



**screenrights**

ANNUAL REPORT  
FOR YEAR ENDED  
30 JUNE 2024

# CONTENTS

Governance Statement.....	1
Company Profile.....	2
Directors' Report.....	3
Directors' Declaration .....	5
Independent Auditor's Report .....	6
Lead Auditor's Independence Declaration .....	9
Annotated Statement of Financial Performance for the Year Ended 30 June 2024.....	10
Consolidated Statement of Profit and Loss and Other Comprehensive Income .....	11
Consolidated Balance Sheet.....	12
Consolidated Statement of Cash Flows .....	13
Consolidated Statement of Changes in Equity .....	14
Notes to the Consolidated Financial Statements .....	15
Consolidated Entity Disclosure Statement .....	40
Appendix .....	41

# GOVERNANCE STATEMENT

---

Extract from Screenrights' Corporate Governance Statement which was last reviewed by Screenrights' Board of Directors and published on 28 July 2021.

Full Statement available at: <https://www.screenrights.org/wp-content/uploads/2019/08/July-2021-Corporate-Governance-Statement.pdf>

---

## 1. GENERAL STATEMENT

- 1.1 Screenrights is dedicated to maximising the incentive provided by the copyright system for the production of audiovisual works. Specifically Screenrights aims to:
- maximise returns to audiovisual rightsholders through collective management of rights; and
  - encourage access to our members' content in return for fair fees.
- 1.2 In furtherance of these goals, Screenrights seeks to maintain and foster principles of corporate governance that accord with best practice and are appropriate for a declared collecting society, requiring the highest standards of behaviour and accountability.
- 1.3 It is recognised that it is neither possible nor desirable to lay down prescriptive rules to dictate actions in the varied circumstances that may confront an organisation in its future. Nonetheless the Board of Directors of Screenrights acknowledges the general statements concerning governance, ethics and the obligations of Directors in this paper and adopts this policy, and will review it as necessary.
- 1.4 The aim of the Screenrights Board of Directors is stewardship that is effective, accountable and fair.

---

## 2. GOVERNANCE FOR WHOM?

- 2.1 The Board comprises individuals elected by the members of Screenrights. It has collective legal responsibility for directing the affairs of Screenrights for the benefit of the members [present and future], recognising the interests of other stakeholders, notably the public [directly and through the office of the Attorney General, the statutory and voluntary licensees, employees and other parties with whom Screenrights interacts.
- 2.2 In a more general sense, Directors of all companies have a role in economic and social development through effective management of resources in the national and global interest. Screenrights Directors recognise a direct responsibility to rightsholders but also a partnership with copyright users and with the Federal Government.
- 2.3 The Board [and Screenrights] stand in a fiduciary relationship to relevant rightsholders who are members. Although the interests of members are paramount, the interests of groups other than the membership are important and the Board seek solutions that benefit all parties, where possible.
- 2.4 There are no nominees or Directors representing a constituency within the membership. Some Directors are associated with member organisations and/or have knowledge of the views of member groups. It is desirable and proper for Directors to present the views of individual members or member groups to the Board. It is neither desirable nor proper for Directors to act in the interests of individual members, member groups or groups that may have supported their election to the Board. Directors acknowledge their legal duty to act in the best interests of Screenrights.

# COMPANY PROFILE

As at 30 June 2024

Screenrights is the trading name of Audio-Visual Copyright Society Limited ABN 76 003 912 310  
ADDRESS: Suite 3, 185 Gloucester Street, The Rocks NSW 2000, Australia | WEBSITE: [www.screenrights.org](http://www.screenrights.org)  
POSTAL: GPO Box 3841, Sydney NSW 2000, Australia | TELEPHONE: +61 2 8038 1300  
NEW ZEALAND: FreePhone: 0800 44 2348

## DIRECTORS & OFFICERS

**Kim Dalton OAM** Chair  
**Georgina Waite** Deputy Chair

## DIRECTORS

**Tom Alegounarias**  
**Rachel Antony**  
**Jonathan Carter**  
**Sandra Davey**  
**Sofya Gollan**  
**Karina Holden**  
**Kelly Lefever**  
**Anthony Travers**  
**Dot West**  
**Paul Wiegard**

## AUDITORS

**KPMG**

## BANKERS

**Airwallex**  
**Bank of New Zealand**  
**Commonwealth Bank of Australia**  
**National Australia Bank**  
**St George Bank**

## SOLICITORS

**Banki Haddock Fiora**  
**Breakwall Legal**  
**Citation Legal**  
**Dentons**  
**Gadens**  
**Holding Redlich**  
**McLay Legal Pty Ltd**  
**Simpsons Solicitors**

## OFFICE OF THE CHIEF EXECUTIVE

Chief Executive: **James Dickinson**

## INFORMATION TECHNOLOGY

Head of Engineering & Data:

**Vedvrat Sharma**

Engineering Manager [Data]:

**Brian Chambers**

Engineering Manager [App]:

**Daniel McCosker**

Lead Data Engineer:

**Vijay Rajagopalan**

Senior Software Engineer:

**Sandhya [Sandra] Bhalla**

Data Engineer: **Jia Yi [Ryan] Kang**

Data Engineer: **Yogesh Babu Krishnakumar**

Senior Data Analyst: **Nicholas Grodzicki**

Data Quality Analyst: **Mary Luque\***

IT Engineer: **Daniel Read**

## MEMBER SERVICES

Head of Member Services: **Maha Ismail**

Manager, Customer Success & Support:

**Kaaran Watene**

Royalty Distribution Manager: **Sean Price**

Transformation Manager, Services:

**Dominique Nesbitt**

Key Account Associate: **John Alexander**

Operations Analyst: **Tova Borwein**

Customer Success Associate:

**Genesis Mercado\***

Customer Success Associate **Julie Seldon\***

Operations Coordinator, Services: **Charisse De Mesa\***

## COMMERCIAL & INDUSTRY SERVICES

Head of Product: **Emma Madison**

Manager, Royalties World: **Gaëlle Chambers**

Manager, Disbursements:

**Madeleine Donovan\***

Product Manager: **Swarnima (Simi) Singh\***

Product Owner: **Hayley Colley**

Product Owner: **Cormac Hartley**

Industry Services Officer: **Mariana Corbellini**

Industry Services Virtual Assistant:

**Abigail Tabone\***

## MARKETING

Head of Marketing & Industry Support:

**Sarah Steel\***

## BUSINESS OPERATIONS

Chief Financial Officer: **Renee Bryant**

Bookkeeper: **Renee Brian\***

Financial Accountant: **Nishi Patel**

Finance Assistant: **Declan Jenkins\***

Administration/Customer Success

Coordinator: **Isaac Heath**

## LICENSING

Head of Licensing: **Scott James**

## LEGAL

General Counsel & Head of Policy:

**Natalie Buck\***

Associate Counsel: **Alexandra Nastovski**

Executive Business Partner: **Kylie Cooke\***

\* Indicates part-time employee/consultant  
Full time equivalent = 35.1

# DIRECTORS' REPORT

---



**TOM ALEGOUNARIAS** – Over 40 years' experience in school education with an emphasis of equity and quality teaching. Tom is former chair and CEO of the NSW Educational Standards Authority and General Manager of Strategic Policy for NSW education. He is now adjunct professor of education at the University of Sydney and director of the Teaching and Educational Standards Alliance. Director since 2022.



**RACHEL ANTONY** – NZ Board Director CEO of Greenstone TV, Rachel has produced hundreds of hours of content in both Aotearoa-New Zealand and Australia. She is an active member of both WIFT NZ and SPADA; a member of the NZ Institute of Directors; and a trustee of theatre company Nightsong. Director since 2020



**JONATHAN CARTER** – Authorial (Music) Board Director. Chief Operating Officer, APRAAMCOS. Director, Australian Copyright Council; Global Policy Committee, International Confederation of Societies of Authors and Composers. Director since 2017.



**KIM DALTON OAM** – Producer, distributor and broadcaster with over 40 years' experience as a senior executive in the screen industry. Former CEO, Australian Film Commission; former Director, ABC Television; former Chair, Freeview Australia; Chair, Asian Animation Summit and recipient of Order of Australia medal for service to the Australian film and television industry. Director since 2015. Elected Chair 2019.



**SANDRA DAVEY** – Product consultant and coach, and digital product leader with Organa with career experience across climate-tech, telco/broadband, IoT, Internet names and numbers, cross-platform content and interactive TV, sport, libraries and consumer advocacy. Former Board member and Chair of CHOICE, and current Board member of .au Domain Administration along with Chair of their Public Benefit Committee. Director since 2020.



**SOFYA GOLLAN** – Authorial [Screen Director] Board Director. An award-winning film director and screenwriter, an advocate for diversity and disability inclusion and a Deaf individual who has served previously on the Board of the National Australian Theatre of the Deaf and as a member of the advisory panel for Film in Revolt. Director since 2023.



**KARINA HOLDEN** – Executive Producer, Writer and Director with 25 years' experience in documentary and factual film making for global networks. Member of the International Academy of Television Arts & Sciences [Emmy]. Recognised by the Australian Financial Review's 100 Women of Influence for her work in film making, and recipient of the 2021 Sydney UNESCO City of Film Award. Director since 2021.



**KELLY LEFEVER** – A multi award winner, and one of Australia's most experienced screenwriters and developers, Kelly is the co-creator of the critically acclaimed series *The Circuit*. Her credits include *Under The Vines*, *The Code*, *The Black Balloon*, and *The Doctor Blake Mysteries*. Kelly sat on the board of Film Victoria/VicScreen for six years, and is a former Vice President of The Australian Writers' Guild.



**ANTHONY TRAVERS** – Anthony is a Chartered Accountant and a Registered Company Auditor in Australia & New Zealand. He is a Non Executive Director of a number of multi nationals including the local entity of Accelya Group, is the Executive Chairman of Asset Recruitment, & a Partner with Hall Chadwick. Anthony has over 30 years of experience across audit, financial reporting, governance and risk. Director since 2023.



**GEORGINA WAITE** – Former Head of Content Business at the ABC, with over 24 years at the national broadcaster in her current role and within the ABC Legal department. Starting out as an Intellectual Property lawyer with Corrs Chambers Westgarth, Georgina is a former lecturer in Media Law at UTS, lawyer at the Arts Law Centre of Australia, and board member of Metro TV. Director since 2018. Elected Deputy Chair 2019.



**DOT WEST** – Scriptwriter and story advisor is a Noongar woman who serves as a Director Goolarri Media, Ramu Productions, Cinefest Oz Film Festival and as Co-Chairperson of the First Nations Digital Inclusion Advisory Group to Minister Rowlands. Director since 2023.



**PAUL WIEGARD** – Founder CEO, Madman Entertainment. Executive Produced 20+ feature films & documentaries. Established streaming platform DocPlay. Distributed more than 25 Oscar nominated/winning films in ANZ. Current President of Australian Independent Distributors Association [AIDA], Co-Chair Australian Documentary Conference [AIDC], Board Member of Australian Centre for the Moving Image [ACMI]. Director since 2022.

SOFYA GOLLAN - Director from October 2023

DOT WEST - Director from October 2023

NATALIE BUCK - Company Secretary from June 2022

# DIRECTORS' REPORT [CONTINUED]

---

## LEAD AUDITOR'S INDEPENDENCE DECLARATION

---

A copy of the Lead Auditor's Independence Declaration, as required under Section 307C of the Corporations Act 2001, is included at page 9 of the Annual Report.

## PRINCIPAL ACTIVITIES

---

The principal activity of the Company during the course of the financial year was utilisation of its right as a declared collecting society under Part IVA, Div 4, s183 and Part VC of the Copyright Act, to collect monies from educational institutions, government departments and agencies and retransmitters for distribution to relevant copyright owners and to provide related services to members and others.

## REVIEW AND RESULTS OF OPERATIONS

---

The amount of \$ 50.1 million [2023: \$48.7million] was determined to form the Distributable Amount available for distribution to relevant rightsholders from monies collected for the accounting year ended 30 June 2024.

The net operating profit/[loss] after income tax for the year was \$Nil [2023: \$Nil].

## STATE OF AFFAIRS

---

In the opinion of the Directors there were no significant changes in the state of affairs of the Company or consolidated entity that occurred during the financial year under review.

## ENVIRONMENTAL REGULATION

---

The Company's operations are not subject to any significant environmental regulations under either Commonwealth or State legislation. The Board believes that the Company has adequate systems in place for the management of its environmental requirements and is not aware of any breach of those environmental requirements as they apply to the Company.

## EVENTS SUBSEQUENT TO BALANCE DATE

---

There has not arisen in the interval between the end of the financial year and the date of this report, any other item, transaction or event of a material and unusual nature that is likely, in the opinion of the Directors, to affect significantly the operations of the consolidated entity, the results of those operations or the state of affairs of the consolidated entity in future financial years.

## LIKELY DEVELOPMENTS

---

The Company will continue its current activities. Potential new revenue streams in development include additional services to members and expansion of licences to new users.

## INDEMNIFICATION AND INSURANCE OF OFFICERS

---

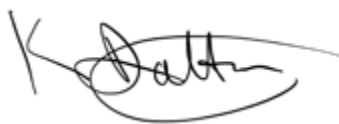
During the year, the Company paid a premium of \$35,822 in respect of a contract of insurance indemnifying those persons who are or have been officers of the Company against liabilities that may arise from their position as officers, except where the liability arises out of conduct involving a lack of good faith. That insurance policy does not contain details of the premiums paid in respect of individual officers of the Company.

## MEMBERS' LIABILITY

---

The Company is a company limited by guarantee. The guarantee in the event of the winding up of the Company is \$10 for each member. At 30 June 2024, membership of the Company comprised 5,300 full members [2023: 5,150], resulting in a total liability of \$53,000 [2023: \$51,500].

Dated at Sydney this 25th September 2024 and signed in accordance with a resolution of the Directors.



**Kim Dalton OAM**  
Chair

# DIRECTORS' REPORT [CONTINUED]

## DIRECTORS' MEETINGS

The number of Directors' meetings [including meetings of Committees of Directors] and number of meetings attended by each of the Directors of the Company during the financial year are:

DIRECTOR	DIRECTORS' MEETINGS		AUDIT, RISK & GOVERNANCE COMMITTEE MEETINGS		REMUNERATION COMMITTEE MEETINGS		NOMINATIONS COMMITTEE MEETINGS		TECHNOLOGY & DATA COMMITTEE MEETINGS	
	A	B	A	B	A	B	A	B	A	B
T Alegounarias	5	6	2	2	0	0	0	0	0	0
R Antony	6	6	0	0	0	0	0	0	0	0
J Carter	5	6	4	4	1	1	0	0	5	6
A Chesher	2	2	0	0	0	0	0	0	0	0
J Clerc	1	2	0	0	0	0	0	0	0	0
K Dalton	5	6	3	4	1	1	5	6	0	0
S Davey	5	6	0	0	0	0	0	0	6	6
S Gollan	4	4	0	0	0	0	0	0	0	0
K Holden	4	6	0	0	0	0	6	6	0	0
K Lefever	5	6	0	0	0	0	5	6	0	0
A Travers	6	6	4	4	0	1	0	0	0	0
G Waite	6	6	1	1	1	1	6	6	6	6
D West	4	4	2	2	0	0	0	0	0	0
P Wiegard	3	6	0	0	0	0	0	0	4	6

A Number of meetings attended

B Possible number of meetings

N/A Not applicable

\* Not in attendance due to conflict of interest

## DIRECTORS' DECLARATION

### In the opinion of the Directors of Audio-Visual Copyright Society Limited:

[a] The consolidated financial statements and notes, set out on pages 15 to 39, are in accordance with the *Corporations Act 2001*, including:

[i] giving a true and fair view of the financial position of the consolidated entity as at 30 June 2024 and of its performance for the financial year ended on that date, and


[ii] complying with *Australian Accounting Standards* and the *Corporations Regulations 2001*.

[b] The Consolidated Entity Disclosure Statement as at 30 June 2024 set out on page 40 is true and correct.

[c] The financial report also complies with International Financial Reporting Standards as disclosed in Note 1.

[d] There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Dated at Sydney this 25th September 2024 and signed in accordance with a resolution of the Directors.



**Kim Dalton OAM**

Chair



# Independent Auditor's Report

To the members of Audio-Visual Copyright Society Limited

## Opinion

We have audited the *Financial Report* of Audio-Visual Copyright Society Limited (the Company).

In our opinion, the accompanying Financial Report of the Company gives a true and fair view, including of the *Group's* financial position as at 30 June 2024 and of its financial performance for the year then ended, in accordance with the *Corporations Act 2001*, in compliance with *Australian Accounting Standards* and the *Corporations Regulations 2001*.

The *Financial Report* comprises:

- Consolidated balance sheet as at 30 June 2024
- Consolidated statement of profit or loss and other comprehensive income, Consolidated statement of changes in equity, and Consolidated statement of cash flows for the year then ended;
- Consolidated entity disclosure statement and accompanying basis of preparation as at 30 June 2024;
- Notes including material accounting policies; and
- Directors Declaration.

The *Group* consists of Audio-Visual Copyright Society Limited and the entity it controlled at the year-end or from time to time during the financial year.

## Basis for opinion

We conducted our audit in accordance with *Australian Auditing Standards*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 Group in accordance with the *Corporations Act 2001* and the ethical requirements of the *Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the Financial Report in Australia. We have fulfilled our other ethical responsibilities in accordance with these requirements.





## Other Information

Other Information is financial and non-financial information in Audio-Visual Copyright Society Limited's annual report which is provided in addition to the Financial Report and the Auditor's Report. The Directors are responsible for the Other Information.

The Other Information we obtained prior to the date of this Auditor's Report was the Directors' report.

Our opinion on the Financial Report does not cover the Other Information and, accordingly, we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the Financial Report, our responsibility is to read the Other Information. In doing so, we consider whether the Other Information is materially inconsistent with the Financial Report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We are required to report if we conclude that there is a material misstatement of this Other Information, and based on the work we have performed on the Other Information that we obtained prior to the date of this Auditor's Report we have nothing to report.

## Responsibilities of the Directors for the Financial Report

The Directors are responsible for:

- preparing the Financial Report in accordance with the *Corporations Act 2001*, including giving a true and fair view of the financial position and performance of the Group, and in compliance with *Australian Accounting Standards* and the *Corporations Regulations 2001*
- implementing necessary internal control to enable the preparation of a Financial Report in accordance with the *Corporations Act 2001*, including giving a true and fair view of the financial position and performance of the Group, and that is free from material misstatement, whether due to fraud or error
- assessing the Group and Company's ability to continue as a going concern and whether the use of the going concern basis of accounting is appropriate. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Group and Company or to cease operations, or have no realistic alternative but to do so.



## Auditor's responsibilities for the audit of the Financial Report

Our objective is:

- to obtain reasonable assurance about whether the Financial Report as a whole is free from material misstatement, whether due to fraud or error; and
- to issue an Auditor's Report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with *Australian Auditing Standards* will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Financial Report.

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/ar3.pdf](http://www.auasb.gov.au/auditors_responsibilities/ar3.pdf). This description forms part of our Auditor's Report.

KPMG

Cameron Slapp

*Partner*

Sydney

25 September 2024



# Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the Directors of Audio-Visual Copyright Society Limited

I declare that, to the best of my knowledge and belief, in relation to the audit of Audio-Visual Copyright Society Limited for the financial year ended 30 June 2024 there have been:

- i. no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
- ii. no contraventions of any applicable code of professional conduct in relation to the audit.

KPMG

KPMG

Cameron Slapp

Partner

Sydney

25 September 2024

KPMG, an Australian partnership and a member firm of the KPMG global organisation of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. All rights reserved. The KPMG name and logo are trademarks used under license by the independent member firms of the KPMG global organisation. Liability limited by a scheme approved under Professional Standards Legislation.

# ANNOTATED STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2024

We know that not everyone wants to analyse financial statements, so below is our annual summary of the most important information in these accounts. The notes show the calculations which determine how much money is available to distribute to rightsholders from the royalties collected and interest received, and after the deduction of tax and expenses.

## NON-IFRS FINANCIAL MEASURES

The annotated statement of financial position includes certain non-IFRS financial measures. The directors believe the presentation of non-IFRS financial measures is useful for the users of this document as they reflect the amounts available for distribution to rightsholders after the addition of expired trust funds and the transfer of surplus reserves. The below non-IFRS financial measures have not been subject to review or audit.

		<b>Consolidated</b>	
		<b>2024</b>	<b>2023</b>
		<b>\$000s</b>	<b>\$000s</b>
<p>Royalty collections for the year from Australian &amp; New Zealand educational institutions, retransmission broadcasters, government agencies, as well as CAM, International &amp; Residual services.</p> <p>Includes interest.</p> <p>The cost of running Screenrights, including employee expenses, depreciation and other ordinary expenses.</p> <p>Expired funds were by amount and percentage of Distributable Amount, AES \$721,000 [1.40%], ARS \$306,000 [0.59%], AGS \$22,000 [0.04%] NZES \$130,000 [0.25%].</p> <p>Screenrights can hold allocations in trust for a maximum of four years while trying to locate relevant rightsholders</p> <p>Collection Account Management Service [CAM] includes Disbursements by Screenrights [DASA]S</p>	<b>Revenue from Ordinary Activities</b>		
	Gross Revenue	56,614	55,331
	Other Revenues	2,676	2,021
	Expenses	[9,212]	[8,696]
		50,078	48,656
	<b>Transfer [to]/from retained earnings and reserves</b>	—	—
	Amount available for Distribution	50,078	48,656
	Add Allocation from Fund for the Benefit of Members	285	285
	Add Allocation from IBNR Fund	—	251
	Add Allocation from Sound Recordings	17	—
	Add Expired Trust Funds [2018]	—	4
	Add Expired Trust Funds [2019]	—	1,354
	Add Expired Trust Funds [2020]	1,252	—
	Add Expired Trust Funds [CCF]	[90]	115
	<b>Total amount available for Distribution</b>	51,541	50,665
<b>Amount transferred to Statutory Distributable Pools:</b>			
Australian Education Service [AES]		[34,928]	[32,802]
Australian Retransmission Service [ARS]		[4,797]	[5,419]
Australian Government Copying Service [AGS]		[1,097]	[1,081]
<b>Amount transferred to Non-Statutory Distributable Pools:</b>			
NZ Education Service [NZES]		[2,653]	[2,538]
Collection Account Management Service [CAM]		[5,244]	[6,529]
International Service [INT]		[2,327]	[1,662]
Residual Service [RSD]		[71]	[232]
Allocation to IBNR Fund		—	—
Allocation to Cultural Fund		[424]	[402]
<b>Total amount transferred to distribution pools</b>		[51,541]	[50,665]

# CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 30 June 2024

	<b>Note</b>	<b>2024 \$000s</b>	<b>2023 \$000s</b>
Revenue from rendering of services	2	56,614	55,331
Other income	3	2,676	2,021
<b>Total revenue and other income</b>		59,290	57,352
Employee expenses	4	[5,463]	[5,364]
Depreciation and amortisation expense		[291]	[407]
Operating expense		[1,283]	[896]
Licensing expense		[531]	[535]
Travel expense		[60]	[61]
Marketing expense		[31]	[145]
Legal expense		[280]	[497]
Information Technology		[954]	[663]
Other expenses	5	[319]	[123]
<b>Total operating expenses</b>		[9,212]	[8,691]
Interest expense	14	—	[5]
<b>Total operating and other expenses</b>		[9,212]	[8,696]
<b>Royalties paid and payable to members and affiliated societies</b>		[50,078]	[48,656]
Net profit before income tax		—	—
Income tax expense	7	—	—
Net operating profit after income tax		—	—
Other comprehensive income		—	—
<b>Total comprehensive profit</b>		—	—

The Statement of Profit or Loss and Other Comprehensive Income is to be read in conjunction with the Notes to the Consolidated Financial Statements set out on pages 15 to 39.

# CONSOLIDATED BALANCE SHEET

For the year ended 30 June 2024

	<b>Note</b>	<b>2024 \$000s</b>	<b>2023 \$000s</b>
<b><i>Current assets</i></b>			
Cash and cash equivalents	8	7,869	9,624
Cash on deposit	8	55,980	54,449
Trade and other receivables	9	2,812	1,761
<b><i>Total current assets</i></b>		<b>66,661</b>	<b>65,834</b>
<b><i>Non-current assets</i></b>			
Property, plant and equipment	10	10,761	10,586
Intangibles	11	99	154
Right-of-use assets	14	6	7
<b><i>Total non-current assets</i></b>		<b>10,866</b>	<b>10,747</b>
<b><i>Total assets</i></b>		<b>77,527</b>	<b>76,581</b>
<b><i>Current liabilities</i></b>			
Trade and other payables	12	755	733
Royalties in advance		18,694	17,689
Employee benefits	13	632	607
Loans and borrowings	14	2	2
Other	15	55,399	54,961
Provisions	16	63	238
<b><i>Total current liabilities</i></b>		<b>75,545</b>	<b>74,230</b>
<b><i>Non-current liabilities</i></b>			
Employee benefits	13	99	181
Loans and borrowings	14	4	5
Other	15	342	628
<b><i>Total non-current liabilities</i></b>		<b>445</b>	<b>814</b>
<b><i>Total liabilities</i></b>		<b>75,990</b>	<b>75,044</b>
<b><i>Total net assets</i></b>		<b>1,537</b>	<b>1,537</b>
<b><i>Equity</i></b>			
Retained earnings		1,337	1,337
Reserves		200	200
<b><i>Total equity</i></b>		<b>1,537</b>	<b>1,537</b>

The Balance Sheet is to be read in conjunction with the  
Notes to the Consolidated Financial Statements set out on pages 15 to 39.

# CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 30 June 2024

	<b>Note</b>	<b>2024 \$000s</b>	<b>2023 \$000s</b>
<b><i>Cash flows from operating activities</i></b>			
Cash receipts in the course of operations		56,759	58,294
Cash payments in the course of operations		[58,931]	[57,330]
Net cash from operating activities	19[b]	[2,172]	964
<b><i>Cash flows from investing activities</i></b>			
Interest received/receivable		2,486	1,396
Payments for property, plant and equipment		[536]	[10,432]
Payments for intangibles		–	[3]
Decrease/[increase] in cash on deposit		[1,531]	10,972
Net cash from investing activities		419	1,933
<b><i>Cash flows from financing activities</i></b>			
Payments for lease liabilities		[2]	[271]
Net cash used in financing activities		[2]	[271]
Net [decrease]/increase in cash held		[1,755]	2,626
Cash at the beginning of the financial year		9,624	6,998
Cash at the end of the financial year	19[a]	7,869	9,624

The Statement of Cash Flows is to be read in conjunction with the Notes to the Consolidated Financial Statements set out on pages 15 to 39.

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2024

## *Reconciliation of movements in capital and reserves attributable to members*

	<b>Society Reserve Fund \$000s</b>	<b>Retained Earnings \$000s</b>	<b>Total Equity \$000s</b>
Balance at 1 July 2022	200	1,337	1,537
Total comprehensive profit	—	—	—
Transfer between retained earnings and reserves	—	—	—
Balance at 30 June 2023	200	1,337	1,537
Balance at 1 July 2023	200	1,337	1,537
Total comprehensive profit	—	—	—
Transfer between retained earnings and reserves	—	—	—
Balance at 30 June 2024	200	1,337	1,537

The Statement of Changes in Equity is to be read in conjunction with the  
Notes to the Consolidated Financial Statements set out on pages 15 to 39.



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2024

## 1. MATERIAL ACCOUNTING POLICIES

Audio-Visual Copyright Society Ltd trading as Screenrights [the 'Company'] is a non profit company domiciled in Australia. The consolidated financial report of the Company for the financial year ended 30 June 2024 comprises the Company and its subsidiary [together referred to as the 'consolidated entity']. The financial report was authorised for issue by the Directors on 25th September 2024.

### **[a] Principal activities**

The principal activities of the Company during the course of the financial year were utilisation of its right as a declared collecting society under Part IVA, Div 4, s183 and Part VC of the Copyright Act, to collect money from educational institutions, government departments and agencies and retransmitters for distribution to relevant copyright owners and to provide related services to members and others.

### **[b] Statement of compliance and basis of preparation**

The financial report is a general purpose financial report which has been prepared in accordance with Australian Accounting Standards ['AASBs'] adopted by the Australian Accounting Standards Board ['AASB'] and the Corporations Act 2001. The financial report of the consolidated entity also complies with International Financial Reporting Standards [IFRSs] adopted by the International Accounting Standards Board.

The financial report is prepared in Australian dollars, which is the Company's functional currency. The Company is of a kind referred to in ASIC Corporations [Rounding in Financial / Directors' Report] Instrument 2016/191 dated 24 March 2016 and in accordance with that Instrument amounts in the financial report and Directors' report have been rounded off to the nearest one thousand dollars, unless otherwise stated.

The financial report is prepared on the historical cost basis. The preparation of a financial report in conformity with Australian Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. These accounting policies have been consistently applied by each entity in the consolidated entity.

### **Going Concern**

As at 30 June 2024, consolidated current liabilities exceed consolidated current assets by \$8.883k (2022: \$8,396k). The Directors believe it is appropriate to prepare the consolidated financial statements on a going concern basis as distributable amounts payable are disclosed as current liabilities as they are payable at call. However, in practise, a portion of this balance, which the Directors expect will exceed the deficiency above, will not be paid within the next twelve months.

### **[c] Basis of consolidation**

#### **[i] Subsidiaries**

Subsidiaries are entities controlled by the Company. Control exists when the Company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

#### **[ii] Transactions eliminated on consolidation**

Intra-group balances and any unrealised gains and losses or income and expenses arising from transactions within the consolidated entity are eliminated in preparing the consolidated financial statements.

### **[d] Foreign currency transactions**

Transactions in foreign currencies are translated at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance date are translated to Australian dollars at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in profit or loss. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

### **[e] Derivatives**

The consolidated entity is exposed to changes in interest rates and foreign exchange balances. The consolidated entity does not use derivative financial instruments to hedge these risks.

### **[f] Property, plant and equipment**

#### **[i] Owned assets**

Items of property, plant and equipment are stated at cost or deemed cost less accumulated depreciation [see f[ii]] and impairment losses [see accounting policy j].

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2024

## 1. MATERIAL ACCOUNTING POLICIES CONTINUED

### ***[f] Property, plant and equipment continued***

#### ***[ii] Depreciation***

Depreciation is charged to profit or loss on a straight-line basis over the estimated useful life of each part of an item of property, plant or equipment. The estimated useful lives in the current and comparative periods are as follows:

- Plant and equipment – 3-20 years;
- Computer hardware/Laptops – 2-3 years.
- Leasehold capital improvements – 29-36 years;
- Leasehold buildings – 87 years;

The residual value, the useful life and the depreciation method applied to an asset are reassessed at least annually.

#### ***[iii] Leased assets***

AASB 16 introduces a single, on-balance sheet accounting model for lessees. A lessee recognises a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. There are optional exemptions for short-term leases and leases of low value items. Lessor accounting remains similar to the current standard – i.e. lessors continue to classify leases as finance or operating leases.

#### ***Policy applicable from 1 July 2019***

At inception of a contract, the consolidated entity assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the consolidated entity assesses whether:

- the contract involves the use of an identified asset – this may be specified explicitly or implicitly, and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- the consolidated entity has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- the consolidated entity has the right to direct the use of the asset. The consolidated entity has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the consolidated entity has the right to direct the use of the asset if either:

- the consolidated entity has the right to operate the asset; or
- the consolidated entity designed the asset in a way that predetermines how and for what purpose it will be used.

This policy is applied to contracts entered into, or changed, on or after 1 July 2019.

#### ***As a lessee***

At inception or on reassessment of a contract that contains a lease component, the consolidated entity allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices. However, for the leases of land and buildings in which it is a lessee, the consolidated entity has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The consolidated entity recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment.

In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the consolidated entity's incremental borrowing rate. Generally, the consolidated entity uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2024

## 1. MATERIAL ACCOUNTING POLICIES CONTINUED

### *[iii] Leased assets continued*

#### *As a lessee continued*

- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the consolidated entity is reasonably certain to exercise, lease payments in an optional renewal period if the consolidated entity is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the consolidated entity is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the consolidated entity's estimate of the amount expected to be payable under a residual value guarantee, or if the consolidated entity changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The consolidated entity presents right-of-use assets that do not meet the definition of investment property in 'property, plant and equipment' and lease liabilities in 'loans and borrowings' in the statement of financial position.

#### *Short-term leases and leases of low-value assets*

The consolidated entity has elected not to recognise right-of-use assets and lease liabilities for short-term leases of plant and equipment that have a lease term of 12 months or less and leases of low-value assets, including IT equipment. The consolidated entity recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

### *[g] Intangible assets*

#### *[i] Intangible assets*

Intangible assets that are acquired by the consolidated entity are stated at cost less accumulated amortisation [see g[ii)] and impairment losses [see accounting policy].

#### *Software-as-a-Service [SaaS] arrangements*

SaaS arrangements are service contracts providing the Consolidated entity with the right to access the cloud provider's application software over the contract period. As such, the

Consolidated entity does not receive a software intangible asset at the contract commencement date.

The following outlines the accounting treatment of costs incurred in relation to SaaS arrangements:

Recognise as an operating expense over the term of the service contract	<ul style="list-style-type: none"><li>• Fee for use of application software</li><li>• Customisation costs</li></ul>
Recognise as an operating expense as the service is received	<ul style="list-style-type: none"><li>• Configuration costs</li><li>• Data conversion and migration costs</li><li>• Testing costs</li><li>• Training costs</li></ul>

Costs incurred for the development of software code that enhances or modifies, or creates additional capability to, existing on-premise systems and meets the definition of and recognition criteria for an intangible asset are recognised as intangible software assets.

In applying the entity's accounting policy, the directors made the following key judgements that may have the most significant effect on the amounts recognised in the financial statements.

#### *Determination whether configuration and customisation services are distinct from the SaaS access*

Implementation costs including costs to configure or customise the cloud provider's application software are recognised as operating expenses when the services are received.

Where the SaaS arrangement supplier provides both configuration and customisation services, judgement has been applied to determine whether each of these services are distinct or not from the underlying use of the SaaS application software. Distinct configuration and customisation costs are expensed as incurred as the software is configured or customised [i.e. upfront]. Non-distinct configuration and customisation costs are expensed over the SaaS contract term.

Non-distinct customisation activities significantly enhance or modify a SaaS cloud-based application. Judgement has been applied in determining whether the degree of customisation and modification of the SaaS cloud-based application is significant or not.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2024

## 1. MATERIAL ACCOUNTING POLICIES CONTINUED

### **[g] Intangible assets continued**

#### **[i] Intangible assets continued**

##### *Capitalisation of configuration and customisation costs in SaaS arrangements*

In implementing SaaS arrangements, the Consolidated entity has developed software code that either enhances, modifies or creates additional capability to the existing owned software.

This software is used to connect with the SaaS arrangement cloud-based application.

Judgement has been applied in determining whether the changes to the owned software meets the definition of and recognition criteria for an intangible asset in accordance with AASB 138 *Intangible Assets*.

#### **[ii] Amortisation**

Amortisation is charged to profit or loss on a straight-line basis over the estimated useful lives of intangible assets from the date they are available for use. The estimated useful lives in the current and comparative periods are as follows:

- Capitalised software costs – 3-5 years

#### **[h] Trade and other receivables**

Trade and other receivables are stated initially at fair value and then amortised cost less impairment losses [see accounting policy j].

#### **[i] Cash and cash equivalents**

Cash and cash equivalents comprise cash balances, short-term and at-call deposits.

#### **[j] Impairment**

The carrying amounts of the consolidated entity's assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated [see accounting policy j(i)].

An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in the income statement, unless an asset has previously been revalued, in which case the impairment loss is recognised as a reversal to the extent of that previous revaluation with any excess recognised through profit or loss.

The Company recognises loss allowance for expected credit losses [ECL] on financial assets measured at amortised cost. Loss allowances for trade receivables and contract assets are always measured at an amount equal to lifetime ECLs.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

#### **[i] Calculation of recoverable amount**

The recoverable amount of the consolidated entity's receivables carried at amortised cost is calculated as the present value of estimated future cash flows, discounted at the original effective interest rate [i.e. the effective interest rate computed at initial recognition of these financial assets]. Receivables with a short duration are not discounted. Impairment of receivables is not recognised until objective evidence is available that a loss event has occurred.

Significant receivables are individually assessed for impairment. Impairment testing of significant receivables that are not assessed as impaired individually is performed by placing them into portfolios of significant receivables with similar risk profiles and undertaking a collective assessment of impairment.

Non-significant receivables are not individually assessed. Instead, impairment testing is performed by placing non-significant receivables in portfolios of similar risk profiles, based on objective evidence from historical experience adjusted for any effects of conditions existing at each balance sheet date.

The recoverable amount of other assets is the greater of their fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

#### **[ii] Reversals of impairment**

Impairment losses are reversed when there is an indication that the impairment loss may no longer exist and there has been a change in the estimate used to determine the recoverable amount. An impairment loss in respect of a receivable carried at amortised cost is reversed if the subsequent increase in the recoverable amount can be related objectively to an event occurring after the impairment loss was recognised.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2024

## 1. MATERIAL ACCOUNTING POLICIES CONTINUED

### **[j] Impairment continued**

#### **[ii] Reversals of impairment continued**

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

### **[k] Employee benefits**

#### **[i] Defined contribution superannuation funds**

Obligations for contributions to defined contribution superannuation funds are recognised as an expense in profit or loss as incurred.

#### **[ii] Long-term service benefits**

The consolidated entity's net obligation in respect of long-term service benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. The obligation is calculated using expected future increases in wage and salary rates, including related on-costs and expected settlement dates, and is discounted using the rates attached to the Commonwealth Government bonds at the balance sheet date which have maturity dates approximating to the terms of the consolidated entity's obligations.

#### **[iii] Wages, salaries and annual leave**

Liabilities for employee benefits for wages, salaries and annual leave that are expected to be settled within 12 months of the reporting date and represent present obligations resulting from employees' services provided to reporting date are calculated at undiscounted amounts based on remuneration wage and salary rates that the consolidated entity expects to pay as at reporting date, including related on-costs such as workers compensation insurance and payroll tax.

### **[l] Provisions**

A provision is recognised in the balance sheet when the consolidated entity has a present legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

### **[m] Trade and other payables**

Trade and other payables are stated initially at fair value and then amortised cost. Trade payables are non-interest-bearing and are normally settled on 60-day terms.

### **[n] Distributions**

The consolidated entity holds the net distributable amount for each year in trust for rightsholders of the copyright in film and television programs.

These rightsholders are eligible to receive the royalties held on their behalf upon completing necessary documentation, including a membership agreement and warranty. With respect to the Statutory Services, the distributable pool is allocated to all used programs, and actual distributions are made as and when the required documentation is completed.

Until this stage is reached for a given title, all funds are held in trust for the rightsholders of the copied program up to a period of four years. The Board of Directors may decide that special circumstances exist and continue to hold the pool in trust for a maximum of two further years. The Board has exercised this discretion for all relevant distribution periods to date.

After that period, the remaining allocations that have not been distributed are forfeited and placed into general revenue for inclusion in the current distribution period in accordance with Guidelines issued by the Attorney-General. In administering the Statutory Service, the consolidated entity collects and distributes remuneration payable by licensees.

The Distributable Amount is the total amount received from licensees for the distribution period [financial year] together with bank interest after deducting operating expenses, providing for taxation if applicable and allocating the relevant portion to the Reserve Fund. Records of usage are collated so that the total number of minutes for each program title and episode is ascertained.

Allocations are made to each program according to the number of minutes used and other factors. Once an allocation per program by title has been established, a further allocation is made to the various forms of copyright subsisting in the programs [e.g. cinematograph films, literary/dramatic works, artistic works, sound recordings].

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2024

## 1. MATERIAL ACCOUNTING POLICIES CONTINUED

### ***[n] Distributions continued***

Claimants warrant that they own or control the relevant copyright in one or more of these components and at the close of the distribution period are paid accordingly. This same process has been instituted for the allocation and distribution of royalties for the copying of programs by educational institutions in New Zealand. This is so even though the mechanism of conducting the service is different, with the Company licensing this recording right in New Zealand on behalf of the rightsholders.

With respect to the international registration and collection process, the Company simply distributes the royalties it receives from other audiovisual societies for titles it has registered on behalf of the rightsholders. The Company follows the allocations set by the relevant society and only makes an adjustment for interest and the expenses incurred in providing the service for its members.

### ***[o] Revenue and other income***

Revenues are recognised at fair value of the consideration received net of the amount of goods and services tax [GST] payable to the taxation authority.

#### ***[i] Revenue from rendering services***

Royalty receipts are based partly on information provided by copyright users. Receipts are generally determined either based on agreed rates per user, or agreed rates overall. Revenue is recognised over the period for which the copying licence has been granted.

#### ***[ii] Interest income***

Interest is generally recognised as it accrues, taking into account the effective yield on the financial asset.

#### ***[iii] Net gain/loss on disposal of property, plant and equipment***

The net gains of non-current asset sales are included as other income at the date control of the asset passes to the buyer, usually when an unconditional contract of sale is signed.

The net losses on non-current asset sales are included in other expenses. The gain or loss on disposal is calculated as the difference between the carrying amount of the asset at the time of disposal and the gross proceeds on disposal.

### ***[p] Income tax***

The Income Tax Assessment Act 1997, as amended by the Tax Laws Amendment [2004 Measures No 6] Act 2005, provides the following for collecting societies:

- Collecting societies will not be taxed on any copyright income that they collect and hold on behalf of members, pending allocation to them;
- Non-copyright income derived by collecting societies will not be taxed [provided that the amount of non-copyright income derived is within certain limits]; and
- Any copyright and non-copyright income collected or derived by the collecting society that is exempt from income tax is included in the assessable income of the members upon distribution.

The amending Act contains definitions of:

- [a] Declared collecting society;
- [b] Collecting society;
- [c] Copyright income, which includes licence fees and interest received or derived from the copyright income.

Non-copyright income is subject to a de minimis rule.

Non-copyright income of collecting societies will be exempt from income tax to the extent that this non-copyright income does not exceed the lesser of:

- 5% of the total amount of copyright income and non-copyright income of the collecting societies for the income year; and
- \$5 million or such other amount as is prescribed by the regulations.

The Society will not be taxed on any copyright income [defined as ordinary or statutory royalties/licence fees and interest received or derived by the Society] it collects and holds on behalf of members, pending allocation to them. Additionally, the Society will not be taxed on non-copyright income to the extent that this non-copyright income does not exceed the above specified limitations.

### ***[q] Goods and services tax***

Revenue, expenses and assets are recognised net of the amount of goods and services tax [GST], except where the amount of GST incurred is not recoverable from the taxation authority. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the expense. Receivables and payables are stated with the amount of GST included.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

---

For the year ended 30 June 2024

## 1. MATERIAL ACCOUNTING POLICIES CONTINUED

---

### ***[q] Goods and services tax continued***

The net amount of GST recoverable from, or payable to, the Australian Tax Office [ATO] is included as a current asset or liability in the balance sheet. Cash flows are included in the statement of cash flows on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

### ***[r] New accounting standards adopted during the period***

There were no new standards and amendments to standards which were effective for the period ended 30 June 2024.

### ***[s] New accounting standards and interpretations not yet adopted***

There are currently no new standards and amendments to standards which are effective for annual periods beginning after 30 June 2024 that the consolidated entity believes will have a material effect on these financial statements.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2024

## 2. RECONCILIATION OF INCOME STATEMENT

	Note	2024 \$000s	2023 \$000s
<b>Revenue from rendering of services:</b>			
- Australian Education Service		39,276	36,815
- Australian Retransmission Service		5,156	5,725
- International Service		2,565	1,845
- Australian Government Copying Service		1,234	1,241
- NZ Education Service		2,898	2,693
- Collection Account Management Service*		5,411	6,767
- Residual Service		74	245
<b>Total revenue</b>		56,614	55,331
<b>Other income</b>	3	2,676	2,021
<b>Total revenue and other income</b>		59,290	57,352
Employee expenses	4	[5,463]	[5,364]
Depreciation and amortisation expense		[291]	[407]
Operating expense		[1,283]	[896]
Licensing expense		[531]	[535]
Travel expense		[60]	[61]
Marketing expense		[31]	[145]
Legal expense		[280]	[497]
Information technology		[954]	[663]
Other expenses	5	[319]	[123]
<b>Total operating expenses</b>		[9,212]	[8,691]
Interest expense - leases	14	-	[5]
<b>Total interest expense</b>		-	[5]
<b>Net royalties collected and interest received thereon before income tax</b>		50,078	48,656
Income tax benefit		-	-
<b>Net royalties collected and interest received thereon after income tax</b>		50,078	48,656

\* Collection Account Management Service includes Disbursements by Screenrights - DASA



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2024

## 2. RECONCILIATION OF INCOME STATEMENT CONTINUED

	Note	2024 \$000s	2023 \$000s
<b><i>Royalties paid and payable:</i></b>			
Add allocation from the Fund for the Benefit of Members		285	285
Add expired statutory trust funds		1,251	1,358
[Less]/add expired competing claims funds		[90]	115
Add expired sound recordings		17	
Less amount transferred to AES distributable pool 2024	15	[34,928]	–
Less amount transferred to AES distributable pool 2023	15	–	[32,802]
Less amount transferred to ARS distributable pool 2024	15	[4,797]	–
Less amount transferred to ARS distributable pool 2023	15	–	[5,419]
Less amount transferred to AGS distributable pool 2024	15	[1,097]	–
Less amount transferred to AGS distributable pool 2023	15	–	[1,081]
Less amount transferred to NZES distributable pool 2024	15	[2,653]	–
Less amount transferred to NZES distributable pool 2023	15	–	[2,538]
Collection Account Management Service [excludes interest income & set-up fee income]*		[5,244]	[6,529]
International Collection Service [excludes set-up fee income]		[2,327]	[1,662]
Residual Service [excludes interest income & set-up fee income]*		[71]	[232]
Allocation from/[to] IBNR Fund		–	251
Allocation to Cultural Fund		[424]	[402]
<b><i>Net royalties paid and payable</i></b>		<b>[50,078]</b>	<b>[48,656]</b>
<b><i>Net operating profit</i></b>		<b>–</b>	<b>–</b>

\* Collection Account Management Service includes Disbursements by Screenrights - DASA

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2024

## 3. OTHER INCOME

	2024 \$000s	2023 \$000s
<b><i>Interest and other income</i></b>		
- AES interest income	1,941	1,524
- ARS interest income	255	237
- INT interest income	26	17
- AGS interest income	61	51
- NZES interest income	143	111
- DASA interest income	78	46
- RSD interest income	6	3
- Other income	166	32
<b><i>Total other income</i></b>	<b>2,676</b>	<b>2,021</b>

## 4. EMPLOYEE EXPENSES

Wages and salaries [including director fees]	4,725	4,545
Contributions to defined contribution superannuation funds	513	466
[Decrease]/increase in liabilities for annual and long service leave	[57]	98
Other employee expenses	282	255
<b><i>Total employee expenses</i></b>	<b>5,463</b>	<b>5,364</b>

## 5. OTHER EXPENSES

Loss on disposal of property, plant and equipment	125	–
Loss on disposal of intangible assets	–	100
ISAN	–	1
Other	194	22
<b><i>Total other expenses</i></b>	<b>319</b>	<b>123</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2024

## 6. AUDITOR'S REMUNERATION

	2024 \$000s	2023 \$000s
Audit services	77	75
Other Assurance services	5	5
<b>Total Auditor's remuneration</b>	<b>82</b>	<b>80</b>

## 7. TAXATION

Audio-Visual Copyright Society Limited trading as Screenrights and its subsidiary entity, Enhance TV Pty Ltd, form part of a tax consolidated group. Legislation which states copyright collection societies are not taxed on income they collect on behalf of copyright owners came into effect from 1 July 2002.

Audio-Visual Copyright Society Limited needs to assess each year whether non-copyright income exceeds the relevant threshold [5% or \$5m] which then determines whether a full income tax exemption will apply.

Income derived by Enhance TV Pty Ltd is not subject to the tax exemption for copyright collecting societies. In the current financial year, Enhance TV Pty Ltd did not trade and as a consequence there is no tax expense for the consolidated entity [2023: \$Nil].

## 8. CASH ASSETS

	2024 \$000s	2023 \$000s
Cash at bank	7,869	9,624
Cash on deposit	55,980	54,449
<b>Total cash assets</b>	<b>63,849</b>	<b>64,073</b>

The interest rate at 30 June 2024 on cash accounts is 3.85% [2023: 3.60%] which is the prevailing interest rate on cash at bank. The cash on deposit with banks mature within 358 days. The weighted average interest rate at 30 June 2024 on cash on deposit is 5.07% [2023: 4.56%].

## 9. TRADE AND OTHER RECEIVABLES

	2024 \$000s	2023 \$000s
Trade receivables	1,673	950
Provision for doubtful debts	[40]	[205]
Sundry receivables	1,179	1,016
<b>Total trade and other receivables</b>	<b>2,812</b>	<b>1,761</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2024

## 10. PROPERTY, PLANT & EQUIPMENT

	Property \$000s	Plant & equipment \$000s	Total \$000s
<b>Cost</b>			
Balance at 1 July 2022	—	1,034	1,034
Acquisitions	10,213*	339	10,552
Disposals	—	—	—
<b>Balance at 30 June 2023</b>	<b>10,213</b>	<b>1,373</b>	<b>11,586</b>
Balance at 1 July 2023	10,213*	1,373	11,586
Acquisitions	201	334	536
Disposals	—	[1,037]	[1,037]
<b>Balance at 30 June 2024</b>	<b>10,414</b>	<b>670</b>	<b>11,085</b>
<b>Accumulated depreciation</b>			
Balance at 1 July 2022	—	899	899
Depreciation charge for the year	—	101	101
Disposals	—	—	—
<b>Balance at 30 June 2023</b>	<b>—</b>	<b>1,000</b>	<b>1,000</b>
Balance at 1 July 2023	—	1,000	1,000
Depreciation charge for the year	156	79	235
Disposals	—	[911]	[911]
<b>Balance at 30 June 2024</b>	<b>156</b>	<b>168</b>	<b>324</b>
<b>Carrying amounts</b>			
At 30 June 2023	10,213	373	10,586
At 30 June 2024	10,258	502	10,761

\* On 29 June 2023, the Company completed settlement for purchase of leasehold property at Level 1, 185 Gloucester Street, The Rocks in Sydney NSW with a total cost of \$10.2m. The purpose for acquisition is to secure permanent commercial office space for operations of the Company, including activities of its staff and members. The office lease at Level 1, 140 Myrtle Street, Chippendale expired on 26 March 2024. The purchase was funded from available cash reserves and did not involve any funding from debt finance.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2024

## 11. INTANGIBLES

	Computer software \$000s	WIP \$000s	Total \$000s
<b>Cost</b>			
Balance at 1 July 2022	464	62	526
Acquisitions	3	—	3
Disposals	[54]	[62]	[116]
<b>Balance at 30 June 2023</b>	<b>413</b>	<b>—</b>	<b>413</b>
Balance at 1 July 2023	413	—	413
Acquisitions	—	—	—
Disposals	—	—	—
<b>Balance at 30 June 2024</b>	<b>413</b>	<b>—</b>	<b>413</b>
<b>Accumulated amortisation</b>			
Balance at 1 July 2022	209	—	209
Amortisation charge for the year	65	—	65
Disposals	[15]	—	[15]
<b>Balance at 30 June 2023</b>	<b>259</b>	<b>—</b>	<b>259</b>
Balance at 1 July 2023	259	—	259
Amortisation charge for the year	55	—	55
Disposals	—	—	—
<b>Balance at 30 June 2024</b>	<b>314</b>	<b>—</b>	<b>314</b>
<b>Carrying amounts</b>			
At 30 June 2023	154	—	154
At 30 June 2024	99	—	99

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2024

## 12. TRADE AND OTHER PAYABLES

	2024 \$000s	2023 \$000s
Trade and other creditors	290	500
Accrued expenses	465	233
<b>Total trade and other payables</b>	<b>755</b>	<b>733</b>

## 13. EMPLOYEE BENEFITS

	2024 \$000s	2023 \$000s
<b>Current</b>		
Liability for annual leave	261	281
Liability for long service leave	371	326
<b>Total current employee benefits</b>	<b>632</b>	<b>607</b>
<b>Non-current</b>		
Liability for long service leave	99	181
<b>Total non-current employee benefits</b>	<b>99</b>	<b>181</b>

## 14. LEASES

	Office \$000s	Car Park \$000s	Printer \$000s	Total \$000s
<b>[i] Right-of-use assets</b>				
<b>Cost</b>				
Balance at 1 July 2022	1,185	15	—	1,200
Acquisitions	—	—	8	8
Disposals	[1,185]	[15]	—	[1,200]
<b>Balance at 30 June 2023</b>	<b>—</b>	<b>—</b>	<b>8</b>	<b>8</b>
Balance at 1 July 2023	—	—	8	8
Acquisitions	—	—	—	—
Disposals	—	—	—	—
<b>Balance at 30 June 2024</b>	<b>—</b>	<b>—</b>	<b>8</b>	<b>8</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2024

## 14. LEASES CONTINUED

### *[i] Right-of-use assets continued*

	Office \$000s	Car Park \$000s	Printer \$000s	Total \$000s
<b><i>Accumulated depreciation</i></b>				
Balance at 1 July 2022	948	12	—	960
Depreciation charge for the year	237	3	1	241
Disposals	[1,185]	[15]	—	[1,200]
<b><i>Balance at 30 June 2023</i></b>	—	—	1	1
Balance at 1 July 2023	—	—	1	1
Depreciation charge for the year	—	—	1	1
Disposals	—	—	—	—
<b><i>Balance at 30 June 2024</i></b>	—	—	2	2
<b><i>Carrying amounts</i></b>				
At 30 June 2023	—	—	7	7
At 1 July 2024	—	—	6	6
<b><i>[ii] Loans and borrowings</i></b>				
<b><i>Lease liabilities in Balance Sheet as at 30 June 2024</i></b>				
Current	—	—	2	2
Non-current	—	—	4	4
<b><i>Total lease liabilities</i></b>	—	—	6	6
<b><i>Maturity analysis as at 30 June 2024</i></b>				
Less than one year	—	—	2	2
One to five years	—	—	4	4
More than five years	—	—	—	—
<b><i>Total undiscounted lease liabilities as at 30 June 2024</i></b>	—	—	6	6

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2024

## 14. LEASES CONTINUED

	Office \$000s	Car Park \$000s	Printer \$000s	Total \$000s
<b>[iii] Amounts recognised in Profit/[Loss]</b>				
Depreciation expenses	–	–	1	1
	–	–	–	–
<b>[iv] Amounts recognised in Profit/[Loss]</b>				
Total cash outflow for leases	–	–	2	2
	–	–	2	2

## 15. OTHER CURRENT LIABILITIES

	2024 \$000s	2023 \$000s
<b>Current</b>		
Cultural Fund	862	803
Trust – IBNR Fund	1,086	968
Trust – Artistic Works	577	554
Completing Claims Fund	155	–
Unearned revenue	17	17
	2,697	2,342
<b>Trust – Statutory</b>		
<b>Australian Education Service</b>		
2020 Distributable amount payable to copyright owners	–	1,159
2021 Distributable amount payable to copyright owners	1,029	1,584
2022 Distributable amount payable to copyright owners	1,447	2,424
2023 Distributable amount payable to copyright owners	1,984	32,802
2024 Distributable amount payable to copyright owners	34,928	–



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2024

## 15. OTHER CURRENT LIABILITIES CONTINUED

	2024 \$000s	2023 \$000s
<b><i>Trust – Statutory continued</i></b>		
<b><i>Australian Retransmission Service</i></b>		
2020 Distributable amount payable to copyright owners	–	500
2021 Distributable amount payable to copyright owners	488	645
2022 Distributable amount payable to copyright owners	737	1,147
2023 Distributable amount payable to copyright owners	818	5,419
2024 Distributable amount payable to copyright owners	4,797	–
<b><i>Australian Government Copying Service</i></b>		
2020 Distributable amount payable to copyright owners	–	23
2021 Distributable amount payable to copyright owners	11	99
2022 Distributable amount payable to copyright owners	27	132
2023 Distributable amount payable to copyright owners	51	1,081
2024 Distributable amount payable to copyright owners	1,097	–
Sound Recordings Distributable amount	–	27
<b><i>Total Trust – Statutory</i></b>	<b>47,414</b>	<b>47,042</b>
<b><i>Trust – Non-statutory</i></b>		
<b><i>NZ Education Service</i></b>		
2020 Distributable amount payable to copyright owners	–	207
2021 Distributable amount payable to copyright owners	215	330
2022 Distributable amount payable to copyright owners	268	489
2023 Distributable amount payable to copyright owners	338	2,538
2024 Distributable amount payable to copyright owners	2,653	–

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2024

## 15. OTHER CURRENT LIABILITIES CONTINUED

### *Trust – Non-statutory continued*

	<b>2024 \$000s</b>	<b>2023 \$000s</b>
Collection Account Management Service*	1,415	1,579
International Collection Service	253	326
Residual Service	146	108
<b>Total Trust – Non-statutory</b>	<b>5,288</b>	<b>5,577</b>
<b>Total other liabilities – Current</b>	<b>55,399</b>	<b>54,961</b>

### *Non-current*

Fund for the benefit of members	342	628
<b>Total other liabilities – Non-current</b>	<b>342</b>	<b>628</b>

\* Collection Account Management Service includes Disbursements by Screenrights - DASA

## 16. PROVISIONS

	<b>2024 \$000s</b>	<b>2023 \$000s</b>
<b>Current</b>		
Lease make good	–	118
Capital Works Provision	63	120
<b>Total provisions</b>	<b>63</b>	<b>238</b>

## 17. EQUITY

### *Retained earnings*

Funds held as part of the Company's retained earnings will be used for the benefit of all members at the discretion of the Board.

### *Reserve fund*

In accordance with 15.4[c] of the Articles of Association, the Company is required to establish a reserve fund. From time to time, the Board will authorise funds to be released from the reserve fund to meet the costs of abnormal or exceptional expenditure.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

---

For the year ended 30 June 2024

## 18. FINANCIAL RISK MANAGEMENT

### **[a] Overview**

The consolidated entity has exposure to the following risks from the use of financial instruments:

- Credit risk;
- Liquidity risk; and
- Market risk.

This note presents information about the consolidated entity's exposure to each of the above risks, their objectives, and the policies and processes for measuring and managing risk. Further quantitative disclosures are included in this note.

The Board of Directors has overall responsibility for the establishment and oversight of the risk management framework. The Board has established the Audit & Risk Committee, which is responsible for developing and monitoring risk management policies. The Committee reports regularly to the Board on its activities.

Risk management policies are established to identify and analyse the risks faced by the consolidated entity, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the consolidated activities. The Company and its subsidiary, through their training and management standards and procedures, aim to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Audit & Risk Committee oversees how management monitors compliance with the consolidated entity's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the consolidated entity.

### ***Credit risk***

Credit risk represents the loss that would be recognised if a customer or counterparty failed to perform their contractual obligations and arises principally from the consolidated entity's receivables from licensees and investments in short-term deposits.

### ***Trade receivables***

The consolidated entity's exposure to credit risk is influenced mainly by the individual characteristics of each licensee. Concentrations of credit risk are minimised by undertaking transactions with a large number of licensees and counterparties with no geographical concentration of credit risk.

Approximately 80% of the consolidated entity's revenue base is attributable to general licensing in Australia, where licensee fees are paid at the beginning of the licence period, normally 12 months. The Audit, Risk & Governance Committee has established a credit policy under which defaulting licensees are pursued rigorously.

The consolidated entity has established, where necessary, an allowance for impairment that represents its estimate of incurred losses in respect of trade and other receivables. The main component of this allowance is for trade debtor balances assessed on an individual account basis and provided for when recovery is considered doubtful.

### ***Investments in short-term deposits***

The consolidated entity minimises credit risks in relation to its investments in short-term deposits by only dealing with Australian banks maintaining an acceptable credit rating.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

---

For the year ended 30 June 2024

## 18. FINANCIAL RISK MANAGEMENT CONTINUED

---

### *[a] Overview continued*

#### ***Liquidity risk***

Liquidity risk is the risk that the consolidated entity will not be able to meet its obligations as they fall due. The consolidated entity's approach to managing liquidity is to ensure that it will always have sufficient liquidity to meet its liabilities when due, under both normal and unusual conditions, without incurring unacceptable losses or risking damage to the consolidated entity's reputation.

Typically the consolidated entity ensures that it has sufficient cash on demand to meet the expected member distributions and operational expenses for a period of 60 days. This excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters. The consolidated entity has additional deposits invested for short terms varying from 90 to 433 days.

#### ***Market risk***

Market risk is the risk that changes in market prices such as foreign exchange rates and interest rates will affect the consolidated entity's income or the value of its holding of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, whilst optimising the return.

#### ***Interest rate risk***

The consolidated entity is exposed to interest rate risk in relation to its cash and cash on deposit balances. The weighted average interest rate on cash and cash on deposit of \$63.8m at 30 June 2024 is 4.92% [2023: \$64.1m - 4.41%]. It is the Company's policy not to hedge this exposure to interest rate risk.

#### ***Currency risk***

The consolidated entity receives royalties from overseas affiliates in foreign currencies. It is group policy not to hedge this exposure to foreign exchange risk.

#### ***Fair values***

The carrying value of financial assets and liabilities in the balance sheet approximates their fair values.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2024

## 18. FINANCIAL RISK MANAGEMENT CONTINUED

### **[b] Financial transactions**

#### **Credit risk**

##### *Exposure to credit risk*

The carrying amount of the consolidated entity's financial assets represents the maximum credit exposure. The consolidated entity's maximum exposure to credit risk at the reporting date was:

	<b>2024 \$000s</b>	<b>2023 \$000s</b>
Cash and cash equivalents	7,869	9,624
Cash on deposit	55,980	54,449
Trade and other receivables	2,812	1,761
	<u>66,661</u>	<u>65,834</u>

#### **Impairment losses**

The ageing of the consolidated entity and the Company's trade receivables at the reporting date was:

	<b>2024 \$000s</b>	<b>2023 \$000s</b>
Not past due	1,106	676
Past due 0-30 days	354	158
Past due 31-90 days	32	17
Past due 91 days	181	99
<b>Total Trade Receivables</b>	<u>1,673</u>	<u>950</u>

As at 30 June 2024, the Consolidated Entity recognised a provision for impairment of \$40k due to the Directors being of the opinion that this amount is unlikely to be recovered [2023: \$205k].

#### **Liquidity risk**

The contractual maturities of financial liabilities, as represented by trade and other payables [Note 12] and other current liabilities [Note 15], are all within one year. The carrying amount of these liabilities also represents the contractual cash flows.

#### **Currency risk**

##### *Exposure to currency risk*

The exposure to foreign currency risk at balance date was as follows, based on notional amounts:

	<b>2024 \$000s</b>	<b>2023 \$000s</b>
<b>AUD equivalent of NZD exposure</b>		
Trade receivables	231	83
<b>Total balance sheet exposure</b>	<u>231</u>	<u>83</u>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2024

## 18. FINANCIAL RISK MANAGEMENT CONTINUED

### *[b] Financial transactions continued*

#### *Currency risk continued*

#### *Exposure to currency risk continued*

The following significant exchange rates applied during the year:

	<b>Average rate 2024</b>	<b>Average rate 2023</b>	<b>Spot rate 2024</b>	<b>Spot rate 2023</b>
New Zealand Dollar	1.0919	1.0928	1.0954	1.0883

#### *Sensitivity*

A 10% strengthening/weakening of the Australian Dollar against the New Zealand Dollar at 30 June would have increased/[decreased] the consolidated entity's net revenue by \$2,080 at 30 June 2024 [2023: \$738 ].

This analysis assumes that all other variables, in particular interest rates, remain constant.

#### *Interest rate risk*

#### *Profile*

At the reporting date the interest rate profile of the consolidated entity's interest-bearing financial instruments was:

	<b>Carrying Amount 2024 \$000s</b>	<b>2023 \$000s</b>
Fixed rate instruments		
Cash on deposits	55,980	54,449
Variable rate instruments		
Cash at bank	7,869	9,624

#### *Sensitivity analysis*

If interest rates had changed by plus/[minus] 100 basis points per annum from the year end interest rate, with all other variables held constant, the consolidated entity profit for the year would have been \$78,690 [2023: \$96,240] higher/lower.

## 19. NOTES TO THE STATEMENT OF CASH FLOWS

### *[a] Reconciliation of cash*

For the purposes of the Statement of Cash Flows, cash includes cash on hand and at bank and short term deposits at call. Cash as at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the balance sheet as follows:

	<b>2024 \$000s</b>	<b>2023 \$000s</b>
Cash	7,869	9,624
	7,869	9,624

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2024

## 19. NOTES TO THE STATEMENT OF CASH FLOWS CONTINUED

### *[b] Reconciliation of cash flows from operating activities*

	<b>2024 \$000s</b>	<b>2023 \$000s</b>
Operating profit/[loss]	–	–
<i>Add/[less] items classified as investing activities:</i>		
Interest received	[2,510]	[1,990]
<i>Add/[less] non-cash items:</i>		
Depreciation, amortisation and loss on disposals	417	508
Finance costs	–	4
Net cash provided by operating activities before change in assets and liabilities	[2,093]	[1,478]
<i>Change in assets and liabilities:</i>		
[Decrease]/increase in trade and other receivables	[1,026]	1,242
Increase in trade creditors and accruals	208	139
Increase in royalties in advance	1,005	1,690
[Decrease]/increase in provision for employee entitlements	[57]	97
Increase in other liabilities	152	–
Decrease in distributable amounts	[361]	[726]
Net cash provided by operating activities	[2,172]	964

## 20. RELATED PARTY DISCLOSURES

### *Key management personnel compensation*

The key management personnel compensation included in 'employee expenses' [see Note 4] is as follows:

	<b>2024 \$000s</b>	<b>2023 \$000s</b>
Short-term employee benefits	2,252	2,184
Other long-term benefits	4	47
Post employment benefits	39	–
	2,295	2,231

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2024

## 20. RELATED PARTY DISCLOSURES CONTINUED

### *Statement of management remuneration*

<b>Salary range*</b>	<b>Screenrights Executives in range 2023/24</b>	<b>Screenrights Executives in range 2022/23</b>
\$0-99k	2**	1**
\$100-149k	0	0
\$150-199k	2*	1*
\$200-249k	2*	4*
\$250-299k	2*	0
\$300-400k	1*	2**
\$400-449k	0	0

\* Includes superannuation, leave provisions and incentive payments

\*\* Includes executives who held a key management position for part of the year

### *Statement of management remuneration*

A number of key management persons of the Company, or their related parties, hold positions in other entities that result in them having control or significant influence over the financial or operating policies of these entities. A number of these entities transacted with the Group in the reporting period. The terms and conditions of the transactions with key management personnel and their related parties were no more favourable than those available, or which might reasonably be expected to be available, on similar transactions to non-key management personnel related entities or on an arm's length basis. Related entities of Rachel Antony, Kim Dalton, Kelly LeFever, Georgina Waite, Dot West and Paul Wiegard, or entities in which they hold a management position, are entitled to distributions calculated in accordance with Note 1 [n].

Apart from the details disclosed in this note, no key management personnel have entered into a material contract with the Company or consolidated entity since the end of the previous financial year and there were no material contracts involving key management personnel interests subsisting at year end.

### *Loans to key management personnel*

There were no loans to key personnel at any time during the year ended 30 June 2024.

### *Controlled entity*

On 15 May 2006, Audio-Visual Copyright Society Limited [the Company] established a wholly owned subsidiary company called EnhanceTV Pty Ltd. The objectives of the Company are to operate as an educational resource centre and to operate as a distribution outlet for the Australian educational market. For the year ended 30 June 2024, the subsidiary did not trade and reported a net loss of \$0k [2023: Nil].

## 21. MEMBERS' LIABILITY

The Company is a company limited by guarantee. The guarantee of members in the event of the winding up of the Company is \$10 for each member. At 30 June 2024, membership of the Company comprised 5,300 full members [2023: 5,150], resulting in a total guarantee of \$53,000 [2023: \$51,500].



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2024

## 22. COMMITMENTS FOR EXPENDITURE

Nil.

## 23. CONTINGENT LIABILITY

The parent entity does not have any contingent liabilities at 30 June 2024 [2023: \$ NIL].

## 24. PARENT ENTITY DISCLOSURES

As at, and throughout, the financial year ended 30 June 2024, the parent entity of the consolidated entity was Audio-Visual Copyright Society Limited.

	2024 \$000s	2023 \$000s
<b><i>Result of parent entity</i></b>		
Profit/[loss] for the period	—	—
Other comprehensive income	—	—
<b><i>Total comprehensive profit/[loss]</i></b>	—	—
	2024 \$000s	2023 \$000s
<b><i>Financial position of parent entity at year end</i></b>		
Current assets	66,694	65,867
Total assets	77,559	76,614
Current liabilities	75,261	73,946
Total liabilities	75,990	75,045
<b><i>Total net assets</i></b>	1,569	1,569
<b><i>Total equity of the parent entity comprising of:</i></b>		
Retained earnings	1,369	1,369
Reserves	200	200
<b><i>Total equity</i></b>	1,569	1,569

## 25. SUBSEQUENT EVENTS

There has not arisen in the interval between the end of the financial year and the date of this report, any other item, transaction or event of a material and unusual nature that is likely, in the opinion of the Directors, to affect significantly the operations of the consolidated entity, the results of those operations or the state of affairs of the consolidated entity in future financial years.

# CONSOLIDATED ENTITY DISCLOSURE STATEMENT

As at 30 June 2024

Entity name	Body corporate, partnership or trust	Place incorporated /formed	% of share capital held directly or indirectly by the Company in the body corporate	Australian or foreign tax resident	Jurisdiction for foreign tax resident
Audio-Visual Copyright Society Limited [the Company]	Body Corporate	Australia		Australian	N/A
EnhanceTV Pty Limited	Body Corporate	Australia	100%	Australian	N/A

### Key assumptions and judgements

#### Determination of tax residency

Section 295 [3A] of the *Corporations Acts 2001* requires that the tax residency of each entity which is included in the Consolidated Entity Disclosure Statement [CEDS] be disclosed. In the context of an entity which was an Australian resident, "Australian resident" has the meaning provided in the *Income Tax Assessment Act 1997*. The determination of tax residency involves judgement as the determination of tax residency is highly fact dependent and there are currently several different interpretations that could be adopted, and which could give rise to a different conclusion on residency.

In determining tax residency, the consolidated entity has applied the following interpretations:

- Australian tax residency**  
 The consolidated entity has applied current legislation and judicial precedent, including having regard to the Commissioner of taxation's public guidance in *Tax Ruling TR 2018/5*.
- Foreign tax residency**  
 The consolidated entity has applied current legislation and where available judicial precedent in the determination of foreign tax residency. Where necessary, the consolidated entity has used independent tax advisers in foreign jurisdictions to assist in its determination of tax residency to ensure applicable foreign tax legislation has been complied with.

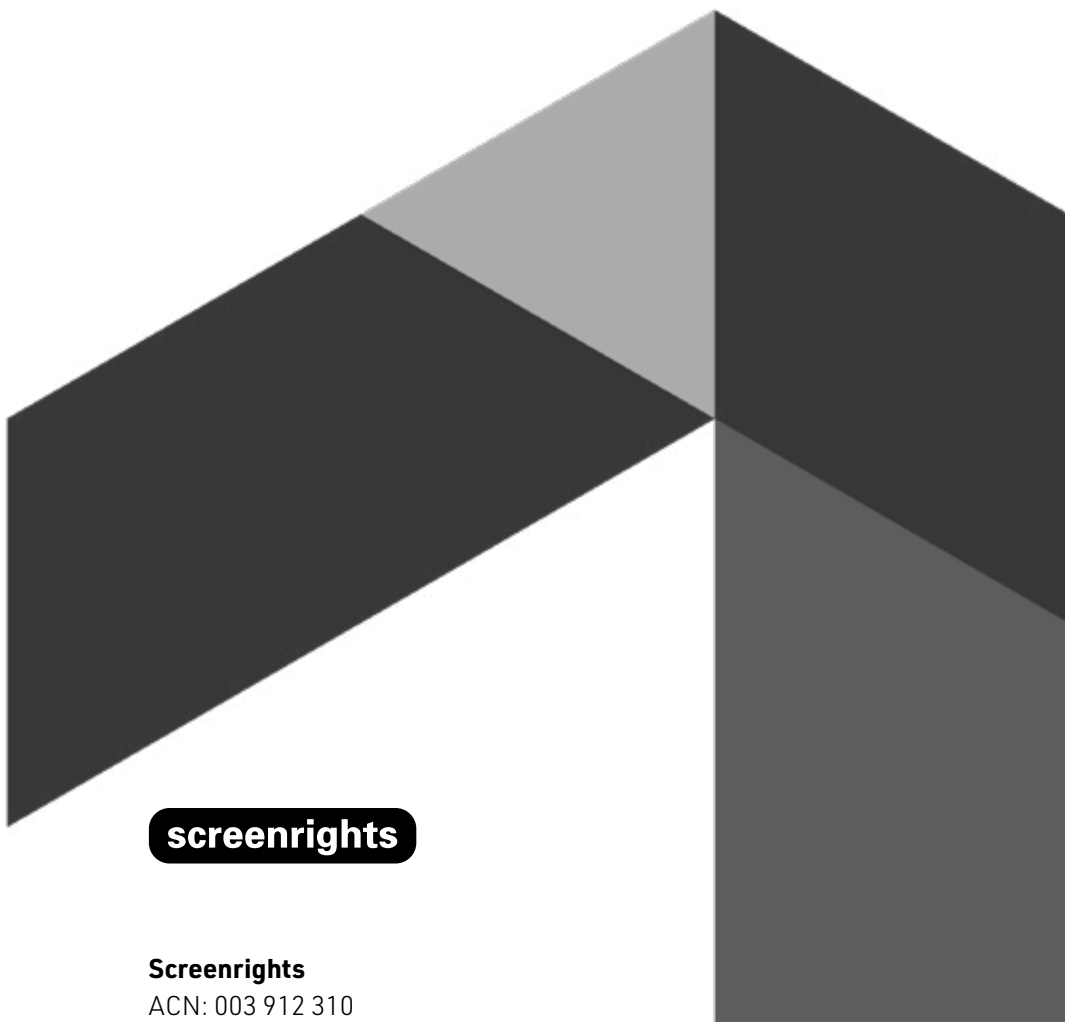
# APPENDIX

For the year ended 30 June 2024

## SUPPLEMENTARY REPORTING FOR EACH AUSTRALIAN STATUTORY LICENSEE CLASS

	Commonwealth Government \$	State and Territory Governments \$	Schools \$	Universities \$	TAFE \$	Other Australian Educational Institutions \$	TOTAL \$
Total licence fees received	49,702	1,184,045	27,141,380	6,517,348	524,338	5,093,332	40,510,146
Income on investments of licence fees	2,457	58,529	1,341,642	322,163	25,919	251,772	2,002,481
Total amount allocated to members	43,633	1,039,462	23,827,156	5,721,517	460,311	4,471,387	35,563,467
Total amount paid to members	50,211	1,196,159	23,150,968	5,559,147	447,248	4,344,494	34,748,226
Total amount of licence fees held in trust	50,461	1,202,106	27,646,922	6,638,742	534,104	5,188,202	41,260,536
Total licence fees for which the trust period expired*	889	21,176	529,891	127,240	10,237	99,439	788,872

\* Licence fees for which the trust period expired during the year are recorded in separate distribution pools for Government and Education. Any further breakdown by statutory licensee class is calculated pro rata, based on licence fees received.



**screenrights**

**Screenrights**

ACN: 003 912 310

Suite 3, 185 Gloucester St,  
The Rocks NSW 2000 Australia

**Email** [info@screenrights.org](mailto:info@screenrights.org)

**screenrights.org**

**Australia**

**Phone** +61 2 8038 1300

**New Zealand**

**Freephone** 0800 44 2348