

# Force Majeure Limited

(A Company Limited by Guarantee)

ABN 13 122 159 595

Annual Report

for the year ended 31 December 2021

# Corporate Information

ABN 13 122 159 595

## **Directors of the company**

Loretta Busby

Julieanne Campbell

Jo Dyer (Chair)

Lucy Gardoll

Stephen Gottlieb

Rani Haywood

Shauna Jarrett (Deputy Chair)

Danielle Micich

## **Registered office and principal place of business**

Carriageworks

245 Wilson Street

Eveleigh, NSW 2015

## **Auditors**

Rosenfeld Kant & Co.

Chartered Accountants

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## Directors' Report

The Directors of Force Majeure Limited present their report together with the financial statements for the financial year ended 31 December 2021 and the Independent Audit Report thereon.

### Directors

The following persons were Directors of Force Majeure Limited during or since the end of the financial year.

	Date Appointed	Date of Cessation	Board	
			A	B
Jo Dyer (Chair)	12/10/2006		5	5
Julieanne Campbell	01/01/2021		5	5
Lucy Gardoll	20/09/2021		1	1
Stephen Gottlieb	12/10/2006	31/12/2021	5	5
Rani Haywood	23/11/2020		5	5
Shauna Jarrett	07/12/2013		5	3
Danielle Micich	21/02/2015		5	5
Loretta Busby	08/05/2017		5	4

### Where

Column A is the number of meetings the Director was entitled to attend

Column B is the number of meetings the Director attended

Details of Directors' qualifications, experience and special responsibilities can be found on page 8 of this report.

### Principal activities

Force Majeure Ltd is a Sydney based dance theatre company founded by Kate Champion and led by Danielle Micich as Artistic Director and CEO. Force Majeure Ltd was formed in October 2006 and produces critically acclaimed dance theatre to explore and question contemporary culture. Using a unique blend of storytelling and movement, the company creates unforgettable theatrical experiences to reflect Australian life in all its diversity, igniting curiosity in audiences, and inspiration in artists.

A resident company at Carriageworks, Force Majeure's original and boundary-pushing productions are created through a deep sense of collaboration to form lasting and award-winning partnerships with Australia's leading artists, festivals and arts companies. As an industry leader, Force Majeure invests deeply in artist and artform development so that it sets the standard for excellence in Australia. The company does this by training and mentoring both established artists and the next generation through its INCITE program and producing new works by leading independent artists.

## Directors' Report

### Operating result

The operating result for the year is a deficit of \$(11,053).

### Review of operations

As with 2020, 2021 was a year marked by disruptions to normal levels of activity in the industry, due to the continuing COVID-19 pandemic. Despite this challenge and although there was some reduction and postponement of activities, Force Majeure delivered a relatively significant year.

We kicked off 2021 with the highly anticipated world premiere season of *The Last Season* in January, a major new work directed by Artistic Director Danielle Micich, co-commissioned by Sydney Festival and Carriageworks. Performed by a company of twenty artists and musicians onstage, the production featured our new youth company members and even with COVID restrictions, played to 3,000 audience members.

A new partnership was established with Griffin Theatre Company on the world premiere production of *Dogged*, with Danielle Micich acting as Associate Director on the production. Danielle also choreographed a Graduate Showcase for the Victorian College of the Arts.

We progressed the development of First Nations Associate Artist Ghenoa Gela's newest work, *Gurr Era Op*, in partnership with Ilbjerri Theatre Company, which included a research and cultural consultation trip to Erub Island and a two-week creative development in Sydney. Danielle Micich co-devised a new project with Irish artist Olwen Fouéré titled *Duet for the End of the World*. And a brand new work was conceived by Danielle with theatre artists Tessa Leong and Merlynn Tong. All in all, creative development of new works continued apace despite the pandemic.

Our significant support for and development of independent artists continued: the highly sought after annual INCITE intensive proceeded in a COVID-safe manner. Liesel Zink began her tenure as the company's second Associate Artist. And we delivered our annual Masterclass program in partnership with Carriageworks. Danielle Micich mentored twenty independent artists across the year.

In terms of sector advocacy and leadership, Executive Director Colm O'Callaghan continued his role on the Dance & Physical Theatre Board for the NSW Government.

### 2021-2024 Strategic Goals & KPIs:

The strategic goals of the company as outlined in the Strategic Plan are:

- To present acclaimed works that set the standard for collaborative multidisciplinary dance theatre
- To create an international hub for multidisciplinary dance theatre practice in Australia that makes space for intercultural and indigenous voices
- To expand the company's profile and audiences through long-term partnerships with like-minded organisations and artists
- To achieve financial and operational sustainability and longevity

### Key Performance Indicators for 2021

KPI	2021
3 new Artistic Director works in development or performing	<ol style="list-style-type: none"> <li>1. Presentation of <i>The Last Season</i> in Sydney Festival 2022, commissioned by Sydney Festival and Carriageworks. Danielle Micich as Director.</li> <li>2. Creative development for <i>Duet For The End Of The World</i>, co-produced by TheEmergencyRoom. Danielle Micich as Co-Creator and Director.</li> <li>3. A new worked (title TBC) seeded with Tessa Leong and Merlynn Tong. Danielle Micich as Co-Creator/Director.</li> </ol>
2 Associate Artist works in development or performing	<ol style="list-style-type: none"> <li>1. Force Majeure is co-producing Ghenoa Gela's new work <i>Gurr Era Op</i>. The third creative development and second cultural research trip to Erub took place in 2021.</li> <li>2. Liesel Zink completed seed research for a new community based intercultural work based on female led futures (no title as yet) in December 2021.</li> </ol>
7 commissioning, presenting and/or producing partners or projects	<ol style="list-style-type: none"> <li>1. Sydney Festival and Carriageworks commissioned/presented <i>The Last Season</i>.</li> <li>2. Ilbjerri Theatre Company co-producing on <i>Gurr Era Op</i>.</li> <li>3. Sydney and Brisbane Festivals commissioning the development of <i>Gurr Era Op</i> with MFI development funds.</li> </ol>

	<ol style="list-style-type: none"> <li>4. Carriageworks continue as presenting partner on all INCITE programs.</li> <li>5. Griffin Theatre co-producer/presenter on <i>Dogged</i>.</li> <li>6. The Emergency Room as co-producing partner on <i>Duet for the End of the World</i>.</li> <li>7. VCA commissioned Danielle Micich to choreograph a Graduate Showcase for their graduates.</li> </ol>
7 INCITE programs offered	<ol style="list-style-type: none"> <li>1. INCITE Revive Program</li> <li>2. INCITE Intensive</li> <li>3. INCITE Youth</li> <li>4. INCITE Masterclass</li> <li>5. INCITE Regional – Catapult Newcastle</li> <li>6. INCITE Connect Online/International</li> <li>7. INCITE Individual Mentorships</li> </ol>
95 Australian and international artists participating in INCITE programs	<ol style="list-style-type: none"> <li>1. INCITE Revive Program (11)</li> <li>2. INCITE Intensive (11)</li> <li>3. INCITE Youth (13)</li> <li>4. INCITE Masterclass (15)</li> <li>5. INCITE Regional Catapult Newcastle (10)</li> <li>6. INCITE Connect Online/International (16)</li> <li>7. INCITE Individual Mentorships (4)</li> </ol> <p>TOTAL: 80</p>
40 indigenous and/or culturally diverse artists engaging with the company	46

75 artists professionally employed	52 (reduction as a result of COVID-19 cancellations)
Total audience target of 10,000	<i>The Last Season</i> – 3,000 audience members <i>Dogged</i> – 2,000 audience members VCA Showcase – 250 audience members TOTAL: 5,250
Total audience engagement digitally of 20,000	18,158 viewers (lower output and therefore viewers due to COVID-19)
2 international collaborations/tours	International tours not possible as a result of the COVID-19 pandemic.
12% increase in social media engagement (E-news, Facebook, Instagram)	12% was achieved.
Maintain Carriageworks financial support at minimum \$30k	Surpassed through Carriageworks' commissioning and presentation of <i>The Last Season</i> and in-kind venue support of <i>Gurr Era Op</i> and INCITE.
Private donations/philanthropy income at minimum \$25k	\$23,532 (a challenge to maintain donations support for the sector during COVID-19)
Maintain reserves ratio at minimum of 20%	Ratio higher than usual at 38% as activity and expenditure were lower because of COVID-19, and the company maintained a healthy level of reserves throughout the pandemic.

### Contribution in winding up

Force Majeure Limited is incorporated under the Corporations Act 2001 and is a company limited by guarantee. In the event of the company being wound up, each member undertakes to contribute a maximum of \$100 respectively for payment of the company's liabilities. As at 31 December 2021 there were 6 members of Force Majeure Limited and the amount of capital that could be called up in the event of Force Majeure Limited being wound up is \$800 (2020: \$600).

### Auditor's independence

A copy of the auditor's independence declaration as required under section 60.40 of the Australian and Charities Commission Act 2012 is included in page 9 of this financial report and forms part of the Directors' Report.



## Directors' qualifications, experience and special responsibilities

Name of Director	Qualifications	Experience	Special responsibilities
Danielle Micich	BA Dance/Grad Dip Ed	CEO, Artistic Director, Choreographer	
Julieanne Campbell	BA Comms	Fundraising, strategy and operations, arts producer	
Jo Dyer (Chair)	BA/LLB	Theatre and film producer, Festival Director	Chair
Lucy Gardoll	B Comm (Liberal Studies), CA	Strategy & Operations, Accountant	Incoming Treasurer
Stephen Gottlieb	B Comm, LLB, LLM(Hons)	Accountant	Treasurer
Shauna Jarrett	BA(Hons)/LLB	Legal and governance	Deputy Chair
Loretta Busby	B. Dramatic Arts (NIDA)	Arts producer and Executive Director, Member Seymour Centre Artistic Advisory	
Rani Haywood	BA Comms	Arts & Cultural Marketing, Communications & Audience Development	



**Jo Dyer**  
 Chair  
 Sydney  
 27 April 2022

## Auditor's independence declaration

To the Responsible Entities of Force Majeure Limited:

In accordance with the requirements of section 60-40 of the Australian Charities and Not-for-profits Commission Act 2012, as lead auditor for the audit of Force Majeure Limited for the year ended 31 December 2021, I declare that, to the best of my knowledge and belief, there have been:

(i) no contraventions of the auditor independence requirements of the Australian Charities and Not-for-profits Commission Act 2012 in relation to the audit; and

(ii) no contraventions of any applicable code of professional conduct in relation to the audit.



**Gary Williams FCA**

Registered Company Auditor 4019

Rosenfeld Kant and Co

Bondi Junction

29 April 2022

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## Statement of surplus or deficit and other comprehensive income

for the year ended 31 December 2021

		<b>2021</b>	<b>2020</b>
	Note/ Sch	\$	\$
<b>Income</b>			
Fees and services		27,646	22,336
Audience sales	4	108,311	-
Resource income		10,461	-
Sponsorship and donations		23,531	18,008
Other income	5	6,451	3,876
Grants income	Sch 2	506,097	353,138
<b>Total Income</b>		<b>682,497</b>	<b>397,358</b>
<b>Expenditure</b>			
Wages, salaries and fees		480,720	278,266
Program costs		143,349	780
Marketing costs		28,501	19,033
Infrastructure costs		37,907	34,353
Depreciation expense		3,073	1,341
<b>Total expenditure</b>		<b>693,550</b>	<b>333,773</b>
<b>Net surplus/(deficit) for the year</b>		<b>( 11,053)</b>	<b>63,585</b>
Other comprehensive income		-	-
<b>Total comprehensive income/(loss) for the year</b>		<b>( 11,053)</b>	<b>63,585</b>

This statement of surplus or deficit and other comprehensive income should be read in conjunction with the attached notes

## Statement of financial position

as at 31 December 2021

<b>ASSETS</b>	Note	<b>2021</b>	<b>2020</b>
		\$	\$
<b>Current assets</b>			
Cash and cash equivalents	6	437,743	220,135
Trade and other receivables	7	5,651	107
Others asset	8	27,215	198,989
<b>Total current assets</b>		<b>470,609</b>	<b>419,231</b>
<b>Non-current assets</b>			
Intangible assets	9	-	-
Plant and equipment	10	7,637	10,710
<b>Total non-current assets</b>		<b>7,637</b>	<b>10,710</b>
<b>TOTAL ASSETS</b>		<b>478,246</b>	<b>429,941</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade and other payables	11	35,484	41,578
Provisions	12	3,849	8,378
Government grants	13	144,673	74,472
Income in advance	14	5,100	17,360
<b>Total current liabilities</b>		<b>189,106</b>	<b>141,788</b>
<b>Non-current assets</b>			
Provisions	12	12,040	-
<b>Total non-current assets</b>		<b>12,040</b>	-
<b>TOTAL LIABILITIES</b>		<b>201,146</b>	<b>141,788</b>
<b>NET ASSETS</b>		<b>277,100</b>	<b>288,153</b>
<b>FUNDS</b>			
Unrestricted funds		277,100	288,153
<b>Unrestricted funds</b>		<b>277,100</b>	<b>288,153</b>

This statement of financial position is to be read in conjunction with the attached notes

## Statement of changes in funds

for the year ended 31 December 2021

	<b>Unrestricted funds</b>
	\$
<i>General Funds</i>	
<b>Balance as at 1 January 2020</b>	224,568
Total comprehensive income for the year	63,585
<b>Balance as at 31 December 2020</b>	<u><b>288,153</b></u>
Total comprehensive income for the year	( 11,053)
<b>Balance as at 31 December 2021</b>	<u><u><b>277,100</b></u></u>

This statement of changes in funds should be read in conjunction with the attached notes.

## Statement of cash flows

	Note	2021 \$	2020 \$
<b>Cash flows from operating activities</b>			
Receipts from customers		161,678	31,049
Receipts from donors		23,532	18,008
Receipts from appropriations/grants		748,525	413,039
Interest received		345	4,086
Payments made to suppliers and employees		( 716,472)	( 635,572)
Net cash provided/(used) by operating activities		<b>217,607</b>	<b>( 169,390)</b>
<b>Cash flows from investing activities</b>			
Payments for plant & equipment	11	-	( 8,529)
Investment in/ proceeds from term deposits		-	250,196
Net cash used in investing activities		-	<b>241,667</b>
Net change in cash and cash equivalents		217,607	72,277
Cash and cash equivalents, beginning of year		220,135	147,858
<b>Cash and cash equivalents, end of year</b>	6	<b>437,743</b>	<b>220,135</b>

The statement of cash flows is to be read in conjunction with the attached notes.

# Notes to the financial statements

## 1 GENERAL INFORMATION AND STATEMENT OF COMPLIANCE

The financial report includes the financial statements and notes for Force Majeure Limited (the Company).

These financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and the *Australian Charities and Not-for-profits Commission Act 2012*. Force Majeure Limited is a not-for-profit entity for the purpose of preparing the financial statements.

The financial statements for the year ended 31 December 2021 were approved and authorised for issue in accordance by the Board of Directors of the company on 27 April 2022.

## 2 CHANGES IN ACCOUNTING POLICIES

### *Changes in accounting estimates*

During the current reporting period, the company changed the discount rate used in measuring its other long-term employee benefits (annual leave and long service leave) from the Australian government bond rate to the high-quality corporate bond rate. This change was necessitated by developments in the Australian business environment that confirmed there is a sufficiently observable, deep and liquid market in high quality Australian corporate bonds to satisfy the requirements in AASB 119 *Employee Benefits*.

The company made no changes to the carrying amounts of employee benefits during the current reporting period as a result of this change in accounting estimate.

## 3 SUMMARY OF ACCOUNTING POLICIES

### *3a) Overall considerations*

The significant accounting policies that have been used in the preparation of these financial statements are summarised below.

### *3b) Basis of measurement*

The financial statements have been prepared using the measurement bases specified by Australia Accounting Standards for each type of asset, liability, income and expenditure. They have been prepared on accruals basis and are based on the historical cost convention. The financial statements are presented in Australian dollars, which is the company's functional and presentation currency.



## Notes to the financial statements (continued)

### Summary of accounting policies (continued)

#### *3c) Significant accounting judgements, estimates and assumptions*

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and other various factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year or in the year of the revision and future years if the revision affects both current and future periods.

#### **Significant accounting judgments**

The company has entered into leases of premises. Management has determined that all of the risks and rewards of ownership of these premises remain with the lessor and has therefore classified the leases as operating leases.

#### **Significant accounting estimates and judgements**

The key estimates and assumptions that have a significant risk of causing material adjustment to the carrying amount of certain assets and liabilities within the next annual reporting period are:

#### *Provision for employee benefits*

Provisions for employee benefits payable after 12 months from the reporting date are based on future wage and salary levels, experience of employee departures, and periods of service, as discussed in Note 2. The amount of these provisions would change should any of the employees change in the next 12 months.

#### *3d) Revenue recognition*

Revenue is recognised when the company is legally entitled to the income and the amount can be quantified with reasonable accuracy. Revenues are recognised net of the amounts of goods and services tax (GST) payable to the Australian Taxation Office.

#### **Revenue from fundraising**

##### *Donations*

Donations are recognised as revenue when received.

#### **Interest income**

Interest income is recognised as it accrues, using the effective interest rate method.

#### **Government funding**

Grant revenue is recognised in the Statement of surplus or deficit and other comprehensive income when the company obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the company and the amount of the grant can be measured reliably.

## Notes to the financial statements (continued)

### Summary of accounting policies (continued)

#### *3d) Revenue recognition continued*

If conditions are attached to the grant which must be satisfied before it is eligible to receive the contribution, the recognition of the grant as revenue will be deferred until those conditions are met.

When grant revenue is received whereby the company incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction, and the grant revenue is recognised in the Statement of Financial Position as a liability until the service has been delivered to the contributor.

Revenue from a non-reciprocal grant that is not subject to conditions is recognised when the company obtains control of the funds, economic benefits are probable and the amount can be measured reliably. Where a grant may be required to be repaid if certain conditions are not satisfied, a liability is recognised at year end to the extent that conditions remain unsatisfied.

#### **Asset sales**

The surplus or deficit on disposal of all non-current assets is determined as the difference between the carrying amount of the asset at the time of the disposal and the net proceeds on disposal.

#### *3e) Expenditure*

Operating expenses are recognised in the statement of surplus or deficit and other comprehensive income upon utilisation of the service or at the date of their origin.

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to a particular category they have been allocated to activities on a basis consistent with the use of resources.

#### *3f) Cash and cash equivalent*

Cash and cash equivalents comprise cash on hand and demand deposits, together with other short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

#### *3g) Trade and other receivables*

Trade receivables are recognised and carried at original invoice amount less an allowance for any uncollectible amounts. Normal terms of settlement vary from seven to 90 days. The carrying amount of the receivable is deemed to reflect fair value.

An allowance for doubtful receivables is made when there is objective evidence that the company will not be able to collect the receivables. Bad receivables are written off when identified.

## Notes to the financial statements (continued)

### Summary of accounting policies (continued)

#### 3h) *Plant and equipment*

Plant and other equipment (comprising fittings and furniture) are initially recognised at acquisition cost or manufacturing cost, including any costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by the company's management.

Plant and equipment is stated at cost less accumulated depreciation and any accumulated impairment losses.

Any plant and equipment donated to the company or acquired for nominal cost is recognised at fair value at the date the company obtains control of the assets.

#### *Depreciation*

Items of plant and equipment are depreciated over their useful lives to the company commencing from the time the asset is held ready for use. Depreciation is calculated on a straight line basis over the expected useful economic lives of the assets as follows:

	2021 %pa	2020 %pa
Office equipment	20-33	20-33
Improvements	10	10

#### *Impairment*

The carrying values of plant and equipment are reviewed for impairment at each reporting date, with the recoverable amount being estimated when events or changes in circumstances indicate that the carrying value may be impaired.

The recoverable amount of plant and equipment is the higher of fair value less costs to sell and value in use. Depreciated replacement cost is used to determine value in use. Depreciated replacement cost is the current replacement cost of an item of plant and equipment less, where applicable, accumulated depreciation to date, calculated on the basis of such cost.

Impairment exists when the carrying value of an asset exceeds its estimated recoverable amount. The asset is then written down to its recoverable amount. For plant and equipment, impairment losses are recognised in the Statement of surplus or deficit and other comprehensive Income.

#### *Derecognition and disposal*

An item of property, plant and equipment is derecognised upon disposal, when the item is no longer used in the operations of the company or when it has no sale value. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in surplus or deficit in the year the asset is derecognised.

Any part of the asset revaluation reserve attributable to the asset disposed of or derecognised is transferred to general funds at the date of disposal.

## Notes to the financial statements (continued)

### Summary of accounting policies (continued)

#### *3j) Intangible assets*

##### *Acquired intangible assets*

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and install the specific software.

##### *Subsequent measurement*

All intangible assets are accounted for using the cost model whereby capitalised costs are amortised on a straight-line basis over their estimated useful lives, as these assets are considered finite. Residual values and useful lives are reviewed at each reporting date. In addition, they are subject to impairment testing as described in Note 3h. The website development costs are amortised over a useful life of 3 years.

Amortisation has been included within depreciation and amortisation.

Subsequent expenditures on the maintenance of computer software and brand names are expensed as incurred.

When an intangible asset is disposed of, the gain or loss on disposal is determined as the difference between the proceeds and the carrying amount of the asset, and is recognised in profit or loss within other income or other expenses.

#### *3j) Trade creditors and other payables*

These amounts represent liabilities for goods and services provided to the company prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. The notional amount of the payables is deemed to reflect fair value.

#### *3k) Deferred income*

The liability for deferred income is the unutilised amounts of grants received on the condition that specified services are delivered or conditions are fulfilled. The services are usually provided or the conditions usually fulfilled within 12 months of receipt of the grant. Where the amount received is in respect of services to be provided over a period that exceeds 12 months after the reporting date, or the conditions will only be satisfied more than 12 months after the reporting date, the liability is discounted and presented as non-current.

#### *3l) Employee benefits*

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and long service leave where it is probable that settlement will be required and they are capable of being measured reliably.

Liabilities recognised in respect of short-term employee benefits are measured at their nominal values using the remuneration rate expected to apply at the time of settlement.

## Notes to the financial statements (continued)

### Summary of accounting policies (continued)

#### *3l) Employee entitlements (continued)*

Liabilities recognised in respect of long term employee benefits are measured as the present value of the estimated future cash outflows to be made by the company in respect of services provided by the employees up to the reporting date.

#### *3m) Financial assets*

##### *Recognition, initial measurement and derecognition*

Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions of the financial instrument, and are measured initially at fair value adjusted by transactions costs, except for those carried at fair value through profit or loss, which are initially measured at fair value. Subsequent measurement of financial assets and financial liabilities are described below.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

##### *HTM investments*

HTM investments are non-derivative financial assets with fixed or determinable payments and fixed maturity other than loans and receivables. Investments are classified as HTM if the company has the intention and ability to hold them until maturity. The company held long term deposits designated into this category in 2019.

#### *3n) Income Tax*

No provision for income tax has been raised as the company is exempt.

#### *3o) Goods and services tax (GST)*

Revenues, expenses and assets are recognised net of the amount of GST except where the amount of GST incurred is not recoverable from the Australian Taxation Office, in which case it is recognised as part of the cost of acquisition of an asset or as part of an item of expense.

Receivables and payables are shown in the Statement of financial position inclusive of GST.

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

Cash flows are included in the statement of cash flows on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from or payable to the Australian Taxation Office is classified as operating cash flows.

## Notes to the financial statements (continued)

### Summary of accounting policies (continued)

#### *3p) Economic dependence and going concern*

The company is dependent upon the ongoing receipt of Federal and State Government grants and community and corporate donations to ensure the ongoing continuance of its programs. At the date of this report management has no reason to believe that this financial support will not continue.

The financial report has been prepared on a going concern basis, which contemplates continuity of normal trading activities and the realisation of assets and settlement of liabilities in the normal course of business. The company's continued existence is ultimately dependent upon the success of future productions and government support.

If the company is unable to continue as a going concern it may be required to realise its assets and extinguish its liabilities other than in the normal course of business and in amounts different from those stated in the financial report.

At the date of the report, the company has received notification that 2021 grant funding has been approved and it is expected the company will be able to continue in its normal capacity.

## Notes to the financial statements (continued)

	2021	2020
	\$	\$
<b>4 Audience sales</b>		
Box office revenue	-	-
Performance fees	78,311	-
Contract & co-Production fees	30,000	-
	<b>108,311</b>	<b>-</b>
<b>5 Other income</b>		
Bank interest	345	3,876
Reimbursements and recoveries	6,106	-
	<b>6,451</b>	<b>3,876</b>
<b>6 Cash and cash equivalents</b>		
Cash at bank and on hand	41,641	34,039
Cash on deposit	396,102	186,096
	<b>437,743</b>	<b>220,135</b>
<b>7 Trade and other receivables</b>		
Trade receivables	5,651	-
Other receivables	-	107
	<b>5,651</b>	<b>107</b>
<b>8 Other assets</b>		
<i>Current</i>		
Prepayments and deferred expenditure	27,215	198,989
	<b>27,215</b>	<b>198,989</b>

## Notes to the financial statements (continued)

	<b>2021</b>	<b>2020</b>
	\$	\$
<b>9 Intangible asset</b>		
Website development - at cost	15,649	15,649
Accumulated amortisation	( 15,649)	( 15,649)
<b>Total intangible assets</b>	<u><u>-</u></u>	<u><u>-</u></u>

### Reconciliation

Reconciliations of the carrying amount of intangibles at the end of the period:

Carrying amount at 1 January	-	-
Amortisation	-	-
<b>Carrying amount at 31 December</b>	<u><u>-</u></u>	<u><u>-</u></u>

## 10 Plant and equipment

Plant and equipment - at cost	27,201	27,201
Accumulated depreciation	( 19,564)	( 16,491)
<b>Total plant and equipment</b>	<u><u>7,637</u></u>	<u><u>10,710</u></u>

### Reconciliation

Reconciliations of the carrying amount of plant and equipment at the end of the year:

Carrying amount at 1 January	10,710	3,522
Additions	-	8,529
Disposals	-	( 5,795)
Depreciation charge for the year	( 3,073)	( 1,342)
Depreciation - disposals	-	5,795
<b>Carrying amount at 31 December</b>	<u><u>7,637</u></u>	<u><u>10,710</u></u>



## Notes to the financial statements (continued)

	Sch	2021	2020
		\$	\$
<b>11 Trade and other payables</b>			
Trade creditors		2,406	10,584
PAYG payable		7,086	16,499
Superannuation payable		11,499	12,624
Net GST payable		7,266	( 6,483)
Sundry creditors and accruals		7,227	8,354
		<b>35,484</b>	<b>41,578</b>
<b>12 Provisions</b>			
<i>Current</i>			
Provision for annual leave		3,849	8,378
		<b>3,849</b>	<b>8,378</b>
<i>Non-current</i>			
Provision for long service leave		12,040	-
		<b>12,040</b>	-
<b>13 Government grants</b>			
Grants received in advance	Sch 2	135,227	20,000
Auspiced grants liability	Sch 2	9,446	54,472
		<b>144,673</b>	<b>74,472</b>
<b>14 Other liabilities</b>			
<i>Current</i>			
Workshop fees in advance		5,100	17,360
		<b>5,100</b>	<b>17,360</b>

## Notes to the financial statements (continued)

### 15 Related party transactions

The company's related party transactions include its key management personnel and related entities as described below.

Unless otherwise stated, none of the transactions incorporate special terms and conditions and no guarantees were given or received. Outstanding balances are usually settled in cash.

#### Transactions with related entities

The Directors act in an honorary capacity and receive no compensation for their services. Where legal services have been provided by a Director, these services were provided on a pro-bono basis and no remuneration was received.

Other related parties include close family members of key management personnel and entities that are controlled or jointly controlled by those key management personnel individually or collectively with their close family members.

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other persons unless otherwise stated.

During the year payments of \$8,995 were made to related parties. These services were performed under normal commercial terms and conditions. No amounts are payable or receivable from a Director or Director related entities at the reporting date.

#### Transactions with key management personnel

Key management of the company is the CEO, Executive Producer and non-executive members of the Board of Directors. Key management personnel remuneration includes is as follows:

	<b>2021</b>	<b>2020</b>
	\$	\$
Total key management personnel remuneration	193,574	190,477

### 16 Contingent Liabilities

There are no contingent liabilities that have been incurred by the Company in relation to 2020 or 2019.

### 17 Post reporting date events

No adjusting or significant non-adjusting events have occurred between the reporting date and the date of authorisation.

## Notes to the financial statements (continued)

### 18 Member's guarantee

Force Majeure Limited is incorporated under the Corporations Act 2001 and is a Company limited by guarantee. In the event of the company being wound up, each member undertakes to contribute a maximum of \$100 respectively for payment of the company's liabilities. As at 31 December 2021, the total amount that members of the Company are liable to contribute if the Company wound up is \$800 (2020: \$600).

## Directors' declaration

The Directors declare that in the responsible persons' opinion:

- there are reasonable grounds to believe that the registered entity is able to pay all of its debts, as and when they become due and payable; and
- the financial statements and notes satisfy the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.

Signed in accordance with subsection 60.15(2) of the *Australian Charities and Not-for-profit Commission Regulation 2013*.



Jo Dyer  
Chair  
Sydney  
27 April 2022

## Independent Audit Report to the members of Force Majeure Limited

### Report on the Audit of the Financial Report

#### Opinion

We have audited the financial report of Force Majeure Limited (the Company), 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 declaration by those charged with governance.

In our opinion, the accompanying financial report presents fairly, in all material respects, including:

- (i) giving a true and fair view of the Company's financial position as at 31 December 2021 and of its financial performance for the year ended; and
- (ii) complying with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*.

#### 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 Company in accordance with the auditor independence requirements of Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012* and 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.

## Responsibilities of Management and Those Charged with Governance

Management is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012* and for such internal control as management determines 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, management is responsible for assessing the Company'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 the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

## Auditor's Responsibilities for the Audit of the Financial Report

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



**Gary Williams FCA**  
Registered Company Auditor 4019  
Rosenfeld Kant & Co

Bondi Junction  
29 April 2022

## Additional financial information

### DISCLAIMER

The additional financial data presented on pages 31 to 32 are in accordance with the books and records of the company which have been subjected to the auditing procedures applied in my statutory audit of the company for the year ended 31 December 2021. It will be appreciated that my statutory audit did not cover all details of the additional financial information. Accordingly, I do not express an opinion on such financial information and no warranty of accuracy or reliability is given.

In accordance with my firm's policy, I advise that neither the firm nor any member or employee of the firm undertakes responsibility arising in any way whatsoever to any person (other than the company) in respect of such information, including any errors or omissions therein, arising through negligence or otherwise however caused.



**Gary Williams FCA**

Registered Company Auditor 4019  
Rosenfeld Kant & Co

Bondi Junction  
29 April 2022

## Additional Financial Information

2021	Ref	Admin	Last season	Associates	Creative Developments	Gurr Era Op	Incite	Total Company	Gurr Era Op	Total Auspiced	TOTAL
<b>Income</b>											
Earned income		47,328	118,922	5,650	-	-	4,500	176,400	-	-	176,400
Grants and subsidies	Sch 2	453,364	-	-	-	32,733	20,000	506,097	45,027	45,027	551,124
Total income		500,692	118,922	5,650	-	32,733	24,500	682,497	45,027	45,027	727,524
<b>Expense</b>											
Salaries, wages and fees		272,131	146,454	19,756	12,222	21,863	8,294	480,720	14,359	14,359	495,079
Production expenses		1,455	110,828	5,754	9,965	10,870	4,477	143,349	30,668	30,668	174,017
Marketing and promotions		15,828	9,873	-	1,800	-	1,000	28,501	-	-	28,501
Infrastructure costs		40,696	264	-	20	-	-	40,980	-	-	40,980
Total expense		330,110	267,419	25,510	24,007	32,733	13,771	693,550	45,027	45,027	738,577
<b>Net surplus / (deficit)</b>		<b>170,582</b>	<b>(148,497)</b>	<b>(19,860)</b>	<b>(24,007)</b>	<b>-</b>	<b>10,729</b>	<b>(11,053)</b>	<b>-</b>	<b>-</b>	<b>(11,053)</b>



## Additional Financial Information

<b>2021 Subsidies &amp; Grants</b>		Grants in advance	Total grants received	Grants applied	Grants repaid	Grants in advance
<i>Funding Body</i>	<i>Project</i>	<b>2020</b>	<b>2021</b>			<b>2021</b>
City of Sydney	Incite Covid grant	20,000	-	20,000	-	-
Create NSW	2021 quadrennial grant	-	150,000	150,000	-	-
Create NSW	2022 quadrennial grant	-	105,000	-	-	105,000
Australia Council	2021 quadrennial grant	-	245,000	245,000	-	-
Major Festivals Initiative	Gurr Era Op development grant	-	62,960	32,733	-	30,227
Australian Government	Jobkeeper Covid support grant	-	12,000	12,000	-	-
NSW Government	Jobsaver Covid support grant	-	35,864	35,864	-	-
NSW Government	NSW Small Business Grant	-	10,500	10,500	-	-
<b>TOTAL subsidies &amp; grants</b>		<b>20,000</b>	<b>621,324</b>	<b>506,097</b>	<b>-</b>	<b>135,227</b>
<b>Auspiced grants</b>						
Australia Council	Gurr Era Op development grant	29,000	-	29,000	-	-
Create NSW	Gurr Era Op development grant	25,472	-	16,027	-	9,446
<b>TOTAL Auspiced subsidies &amp; grants</b>		<b>54,472</b>	<b>-</b>	<b>45,027</b>	<b>-</b>	<b>9,446</b>
<b>TOTAL Subsidies &amp; grants</b>		<b>74,472</b>	<b>621,324</b>	<b>551,124</b>	<b>-</b>	<b>144,673</b>