2021 ANNUAL REPORT



ACKNOWLEDGEMENT OF COUNTRY

MERCURY CX TAMPENDI, NGADLU KAURNA YERTANGGA BANBABANBALYARNENDI (INBARENDI). KAURNA MEYUNNA YAITYA MATTANYA WOMMA TARNDANYAKO. PARNAKO YAILTYA, PARNUKO TAPPA PURRUNA, PARNUKO YERTA NGADLU TAMPENDI. YELLAKA KAURNA MEYUNNA ITTO YAILTYA, TAPPA PURRUNA, YERTA KUMA BURRO MARTENDI, BURRO WARRIAPPENDI, BURRO TANGKA MARTULYAIENDI. KUMARTA YAITY

— ///<> —

MERCURY CX WISH TO PAY OUR RESPECTS
TO ALL FIRST NATIONS PEOPLE AND
ACKNOWLEDGE THAT WE WORK ON WHAT
IS AND ALWAYS WILL BE, FIRST NATIONS
LAND. WE ACKNOWLEDGE THE TRADITIONAL
CUSTODIANS OF THIS LAND, THE KAURNA
PEOPLE AND THEIR CONTINUED SPIRITUAL
CONNECTION TO COUNTRY, AND TO PAY OUR
RESPECTS TO ELDERS AND STORYTELLERS
PAST, PRESENT AND EMERGING

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2021 BOARD OF DIRECTORS



Gena Ashwell
//
Chairperson



Gail Fuller // Treasurer



Dan Thorsland
//
Director



Jack Sheridan
//
Director



Alison
Wotherspoon
//
Director



Maddie Parry
//
Director



Khoa Do // Director



Ella MacIntyre
//
Director

MESSAGE FROM OUR CHAIR

Another exciting and successful year at Mercury CX as we emerge from COVID-19.

This year the board has had a further focus on financial management and governance, especially with COVID-19 forcing the closure of the cinema, highlighting vulnerability within the organisation. It was clear that without ongoing operational funding the organisation was unsustainable going forward. In response to this, the Board alerted the previous government, who reacted quickly and provided emergency funding so we could undergo a review. The review process was intensive, but also a positive process in identifying what was required. With work previously done, we were in a strong position for the review, and I want to thank everyone involved for their efforts, especially CEO Karena Slaninka.

To my fellow board members, thanks for your sustained effort, time and input throughout the year - Gail Fuller, Alison Wotherspoon, Jack Sheridan, James Marshall, Ella Macintyre and Khoa Do. Khoa Do stepped down earlier this year, but I would like to thank him for his valued contribution. Gail Fuller is also stepping down this year. I would like to specially thank her for her additional contributions to the organisation, she will be greatly missed. Alison Wotherspoon has come to the end of her term and we thank her for her contribution served over many years. The Board all work voluntarily to keep the organisation going for our members, so we are very grateful for their time, contribution and support, especially during the review process. It's great to see such experienced and respected individuals putting their hand up for the Board. Any business or organisation is only as good as its people, so we are pleased they want to give up their valuable time to support Mercury CX.

I would also like to say a big thank you to the staff who work so hard and are so dedicated to getting the job done. To our industry and government supporters and partners - the Government of South Australia through the FIXE fund, the South Australian Film Corporation, Screen Australia, the City of Adelaide, the Office for Ageing Well, Arts SA, Flinders University, University of South Australia and Adelaide Film Festival - we thank you all for choosing the Mercury CX to provide such important projects and programs as they have such a huge impact in the community.

We are respected as the hub of screen culture in South Australia, positioning ourselves as a national centre of excellence. Our organisation not only originates and oversees extensive production and development initiatives for emerging and developing screen practitioners; we continue to innovate the exhibition side in the iconic Mercury Cinema. This has ensured access to high quality independent cinema as part of our screen culture program; content that commonly can't be seen on the big screen anywhere else! Mercury CX builds our screen community by hosting marquee events such as the South Australian Screen Awards and the Screenmakers Conference and Pitch Market.

We are hopeful our funding can be secured and we can continue to go from strength to strength.

// Gena Ashwell Chair

CEO REPORT

The Mercury CX team couldn't have packed more into 2021 if we tried. Thinking we had made it through the worst of Covid, we re-opened the cinema with a Fringe show to bring audiences into the bedazzling new lounge bar and raise the profile of the venue.

Audiences were enthusiastic about the iconic Mercury Cinema, commenting that "they had forgotten it existed.... so good to see it re-open once more... they used to come here 20 years ago..."

We recognised that Fringe could be a great way in which to put Mercury Cinema on the map once again, increasing visitation that would help generate revenue and promote the West End more widely. This kick-started an exciting initiative to bring together around 20 west end venues under the banner of 'West Village'. Adelaide's west end is the permanent home of artists, creators and makers all year round, a unique village vibe reminiscent of New York's village vibe. In addition to everything else we were doing, we drove this initiative, created the brand, designed and implemented a publicity and promotion strategy, had the website designed with an interactive map, sourced funding, created marketing assets, and presented a cracking West Village launch in the heart of Adelaide's West in the Lion Arts Factory courtyard, launched by Lord Mayor of Adelaide Sandy Verschoor and Adelaide Fringe CEO Heather Croall.

Whilst doing West Village off the side of the desk, the Industry Development Team including Diana Ward, Kelly Schilling and Ruth Estelle did an incredible job delivering our career elevator programs designed to build skills and support the development of new work.



The SAFC funded Springboard Program for emerging writers, directors and producers was presented by award winning writer/director Julie Kalceff, director Richard Jasek and producer Kirsty Stark. The expanded script development component included script readings with actors of new works in preparation for submitting to the Quicksilver Production Fund. It was pleasing to see that Springboard is successfully fast tracking creatives and projects with three of the four projects funded through Quicksilver developed through Springboard. It's also pleasing to see that Mercury CX is providing a pipeline of talent into the industry with ?? of the SAFC Film Lab's shortlisted teams having participated in or received funding through Mercury CX programs.

In addition, some standout projects have been smashing it at festivals across the globe. Most notably Benno Thiel and Kurt Roberts' web series Dead Centre which was developed and funded through MCX programs has won best ?? at ?? etc.

The inaugural Hothouse Residency Program supported by the City of Adelaide supports a writer, producer and cinema

programmer/projectionist with a structured program, an office and mentoring to achieve agreed outcomes over a three month period. We were delighted to welcome emerging producer Craig Jackson, award-winning playwright Sally Hardy, author and film critic Aimee Knight and Indigenous writer/director Dylan Coleman. Each benefited greatly from having space and time to develop a project, along with mentoring from professionals in the MCX team.

The Screenmakers Conference, Pitch Market and Lab was postponed due to Covid lockdowns in South Australia and split for the first time over a four week period to give delegates a bigger lead in time for the pitch market day. Much to our surprise it was the most well attended conference we've ever held with over 300 delegates participating online across all the

events with an average viewing engagement of 5.45 hours - impressive considering the zoom fatigue which had set at that time when much of Melbourne and Sydney were in extended lockdowns.

The SMC went global with a live hookup with Hollywood screenwriters and podcasters of The Screenwriting Life, Meg LeFauve and Lorien McKenna interviewed by Jonathan Champ which was recorded and podcast across the globe.

The market day featured heavy hitters from across the globe including AMC and Snapchat in the US and we welcomed

new partners to the MCX I
ABC I iview Pitchorama
pitching competition
including AACTA, SPA
and Screenworks to
augment the prize pool
with registrations to
the AACTA awards,
Screenworks regional
to global summit and
Screen Forever Gold
Pass.

We rekindled
Silverscreen with
support from SA Health's
Office for Ageing Well, City
of Adelaide and new sponsor

Retire Australia, however with intermittent lock downs, limits on capacity and considerable difficulty in sourcing films due to distributors holding back films, audiences were slow to return.

Cinematheque in contrast was a cracking year, with the stand out Stanley Kubrick retrospective - provoking divisive discussion - sometimes until midnight - bringing in new audiences into the cinema.

The events team led by Taren Hocking did an outstanding job in delivering some amazing events including the Oz Asia Film Festival featuring a retrospective of the grand master Hong Kong filmmaker Wong Kar Wai, in partnership with ACMI, and the Sydney Film Festival and Adelaide Festival Centre.

" I COMMEND
THE ENTIRE
TEAM FOR THEIR
FORTITUDE,
PASSION AND
COMMITMENT AND
HONOUR THEIR
ACHIEVEMENTS IN
THIS WATERSHED
YEAR FOR THE
ORGANISATION."

In celebration of being able to get together once again,, the South Australian Screen Awards was a glitzy red carpet affair, which far exceeded anything we've done before. New categories included the First Nations emerging talent award and best student production. We were delighted to award the prestigious City of Adelaide Mercury Award recognising lifetime achievement to sound designer and recordist James Currie whose career spans over one hundred films working with such luminaries as Rolf de Heer, Scott HIcks, Paul Cox, Anna Kokkinos and Bruce Beresford. He also worked closely with David Gulpilil so it was a particularly emotional event given Gulpilil had passed only days prior.

2021 however was to present its challenges. With the loss of cinema income and an already fragile business model, Mercury CX sought ongoing operational funding from Government to provide stability from which to strategically grow the organisation. Interim support was provided and an external review commissioned to determine the value and viability of the organisation. This got us to the end of 2021 and for this we are extremely grateful to the former Marshall Government and in particular the former Minister for Innovation and Skills, The Hon. David Pisoni MP, and Director of the Department for Innovation and Skills, Becc Bates.

It was a year in which we scaled great heights, the MCX team delivering again and again without sufficient resources and support. I commend the entire team for their fortitude, passion and commitment and honour their achievements in this watershed year for the organisation. For we are at a crossroads and without proper organisational funding we cannot continue to operate.





In acknowledging the Mercury CX board I thank in particular Chair Gena Ashwell who has been an active advocate and champion for the organisation along with Treasurer Gail Fuller who has gone above and beyond in working with me on the financials and been a sage adviser in running the business.

I thank also our partners, Screen Australia, SAFC, SA Government, Arts SA, Office of Ageing Well, City of Adelaide, AFTRS, Flinders Uni, UniSA, Retire Australia and our SASA sponsors. In particular I acknowledge Studio Veld who have been instrumental in our success in transforming the organisation, designing our new brand, building our website and new systems, and, turning on a dime to develop the new Screenmakers Conference and West Village websites. We couldn't do what we do without them.

I recognise it's been a tough year for our team, who have had to pivot numerous times to accommodate shifting Covid restrictions. This has impacted staff, patrons, delegates and program participants.

As we await the outcome of external review and a decision from the Government regarding ongoing operational funding, I am conscious that change is inevitable, people move on, and times change.

I wish to take this opportunity to acknowledge that what we have achieved in 2021, under such unusual and uncertain circumstances in 2021 is altogether extraordinary. To the board I thank you. To the Mercury CX team, I am truly proud of all that you have achieved this year. To our patrons and members, thank you sincerely for your ongoing support.

// Karena Slaninka CEO

TREASURER'S REPORT

In 2021, Mercury CX made major strides on a journey of recovery ... it's a long and winding road!

In 2021 the impacts of COVID-19 continued to be felt around the world. Mercury CX has made significant progress towards recovery, hampered by the ever-present threat of snap lockdowns forcing last minute overhauls and cancellations of carefully laid plans. New challenges present themselves in 2022, as the Board and CEO are focussed on securing the future of this muchloved organisation, with mid-term funding for programs and operations.

Amidst an environment of caution and uncertainty, the team at Mercury CX strove to implement the vision and plans laid out in February 2020: as a centre of excellence and a place to engage, create and immerse in story.

Key objectives include:

- · Excellence Mercury CX brand, vision, purpose and values set a tone of excellence in everything we do and how we do it.
- · Credibility Mercury CX is internationally recognised as a centre of excellence for screen talent and story development. Dedicated to discovering and cultivating authentic and diverse voices from across Australia, and facilitating pathways to audience.
- · Sustainability Mercury CX operates on a sound commercial basis, ensuring the growth and sustainability of the organisation, by up-skilling creators to move their careers from surviving to thriving.
- · Innovate Mercury CX is committed to developing a culture of innovation both within the organisation and the industry it serves.
- · Inspire Mercury CX works to inspire and empower culture though annual screening and exhibition programs designed to cultivate an appreciation of diverse screen stories from across the globe, connecting creators and audiences.

The focus of the Board and CEO over the past six months has been on presenting a compelling case to Government to commit to supporting Mercury CX's growth and development over the coming years. Experiencing the fallout from COVID-19, and the subsequent pressure on government funding to the arts sector, has exposed the fragility and vulnerability of the Mercury CX's revenue model. South Australian Department for Innovation and Skills has provided Mercury CX with critical interim support while a formal review of the organisation is underway.

Bold and ambitious plans need the underpinning of secure, multi-year funding, to be realised with confidence. Our Board and CEO are ever-vigilant in risk management and mitigation to protect the 45 year legacy of Mercury CX, as the last-surviving organisation of its type in Australia. We remain cautiously optimistic as we await the outcomes of a number of funding applications, which, if successful, will provide a strong financial foundation for the next few years.

Thanks to our Karena Slaninka (CEO), the entire team at the Mercury CX, Gena Ashwell (Board Chair) and my Board colleagues for keeping the faith and bravely moving forward despite the obstacles.

And, of course, this is all about our members and film lovers. Thank you, thank you, thank you to all returning members, new members, moviegoers, sponsors and supporters. It has been wonderful to see you all back in the cinema, networking and enjoying our foyer front-of-house facilities.

// Gail Fuller
Treasurer

OVERVIEW OF MERCURY CX'S 2021 RESULTS:

Gross income increased by 24%

П

COVID-19-related Government represented **only 3%** of total revenue, compared with 32% in the previous year

Exhibition and Cinema income increased by 124%

Revenue from Membership Subscriptions **increased by 650%** compared with prior year

35% increase **in gross** operating expenditure

Breakeven result for the year, with a minor deficit of approximately \$1,250 for the year

Increase of \$34,417 in cash
held at 31.12.2021

Ongoing investment in capital expenditure approaching \$43,000 for the year

OUR TEAM



Karena
Slaninka
//
Chief Executive
Officer



Julia Light
//
Executive
Assistant



Schilling
//
Development &
Production
Executive

Kelly



Diana Ward
//
Production
Executive



// Marketing, Events & Partnerships Manager

Taren

Hocking



Champ
//
Communication
and Engagement
Manager

Jonathan



Cathy Reid
//
Operations
Manager



Grindle
//
Senior
Programmer &
Projectionist

Ryder



Adelaide Xerri // Project





Alex
McKenzie
//
Programmer
& Socials

Coordinator



Megan Keher // Graphic Designer





OUR SUPPORTING SPONSORS AND PARTNERS

MAJOR SPONSORS //









Office for Ageing Well









INDUSTRY //

57 Films

AAA Talent

ABC iView

Adelaide Film Festival

Angela Heesom Casting

Artisan Post Group

Australian Academy of Cinema

Television Arts

Australian Directors Guild

Australian International

Documentary Conference

Australian Writers Guild

Best FX

Channel 44

Cinema Reborn

Community Broadcast Foundation

Creative Content Australia

Equity Foundation

Film Ink

Flickerfest

Ghan International Film Festival

Australia

Hendon Studio

Iranian Film Festival Australia

Kojo

Leap Frog Films/Tugg

Masthead Studios Pty Ltd

Matchbox Pictures

Media Entertainment Arts

Alliance

NITV

National Film and Sound Archive

Rowe Trading Co.

Screen Australia

Screen Producers of Australia

Screen Tasmania

Screen Territory

Screenhub

Screenrights

South Australian Federation of

Film Societies

South Australian Film Corporation

Transitions Film Festival

CULTURAL //

Adelaide Festival Centre
Carclew Youth Arts
Derringers Music with Yamaha

Independent Art Foundation

Jam Factory

Music Development Office

Music SA

OzAsia Festival

Samstag Museum of Art State Theatre Company

The Mill Adelaide

FOOD & BEVERAGE //

Alpha Box and Dice Chaffey Bros Wine Co Little Bang Brewing Woodside Cheese Wrights

GOVERNMENT //

Adelaide City Council Australian Government Department of Industry Innovation and Science

Government of South Australia
Department of Premier and
Cabinet

Government of South Australia
Office for Ageing Well SA
Health

EDUCATION //

Australian Film Television and Radio School Flinders University University of South Australia

CORPORATE //

Canon Australia Media Super Pro AV Solutions

PROFESSIONAL DEVELOPMENT PROGRAMS

The Professional Development
Team is responsible for
delivering a range of programs
and initiatives designed to
elevate creative skills, champion
storytelling and support project
development - to help members
take the next steps in their
screen careers.

Mercury CX takes a practical approach to story and talent development, cultivating artistic vision with story, consideration of audience and market, and working with filmmakers and storytellers to facilitate distinctive and unique market offerings.

COVID-19 continued to be a consideration in how Mercury CX supported the industry in 2021, however, we were able to deliver on our key objectives to support the South Australian and National screen industry including:

- // Two Day National Screenmakers Conference and Pitch Market Day with Pitch-o-Rama, 1:1 Pitching and Roundtables, plus additional TV Formats Lab and ongoing Career Mentor Program all delivered online and fully interactive.
- // South Australia Screen Awards 2021, which was able to be held in person. It included two new achievement categories: the inaugural City of Adelaide Mercury Award, which celebrates the lifetime achievement of a South Australian industry practitioner and the Mercury Rising Award, which celebrates a Mercury CX member making bold steps forward in their career with the spirit of supporting their fellow practitioners.
- // Quicksilver Production Initiative, funding four new South Australian projects
- // Professional Development Programs:Springboard, PitchLab
- // Special Development Programs: Hothouse Scheme, Master Apprentice, Hanlon Larsen Fellowship, Film Lab: New Voices
- // Industry Network Sessions: Tuesday Talks

ACTIVITIES AND OUTCOMES MCX SCREENMAKERS 2021

Mercury CX again pivoted online to deliver a two-day annual Screenmakers Conference on the 10th and 11th of September 2021, broadcast via the platform Hopin, with the support of Channel 44. The Conference featured international guests including Meg LeFauve and Lorien McKenna of The Screenwriting Life, Cheryl Bedford of Women of Color Unite, 40 interstate speakers and moderators and 18 South Australians speakers and moderators. Additionally, on September 12th our sold out TV Formats Lab produced by Media Mentors was held over Zoom to 40 delegates. We also brought back our interactive conference elements on our Pitch Day on the 8th of October. Using Hopin we were able to facilitate 193 pitching sessions, 42 round tables and live streamed the 10 Pitcho-Rama finalists to conference audiences. For the first time, Netflix, AMC and Snap joined our marketplace, alongside nearly 70 others. Another first - due to the unique separation of the plenary and market sessions - delegates had one month to catch up on missed conference sessions online, allowing people in lockdown around the country to view sessions as they wished.





Delegate numbers were positive with 300 delegates registered. The price point was kept very accessible at \$55 per delegate for a standard conference-only ticket, \$95 for an additional Career Mentoring opportunity, \$195 to also include the Pitch Day, or \$245 for all, plus the Lab.

We were particularly pleased to be able to bring back the Career Mentoring program - which supported 111 emerging practitioners from across the country to receive half-hour mentoring sessions with one of 68 seasoned industry practitioners.

We also delivered the ABC IVIEW Pitch-o-Rama pitching competition which was extended to long form content. The 2021 Pitch-o-Rama pitching competition saw 10 high quality shortlisted entrants from around the country pitch their ideas to an online audience of over 200 delegates. They had 10 minutes to sell their idea to judges Brett Sleigh (Executive Producer Entertainment and Specialist, ABC), Mary-Ellen Mullane (Manager Children's, ABC), Matthew Deaner (Executive Director, SPA) and Karena Slaninka (CEO Mercury CX).

The winning project was *The Pinhole Effect* by SA writer Rachel Sommer and producer Melisa Daly, who received a combination of \$11,000 cash and in-kind development support. Other prizes included the Screenworks Regional Talent Prize, which was awarded to WA's *Astronomy on Country* by Zac James and Claire Bowen; the AACTA Fresh Voices Prize which was won by *Lexi and Locky* by SA's Stacey Hargroves and Melisa Daly; and the SPA Emerging Producer Prize which was awarded to regional NSW's Alexandra Doering for her project *The Royal Doultons*.

SCREENMAKERS 2021 SPONSORS





































ACTIVITIES AND OUTCOMES

SASA's - SOUTH AUSTRALIAN SCREEN AWARDS

Since 1999, SASA has been an exciting platform for South Australian screen practitioners to showcase their work across drama, comedy, documentary, animation, music video and web series. SASA continues to grow in size and scope along with the quality of short form screen production in this state.

Judging for the 23rd South Australian Screen Awards was carried out by 100 judges from around the globe - including Oscar nominees and Emmy, AACTA, Logie, Sundance, Berlin, and SXSW winners. 74 submissions were entered across 25 individual, genre and craft categories.

We were very pleased that we were able to go ahead with an in-person red carpet event on Friday the 3rd of December.

The gala event was opened by the Lord Mayor of Adelaide, the Right Honourable Sandy Verschoor and Mercury CX CEO Karena Slaninka. The sold out theatre held nominees and guests, with additional guests accommodated in our Covid-safe Sidewalk Soiree with a live stream broadcast to our laneway party venue on big screens.

Writer-director Alies Sluiter's short film MYTH - The Go Between, produced by William Littleton took home the Grand Jury Prize.

The illustrious City of Adelaide Mercury Award, recognises a South Australian creative's lifetime achievement and contribution to the screen industry. This award was presented by the Right Honourable Lord Mayor of Adelaide Sandy Verschoor to acclaimed Sound Recordist, Mixer and Sound Designer, James Currie. Currie's 45-year career has seen him work on 146 productions spanning feature films, television series, documentaries and short films.

The inaugural Best First Nations Talent Award - sponsored by the South Australian Film Corporation - was presented to actor Natasha Wanganeen for her compelling performance in the short film *Djaambi*. Another first for 2021 was the inclusion of the Mercury Rising award, supported by the Adelaide Festival Centre and presented to an MCX Member across any award category. The inaugural winner for this award was producer and director Eva Grzelak. The Carclew Foundation presented the Young Filmmaker Award to cinematographer Nicholas Frayne and Media Super presented the Emerging Producer Award to Lilla Berry.

OUR 2021 SASA WINNERS ARE...

CITY OF ADELAIDE
MERCURY AWARD
James Currie

GRAND JURY PRIZE

Sponsored by South Australian Film Corporation

> MYTH - The Go-Between

Producer: William Littleton Writer/Director: Alies Sluiter EMERGING PRODUCER
AWARD

Sponsored by Media Super

Lilla Berry

FIRST NATIONS
TALENT AWARD

Sponsored by South Australian Film Corporation

> Natasha Wanganeen

> > Actor, Djaambi

YOUNG FILMMAKER

AWARD

Sponsored by

Carclew Foundation

Nicholas Frayne

MERCURY RISING AWARD

Sponsored by Adelaide Festival Centre

Eva Grzelak

BEST DRAMA

Sponsored by Adelaide Film Festival

The Recordist

Producers: Ashleigh Knott & Indianna Bell Directors: Indianna Bell & Josiah Allen

Writer: Indianna Bell

BEST DRAMA

Sponsored by Adelaide Film Festival

MYTH - The Go-Between

Producer: William Littleton Writer/Director: Alies Sluiter BEST COMEDY

Sponsored by KOJO

Happy Anniversary

Producer: Lisa Bishop Writer/Director: Gareth Wilkes BEST DOCUMENTARY

Sponsored by Australian International Documentary Conference

My Ba

Producer/Director: Alice Yang

BEST DOCUMENTARY

Honourable Mention

Last Meal

Producers: Danielle Tinker, Marcus McKenzie & Daniel Principe

Daniel Principe
Directors: Marcus McKenzie &
Daniel Principe

BEST DOCUMENTARY

Honourable Mention

Deadly Family Portraits: Sansbury Sisters

> Producer: Lilla Berry Director: Pearl Berry

BEST ANIMATION

Sponsored by Flinders University

The Better Angels

Producer: Richard Chataway Writer/Director: Michael Cusack BEST MUSIC VIDEO Sponsored by Music SA

alt. "Devils Cut"

Producers: Ashley Pollard & Benjamin Powell Director: Ashley Pollard

BEST GAME Sponsored by CDW Animation

Henosis

Brewed Engagement Extended Reality Labs

BEST CINEMATOGRAPHY Sponsored by Pro AV Solutions

Nicholas Frayne

Which Made This Place Home

BEST PERFORMANCE Sponsored by Heesom Casting

Brendan Rock

The Recordist

BEST WEB SERIES

Sponsored by Government of South Australia Department for Innovation and Skills

Dead Centre

Producer: Kurt Roberts Writer/Director: Benno Thiel

BEST SCREENPLAY

Sponsored by Australian Writer's Guild

Kate Bonney

Waiyirri

BEST EDITING

Sponsored by Channel 44

Tania Nehme

MYTH - The Go-Between

BEST PRODUCTION DESIGN Sponsored by Light Adelaide

Brendan Homan & Natalie Homan

Last Meal

BEST HAIR & MAKEUP

BEST STUDENT

PRODUCTION

Sponsored by University of

South Australia

Punchin' Out!

Producer: Kirrily Snape Writer/Director: Tasman Colquist

BEST DIRECTING

Sponsored by SunJive Studios

Alies Sluiter

MYTH - The Go-Between

BEST PERFORMANCE

Sponsored by Heesom Casting

Kavitha

Anandasivam

Possum

Sponsored by Kryolan Professional Make-up

Bec Troisi

MYTH - The Go-Between

BEST COSTUME Sponsored by The Fabric Store

Hannah Sitters

Secret Pretty Things

BEST SOUND DESIGN

Indianna Bell

The Recordist

Sponsored by Best FX

BEST SCORE Sponsored by University of Adelaide Elder Music Conservatorium

Christopher Larkin

Last Meal

SASA 2021 SPONSORS



















































the Fabric Store









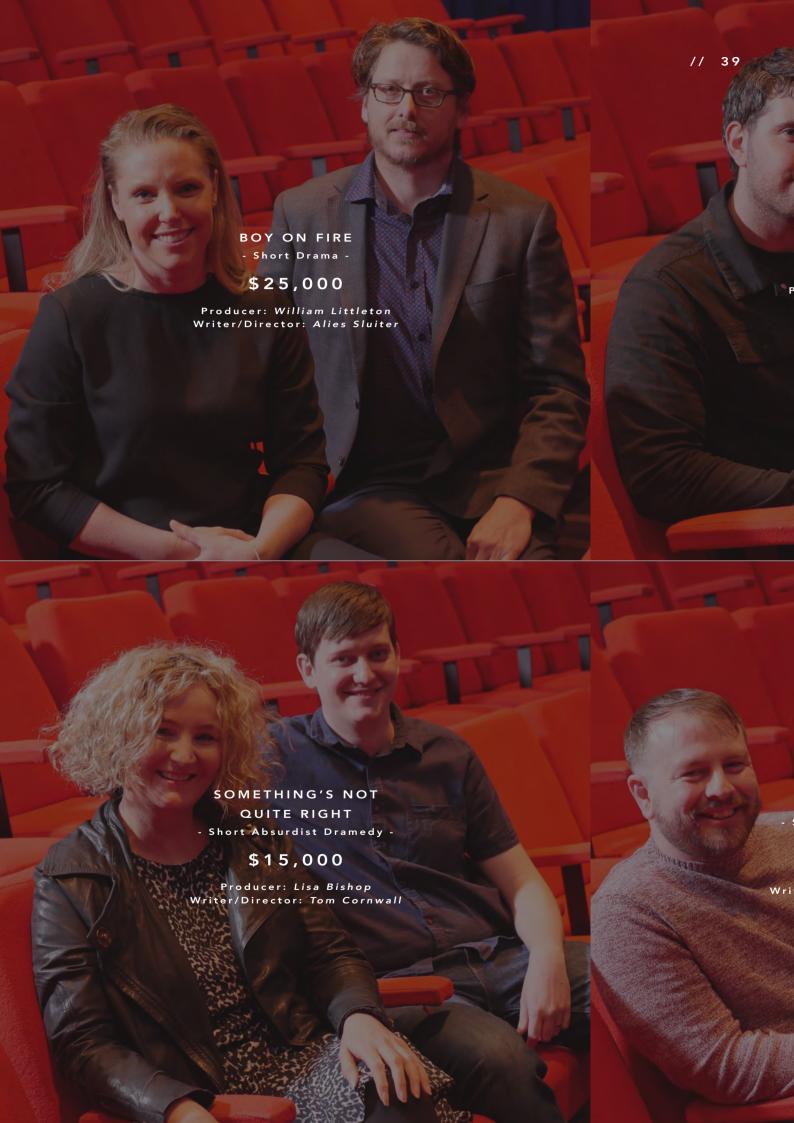


PRODUCTION FUNDING

QUICKSILVER PRODUCTION FUND

Supported by SAFC, the Mercury CX Quicksilver Production Fund of \$60,000 was divided amongst four short projects in 2021. In addition to cash funding, each project received \$2,500 MCX in kind support, including MCX mentoring, equipment and cinema hire, insurances and a suite of production templates.

The projects that received funding were:





SPECIAL DEVELOPMENT PROGRAMS SPRINGBOARD

Supported by SAFC, Springboard is a professional development program designed to be a key foundational bridging program for emergers and those seeking to further or transition their skills in the screen industry. In 2021, the program ran over 12 weeks, with five weekend workshops being delivered in screenwriting, directing and producing, as well as in screen business enterprise and legals.

In addition to the weekend workshops, networking and pitching events were offered, and those who entered the program as a Springboard Plus Participant also received additional tailored development support and mentoring dedicated to a short-form project of their choosing. This support helped participants to develop their short-form projects to their fullest potential in preparation for applying to the Quicksilver Production Fund.

Practical workshops were presented by industry-experienced interstate and local practitioners. Fifty-seven participants attended the program, 10 of which were recipients of Inclusion Scholarships. Inclusion Scholarship recipients were chosen through a competitive application process that provided successful applicants from underrepresented and diverse groups within the industry - who were also suffering financial hardship - fee-free entry to the program.



PITCHLAB

This two-day interactive workshop was presented 31st July - 1st August, 2021. It was delivered by MCX Development Executive Ruth Estelle, and included a panel of experienced industry professionals.

PitchLab offered participants the chance to hone their skills in pitching their projects across multiple genres and formats including documentary, drama, TV, film, animation and gaming. Participants were given the chance to refine their stories, define their audiences and then nail their pitches through practice in front of a live audience and panel. They were then provided with professional feedback.

With the Screenmakers Conference not long after PitchLab, it was the perfect opportunity for participants to polish their projects ready for market. One Pitchlab participant, Jason Chong went on to successfully pitch his show *Second Best* to take home the AACTA Reg Grundy Prize.





HOTHOUSE SCHEME

Partnering with the City of Adelaide, four industry-emerging participants were offered 12-week residencies at Mercury CX. The chosen residents included two writers, one producer and one cinema programmer/projectionst. Each participant received a workspace at Mercury CX and mentoring from relevant MCX executives. A complimentary pass to the Screenmakers Conference was given to the producing and writing recipients, who then had the opportunity to pitch their projects to industry professionals

The residents were:

Writer: Dylan Coleman - mentored by MCX Development Executive Ruth Estelle

Dylan is an award-winning novelist, First Nations academic and social justice activist. Dylan worked on a screenplay adaptation of a novel manuscript that won the black&write Writing Fellowship, to be published in the near future.

Writer: Sally Hardy - mentored by MCX Development Executive Ruth Estelle

Sally is an award-winning playwright and children's author. Sally worked on an adaptation of her play *Night Light* scheduled to be performed in 2023.

Producer: Craig Jackson - mentored by MCX Production Executive Diana Ward

Craig is transitioning from a career as a cinematographer to producing. Craig developed a factual television series, whilst also producing one of this year's Mercury CX Quicksilver production fund short films. He is now working as a producer at Channel 44.

Cinema Programmer/Projectionist: Aimee Knight - mentored by Senior Projectionist and Programmer Ryder Grindle

Aimee is a film critic and *The Big Issue's* small screens editor. Aimee has an understanding of contemporary cinema and programmed the final session of Adelaide Cinematheque for 2021 with a focus on 'difficult women'.



MASTER / APPRENTICE

Mercury CX and the SAFC again partnered to deliver a Master / Apprentice Mentorship Program as a COVID-19 response measure that provided direct support to South Australian Heads of Department (HODs). The program provided an opportunity for South Australian HODs to identify emerging/advancing crew members, provide mentoring through individually tailored plans, and build professional relationships that may form the foundation of future employment opportunities.

Costume Design // Mariot Kerr & Victoria Perry
Digital Imaging Technician // Chris Daniels &
Aiden Marks

Editor // David Banbury & Brody King
Locations // Jess Goninon & Star Sanford
Locations // Tess O'Flaherty & Tasha Trebeck
Locations // Mark Evans & Craig Flanigan
Location Sound // James Currie & Simon Koehn
Location Sound // Josh Williams & Philip Hahn
Post Sound // Pete Best & Ariela Rose and
Adam Orlowski

Production Designer // Robert Webb & Krina Vonti

Set Safety Officer // Jen Bichard & Kasiani Koutris

VFX Producer // Bree Whitford Smith & Riley Fraser-Waters



FILM LAB: NEW VOICES

Partnering with Adelaide Film Festival and SAFC in 2020, Mercury CX was involved in the design, launch and call out for this micro-budget feature film initiative. Selected during round one in March 2021, developed throughout 2021 and greenlit in 2022, high-concept science fiction thriller *Monolith* by writer Lucy Campbell, producer Bettina Hamilton and director Matt Vesely has gone into production and is slated to premiere at the 2022 Adelaide Film Festival.

In late 2021 a second class was shortlisted and three teams were selected for development: writer/director Alies Sluiter and producer William Littleton; writer/director Emma Hough Hobbs, writer/director Leela Varghese and producer Tom Phillips; and writer Travis Akbar, director Thibul Nettle and producer Joshua Trevorrow, with one team to be selected for production and to premiere at Adelaide Film Festival. This represents a significant next step for emerging creative teams who have progressed their career through short-form initiatives. It is also testament to Mercury CX's programs, with most of the key creatives shortlisted having previously participated in our Springboard, Pitchlab and/or Quicksilver programs.



SPECIAL DEVELOPMENT PROGRAMS INDUSTRY NETWORKING, CONSULTS AND EVENTS

Mercury CX seeks to provide opportunities for networking, career development and industry access for members and participants. 21 Mercury CX members took advantage of our industry career consultations with Kelly Schilling, Diana Ward, Ruth Estelle, Jonathan Champ and Karena Slaninka in 2021. We also offered various networking events and special screenings with filmmaker Q&As throughout the year.



SPECIAL DEVELOPMENT PROGRAMS TUESDAY TALKS

Mercury CX again partnered with the AWG and AFTRS for Tuesday Talks, an exclusive live-streamed national industry development initiative. Intended to provide SA creatives with greater access to industry leaders from interstate, this program was supported by the SAFC. Held monthly, Tuesday Talks offered industry insight and discussion.

EXHIBITION REPORT

2021 saw the return of patrons to the cinema, but in fewer numbers than prior to the COVID-19 pandemic.

Continuing health concerns, restrictions and lockdowns had a major impact on consumer confidence, but the social element of our flagship programs was even more highly prized by our regular patrons. Cinema sessions resumed in the cinema from 9th of February, in the traditional post-Christmas break timeframe.

By October, the rising vaccination rate allowed the easing of Health Department restrictions which enabled OzAsia Festival to kick off with a Gala Opening Night, and the live return of the beloved South Australian Screen Awards.

2021 saw the return of the iconic SilverScreen and Cinémathèque programs. New programs and partnerships included a six week pilot season of South Asian Film Club, a David Gulpilil retrospective presented in partnership with Adelaide Festival, and Feminism in Film screenings presented in partnership with Samstag Museum of Art.

Over 7000 patrons attended screenings in 2021, generating gross box office sales of over \$48,000. Box office revenue was impacted by the decision to honour the Cinémathèque memberships sold in 2020, leading to limited ticket sales through the new membership system in the first half of the year.



SILVERSCREEN

Our rebranded flagship exhibition program SilverScreen (formerly Seniors on Screen) returned to the cinema in 2021 after a 2020 composed primarily of online content due to COVID-19 lockdowns and restricted patron numbers in-cinema.

Curation of the new SilverScreen program sought to refocus based on feedback given during the 2020 program, effectively utilising the online sessions and discussions as a focus group exercise.

COVID-19 continued to impact all aspects of SilverScreen. Curation struggled with the shortage of new films offered by distributors and the multiple postponed film releases. As a result, the initial 2021 program widened the focus to "catch up" on films that would not have otherwise been included in previous year's programs. This unearthed several titles, and garnered a very positive response.

Audience numbers were affected both directly by lockdowns and by the lack of consumer confidence in shared public experiences. The older audience was particularly cautious in returning to the cinema and it was only with the rollout of booster shots that numbers started to turn around. Mandated limited audience numbers in-venue and mandatory mask-wearing were implemented, which also affected the return of audience numbers compared to prepandemic sessions.

The latter half of the year saw improved availability and increased audience numbers. Throughout, curator Ryder Grindle sought to engage the audience as much as possible, introducing each session and soliciting feedback, ensuring patrons have had more opportunity to engage with staff than ever before.

A SilverScreen Summit late in the year went further still to engage and listen to our patrons, leading to several key changes, including new start times and a greater number of trailers screened before sessions.

The Mercury CX gratefully acknowledges the Office for Ageing Well, The Government of SA and the City of Adelaide for the support of this much-loved community program.

In 2021 Silverscreen was curated and programmed by Ryder Grindle with assistance from Alex McKenzie, Diana Ward, Aimee Knight and Catherine Reid.



SCREENING PROGRAMS CINÉMATHÈQUE

The renowned Cinémathèque returned on Monday 22nd of March with 23 patrons attending. This was a rescreening of the first film of the cancelled 2020 program and Adelaide's cinema lovers were delighted to have a chance to watch some of the most influential, accoladed, and interesting films from across the centuries and across the world.

Over the 74 sessions, Cinémathèque saw 2,025 attendees. Audience numbers were affected by COVID-19 shut downs and the lack of consumer confidence in shared public experiences, however, the Kubrick Curates retrospective introduced new faces and an uptick in memberships.

The 2021 Cinémathèque program was curated by Ryder Grindle and Alex McKenzie with guest programming by Hothouse participant Aimee Knight.



OZASIA

The 2021 OzAsia program was our most successful of the year, and our most successful collaboration to date. In partnership with ACMI and OzAsia, Mercury CX presented a retrospective of films from director Wong Kar Wai. The Opening Night Gala screening of *In The Mood For Love* was a reduced capacity sell out.

The Wong Kar Wai screenings attracted an audience of 713 over six days, with another 291 patrons attending additional OzAsia screenings.

Curated by Kristy Matheson and Mercury CX.



GULPILIL RETROSPECTIVE

In partnership with the Adelaide Festival, Mercury CX presented a retrospective of the work of David Gulpilil. Screening over two days, we showcased eight films representing the achievements of this great Australian actor. The screenings attracted 305 patrons over the eight sessions.

Curated by David Gulpilil



FEMINISM IN FILM

Over four Saturdays in August and September, Mercury CX presented a range of films in partnership with Samstag Museum of Art exploring seminal representations of feminist filmmaking. Screenings were augmented by 30 minute Q&A sessions and ran concurrently with the Samstag film exhibition *To Become Two* by Alex Martinis Roe.

Curated by Joanna Kitto and Diana Ward



SOUTH ASIAN FILM CLUB

Mercury CX received funding to run a pilot program in 2020 targeting South Asian seniors. Due to COVID-19, this program was pushed out to 2021, and the inaugural screening of *Made In Bangladesh* was held on the 11th of February. Over the six screenings, 416 patrons attended.

Curated by Hari Prasad



VENUE HIRE

Venue hire in 2021 was heavily impacted during the continuing COVID-19 pandemic. Unable to plan with confidence with continuing mask mandates and density requirements, many regular hires declined to return in 2021 either cancelling or postponing planned events.

The Mercury saw 25 private hires in 2021, while the Iris saw 12.

During Adelaide Fringe Festival, Mercury CX was lucky to partner with Kevin Kopfstein to present his show *Comedian, Magician, Raconteur*. Kevin had 25 performances between the 19th of February and the 21st of March, showcasing our lushly refurbished foyer and excellent venue to a new and varied audience.

April saw a new partnership wih Adelaide University utilising the venue on a weekly basis for 13 weeks to teach film techniques for an acting course.

In addition to Gulpilil and OzAsia festival screenings, the cinema hosted festival sessions for Flickerfest, 48 Hour Film Festival, Australian Dance Theatre's *Flow: Dance On Screen*, and the Ghan International Film Festival Australia.

The reimagined Mercury CX continues to add to its reputation for having professional, dedicated and friendly staff, a central city location and an intimate, welcoming atmosphere.

Mercury CX Incorporated

ABN 57 865 211 307

Annual Report - 31 December 2021

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General Information

The financial statements cover Mercury CX Incorporated as an individual entity. The financial statements are presented in Australian dollars, which is Mercury CX Incorporated's functional and presentation currency.

Mercury CX Incorporated Association is a not-for-profit incorporated association, incorporated and domiciled in Australia. Its registered office and principal place of business are:

Registered officePrincipal place of business13 Morphett St,13 Morphett St,Adelaide, SA 5000Adelaide, SA 5000

A description of the nature of the Association's operations and its principal activities are included in the report of the board, which is not part of the financial statements.

The financial statements were authorised for issue on the 24 May 2022.

DIRECTOR'S REPORT

Your Board submits the financial statements of the entity for the financial year ended 31 December 2021.

Board of Management

The following persons were members of the Board of the incorporated during the whole of the financial year and up to the date of this report, unless otherwise stated:

Chairperson: Gene Ashwell (from May 2020)

Treasurer: Gail Fuller
Public Officer: Karena Slaninka

Members: Alison Wotherspoon Ella MacIntyre (appointed May 2021)

Jack Sheriden James Marshall (appointed March 2022)
Khoa Do (resigned February 2022) Dan Thorsland (resigned May 2021)

Madeleine Parry (resigned February 2021)

In accordance with Section 35 (5) of the Associations Incorporation Act (SA) 1985, the Board hereby states that during the financial year ended 31 December 2021:

- a) (1) no officer of the Association
 - (2) no firm of which an officer is a member, and
 - (3) no body corporate in which an officer has a substantial financial interest,

has received or become entitled to receive a benefit as a result of a contract between the officer, firm or corporate body and the Association.

b) No officer of the Association has received directly or indirectly from the Association any payment or other pecuniary value.

Objectives

Develop a dynamic screen culture in South Australia through assisting emerging practitioners and showcasing a diverse screening program.

On 28th June 2021, the incorporated association changed its name to Mercury CX Incorporated.

Principal Activities

The principal activities of the Association during the financial year were to:

- generate, support and advocate for a creative, critical and informed screen culture and practice in South Australia,
- provide a focal point for screen practitioners to meet, produce and exhibit their work,
- provide facilities, programs and resources for members and the public,
- advocate for members and the general public,
- provide exhibition facilities and programs to the general public and members, and
- provide equitable access to affordable equipment and facilities, information resources and advice concerning production, distribution and exhibition.

	2021	2020
Operating Result	\$	\$
The (deficit) / surplus/ from ordinary activities amounted to:	(16.561)	87.902

Subsequent Events

The impact of the Coronavirus (COVID-19) pandemic is ongoing and it is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation is rapidly developing and is dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

No other matter or circumstance has arisen since 31 December 2021 that has significantly affected, or may significantly affect the operations, the results of those operations, or the state of affairs in future financial years.

Signed in accordance with a resolution of the Board

Dated this 24 day of May 2022

Gena Ashwell – Chairperson

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Tuller – Treasurer



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AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the financial report of Mercury CX Incorporated for the year ended 31 December 2021, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of section 60-40 of the *Australian Charities and Not-for*profits Commission Act 2012 in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.

RSM AUSTRALIA PTY LTD

R Miller Director

Canberra, ACT Dated: 24 May 2022

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2021

2021 2020 Note \$ \$ Income Operating grants 588,335 234,744 Special projects 280,565 Exhibition & cinema income 165,561 79,286 Sponsorship 105,200 10,391 Membership subscriptions 33,054 4,402 Interest 3,901 41 Sundry income 35,039 11,233 Special revenue 150,000 Jobkeeper subsidies 30,000 185,400 Cash flow boost 6,000 106,496 1,113,230 916,418 **Expenditure** Administration 161,986 90,935 Advertising & publicity 26,406 6,658 Audit fees 5,500 5,045 Bank Fees 2,579 3,196 20,963 Depreciation 21,674 Exhibition & cinema 79,040 26,034 Employee entitlements 19,833 11,641 Interest Paid 42 **Events Staging** 24,909 485 Production support 98,929 160,463 Repairs & maintenance 2,920 11,296 Wages & salaries 618,248 441,552 Superannuation 58,542 41,792 Website development 840 16,790 1,129,791 828,516 (Deficit) / Surplus before income tax (16,561)87,902 Income tax expense 1(h) (Deficit) / Surplus after income tax (16,561)87,902 Other comprehensive income for the year, net of tax Total comprehensive income for the year (16,561)87,902

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2021

		2021	2020
	Note	\$	\$
Assets			
Current Assets			
Cash and cash equivalents	3	510,999	491,178
Trade receivables	4	13,226	25,665
Prepayments		3,597	6,005
Inventory		2,084	2,147
Total Current Assets	-	529,906	524,995
Non-Current Assets			
Plant & Equipment	5	85,477	64,154
Total Non-Current Assets		85,477	64,154
Total Assets	_	615,383	589,149
Liabilities			
Current Liabilities			
Trade creditors		14,376	18,611
Other payables	6	52,352	4,904
Employee benefits	7	73,257	53,424
Unspent project funds		77,049	97,300
Total Current Liabilities	-	217,034	174,239
Total Liabilities	_	217,034	174,239
Net Assets	- -	398,349	414,910
Equity			
Retained Surpluses		398,349	414,910
Total Equity		398,349	414,910

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2021

	Retained Surpluses \$	Total Equity
Balance at 1 January 2020	327,008	327,008
Surplus after income tax expense for the year Other comprehensive income for the year, net of tax	87,902 	87,902
Total comprehensive income for the year	87,902	87,902
Balance at 31 December 2020	414,910	414,910
	Retained Surpluses \$	Total Equity
Balance at 1 January 2021	414,910	414,910
Deficit after income tax expense for the year Other comprehensive income for the year, net of tax	(16,561) 	(16,561)
Total comprehensive income for the year	(16,561)	(16,561)
Balance at 31 December 2021	398,349	398,349

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2021

		2021	2020
	Note	\$	\$
Cash Flow From Operating Activities			
Receipts from funding bodies and activities		1,012,096	614,767
Receipts from Jobkeeper subsidies and cash flow boost		186,000	291,896
Payments to suppliers and employees		(1,135,319)	(820,805)
Interest received		41	(3,901)
Net cash from operating activities	8	62,818	81,957
Cash Flow From Investing Activities			
Payments for plant and equipment		(42,997)	(48,587)
Net cash used in investing activities		(42,997)	(48,587)
Net increase in cash held		19,821	33,370
Cash at the beginning of the year		491,178	457,808
Cash at the end of the year	3	510,999	491,178

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2021

Note 1. Significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. Comparative information is reclassified, where appropriate, to enhance comparability.

New Accounting Standards and Interpretations not yet mandatory or early adopted

The incorporated association has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Basis of preparation

In the board's opinion, the incorporated association is not a reporting entity because there are no users dependent on general purpose financial statements.

These are special purpose financial statements that have been prepared for the purposes of complying with the *Australian Charities and Not-for-profits Commission Act 2012* and the requirements of the *Associations Incorporation Act (SA) 1985*. The board have determined that the accounting policies adopted are appropriate to meet the needs of the members of Mercury CX Incorporated.

These financial statements have been prepared in accordance with the recognition and measurement requirements specified by the Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the disclosure requirements of AASB 101 'Presentation of Financial Statements', AASB 107 'Statement of Cash Flows', AASB 108 'Accounting Policies, Changes in Accounting Estimates and Errors', AASB 1048 'Interpretation of Standards' and AASB 1054 'Australian Additional Disclosures', as appropriate for not-for-profit oriented entities.

Historical cost convention

The financial statements have been prepared under the historical cost convention.

Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the incorporated association's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the incorporated association's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

a) Revenue and Other Income

Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the incorporated association is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the incorporated association: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Sales revenue

Events, fundraising and raffles are recognised when received or receivable.

Donations

Donations are recognised at the time the pledge is made.

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2021

Note 1. Significant accounting policies (Continued)

Grants

Grant revenue is recognised in profit or loss when the incorporated association satisfies the performance obligations stated within the funding agreements.

If conditions are attached to the grant which must be satisfied before the incorporated association is eligible to retain the contribution, the grant will be recognised in the statement of financial position as a liability until those conditions are satisfied.

Interest

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Other Revenue

Other revenue is recognised when it is received or when the right to receive payment is established.

b) Cash and Cash Equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with banks, and other short term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

c) Trade and Other Receivables

Trade and Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

d) Property, Plant and Equipment (PPE)

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

Computers 3 years
Other Equipment 7 – 13 years
Office Improvement 14 – 15 years

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the incorporated association. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

e) Impairment of non-financial assets

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

f) Trade and Other Payables

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services provided to the association during the reporting period, which remain unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2021

Note 1. Significant accounting policies (Continued)

g) Employee Benefits

Provision is made for the association's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits have been measured at the amounts expected to be paid when the liability is settled.

A provision for long service leave is calculated once an employee's period of service has reached 6 years and meets the requirements of a provision. At 6 years 50% of the expected provision is recognised and the remaining 50% at 7 years.

h) Income Tax

As the incorporated association is a charitable institution in terms of subsection 50-5 of the Income Tax Assessment Act 1997, as amended, it is exempt from paying income tax.

i) Leases

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor are charged as expenses in the period in which they are incurred.

j) Good and Service Tax (GST)

Revenue, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense.

Receivables and payables in the balance sheet are shown inclusive of GST. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable the tax authority, are presented as operating activities.

k) New Accounting standards and interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the incorporated association for the annual reporting period ended 31 December 2021. The incorporated association has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

Note 2. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Estimation of useful lives of assets

The incorporated association determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Employee benefits provision

As discussed in note 1, the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2021

	2021	2020
	\$	\$
Note 3. Cash and Cash Equivalents		
Cash at bank	509,500	485,497
Cash on hand	1,499	3,10
MRC donation fund	-	2,57
	510,999	491,17
	2021	2020
	\$	\$
ote 4. Trade Receivables		
Trade receivables	15,115	27,55
Less: Allowance for expected credit losses	(1,889)	(1,889
	13,226	25,66
	2021	2020
	\$	\$
ote 5. Plant & Equipment		
Cost		
Balance at 1 January	260,988	212,40
Additions	42,997	48,58
Balance at 31 December	303,985	260,98
Depreciation		
Balance at 1 January	196,834	175,87
Depreciation for year	21,674	20,96
Balance at 31 December	218,508	196,83
Carrying Amounts		
At 1 January	64,154	36,530
At 31 December	85,477	64,15
	2021	2020
lote 6. Other Payables	\$	\$
Other payables	4,963	7,32
GST payable / (receivable)	32,289	(9,390
Amounts withheld from salaries and wages	9,756	5.
Superannuation payable	5,344	6,91
	52,352	4,90

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2021

	2021	2020
	\$	\$
lote 7. Employee Benefits		
Current		
Employee entitlements - annual leave	40,761	34,805
Employee entitlements - long service leave	32,496	18,619
	73,257	53,424
	2021	2020
	\$	\$
ote 8. Reconciliation of Net Cash to Operating Activities		
Operating (deficit) / surplus	(16,561)	87,902
Depreciation	21,674	20,96
Changes in assets and liabilities		
(Increase) / decrease in trade receivables	12,439	10,85
(Increase) / decrease in prepayments	2,408	(2,591
(Increase) / decrease in stock	63	1,023
Increase / (decrease) in trade creditors	(4,235)	(31,624
Increase / (decrease) in other creditors	47,448	8,299
Increase / (decrease) in provisions	19,833	11,640
Increase / (decrease) in unspent project funds	(20,251)	(24,511
Net cash from operating activities	62,818	81,956

Note 9. Economic Dependence

Mercury CX continues to do its business with support; in particular from:

- the Government of South Australia through South Australian Film Corporation and Dept for Innovation and Skills (FIXE Fund) and Office for Ageing Well; and
- Screen Australia, University of South Australia, Arts South Australia.

Note 10. Subsequent Events

The impact of the Coronavirus (COVID-19) pandemic is ongoing and it is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation is rapidly developing and is dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

No other matter or circumstance has arisen since 31 December 2021 that has significantly affected, or may significantly affect the operations, the results of those operations, or the state of affairs in future financial years.

DIRECTORS' DECLARATION

In the opinion of the Members of the Board of Mercury CX Incorporated:

- the incorporated association is not a reporting entity because there are no users dependent on general purpose
 financial statements. Accordingly, as described in note 1 to the financial statements, the attached special purpose
 financial statements have been prepared for the purposes of complying with the Australian Charities and Not-forprofits Commission Act 2012 and the Associations Incorporation Act (SA) 1985 and associated regulations.
- the attached financial statements and notes comply with the Accounting Standards as described in note 1 to the financial statements.
- the attached financial statements and notes give a true and fair view of the incorporated association's financial position as at 31 December 2021 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe the incorporated association will be able to pay its debts as and when they become due and payable.

This statement is made in accordance with a resolution of the Board and is signed for and on behalf of Board by:

Dated this 24 day of May 2022

reasurer

Chairperson



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INDEPENDENT AUDITOR'S REPORT To the Members of Mercury CX Incorporated

Opinion

We have audited the financial report of Mercury CX Incorporated, which comprises the statement of financial position as at 31 December 2021, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' statement.

In our opinion, the financial report of Mercury CX Incorporated has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (a) giving a true and fair view of the registered entity's financial position as at 31 December 2021 and of its financial performance and cash flows for the year ended on that date; and
- (b) complying with Australian Accounting Standards to the extent described in Note 1 and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013.*

Basis for Opinion

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

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

Basis of Accounting

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist Mercury CX Incorporated to meet the requirements of Division 60 of the Australian Charities and Not-for-profits Commission Act 2012. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

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Responsibilities of Management and Those Charged with Governance for the Financial Report

The Board of the registered entity are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act) and for such internal control as the Board determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Board are responsible for assessing Mercury CX Incorporated's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate Mercury CX Incorporated or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf. This description forms part of our auditor's report.

RSM AUSTRALIA PTY LTD

R Miller Director

Canberra, ACT Dated: 25 May 2022