australians received a 55% subsidy to their registration to attend the 2015 SPA Screen Forever conference in Melbourne. The SAFC also subsidized 50% of the registration for another 14 SA documentary practitioners to attend the 2016 Australian International Documentary conference entitled Net-Work-Play.</p> <p>The Australian Writers Guild held its bi-annual National Screenwriters Conference on Phillip Island in Victoria on March 9-11, 2016 and the SAFC also subsidized the registration of 10 SA AWG members by providing 40% of the early bird fee.</p>
Additional Professional Development	This fund provides financial support for the professional development and career expansion of emerging screen practitioners in order to build a sustainable and vibrant local film industry.

Company Support

Stimulating screen production in South Australia by providing assistance to Screen companies in South Australia.

Seed Company Support

Seed Company Development funding is a development investment initiative designed to help enable South Australian companies to develop a slate of projects and invest in talent whilst encouraging sustainable business practices. Companies previously approved for funding continued to draw down across the 2015-16 year however no further companies were approved for funding.

Screen Culture

Screen Culture Funding is designed to support programs via organisations delivering tangible professional development outcomes to practitioners in SA. The funding also supports the delivery of screen culture activities, including exhibition, networking and market-oriented programs that promote the South Australian film, television and digital media industry locally and nationally.

6.4 Strategic Objective 4:

Develop partnerships that can drive industry development and enhance the business of the SAFC

Developing partnerships within the local, national and international screen sector is essential to enhancing the business of the SAFC. Partnerships ensure the SAFC can be responsive to industry needs and developments, leverage prospects at earliest opportunity and grow the business as new gaps and production pathways emerge.

Guilds and Associations

During the 2015-2016 year, SAFC management met with key creative industry heads and representatives of Industry Associations and Guilds to inform them of upcoming projects and future directions for the SAFC. These meetings also provided an opportunity for on set crew to feedback directly to the CEO issues they have in regard to industry matters including safety, crew numbers, skill gaps and employment sustainability. This group includes representatives from Australian Writers Guild, Australian Directors Guild, as well a leading sound recordist and on set safety coordinator.

Generation Next

In December 2015, SAFC initiated the establishment of the 'Generation Next' committee, with key SA education stakeholders who provide training in film, television and digital media. This group was formed following the report commissioned by the SAFC, Supporting the Next Wave, written by Simon Molloy, which made seven recommendations to bridge the gap for graduates transitioning from education and training to engagement within the industry. The 'Generation Next' committee includes media department heads from UNISA, TAFE, Media Resource Centre, Flinders University, Rising Sun Pictures Pty Ltd, Monkeystack Pty Ltd, Further Education Hamilton College and CDW Effects Studios. Over four meetings throughout the year the committee has discussed various proposals as to how educators and industry could collaborate to ensure graduates are employment ready. During the year the committee also hosted two industry events which brought students and industry practitioners together.

SA Government partnerships

During the 2015-2016 year, SAFC has further developed partnerships with other SA government agencies including:

- PIRSA & SA Tourism – the television series *Chef Exchange*, a unique television series showcasing the best of South Australian food and tourism regions, which was jointly funded project with PIRSA, SATC and SAFC.
- Adelaide Film Festival (AFF) – A total of 13 SAFC-supported films screened at the 2015 AFF, along with a further 13 projects which were commissioned and produced in the State.
- Brand SA – SAFC has a Platinum Membership with Brand SA and through this association specialised gift bags have been arranged for high profile international guests. SAFC staff have also attended a number of Brand SA events for professional development and industry networking purposes.
- SAFC was a member of the South Australian government 2016 Shandong Mission, a key cultural exchange, which involved SAFC working closely with Arts South Australia, Department of State Development as well as other major South Australian cultural agencies. During this mission, SAFC CEO introduced a screening of SAFC-supported feature film *Tracks* in the Shandong capital of Jinan at the Lishan Theatre. During the pre-screening networking at Lishan Theatre, a promotional video trailer featuring clips of SAFC-supported films, as well as highlights from post production businesses Rising Sun Pictures and KOJO was also played. Four more screenings of TRACKS were held over April 6 and 7.

National Stakeholder and Broadcaster relationships

SAFC enjoys strong relationships with national screen industry bodies and broadcasters, and in 2015-2016 this has included:

- **Ausfilm**

As a member of Ausfilm, senior SAFC management attended the *Ausfilm in LA* events in October 2015 and June 2016 which involved a series of discussions with LA based production companies and studios about potential projects for SA. Ausfilm also held an industry networking event at the Adelaide Studios during the year, and organised for SAFC to host a delegation of leading Chinese film industry professionals to visit South Australia.

- **Screen Australia**

SAFC works closely with SA practitioners to assist and encourage their applications for Screen Australia funding, and hosted Screen Australia events in August 2015 and February 2016 which provided updates to local practitioners on the federal funding initiatives. In this period Screen Australia have provided funding to a number of SAFC-supported projects, including: *Highly Strung*, *Embrace*, *The Panther Within*, *Hotel Mumbai*, and *Figaro Pho S2*.

- **Australian Broadcasting Corporation**

This year the relationship with ABC resulted in the *SAFC / ABC iview originals initiative*. Five teams of South Australian filmmakers have been chosen for the initiative, with each receiving \$100,000 to produce 6 x 5 minute episodes, which will premiere exclusively on ABC iview. The ABC and SA Film Corporation are jointly funding this \$500,000 initiative that will showcase the state's talents in both comedy and documentary production. SAFC also hosted two events during the year which allowed local practitioners to meet and learn from ABC executives on their programming policies and to pitch potential projects.

- **Qingdao TV**

Chef Exchange was an Australian-Chinese co-production between Qingdao TV and South Australia's 57 Films. It grew out of the SAFC CEO's contact with QTV as part of the 2015 SA Government delegation to Shandong province. During the subsequent 2016 delegation, South Australian Premier Weatherill visited Qingdao TV and was interviewed for the nightly news where it was the lead story for the night. *Chef Exchange* was then launched as part of that same telecast to millions across the city of Qingdao. The partnership established on this project has led to further projects between Qingdao TV and South Australian production company 57 Films demonstrating the strong economic and collaborative opportunities available with international screen industry partners.

Adelaide Studios Lease Tenants

Adelaide Studios had 28 leaseholders as at June 30th. This creative hub provides the opportunity for creative collaboration and professional partnerships amongst tenants.

57 Films	Adelaide Film Festival
Angela Heesom Casting	Body Image Movement
Closer Productions	Cospective Pty Ltd
David Banbury	David Scarborough
Duo Art Productions	Floodlight Media
Gravity Films	Hedone Productions
JDR Screen	Jetty Films
Jon Barratt/Krolyn Studios	Mason Film
Monkeystack	Piper Films
Porthmeor Productions	Reed Communications
RMT Management	Rusty Productions/Soundworks
SBS Broadcasting	Six Foot Kid
Southern Light Alliance	Story Nerds
Sync It In	Triptych Pictures

Sponsorship

The department delivered a range of national Screen Culture sponsorships with the following organisations:

- Australian Cinematography Society (ACS)
- Australian Directors Guild (ADG)
- Australian Teachers of Media Inc. (ATOM)
- Australian Writers Guild (AWG)
- Media Resource Centre (MRC)
- Screen Producers Australia (SPA)

In addition to sponsorships determined via the Screen Culture Program, the SAFC partnered with organisations and events that provided significant opportunities to promote the SAFC's activities:

- Australian International Documentary Conference (AIDC) – Net Work Play
- Australian Screen Sound Guild (ASSG) – Silver Sponsorship
- Media Resource Centre – South Australian Screen Awards (SASA)
- Melbourne International Film Festival – MIFF 37° South Bronze Sponsorship

Stakeholder Engagement

A key activity which aims to develop partnership within the SA Screen industry and throughout the reporting period is the hosting of a series of events which provide industry practitioners with professional development opportunities and bring stakeholders into the Adelaide Studios. In addition, tours for industry guests, stakeholders, educational groups and the general public are also regularly conducted.

SAFC Events

2015	
Wednesday 8 July	NAIDOC Week – <i>Microdocs</i> screening (Mercury Cinema) with SBS/NITV and MRC
Thursday 9 July	SBS/NITV Meet The Broadcaster event
Monday 25 August	Screen Australia Roadshow
Sunday 27 September	Stakeholder Screening: <i>The Dragon Pearl</i> screening
Friday 9 October	Meet the SAFC Team – industry networking event
Thursday 5 November	Industry Forum: First Nations Film Forum
Thursday 24 November	Information session on <i>ABC iview originals initiative</i>
2016	
Thursday 21 January	Stakeholder Screening: <i>Last Cab to Darwin</i>
Thursday 4 February	Screen Australia Roadshow
Monday 8 February	ABC Television: Industry Workshop and facilitated pitch session
Tuesday 16 February	Industry Consultation session – SAFC Set Construction Workshop
Monday 22 February	ABC Television: Comedy Seminar and facilitated script development sessions
Monday 7 March	Industry Consultation session - SAFC initiatives and program Update
Tues 15 March	Industry Seminar: Big Bang Sound
Thursday 17 March	Industry Seminar: Meet the eOne Team
Friday 18 March	Facilitated meetings with eOne Executives and local producers
Wednesday 30 March	Stakeholder Screening: <i>Chef Exchange</i> Launch
Wednesday 27 April	Industry Consultation session - Aboriginal Screen Strategy

Thursday 2 June	Ausfilm Industry Networking session
Tuesday 7 June	Industry Seminar: Comedy workshop with Todd Abbott
Wednesday 8 June	Aboriginal Strategy Launch

Tours of Adelaide Studios

Educational	3
Government	6
Industry	31
Public	5
Other	5

7 CORPORATE GOVERNANCE

7.1 Committees

The SAFC appreciates the contributions made by all committee members and acknowledges the expertise and commitment industry members brought to the South Australian Film Corporation's management. The following committees considered applications for funding:

SA Writers Development Committee

- Industry Representative - Dylan Wilcox
- Industry Representative - Jude Troy
- SAFC – Production, Development & Studios Head (Chair)

SAFC Representatives (Consultants to Committee):

- SAFC - Production, Development & Studios Manager
- SAFC Production Attraction & Development Executive

Aboriginal Project Development Grant Committee

- Industry Representative - John Harvey
- Industry Representative – Dean Curtis
- SAFC - CEO (Chair)

SAFC Representatives (Consultants to Committee):

- SAFC – Aboriginal Strategy Executive
- SAFC – Information Systems and Special Projects Executive (minutes)

Aboriginal Short Film Production Initiative

- Industry Representative - John Harvey
- Industry Representative – Dean Curtis
- SAFC – CEO (Chair)

SAFC Representatives (Consultants to Committee):

- SAFC – Aboriginal Strategy Executive
- SAFC - Production, Development & Studios Manager

8 APPENDICES

8.1 Management of Human Resources

The SAFC has established a comprehensive suite of Human Resource policies and procedures governing matters such as leave including carers leave provisions, working hours and ethical conduct. The SAFC was also an early adopter of the Domestic Violence leave with a number of days being accessed as special leave.

The SAFC encourages high levels of productivity and issued a revised Performance Management policy during the year which requires a performance management discussion with their manager annually. The focus of the discussion is achievement of business objectives, 2 way feedback and development opportunities. As at 30 June 2016 100% of staff had undertaken a performance discussion with their manager in the last 12 months. Training and development expenditure including staff time equated to \$18,000 which is 1.25% of the salaries expenditure.

During the year the restructure was completed with minimal disruption to business operations.

Number of persons during the year	
Recruited	7
Separated	14

The following tables reflect the workforce profile as at 30 June 2016.

Employees at 30 June 2016		
	Persons	Full time equivalents
Total	15	12.8
Percentage male	26.7 %	31.2 %
Percentage female	73.3 %	68.8 %
Executives by gender and employment status		
	Male	Female
Term untenured	0	1
Total	0	1

Number of employees by salary ranges			
Salary Range	Male	Female	Total
\$0 - \$56,199	0	2	2
\$56,200 - \$71,499	3	3	6
\$71,500 - \$91,499	1	4	5
+ \$115,000	0	2	2
Total	4	11	15

Note: All employees are on fixed term contracts. Salary details relate to pre-tax income excluding superannuation and fringe benefits tax. Executives are included in the above table.

Number of employees by age bracket and gender					
Age bracket	Male	Female	Total	% of Total	% 2015 Workforce Benchmark*
15-34	0	0	0	0	37.1
35-39	1	4	5	33	9.6
40-44	0	2	2	13	11.4
45-49	2	2	4	27	11.1
50-54	1	0	1	7	11.4
55-59	0	3	3	20	9.1
60+	0	0	0	0	10.3
Total	4	11	15	100	100

*Source : Australian Bureau of Statistics Australian Demographic Statistics, 6291.0.55.001 Labour Force Status (ST LM8) by sex, age, state, marital status – employed – total from Feb 78 Supertable, South Australia at November 2013.

Leave Management – Average days leave per current full time equivalent employee				
Leave type	2012-13	2013-14	2014-15	2015-16
Sick Leave	5.0	6.0	5.2	9.8
Family Carers leave	0.6	1.0	1.5	2.7
Miscellaneous Special Leave	0	0	0.8	4.8

Voluntary flexible working arrangements – persons			
	Male	Female	Total
Part time	0	6	6
Job Share	0	4	4

Workplace Diversity			
	Male	Female	Total
Aboriginal and Torres strait islander	0	1	1
Number of employees born overseas	1	1	2
Number of employees who speak a language other than English at home	0	0	0
Number of employees with a disclosed disability	0	0	0

Work Health and Safety

The SAFC is committed to providing a safe workplace and is supported in this regard by the Department of State Development Work Health and Safety policies, procedures and support services. The SAFC is a member of the Department of State Development Statutory Authorities Work Health and Safety and Injury Management Coordinating Committee.

The SAFC has undertaken site inspections and the Risk and Audit committee oversees the close out of corrective actions. The SAFC is primarily an office based work environment with some travel requirements. As such WHS risks relate to ergonomics, slips, trips and falls, travel and mental health management.

During the 2015-16 year there were no WHS Act notifiable incidents, notices, prosecutions or enforceable undertakings.

During the 2015-16 year there were three incidents of which one resulted in a workplace injury claim. The claim has been finalised and strategies put in place to prevent recurrence include the performance development program, WHS induction and training. During 2014-15 there were zero workplace injury claims.

	2015-16 \$'000
Income support	31
Medical	14
Legal expenses	3
Lump sum	53
Other	26
Total Claim Expenditure	127

8.2 Disability Access and Inclusion Plan

The SAFC is supportive of the South Australian's Government commitment to people living with a disability as outlined by the South Australian Disability Access and Inclusion Plan Outcomes.

Outcome 1 Inclusive and Accessible Communities

People with disability live in accessible and well-designed communities with opportunity for full inclusion in social, economic sporting and cultural life.

Outcome 2 Economic Security and Employment

People with disability, their families and carers have economic security, enabling them to plan for the future and exercise choice and control over their lives.

Outcome 3 Rights Protection, Justice and Legislation

People with disability have their rights upheld, promoted and protected.

Outcome 4 Personal and Community Support

People with disability, their families and carers have access to a range of supports to assist them to live independently and actively engage in their communities.

Outcome 5 Learning and Skills

People with disability achieve their full potential through their participation in an inclusive, high quality, education system that is responsive to their needs. People with disability have opportunities to continue learning throughout their lives.

Outcome 6 Health and Wellbeing

People with disability are supported to attain the highest possible health throughout their lives.

Key activities undertaken by the SAFC include

- The SAFC is located in a heritage listed building facilities have been adapted to meet the needs of people with disabilities including access ramps, accessible toilets and lifts.
- Information is available in various forms including printed materials; information and advice being provided orally; industry publications, written and oral media; and via the Internet, Facebook and Twitter.
- People with disabilities receive the same quality of service as able-bodied persons.
- Opportunities are provided for people with disabilities to participate in public consultation and decision making processes, including funding committees.
- Policies and procedures relating to recruitment and employment practices are reviewed annually and updated as required. New or reviewed policies are approved by the Board of Directors prior to being rolled out to employees, with education and training provided as necessary.

8.3 Carers Recognition Act 2005

Whilst the SAFC does not provide services directly to carers it does support carers through access to leave. In particular the SAFC provides access to 5 days per annum of the employees sick leave entitlement to provide caring responsibilities. Annual leave is available to employees in excess of these 5 days. In addition special leave with or without pay will be considered in extenuating circumstances.

8.4 Employment Opportunity Programs

Whilst the SAFC has an inclusive recruitment program which ensure no discrimination the SAFC did not participate in the equal opportunity programs.

8.5 Sustainability Strategy

The SAFC is committed to behaving in an environmentally sustainable manner. The rear studios are partly powered by solar power. The corporation's rubbish is treated through a co-mingled recycling process. Lighting is replaced with LED globes where possible. Movement sensors are installed on lights in common areas to prevent lighting from staying on when not in use.

8.6 Reconciliation Statement

The SAFC is committed to promoting an environment in which the rich and diverse cultures of Indigenous Australians are known, promoted, and celebrated.

The SAFC recognises, values and respects continuing Indigenous customary laws, beliefs and traditions, and the close and enduring relationship between the first peoples and their land, sea and rivers.

As part of official events and ceremonies the SAFC promotes reconciliation between Indigenous and non-Indigenous Australians by using the established protocol for acknowledging traditional Indigenous custodianship of land on which these events take place. The wording for this acknowledgement follows that recommended by the Aboriginal Affairs and Reconciliation Division (AARD) of the South Australian Department of Premier and Cabinet.

8.7 Freedom of Information – Information Statement

Pursuant to the provisions of Section 9(2) of the Freedom of Information Act 1991 (the Act), the following details are provided as part of the Information Statement of the SAFC which is an agency as defined under Section 4(1)(f) of the Act. Subject to certain restrictions, the Act gives members of the public a legally enforceable right to access information held by the South Australian Government.

Structure and functions

The SAFC consists of two key operational areas namely Production Development and Studios and Corporate Services and Finance.

For a description of the programs and the way in which the functions of the SAFC affect the public please refer to the SAFC website (www.safilm.com.au).

Whilst the SAFC will engage with key stakeholders in respect of specific programs, there are no formal arrangements which enable members of the public to participate in the formulation of the department's policies and the exercises of the agency's functions. From time to time consultation is undertaken when it is deemed appropriate to engage the public in the formulation of specific policy.

Documents held within the SAFC

Documents held by the SAFC fall broadly into the categories described below. Documents can be requested in hard copy or electronically unless advised otherwise. The listing of these categories does not necessarily mean all documents are accessible in full or in part under the Act.

The categories include:

- Corporate files containing correspondence, memoranda and minutes on all aspects of the SAFC's operations.

- Policies, procedures and guidelines prescribing the way various activities and programs are to be performed. Broad categories of policies include
 - Board
 - Communications and marketing
 - Financial and Corporate Services
 - People and Culture
 - Production Development and Studios
 - SAFC Compliance
- Personnel files relating to employees.
- Accounting and financial reports.
- Annual reports and strategic plans.
- Minutes of meetings and terms of reference.

Documents available from the SAFC

The following types of documents are published on the SAFC website:

- Program guidelines
- General guidelines and terms of trade
- Adelaide studios facilities and tenant directory
- Annual Reports
- Strategic Plan
- Aboriginal screen strategy
- Newsletters
- Media releases

Making an application for access to/ or amendment of documents

Any person is able to exercise their right to access information held by the SAFC under the Freedom of Information Act 1991 by requesting documents.

Requests under the FOI Act for access to documents should be accompanied by an application fee* payable to the South Australian Film Corporation, and directed to:

Freedom of Information Officer
 South Australian Film Corporation
 Adelaide Studios
 226 Fullarton Road
 Glenside SA 5065
 PO Box 636
 Kent Town SA 5071

General queries regarding South Australian Film Corporation's FOI processes may be directed to the Freedom of Information Officer at the above address, or via telephone, facsimile or email as follows:

Telephone No: (08) 8394 2000

Email: SAFCaccounts@safilm.com.au

*Fees and charges are reviewed every financial year in line with an agreed South Australian government indexation factor. Information on fees and charges can be found at www.archives.sa.gov.au.

8.8 Whistleblower Protection Act 1993

The SAFC has appointed a responsible Officer for the purposes of the Whistleblower Protection Act 1993 (WPA) pursuant to section 7 of the Public Sector Act 2009. There have been zero instances of disclosure of public interest information to a responsible officer of the SAFC under the WPA for the 2015-16 year (zero 2014-15).

8.9 Public Complaints

There have been zero public complaints for the 2015-16 year (zero 2014-15).

8.10 Financial Management

As a result of the screen production industry's lengthy development and production timeframes, the SAFC oversees a portfolio of investment commitments over multiple years.

On an annual basis the SAFC manages two budget lines: operations and programs. The operational budget is based on projected revenue and costs in the current financial year. The balance of funding available determines the projected investment budget for programs for the year, recognising that commitment in one year may not be realised in production until future financial years.

Throughout the year, the amount available for investment for projects in current and future years can be augmented by the SAFC drawing on retained earnings from previous years. The SAFC board makes judgments about drawing on retained earnings for such projects on a case-by-case basis. Importantly, any investment drawing on retained earnings will result in a corresponding deficit position for the organisation in the year that the commitment is made.

The SAFC 2015-16 financial year result reflects a minor deficit of \$0.001m

The SAFC remains in a strong financial position with cash reserves to meet its obligations and commitments.

Contractual Arrangements

Information in relation to contracts entered into by the SAFC can be found on the SA tenders websites www.tenders.sa.gov.au.

Account payment performance

Particulars	Number of accounts paid	% of accounts paid (by number)	Value of accounts paid \$'m	% of accounts paid (by value)
Paid by due date	1121	87	6.233	94
Paid late, within 30 days of due date	126	10	0.335	5
Paid more than 30 days from due date	45	3	0.067	1

Fraud

The SAFC promotes a culture that is committed to the highest level of ethics and honesty and will not tolerate fraud or corruption. The Fraud and Corruption Prevention Policy and Procedure demonstrate how these should be applied.

It is the SAFC's policy to protect itself and its resources from fraud and other malpractices, whether by members of the public, contractors, sub-contractors, agents, intermediaries or its own employees. The SAFC will pursue all suspected acts of fraud or similar malpractices and report these to the police as required.

The SAFC did not detect any instances of fraud in the 2015-16 financial year. (zero 2014-15)

Overseas Travel

Number of Employees	Destination/s	Reasons for Travel	Total Cost \$
1	Los Angeles USA	Ausfilm October 2015	7,800
1	Hong Kong, Quingdao China	Shandong cultural delegations	2,100
2	Los Angeles USA	Ausfilm June 2016	13,300
Total			23,200

Consultants

	Purpose of consultancy	Number	Total \$
\$10 000 to \$50 000			
Big Bang Studios	Evaluation of mixing theatre capabilities	1	1,000
Angela Allison Consultancy	Expert advice regarding corporate policy frameworks and policy development	1	17,000
TOTAL		2	18,000

8.11 Industry Development & Production Approvals

The following is a record of the funds approved for allocation throughout the reporting period. Although funds have been 'approved' in a particular financial year – this does not guarantee that contracts were exchanged and funds were 'committed' in the same reporting period, with the financials calculated on the basis of funds committed only and not funds approved in any particular year.

8.11.1 Production Finance

Screen Production Investment / Grant Approvals

Date Approved	Contracting Entity/Applicant	Project	\$
29-7-15	Greg Haddrick – Screentime	Wolf Creek	490,539
21-9-15	ABC iview Initiative	Pop Ability Prisoners & Pups Almost Midnight Lost in Pronunciation Goober	200,000
16-11-15	Paul Ryan – 57 Films	Chef Exchange	75,000
16-12-15	Jennifer Jones – Triptych Pictures	Stasis	90,000
16-12-15	Anthony Ginnane – FG Film Productions (Australia)	Bad Blood	138,000

Date Approved	Contracting Entity/Applicant	Project	\$
16-11-15	Dan Fill – Chocolate Liberation Front	Sherazade: The Untold Stories	60,000
30-2-16	Anthony Ginnane – FG Film Productions (Australia)	Bad Blood	177,000
5-2-16	ABC iview Initiative	Pop Ability Prisoners & Pups Almost Midnight Lost in Pronunciation Goober	100,000
13-4-16	Julie Ryan - Arclight Films International PL & Electric Pictures	Hotel Mumbai	750,000
13-4-16	Brett Thornquest – Storm Vision Entertainment	SFv1	55,000
13-4-16	Kristina Ceyton – Causeway Films HQ	Cargo	350,000
28-4-16	David Ngo – Projector Films	Rabbit	350,000
1-6-16	Kate Croser – Hedone	The Renovator’s Dream	51,000
1-6-16	David Jowsey -	Sweet Country	200,000
1-6-16	Mark Patterson – Patterson Films and Illumination Films	Inferno	60,000
1-6-16	Jamie Hilton – See Pictures	Stowaway	300,000
		Total	4,246,539

SA Heads of Department Incentive

Date Approved	Applicant/Contracting Entity	Project	\$
16-12-16	Anthony Ginnane – FG Film Productions (Australia)	Bad Blood	62,000
3-2-16	Anthony Ginnane – FG Film Productions (Australia)	Bad Blood	23,000
Total			85,000

Revolving Film Fund (RFF)

Date Approved	Applicant/Contracting Entity	Project	\$
1-6-16	Anthony Ginnane – FG Film Productions (Australia)	Bad Blood	50,000
Total			50,000

Producer Equity Scheme (PES)

Date Approved	Applicant/Contracting Entity	Project	\$
16-12-15	Jennifer Jones – Triptych Pictures	Stasis	90,000
13-4-16	Julie Ryan – Cyan Films	Hotel Mumbai	300,000
29-4-16	David Ngo – Projector Films	Rabbit	300,000
1-6-16	Kate Croser – Hedone	The Renovator's Dream	51,000
Total			741,000

Post Production Grant

Date Approved	Applicant/Contracting Entity	Project	\$
4-1-16	Tony Clark – Rising Sun Pictures	Independence Day	150,000
4-1-16	Tony Clark – Rising Sun Pictures	XXX	150,000
3-2-16	Kristina Ceyton – Causeway Films HQ	The Nightingale	160,000
1-6-16	Jamie Hilton – See Pictures	Stowaway	75,000
1-6-16	Dale Roberts – KOJO	The Darkness	29,312
1-6-16	Kristina Ceyton – Causeway Films	Cargo	75,000
Total			639,312

8.11.2 Project Development

Matched Market Development Investment / Grants

Date Approved	Applicant/Contracting Entity	Project	\$
9-8-15	Justin Wight – Monkeystack	Mozzie Bites	4,000
16-12-15	Kristian Moliere – Endemol Shine Australia	Wake In Fright	24,954
3-2-16	Anthony Maras / Julie Ryan - Reframe Entertainment	Hotel Mumbai	25,000
1-6-16	Clay Glen – Clayton Glen Photography trading as Glenpictures	Going for Gold	25,000
Total			78,954

SA Writers Development Grant

Date Approved	Applicant/Contracting Entity	Project	\$
19-1-16	Marion Pilowsky – Corner Table Productions	Via Adelaide	12,500
19-1-16	Julia de Roeper – JDR Screen	Animals and Us	7,500
19-1-16	Ruth Estelle / Pete Monaghan – Word Ninjas	Kinmont Brown	15,000
19-1-16	Simon Butters	Min Min	10,000
19-1-16	Scott Hicks & Damien Parer – Dunstan movie	Don Dunstan	15,000
19-1-16	Kerry Heysen – Kino Film Co	Papa	15,000
Total			75,000

8.11.3 Professional Development

ABC TV Internship

Date Approved	Applicant/Contracting Entity	Project	\$
13-11-15	Matthew Vesely	ABC Comedy Writers Room	5,000
Total			5,000

Conference and Market Subsidy

Date Approved	Applicant/Contracting Entity	Project	\$
12-8-15	Screen Producers Australia (SPA)	Conference Registration Subsidy	13,000
24-11-15	Australian Writers Guild (AWG) National Screenwriters Conference	Conference Registration Subsidy	3,380

Date Approved	Applicant/Contracting Entity	Project	\$
6-1-16	Australian International Documentary Conference (AIDC)	Conference Registration Subsidy	7,000
Total			23,380

Travel Grant

Date Approved	Applicant/Contracting Entity	Project / Event	\$
16-9-15	David Ngo – Projector Films	London PFM	4,000
19-1-16	Rosemary Myers – Soft Tread Enterprises	Berlin Film Festival	2,500
10-2-16	Kerry Heysen – Wedgetail Films	Papa	8,750
8-4-16	Kristian Moliere – Triptych Pictures	Ausfilm	5,000
8-4-16	Anna Vincent – Southern Light Alliance	Ausfilm	5,000
9-6-16	Julianne Pierce	Felix Media Moving Image: Meaning and Making Masterclass	1,000
Total			26,250

Professional Development

Date Approved	Applicant/Contracting Entity	Project	\$
10-3-16	Madeleine Parry	Industry Placement – Princess Pictures	3,150
6-5-16	Brendan Skinner & Simon Williams	Simultaneous – MIFF Accelerator Express	5,800

Date Approved	Applicant/Contracting Entity	Project	\$
6-5-15	Dave Wade, Victoria Cocks, Dylan Coleman, Claire Bishop, Lucy Cambell, Peter Ninos, Matthew Cormack, Stephen de Villiers, Ben Crisp and Eddie White	MIFF 37 South PostScript & Direct	13,325
Total			22,275

Screen Culture Grants

Date Approved	Applicant/Contracting Entity	Project	\$
26-2-16	Peter Tapp - Australian Teachers of Media Inc (ATOM)	Australian Teachers of Media Inc (ATOM)	3,000
26-2-16	Ernie Clark ACS - Australian Cinematographers Society (ACS)	Australian Cinematographers Society (ACS)	8,000
26-2-16	Annabele Davis - Australian Writers Guild (AWG)	Australian Writers Guild (AWG)	10,000
26-2-16	Kingston Anderson - Australian Directors Guild (ADG)	Australian Directors Guild (ADG)	6,000
26-2-16	Naomi Ebert Smith - Take 2 Action Limited	48hr Film Project	5,000
26-2-16	Lorelle Yee - Screen Producers Australia	Screen Forever	5,000
13-4-16	Gail Kovatseff - Media Resource Centre (MRC)	Media Resource Centre (MRC)	252,000
Total			289,000

8.11.4 Production Attraction

Recce Assistance Grants

Date Approved	Applicant/Contracting Entity	Project	\$
3-08-15	Ruby Entertainment	Harvest	350
20-4-16	John Butt – Endemol Shine	Wake In Fright	5,000
30-6-16	See Pictures	Stowaway	3,000
		Total	8,350

8.11.5 Special Initiatives

Aboriginal Project Development Grant

Date Approved	Applicant/Contracting Entity	Project	\$
12-11-15	Gina Rings	Inma Waru	15,000
12-11-15	Quenten Agius	Humanity Apocalypse	15,000
12-11-15	Nara Wilson	Umeewarra Mission Home	15,000
12-11-15	Dylan Coleman	Mazin Grace	15,000
		Total	60,000

Aboriginal Short Film Production Initiative

Date Approved	Applicant/Contracting Entity	Project	\$
23-6-16	Edoardo Crismani	440	\$20,000
23-6-16	Dylan Coleman	Secret Pretty Things	\$20,000
23-6-16	Isaac Lindsay	A Mother's Death	\$20,000

Date Approved	Applicant/Contracting Entity	Project	\$
23-6-16	Kiara Milera	No Ears	\$20,000
23-6-16	Thibul Nettle	The Protectors	\$20,000
		Total	\$100,000

Indigenous Initiative

Date Approved	Applicant/Contracting Entity	Project	\$
16-12-16	Kiara Milera and Sally Scales	AFTRS Summer School	3,300
13-5-16	Edoardo Crismani	AFTRS The Directors Journey	345
		Total	3,645

Producer Equity Scheme (PES)

Date Approved	Applicant/Contracting Entity	Project	\$
16-3-16	Jennifer Jones – Triptych Pictures	Stasis	90,000
		Total	90,000

Post Production Grant

Date Approved	Applicant/Contracting Entity	Project	\$
16-3-16	Tony Clark – Rising Sun Pictures	Independence Day	150,000
11-7-16	Kristina Ceyton – Causeway Films HQ	Cargo	75,000
		Total	225,000

8.12 Financial statements

INDEPENDENT AUDITOR'S REPORT



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Auditor-General's Department

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To the Chairman South Australian Film Corporation

As required by section 31(1)(b) of the *Public Finance and Audit Act 1987* and section 13(3) of the *South Australian Film Corporation Act 1972*, I have audited the accompanying financial report of the South Australian Film Corporation for the financial year ended 30 June 2016. The financial report comprises:

- a Statement of Comprehensive Income for the year ended 30 June 2016
- a Statement of Financial Position as at 30 June 2016
- a Statement of Changes in Equity for the year ended 30 June 2016
- a Statement of Cash Flows for the year ended 30 June 2016
- a Certificate from the Chairman, Chief Executive Officer and the Head of Corporate Services and Finance.

The Members' responsibility for the financial report

The Members of the South Australian Film Corporation are responsible for the preparation of the financial report that gives a true and fair view in accordance with the Treasurer's Instructions promulgated under the provisions of the *Public Finance and Audit Act 1987* and Australian Accounting Standards, and for such internal control as the Members of the South Australian Film Corporation determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

Auditor's responsibility

My responsibility is to express an opinion on the financial report based on the audit. The audit was conducted in accordance with the requirements of the *Public Finance and Audit Act 1987* and Australian Auditing Standards. The auditing standards require that the auditor comply with relevant ethical requirements and that the auditor plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances.

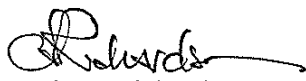
An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the Members of the South Australian Film Corporation, as well as evaluating the overall presentation of the financial report.

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

My report refers only to the financial statements described above and does not provide assurance over the integrity of publication of the financial report on the South Australian Film Corporation's website nor does it provide an opinion on any other information which may have been hyperlinked to/from these statements.

Opinion

In my opinion, the financial report gives a true and fair view of the financial position of the South Australian Film Corporation as at 30 June 2016, its financial performance and its cash flows for the year then ended in accordance with the Treasurer's Instructions promulgated under the provisions of the *Public Finance and Audit Act 1987* and Australian Accounting Standards.



Andrew Richardson

Auditor-General

8 November 2016

Certification of Financial Statements

We certify that the attached general purpose financial statements for the South Australian Film Corporation:

- comply with relevant Treasurer' instructions issued under section 41 of the Public Finance and Audit Act 1987, and relevant Australian Accounting Standards;
- are in accordance with the accounts of the South Australian Film Corporation; and
- present a true and fair view of the financial position of the South Australian Film Corporation as at 30 June 2016 and the results of its operation and cash flows for the financial year.

We certify that the internal controls employed by the South Australian Film Corporation for the financial year over its financial reporting and its preparation of the general purpose financial statements have been effective throughout the reporting period.



John Hill
Chair
4 November 2016



Annabelle Sheehan
Chief Executive Officer
4 November 2016



Angela Allison
Head of Corporate Services and Finance
4 November 2016

STATEMENT OF COMPREHENSIVE INCOME

For the year ended 30 June 2016

	Note No.	2016 \$'000	2015 \$'000
Expenses			
Production and development programs	4	3 936	3 341
Employee benefits expenses	5	1 448	1 715
Supplies and services	6	1 271	1 181
Depreciation and amortisation expense	7	323	313
Net loss from disposal of non-current assets	8	3	-
Total expenses		6 981	6 550
Income			
Studio hire		715	711
Interest revenues	9	248	259
Film distribution returns		185	190
Other revenues	10	74	118
Total income		1 222	1 278
Net cost of providing services		5 759	5 272
Revenues from / payments to SA Government			
Revenues from SA Government		5 758	4 760
Net result		(1)	(512)
Total Comprehensive Result		(1)	(512)

The net result is attributable to the SA Government as owner

The above statement should be read in conjunction with the accompanying notes

STATEMENT OF FINANCIAL POSITION

As at 30 June 2016

	Note No.	2016 \$'000	2015 \$'000
Current assets			
Cash and cash equivalents	11	6 362	5 613
Revolving Film Fund secured loans	13	1 897	1 378
Receivables	12	344	124
Total current assets		8 603	7 115
Non-current assets			
Revolving Film Fund secured loans	13	-	791
Plant and equipment	14	505	794
Total non-current assets		505	1 585
Total assets		9 108	8 700
Current liabilities			
Payables	15	2 846	2 236
Employee benefits	16	58	88
Revenue in advance		20	64
Total current liabilities		2 924	2 388
Non-current liabilities			
Employee benefits	16	97	216
Payables	15	6	12
Provisions	17	6	3
Revenue in advance		-	5
Total non-current liabilities		109	236
Total liabilities		3 033	2 624
Net Assets		6 075	6 076
Equity			
Contributed capital		8 460	8 460
Retained earnings		(2 385)	(2 384)
Total Equity	18	6 075	6 076
The total equity is attributable to the SA Government as owner			
Unrecognised contractual commitments	19		
Contingent assets and liabilities	20		

The above statement should be read in conjunction with the accompanying notes

STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2016

	Note No.	Contributed capital \$'000	Retained earnings \$'000	Total Equity \$'000
Balance at 30 June 2014		8 460	(1 872)	6 588
Net result for 2014-15		-	(512)	(512)
Balance at 30 June 2015		8 460	(2 384)	6 076
Net result for 2015-16		-	(1)	(1)
Balance at 30 June 2016	18	8 460	(2 385)	6 075

All changes in equity are attributable to the SA Government as owner.

The above statement should be read in conjunction with the accompanying notes

STATEMENT OF CASH FLOWS

For the year ended 30 June 2016

	Note No.	2016 \$'000	2015 \$'000
Cash flows from operating activities			
Cash outflows			
Production and development programs		(3 169)	(2 884)
Employee benefits payments		(1 606)	(1 738)
Payments for supplies and services		(1 598)	(1 255)
Revolving Film Fund secured loans		(1 449)	(1 257)
GST paid		(26)	-
Cash used in operations		(7 848)	(7 134)
Cash inflows			
Repayments of Revolving Film Fund secured loans		1 721	997
Studio hire and Other income		726	771
Interest received		200	244
Returns from film investments		185	212
GST recovered from the ATO		-	270
Other receipts		21	153
Cash generated from operations		2 853	2 647
Cash flows from SA Government			
Receipts from SA Government		5 758	4 760
Cash generated from SA Government		5 758	4 760
Net cash provided by/(used in) operating activities		763	273
Cash flows from investing activities			
Cash outflows			
Purchase of property, plant and equipment		14	(44)
Cash used in investing activities		14	(44)
Net cash provided by/(used in) investing activities		14	(44)
Net increase/(decrease) in cash and cash equivalents		749	229
Cash and cash equivalents at the beginning of the period		5 613	5 384
Cash and cash equivalents at the end of the period	11	6 362	5 613

The above statement should be read in conjunction with the accompanying notes.

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Note 1 Objectives of South Australian Film Corporation

The core functions of the South Australian Film Corporation (SAFC) are:

- to foster the creation and delivery of critically acclaimed and commercially successful ideas, moving images and sound for any viewing medium;
- to support the SA screen industry in a dynamic and responsive manner; and
- to optimise opportunities for production and post-production in South Australia.

The SAFC provides financial assistance by way of grants, loans and equity investments.

The SAFC's principal sources of funds are State Government grants, investment income, revenue from studio and facilities hire and distribution returns.

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

Note 2 Summary of significant accounting policies

a) Statement of compliance

These financial statements have been prepared in compliance with section 23 of the *Public Finance and Audit Act 1987*.

The financial statements are general purpose financial statements. The accounts have been prepared in accordance with relevant Australian Accounting Standards (Reduced Disclosure Requirements) and comply with Treasurer's Instructions and Accounting Policy Statements promulgated under the provisions of the *Public Finance and Audit Act 1987*.

The SAFC has applied Australian Accounting Standards that are applicable to not-for-profit entities, as the SAFC is a not-for-profit entity.

b) Basis of preparation

The preparation of the financial statements requires:

- the use of certain accounting estimates and requires management to exercise its judgement in the process of applying the SAFC's accounting policies. The areas involving a higher degree of judgement or where assumptions and estimates are significant to the financial statements are outlined in the applicable notes.
- accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substances of the underlying transactions or other events are reported.
- compliance with Accounting Policy Statements issued pursuant to section 41 of the *Public Finance and Audit Act 1987*. In the interest of public accountability and transparency the accounting policy statements require the following note disclosures, which have been included in this financial report:
 - a) expenses incurred as a result of engaging consultants;
 - b) employee targeted voluntary separation package information

- c) employees whose normal remuneration is equal to or greater than the base executive remuneration level (within \$10 000 bandwidths) and the aggregate of the remuneration paid or payable or otherwise made available, directly or indirectly by the entity to those employees;
- d) Board/committee member and remuneration information, where a Board/committee member is entitled to receive income from membership other than a direct out-of-pocket reimbursement.

The SAFC's Statement of Comprehensive Income, Statement of Financial Position, and Statement of Changes in Equity have been prepared on an accrual basis and are in accordance with historical cost convention, except for certain assets that were valued in accordance with the valuation policy applicable.

The Statement of Cash Flows has been prepared on a cash basis.

The financial statements have been prepared based on a 12 month period and presented in Australian currency.

The accounting policies set out below have been applied in preparing the financial statements for the year ended 30 June 2016 and the comparative information presented.

c) Reporting entity

The SAFC is a Board, established pursuant to the *Simplified Reporting Act 2015*.

The financial statements and accompanying notes include all funds which the SAFC controls to perform its functions, including the Revolving Film Fund.

Revolving Film Fund

The Revolving Film Fund provides secured loans to film and television producers. The loans are provided on an interest bearing basis.

The SAFC does not control any other entity and has no interests in unconsolidated structured entities. The SAFC has not entered into any contractual arrangements which involve the sharing of control or significant influence over another entity.

d) Comparative information

The presentation and classification of items in the financial statements are consistent with prior periods except where specific accounting standards and/or accounting policy statements have required a change.

Where presentation or classification of items in the financial statements have been amended, comparative figures have been adjusted to conform to changes in presentation or classification in these financial statements unless impracticable.

The restated comparative amounts do not replace the original financial statements for the preceding period.

e) Rounding

All amounts in the financial statements and accompanying notes have been rounded to the nearest thousand dollars (\$'000).

f) Taxation

The SAFC is not subject to income tax. The SAFC is liable for payroll tax, fringe benefits tax, goods and services tax (GST), emergency services levy, land tax equivalents and local government rate equivalents.

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, 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
- receivables and payables, which are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the Australian Taxation Office is included as part of receivables or payables in the Statement of Financial Position.

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 Australian Taxation Office is classified as part of operating cash flows

g) Events after the reporting period

Adjustments are made to amounts recognised in the financial statements, where an event occurs after 30 June and before the date the financial statements are authorised for issue, where those events provide information about conditions that existed at 30 June.

Note disclosure is made about events between 30 June and the date the financial statements are authorised for issue where the events relate to a condition which arose after 30 June and which may have a material impact on the results of subsequent years.

h) Income

Income is recognised to the extent that it is probable that the flow of economic benefits to the SAFC will occur and can be reliably measured.

Income has been aggregated according to its nature and has not been offset unless required or permitted by a specific accounting standard or where offsetting reflects the substance of the transaction or other event.

The following are specific recognition criteria:

Studio Hire

Studio hire income includes the hire of, sound stages, Dolby Premier 7.1 mixing theatre, ADR and Foley studios, screening theatre and office accommodation. This income is recognised upon the completion of the hiring period for short term hiring or monthly in the event of multi month hires. Office accommodation is recognised at the commencement of each month.

Film Distributions received

Film Distributions are recognised as an asset and income when the SAFC obtains control of the film distributions or obtains the right to receive the film distributions and the income recognition criteria are met (ie the amount can be reliably measured and the flow of resources is probable).

Generally, the SAFC has obtained control or the right to receive Film distributions with conditional stipulations - this will be when the enforceable stipulations specified in the agreement occur or are satisfied; that is income would be recognised for film distributions received or receivable under the agreement.

Resources received free of charge

Resources received free of charge are recorded as Other revenues in the Statement of Comprehensive Income at their fair value. Contributions of services are recognised only when a fair value can be determined reliably and the services would be purchased if they had not been donated.

Revenues from SA Government

Program funding is recognised as revenue when the SAFC obtains control over the funding. Control over funding assistance is normally obtained upon receipt.

Where money has been provided in the form of an equity contribution, the Treasurer has acquired a financial interest in the net assets of the SAFC and the appropriation is recorded as contributed capital.

Other revenue

Other revenue consists of administration fees, recovery of administrative costs from hire of facilities such as telephones, postage, internet and stationery and resources received free of charge.

i) Expenses

Expenses are recognised to the extent that it is probable that the flow of economic benefits from the SAFC will occur and can be reliably measured.

Expenses have been aggregated according to their nature and have not been offset unless required or permitted by a specific accounting standard, or where offsetting reflects the substance of the transaction or other event.

The following are specific recognition criteria:

Production and Development Programs

Production and Development Programs are targeted towards developing the screen industry in South Australia through programs such as Screen practitioner development and support, script and project development, Production investment funding and confidential locations and production liaison service for projects looking to shoot in South Australia.

Production and Development Programs are recognised as an expense when there is sufficient certainty the project will proceed and generally a formal contract has been signed by all parties.

Employee benefits expenses

Employee benefits expenses include all costs related to employment including wages and salaries, non-monetary benefits and leave entitlements. These are recognised when incurred.

Superannuation

The amount charged to the Statement of Comprehensive Income represents the contributions made by the SAFC to the superannuation plan in respect of current services of current SAFC staff.

Depreciation and amortisation

All non-current assets, having a limited useful life, are systematically depreciated/amortised over their useful lives in a manner that reflects the consumption of their service potential.

Assets' residual values, useful lives and amortisation methods are reviewed and adjusted if appropriate, on an annual basis.

Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for prospectively by changing the time period or method, as appropriate, which is a change in accounting estimate.

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	2-25
Office Equipment	3-20

Loss from disposal of non-current assets

Income from the disposal of non-current assets is recognised when the control of the asset has passed to the buyer and has been determined by comparing proceeds with carrying amount. When revalued assets are sold, the revaluation surplus is transferred to retained earnings.

Losses on disposal of assets are recognised at the date control of the asset is passed to the buyer or the SAFC no longer has possession of the asset and are determined after deducting the cost of the asset from the proceeds at that time.

j) Current and non-current classification

Assets and liabilities are characterised as either current or non-current in nature. Assets and liabilities that are to be sold, consumed or realised as part of the normal operating cycle even when they are not expected to be realised within twelve months after the reporting date have been classified as current assets or current liabilities. All other assets and liabilities are classified as non-current.

k) Assets

Assets have been classified according to their nature and have not been offset unless required or permitted by a specific accounting standard, or where offsetting reflects the substance of the transaction or other event.

Cash and cash equivalents

Cash and cash equivalents in the Statement of Financial Position include cash at bank and on hand and in other short-term, highly liquid investments with maturities of three months or less that are readily converted to cash and which are subject to insignificant risk of changes in value.

Cash is measured at nominal value.

Receivables

Receivables include amounts receivable from services, GST input tax credits recoverable, prepayments and other accruals.

Receivables arise in the normal course of providing services to film industry participants and to the public. Receivables are generally settled within 30 days after the issue of an invoice or the services have been provided under a contractual arrangement.

Collectability of receivables is reviewed on an ongoing basis. An allowance for doubtful debts is raised when there is objective evidence that the SAFC will not be able to collect the debt. Bad debts are written off when identified.

Revolving Film Fund Secured Loans

Revolving Film Fund Secured Loans are interest bearing and are recognised as either current or non-current at book value of the outstanding principal as at balance date.

Non-current assets

Acquisition and recognition

Non-current assets are initially recorded at cost or at the value of any liabilities assumed, plus any incidental cost involved with the acquisition. Non-current assets are subsequently measured at fair value after allowing for accumulated depreciation.

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

However, if the assets are acquired at no or nominal value as part of a restructure of administrative arrangements then the assets are recognised at book value ie the amount recorded by the transferor public authority immediately prior to the restructure.

All non-current tangible assets with a value equal to or in excess of \$1 000 are capitalised.

Impairment

All non-current tangible assets are tested for indication of impairment at each reporting date. Where there is an indication of impairment, the recoverable amount is estimated. The recoverable amount is determined as the higher of the asset's fair value less costs of disposal and depreciated replacement cost. An amount by which the asset's carrying amount exceeds the recoverable amount is recorded as an impairment loss.

For revalued assets, an impairment loss is offset against the respective revaluation surplus.

Fair value measurement - Non-financial assets

In determining fair value, the SAFC has taken into account the characteristic of the asset (eg condition and location of the asset and any restrictions on the sale or use of the asset) and the asset's highest and best use (that is physically possible, legally permissible, financially feasible).

The SAFC's current use is the highest and best use of the asset unless other factors suggest an alternative use is feasible within the next five years. As the SAFC did not identify any factors to suggest an alternative use, fair value measurement was based on current use.

The carrying amount of non-financial assets with a fair value at the time of acquisition that was less than \$1 million or an estimated useful life that was less than three years are deemed to approximate fair value.

Fair value measurement - Financial assets/liabilities

SAFC does not recognise any financial assets or financial liabilities at fair value.

I) Liabilities

Liabilities have been classified according to their nature and have not been offset unless required or permitted by a specific accounting standard, or where offsetting reflects the substance of the transaction or other event.

Payables

Payables include creditors, accrued expenses, GST payable and employment on costs.

Creditors represent the amounts owing for goods and services received prior to the end of the reporting period that are unpaid at the end of the reporting period. Creditors include all unpaid invoices received relating to the normal operations of the SAFC.

Accrued expenses represent goods and services provided by other parties during the period that are unpaid at the end of the reporting period and where an invoice has not been received.

All payables are measured at their nominal amount, are unsecured and are normally settled within 30 days from the date of the invoice or date the invoice is first received.

Employee benefits on-costs include payroll tax and superannuation contributions in respect of outstanding liabilities for salaries and wages, long service leave and annual leave.

The SAFC makes contributions to several externally managed 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 reporting date relates to any contributions due but not yet paid to the relevant superannuation fund.

Employee benefits

These benefits accrue for employees 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.

Salaries and wages, annual leave and sick leave

The liability for salary and wages is measured as the amount unpaid at the reporting date at remuneration rates current at reporting date.

The annual leave liability is expected to be payable within 12 months and is measured at the undiscounted amount expected to be paid.

No provision has been made for sick leave as all sick leave is non-vesting and the average sick leave taken in future years by employees is estimated to be less than the annual entitlement for sick leave.

Long service leave

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.

The estimated liability for long service leave is based on actuarial assumptions over 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.

Expected future payments are discounted using market yields at the end of the reporting period on government bonds with durations that match, as closely as possible, the estimated future cash outflows.

The unconditional portion of the long service leave provision is classified as current as the SAFC does not have an unconditional right to defer settlement of the liability for at least 12 months after reporting date. The unconditional portion of long service leave relates to an unconditional legal entitlement to payment arising after 10 years of service.

Provisions

Provisions are recognised when the SAFC has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

When the SAFC expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the Statement of Comprehensive Income net of any reimbursement.

Provisions including the workers compensation provision are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the reporting date. If the effect of the time value of money is material, provisions are discounted for the time value of money and the risks specific to the liability.

The SAFC is responsible for the payment of workers compensation claims.

m) Unrecognised contractual commitments and contingent assets and liabilities

Commitments include projects within the Production and Development Programs which have been approved by the SAFC Board but there is not sufficient certainty the project will proceed as at reporting date.

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.

Unrecognised contractual commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the Australian Taxation Office. If GST is not payable to, or recoverable from, the Australian Taxation Office, the commitments and contingencies are disclosed on a gross basis.

Note 3 New and revised accounting standards and policies

The SAFC did not voluntarily change any of its accounting policies during 2015-16.

Note 4 Production and Development Programs

	2016 \$'000	2015 \$'000
Production finance	2 363	1 490
Seed development	447	570
Production development	412	471
Film and TV lab	302	349
Production Attraction	163	90
Project Development	175	238
Other	74	133
Total Development and Production Investment funding	3 936	3 341

This fund provides direct investment to both the development and production of documentary, drama (feature film and TV) and digital media projects. Investment is also provided to SA practitioners in developing their businesses and attending international markets to enhance their project sales.

Note 5 Employee benefits expenses

	2016 \$'000	2015 \$'000
Salaries	1 172	1 363
Annual leave	96	107
LSL	(120)	16
Employment on-costs	164	196
Board fees	52	37
Workers compensation	84	(4)
Total employee benefits expenses	1 448	1 715

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

Remuneration of employees	2016 No	2015 No
\$165 001 to \$175 000	1	-
Total	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 for the year was \$168 000 (\$nil).

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

	2016 No	2015 No
\$0 - \$ 9 999	7	8
\$10 000 - \$19 999	1	1
Total	8	9

Remuneration of Board members reflects all costs of employment including salaries, and superannuation contributions. The total remuneration received for the year was \$52,000 (\$37,000).

The following individuals held office as Board members for the year ended 30 June 2016

- J Hill (3 September 2015 – Board Chair from 26 April 2016)
- S Mitchell
- D Monaghan
- J Potter (retired 25 April 2016)
- A Tisato
- M Silva
- C Ward
- L Watts

Related party statement

The SAFC Board is comprised largely of individuals who work within both the local and national film 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 film 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.

2015

In 2015 the SAFC entered into commitments with organisations D Monaghan is associated with, namely a consultancy for the D-Lab Mentor Program of \$2,000 and with the production Pine Gap for which the SAFC issued Board approved letters of offer that were signed and accepted totalling \$421 000 for production investment.

Note 6 Supplies and services

	2016 \$'000	2015 \$'000
Utility and communication expenses	212	265
Computer and related expenses	172	216
Audit and legal fees	194	48
Industry promotion and participations	160	141
Staff related expenses	117	47
Tenant and production on charges	116	119
General administrative expenses	106	74
Facility expenses	99	108
Travel	44	37
Minor asset purchase and maintenance	33	101
Consultants	18	25
Total supplies and services	1 271	1 181

The total supplies and services amount disclosed includes GST amounts not recoverable from the ATO due to the SAFC not holding a tax invoice or payments relating to third party arrangements.

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

	No	2016 \$'000	No	2015 \$'000
Below \$10 000	1	1	-	-
Above \$10 000	1	17	1	25
Total paid /payable to the consultants engaged	2	18	1	25

Note 7 Depreciation and amortisation expense

	2016	2015
	\$'000	\$'000
Depreciation		
Production equipment	155	157
Office equipment	168	156
Total depreciation	323	313

Note 8 Net loss from the disposal of Non-Current Asset

	2016	2015
	\$'000	\$'000
Plant and equipment:		
Proceeds from disposal	-	-
Less net book value of assets disposed	3	-
Net loss from disposal of Non-Current Assets	3	-

Note 9 Interest Revenues

	2016	2015
	\$'000	\$'000
Revolving Film Fund loans	154	153
Deposits with the SA Government Financing Authority	84	101
Deposits with non –SA Government financial institutes	10	5
Total Interest Revenues	248	259

Note 10 Other Revenues

	2016	2015
	\$'000	\$'000
Revolving Film Fund fees	29	26
Asset acquired at no cost	24	-
Sundry Income	21	90
Disbursement Service fees	-	2
Total Other Income	74	118

Note 11 Cash and cash equivalents

	2016 \$'000	2015 \$'000
Cash at bank and on hand	208	70
Short-term deposits with SAFA	6 154	5 543
Total cash and cash equivalents	6 362	5 613

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.

Note 12 Receivables

	2016 \$'000	2015 \$'000
Current		
Receivables	92	92
Less allowance for doubtful debts	-	-
Prepayments	178	2
Accrued revenues	32	14
GST input tax recoverable	42	16
Total current receivables	344	124

Movement in the allowance for doubtful debts

The allowance for doubtful debts (allowance for impairment loss) is recognised when there is objective evidence (ie calculated on past experience and current and expected changes in client credit rating) that a receivable is impaired.

An allowance for impairment loss has been recognised where required in other expenses in the Statement of Comprehensive Income for specific debtors and debtors assessed on a collective basis for which such evidence exists.

Movements in the allowance for doubtful debts (impairment loss)	2016 \$'000	2015 \$'000
Carrying amount at the beginning of the period	-	(12)
Amounts written off	-	12
Carrying amount at the end of the period	-	-

Note 13 Revolving Film Fund Secured Loans

	2016 \$'000	2015 \$'000
Current	1 897	1 378
Non –Current	-	791
Total Revolving Film Fund Secured Loans	1 897	2 169

As at 30 June 2016 loans were provided on an 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
 - I. film distributors and/or sales agents: or
 - II. 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, when a bank guarantee may be required.

There were no impaired loans in 2016 or 2015.

Note 14 Plant and equipment

	2016 \$'000	2015 \$'000
Plant and equipment		
Production equipment at cost (deemed fair value)	1 072	1 123
Accumulated depreciation at the end of the period	(879)	(783)
Office equipment at cost (deemed fair value)	1 046	1 232
Accumulated depreciation at the end of the period	(734)	(778)
Total plant and equipment	505	794

Carrying amount of plant and equipment

All items of production and office equipment had a "fair value at the time of acquisition that was less than \$1 million or had an estimated useful life less than 3 years old" and have not been revalued in accordance with APF III. The carrying value of these items are deemed to approximate fair value

Impairment

There were no other indications of impairment of plant and equipment at 30 June 2016.

Reconciliation of plant and equipment

The following table shows the movement of plant and equipment

	Production equipment \$'000	Office equipment \$'000	Total \$'000
Carrying amount at the beginning of the period	340	454	794
Acquisitions	8	5	13
Disposals eg sales, write off	-	(3)	(3)
Depreciation and amortisation	(155)	(168)	(323)
Acquisition at no cost	-	24	24
Carrying amount at the end of the period	193	312	505

Note 15 Payables

	2016 \$'000	2015 \$'000
Current		
Production and Development Program	2 656	1 889
Accrued expenses	181	137
Employment on-costs	9	13
Creditors	-	197
Total current payables	2 846	2 236
Non-current		
Employment on-costs	6	12
Total non-current payables	6	12
Total payables	2 852	2 248

As a result of an actuarial assessment performed by the Department of Treasury and Finance, the proportion of long service leave taken as leave has changed from the 2015 rate (37%) to 40%. Employment on-costs are settled when the respective employee benefit that they relate to is discharged.

Note 16 Employee benefits

	2016 \$'000	2015 \$'000
Current		
Accrued salaries and wages	15	10
Annual leave	43	78
Total current employee benefits	58	88
Non-current		
Long service leave	97	216
Total non-current employee benefits	97	216
Total employee benefits	155	304

AASB 119 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. AASB 119 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 decreased from 2015 (3%) to 2016 (2 %).

This decrease in the bond yield, which is used as the rate to discount future long service leave cash flows, results in an increase in the reported long service leave liability which has been offset by a number of longer term employees exiting the SAFC through contract end.

The net financial effect of the changes in the current financial year is immaterial. The impact on future periods is impracticable to estimate as the long service leave liability is calculated using a number of assumptions – a key assumption is the long-term discount rate.

The actuarial assessment performed by the Department of Treasury and Finance left the salary inflation rate at 4% for long service leave liability. As a result, there is no net financial effect resulting from changes in the salary inflation rate.

Note 17 Provisions

	2016 \$'000	2015 \$'000
Non-current		
Provision for workers compensation	6	3
Total non-current provisions	6	3
Total provisions	6	3
Carrying amount at the beginning of the period	3	8
Additional provisions	122	-
Amounts used	(119)	(5)
Carrying amount at the end of the period	6	3

The SAFC has no open workers compensation claims. The workers compensation provision is based on management's best estimate of the expenditure required to settle incidents incurred but not reported as of 30 June which would not be expected to be lodged and settled within the next financial year

Note 18 Equity

	2016	2015
	\$'000	\$'000
Contributed capital	8 460	8 460
Accumulated surplus	(2 385)	(2 384)
Total equity	6 075	6 076

Note 19 Unrecognised contractual commitments

	2016	2015
	\$'000	\$'000
Production and Development Program		
Screen industry programs	1 338	105
Seed company development	255	700
Revolving Film Fund	-	450
Total Production and Development Program	1 593	1 255

Note 20 Contingent assets and liabilities

The SAFC may accept bank guarantees or other forms of securities for the Revolving Film Fund secured loans provided (refer note 13). There were no bank guarantees held at 30 June 2016

There were no other known contingent assets or liabilities.

Note 21 Financial risk management

Financial risk management

Risk management is managed by the SAFC's Corporate Services and Finance branch and Board. Risk management policies are in accordance with the *Risk Management Policy Statement* issued by the Premier and Treasurer and the principles established in the Australian Standard *Risk Management Principles and Guidelines*.

The SAFC's exposure to financial risk (liquidity and credit) is insignificant based on past experience and current assessment of risk.

The SAFC is funded principally from appropriation by the SA Government. The SAFC works with the Department of Treasury and Finance to determine the cash flows associated with its Government approved program of work and to ensure funding is provided through SA Government budgetary processes to meet the expected cash flows.

There have been no changes in risk exposure since the last reporting period.

Categorisation of financial instruments

Details of the significant accounting policies and methods adopted include the criteria for recognition, the basis of measurement, and the basis on which income and expenses are recognised with respect to each class of financial asset and financial liability are disclosed in note 2.

The carrying amounts of each of the following categories of financial assets and liabilities; loan and receivables; and financial liabilities measured at cost are detailed below:

	Notes	2016 Carrying amount / Fair value (\$'000)	2015 Carrying amount / Fair value (\$'000)
Financial assets			
Cash and equivalent	11	6 362	5 613
Loans and receivables			
- Receivables (1)(2)	12	124	106
- Revolving Film Fund secured loans	13	1 897	2 169
Total financial assets		8 383	7 888
Financial liabilities			
Financial liabilities at cost			
- Payables (1)	15	164	266
- Production and Development Program	15	2 656	1 889
Total financial liabilities		2 820	2 155

(1) Receivable and payable amounts disclosed here exclude amounts relating to statutory receivables and payables (eg Commonwealth, State and Local Govt taxes, fees and charges; Auditor-General's Department audit fees). In government, certain rights to receive or pay cash may not be contractual and therefore in these situations, the requirements will not apply. Where rights or obligations have their source in legislation such as levies, tax and equivalents etc they would be excluded from the disclosure. The standard defines contract as enforceable by law. All amounts recorded are carried at cost (not materially different from amortised cost).

(2) Receivables amount disclosed here excludes prepayments. Prepayments are presented in note 12 as trade and other receivables in accordance with paragraph 78(b) of AASB 101. However, prepayments are not financial assets as defined in AASB 132 as the future economic benefit of these assets is the receipt of goods and services rather than the right to receive cash or another financial asset.

Note 22 Events after the reporting period

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

Note 23 Administered Items

	2016 \$'000	2015 \$'000
Disbursement Returns Account		
Balance at 1 July	71	149
Add:		
Royalties and distribution advances	8	776
Less:		
Disbursements to and on behalf of investors	-	(751)
Producer Overhead costs	-	(100)
Disbursement fees	-	(3)
Balance at 30 June	79	71

	2016 \$'000	2015 \$'000
Unclaimed Investor Returns Accounts		
Balance at 1 July	55	55
Less:		
Returns to investors	-	-
Balance at 30 June	55	55