

**AUSTRALIAN FILM, TELEVISION
AND RADIO SCHOOL**

AUSTRALIAN FILM, TELEVISION AND RADIO SCHOOL

Section 1: Overview, appropriations and budget measures summary

OVERVIEW

The Australian Film Television and Radio School (AFTRS) is the national advanced-level training institution for the film and broadcast industries. It provides advanced education and training in program making for the Australian broadcast media industries which will enhance the Australian cultural identity. It is the only fully post graduate specialist academy in the field in Australia and provides postgraduate and advanced skills training. It value-adds at all levels of industry by new training, re-training and staff interface with industry. It provides opportunities for students to acquire and demonstrate skills of an internationally recognised standard.

The Agency acts in partnership with other levels of Government, industry and community organisations to enhance skills and promote the expression of a national identity in broadcasting.

APPROPRIATIONS AND RESOURCING

The total appropriation for the AFTRS in the 2004-05 Budget is \$17.018m, including an equity injection of \$0.002m.

Australian Film, Television and Radio School – appropriations 2004-05
Table 1.1: Appropriations and other revenue ('000)

| Outcome | Departmental (price of outputs) ('000) | | | Administered ('000) | | | Total | |
|-------------------------------|------------------------------------------|-------------------------------------------|---------------------------------|--------------------------------|------------------------------|-----------------------------------|-------------------------|---------------|
| | Revenue from Government (appropriations) | Revenue from other sources ⁽⁴⁾ | Price of outputs ⁽³⁾ | Annual appropriations (\$'000) | Special appropriations | Total administered appropriations | | |
| | Bill No. 1 | Special approps | Total | Bill No. 1 | Bill No. 2 | | | |
| | (A) | (B) | (C = A+B) | (F) | (SPPs & NAOs) ⁽²⁾ | (G) | (H) (I = F+G+H) (J=C+I) | |
| 1. Enhanced cultural identity | 17,016 | - | 17,016 | 19,442 | - | - | 17,016 | |
| | | | (E1) ⁽¹⁾ | | | | | |
| | | | 19,442 | | | | | |
| | | | 87.5% | | | | | |
| Total | 17,016 | - | 17,016 | 19,442 | - | - | 17,016 | |
| | Departmental capital (equity injections) | | | | | | | 2 |
| | Administered capital | | | | | | | - |
| | Total appropriations | | | | | | | 17,018 |

1. Cells C1 and E1 refer to information provided in Total Resources for Outcome tables.

2. Under the appropriation structure, Bill No. 2 includes Specific Purpose Payments (SPPs), new agency Outcomes (NAOs), administered capital and departmental capital via departmental injections and loans.

3. Refer to Budgeted Statement of Financial Performance for application of agency revenue.

4. Revenue from other sources includes other revenue from government (for example, resources free of charge) and revenue from other sources (for example, sales of goods and services by agencies such as the Australian Bureau of Statistics (ABS) or the Australian Broadcasting Corporation (ABC)). Non-appropriated departmental and administered revenues are details in Table 1.3.

Note: Percentage figures indicate the percentage contribution of Revenue from Government (Departmental Appropriations) to the Total Price of Outputs, by outcome.

Table 1.3: Revenue from independent sources & Administered capital and departmental equity injections and loans

REVENUE FROM INDEPENDENT SOURCES

Table 1.3: Revenue from independent sources

| | Estimated revenue 2003-04 \$'000 | Estimated revenue 2004-05 \$'000 |
|---------------------------------|-------------------------------------------|-------------------------------------------|
| Departmental revenues | | |
| Sale of Goods and Services | 1,695 | 2,033 |
| Interest | 180 | 183 |
| Other non appropriation revenue | 195 | 210 |
| Total estimated revenue | 2,070 | 2,426 |

ADMINISTERED CAPITAL AND DEPARTMENTAL EQUITY INJECTIONS AND LOANS

The AFTRS will receive a non repayable equity injection of \$0.002m in Appropriation Bill (No2) to fund capital purchases required as a consequence of the implementation of the Budget Economic Framework Review recommendations.

Section 2: Outcomes and outputs information

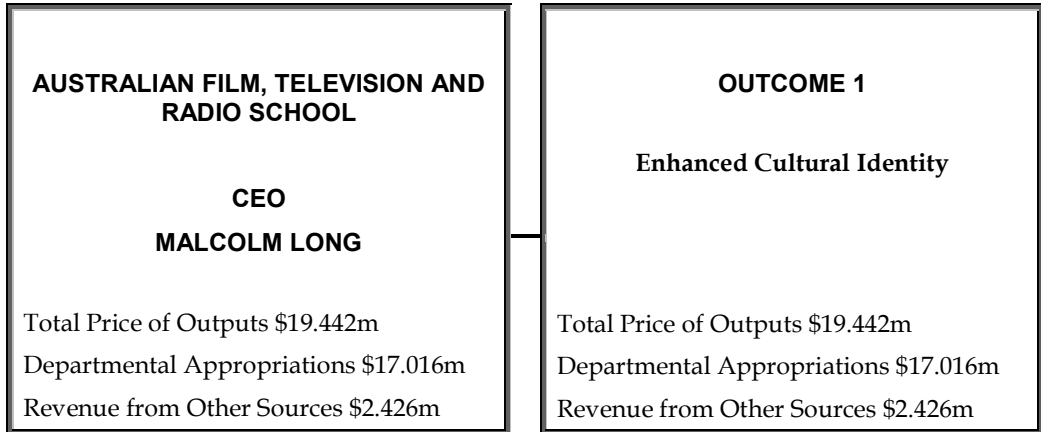
OUTCOMES AND OUTPUT GROUPS

The AFTRS works to achieving the outcomes specified by Government. The following section provides an agency overview, and then each outcome is discussed in turn. The map on the following page shows the relationship between the outcomes.

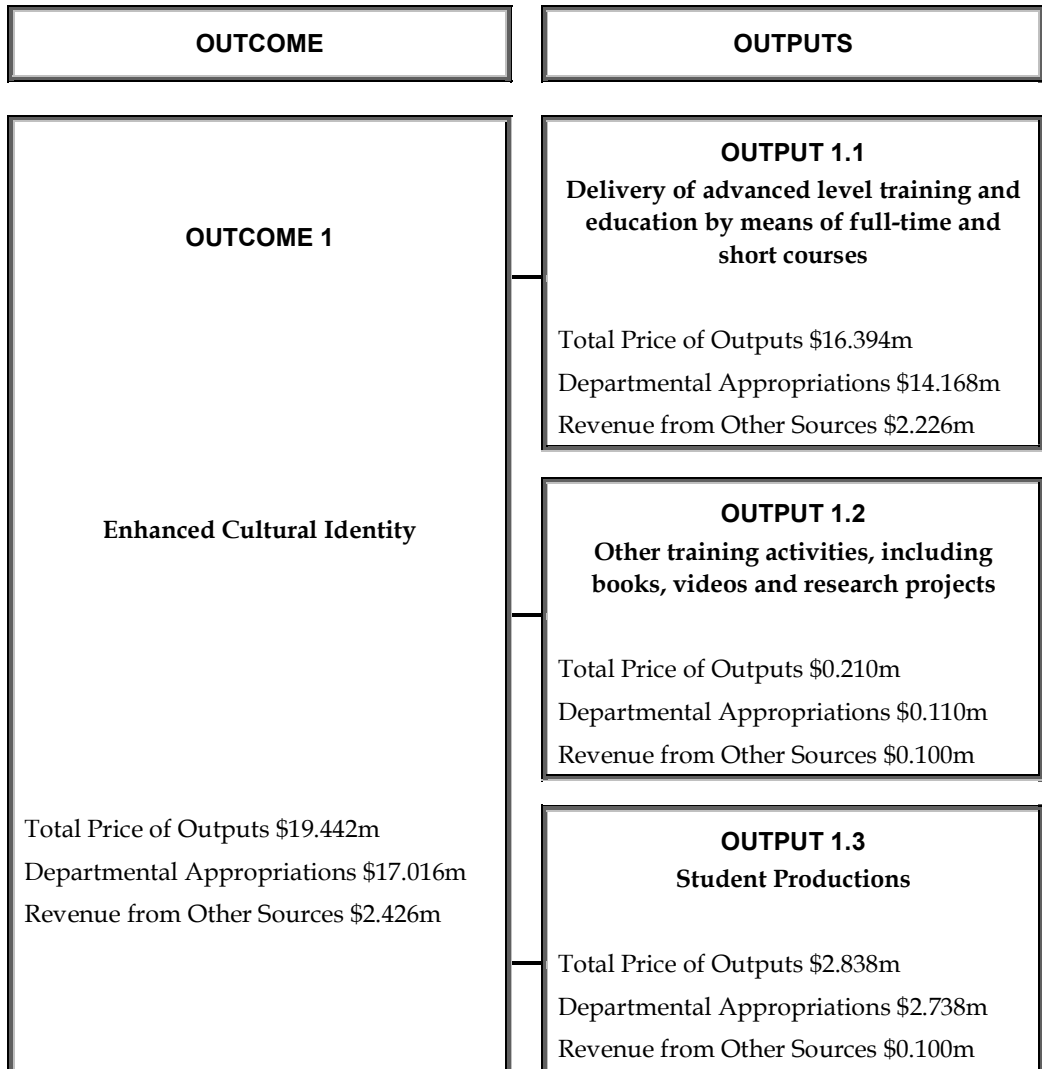
Output cost attribution

The AFTRS Financial Management Information System applies direct costs against individual activities. The activities are matched to the appropriate output. Where indirect costs can be attributed to a single output, they are applied against the output. Non-directly attributable costs are applied against outputs on an estimate of consumption basis.

Map 1: Outcome structure



Map 2.1: Outcome 1 – contributing outputs



Note: Revenue from Government (Appropriations) contributes 87.5% to the Total Price of Outputs for Outcome 1.

CHANGES TO OUTCOMES AND OUTPUTS

There have been no changes to the AFTRS’s outcome and outputs structure since the 2003-04 Budget.

OUTCOME 1 — DESCRIPTION

Enhanced cultural identity

To contribute to the achievement of an enhanced Australian cultural identity:

- Achieved through advanced education and training in program making for the Australian broadcast media industries; and
- Produce industry professionals who have the appropriate skills for the making of film, television and radio programs for the Australian and international community which articulate the Australian cultural identity and aspirations, and which are diverse, rich and innovative.

The AFTRS conducts advanced-level training for program makers in the broadcast media industries. This training has two main facets:

- Training industry experienced people for high level entry into the film and broadcast industries achieved through full time and extended part time courses; and
- Up-skilling and fine-tuning the skills and abilities of those people already operating at a high level in the industry through the provision of short courses and seminars.

The AFTRS offers full-time postgraduate courses of a one-year Graduate Diploma of Arts, a second year Master of Arts, and selected research students are offered a third year Master of Arts (Hons) course. A range of over 100 short courses and seminars are also offered throughout the year. Additionally a Commercial Radio full-time course is offered leading to a Graduate Diploma, together with a number of radio short courses. The full-time post graduate program offers specialisations in Cinematography, Design, Documentary, Sound, Scriptwriting, Editing, Directing, Producing, Digital Media, Television, Radio and Screen Studies.

Since its inception, AFTRS has produced over 1,000 graduates and approximately 50,000 industry practitioners have participated in short courses and seminars.

The AFTRS also provides other ancillary training and research services in the form of publications, textbooks, training videos, and library facilities.

As part of the training of students the AFTRS also produce a large number of short films each year. These films are shown nationally and internationally and have received critical acclaim at a number of film festivals, and a nomination at the 2003 Academy Awards.

MEASURES AFFECTING OUTCOME 1

There are no measures affecting Outcome 1 for AFTRS.

OUTCOME 1 — RESOURCING

Table 2.1.1 shows how the 2004-05 Budget appropriations translate to total resourcing for Outcome 1, including administered expenses, revenue from government (appropriation), revenue from other sources, and the total price of outputs. Cell references **C1** and **E1** show the links back to Table 1.1 (the Appropriations and Other Revenue Table for the AFTRS).

Table 2.1.1: Total resources for Outcome 1 (\$'000)

| | Estimated actual 2003-04 \$'000 | Budget estimate 2004-05 \$'000 | |
|------------------------------------------------------------------------------------------------------|------------------------------------------|-----------------------------------------|------|
| Departmental appropriations | | | |
| Output 1.1 Delivery of advanced level training and education by means of full-time and short courses | 13,089 | 14,168 | |
| Output 1.2 Other training activities, including books, videos and research projects | 220 | 110 | |
| Output 1.3 Student Productions | 2,738 | 2,738 | |
| Total revenue from government (appropriations) | 16,047 | 17,016 | |
| <i>Contributing to price of departmental outputs</i> | 88.6% | 87.5% | (C1) |
| Revenue from other sources | | | |
| Output 1.1 Delivery of advanced level training and education by means of full-time and short courses | 1,765 | 2,226 | |
| Output 1.2 Other training activities, including books, videos and research projects | 205 | 100 | |
| Output 1.3 Student Productions | 100 | 100 | |
| Total revenue from other sources | 2,070 | 2,426 | |
| Total price from departmental outputs | | | |
| <i>(Total revenue from government and from other sources)</i> | 18,117 | 19,442 | (E1) |
| | 2003-04 | 2004-05 | |
| Average staffing level (number) | 145 | 148 | |

OUTCOME 1 — CONTRIBUTION OF OUTPUTS

Output 1.1 - Delivery of advanced level training and education by means of full-time and short courses

The AFTRS offers full time postgraduate level courses at:

- Graduate Diploma of Arts
- Master of Arts
- Master of Arts (Hons)

The full-time post graduate program offers specialisations in:

- Cinematography
- Design
- Documentary
- Digital Media
- Directing
- Editing
- Producing
- Radio
- Scriptwriting
- Screen Studies
- Sound
- Television

A range of over 200 short courses and seminars are also offered throughout the year.

Output 1.2 – Other training activities, including books, videos and research projects

The AFTRS also provides other ancillary training and research services in the form of:

Publications

Textbooks

Training videos

Library services

Academic Research Projects

Output 1.3 – Student Productions

AFTRS students produce a large number of short films each year. The films are shown throughout Australia as well as being entered in a number of international film festivals. These productions frequently receive international and domestic acclaim.

Table 2.2.1: Performance information for Outcome 1

PERFORMANCE INFORMATION FOR OUTCOME 1

Table 2.2.1: Performance information for Outcome 1

| Effectiveness - Overall achievement of the Outcome | |
|-------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Indicator 1 | |
| Increased professionalism and knowledge growth in Australia's program makers. | Increase in quality of applicants for post graduate courses Increase in applications and attendances at short courses |
| Indicator 2 | |
| High employment rates for graduates | Maintenance of current high employment rate of the AFTRS graduates |
| Performance Information for Departmental Output 1.1 | |
| Delivery of advanced level training and education by means of full-time and short courses | Quality Increased quality of applications requiring raised entry standards Quantity Applications to full time courses to exceed 400 Attendance at short courses to exceed 4,000 participants Course revenues to increase by greater than the CPI Price \$16.394m |
| Performance Information for Departmental Output 1.2 | |
| Other training activities including, books, videos and research projects | Quality The reputation of publications and textbooks maintained and recognised by distributions through major Australian & international publishers Quantity Costs to be maintained at same levels as 2000-01 reflecting Government's productivity gains requirements Additional industry partnerships to be undertaken Income increase of 2% Price \$0.210m |
| Performance Information for Departmental Output 1.3 | |
| Student Productions | Quality Increased representation of films at Australian and major international festivals Quantity Maintenance of current production targets. Price \$2.838m |

EVALUATIONS

AFTRS monitors its outputs by evaluating customer satisfaction with service provided, conducting ongoing research into industry needs and exit surveys of all graduating students.

Section 3: Budgeted financial statements

ANALYSIS OF BUDGETED FINANCIAL STATEMENTS

Departmental

Statement of Financial Position

Increases in Government Revenues represent an agreed cost of services increase less an allowance of 1% for efficiency dividends and additional funding for increased building depreciation as a consequence of revaluations required by Accounting Standards. Sale of Goods and Services have risen by an amount projected to represent increasing consumer demand. Interest earnings have increased due to anticipated interest rate rises, and increased cash holdings for replacement of Long Lived Assets.

Changes in Employee Expenses represent increased remunerations expected in the 20042 Enterprise Agreement and increased on-costs for superannuation and workers compensation insurance.

Changes in Supplier Expenses represent anticipated costs of conducting activities in future years.

Statement of Financial Performance

This statement provides a picture of the expected financial results for the AFTRS by identifying full accrual expenses and accrual revenues which highlights whether the AFTRS is operating at a sustainable level.

Statement of Cash Flows

The increase in cash reserves is the accumulation of funds for the replacement of major long-lived assets.

BUDGETED FINANCIAL STATEMENTS

Departmental financial statements

Budgeted Departmental Statement of Financial Performance (Operating Statement)

This statement provides a picture of the expected financial results for the AFTRS by identifying full accrual expenses and accrual revenues which highlights whether the AFTRS is operating at a sustainable level.

Budgeted Departmental Statement of Financial Position (Balance Sheet)

This statement shows the financial position of the AFTRS. It helps decision-makers to track the management of the AFTRS's assets and liabilities.

Budgeted Departmental Statement of Cash Flows

Budgeted cash flows, as reflected in the statement of cash flows, provides important information on the extent and nature of cash flows by categorising them into expected cash flows from operating activities, investing activities and financing activities.

Departmental Capital Budget Statements

Shows all planned departmental capital expenditure (capital expenditure on non-financial assets), whether funded either through capital appropriations for additional equity or borrowings, or from funds from internal sources.

Departmental Non Financial Assets — Summary of Movement

Shows budgeted acquisitions and disposals of non-financial assets during the budget year.

Table 3.1: Departmental statement of financial performance

**Table 3.1: Budgeted departmental statement of financial performance
for the period ended 30 June**

| | Estimated actual 2003-04 \$'000 | Budget estimate 2004-05 \$'000 | Forward estimate 2005-06 \$'000 | Forward estimate 2006-07 \$'000 | Forward estimate 2007-08 \$'000 |
|----------------------------------------------------------------------------------------------------------|------------------------------------------|-----------------------------------------|------------------------------------------|------------------------------------------|------------------------------------------|
| Revenues from ordinary activities | | | | | |
| Revenue from Government | 16,047 | 17,016 | 16,691 | 17,002 | 17,056 |
| Goods and Services | 1,695 | 2,033 | 2,047 | 2,059 | 2,187 |
| Interest | 180 | 183 | 191 | 197 | 205 |
| Dividends | - | - | - | - | - |
| Revenue from sales of assets | - | - | - | - | - |
| Net foreign exchange gains | - | - | - | - | - |
| Other | 195 | 210 | 230 | 250 | 260 |
| Revenues from ordinary activities | 18,117 | 19,442 | 19,159 | 19,508 | 19,708 |
| Expenses from ordinary activities (excluding borrowing costs expense) | | | | | |
| Employees | 10,020 | 10,279 | 10,408 | 10,579 | 10,679 |
| Suppliers | 5,602 | 6,688 | 6,276 | 6,454 | 6,554 |
| Grants | - | - | - | - | - |
| Subsidies | - | - | - | - | - |
| Depreciation and amortisation | 2,425 | 2,475 | 2,475 | 2,475 | 2,475 |
| Write-down of assets | - | - | - | - | - |
| Value of assets sold | - | - | - | - | - |
| Net foreign exchange losses | - | - | - | - | - |
| Other | - | - | - | - | - |
| Expenses from ordinary activities (excluding borrowing costs expense) | 18,047 | 19,442 | 19,159 | 19,508 | 19,708 |
| Borrowing cost expense | - | - | - | - | - |
| Share of net profits/losses of associates and joint ventures accounted for using the equity method | - | - | - | - | - |
| Correction of fundamental error | - | - | - | - | - |
| Operating surplus or deficit from ordinary activities | 70 | - | - | - | - |
| Gain or loss on extraordinary items | - | - | - | - | - |
| Correction of fundamental error | - | - | - | - | - |
| Net surplus or deficit attributable to Commonwealth | 70 | - | - | - | - |

**Table 3.2: Budget departmental statement of financial position
as at 30 June**

| | Estimated actual 2003-04 \$'000 | Budget estimate 2004-05 \$'000 | Forward estimate 2005-06 \$'000 | Forward estimate 2006-07 \$'000 | Forward estimate 2007-08 \$'000 |
|------------------------------------------------------|------------------------------------------|-----------------------------------------|------------------------------------------|------------------------------------------|------------------------------------------|
| ASSETS | | | | | |
| Financial assets | | | | | |
| Cash | 4,546 | 4,197 | 4,714 | 5,385 | 5,906 |
| Receivables | 466 | 471 | 472 | 476 | 480 |
| Investments accounted for under the equity method | - | - | - | - | - |
| Other investments | - | - | - | - | - |
| Accrued revenues | - | - | - | - | - |
| Other | - | - | - | - | - |
| Total financial assets | 5,012 | 4,668 | 5,186 | 5,861 | 6,386 |
| Non-financial assets | | | | | |
| Land and buildings | 30,730 | 30,795 | 36,260 | 35,725 | 35,340 |
| Infrastructure, plant and equipment | 4,843 | 4,803 | 4,863 | 4,823 | 4,783 |
| Heritage and cultural assets | - | - | - | - | - |
| Inventories | 103 | 103 | 103 | 103 | 103 |
| Intangibles | - | - | - | - | - |
| Other | 194 | 194 | 194 | 194 | 194 |
| Total non-financial assets | 35,870 | 35,895 | 41,420 | 40,845 | 40,420 |
| Total assets | 40,882 | 40,563 | 46,606 | 46,706 | 46,806 |
| LIABILITIES | | | | | |
| Interest bearing liabilities | | | | | |
| Loans | - | - | - | - | - |
| Leases | - | - | - | - | - |
| Deposits | - | - | - | - | - |
| Overdrafts | - | - | - | - | - |
| Other | - | - | - | - | - |
| Total interest bearing liabilities | - | - | - | - | - |
| Provisions | | | | | |
| Employees | 1,705 | 1,372 | 1,434 | 1,512 | 1,590 |
| Capital Use Charge | - | - | - | - | - |
| Other | - | - | - | - | - |
| Total provisions | 1,705 | 1,372 | 1,434 | 1,512 | 1,590 |
| Payables | | | | | |
| Suppliers | 691 | 703 | 684 | 706 | 728 |
| Grants | - | - | - | - | - |
| Dividends | - | - | - | - | - |
| Borrowing costs | - | - | - | - | - |
| Other | 324 | 324 | 324 | 324 | 324 |
| Total payables | 1,015 | 1,027 | 1,008 | 1,030 | 1,052 |
| Total liabilities | 2,720 | 2,399 | 2,442 | 2,542 | 2,642 |

Table 3.2: Departments statement of financial position (continued)

**Table 3.2: Budget departmental statement of financial position
as at 30 June (continued)**

| | Estimated actual 2003-04 \$'000 | Budget estimate 2004-05 \$'000 | Forward estimate 2005-06 \$'000 | Forward estimate 2006-07 \$'000 | Forward estimate 2007-08 \$'000 |
|-----------------------------------------------|------------------------------------------|-----------------------------------------|------------------------------------------|------------------------------------------|------------------------------------------|
| EQUITY | | | | | |
| Parent equity interest | | | | | |
| Contributed equity | 3 | 5 | 5 | 5 | 5 |
| Reserves | 18,601 | 18,601 | 24,601 | 24,601 | 24,601 |
| Statutory funds | - | - | - | - | - |
| Retained surpluses or accumulated deficits | 19,558 | 19,558 | 19,558 | 19,558 | 19,558 |
| Total parent equity interest | 38,162 | 38,164 | 44,164 | 44,164 | 44,164 |
| Outside equity interest | | | | | |
| Contributed equity | - | - | - | - | - |
| Reserves | - | - | - | - | - |
| Retained surpluses or accumulated deficits | - | - | - | - | - |
| Total outside equity interest | - | - | - | - | - |
| Total equity | 38,162 | 38,164 | 44,164 | 44,164 | 44,164 |
| Current liabilities | 2,208 | 1,987 | 2,012 | 2,088 | 2,165 |
| Non-current liabilities | 512 | 412 | 430 | 454 | 477 |
| Current assets | 5,012 | 4,118 | 4,361 | 5,861 | 6,386 |
| Non-current assets | 35,870 | 36,445 | 42,245 | 40,845 | 40,420 |

**Table 3.3: Budgeted departmental statement of cash flows
for the period ended 30 June**

| | Estimated actual 2003-04 \$'000 | Budget estimate 2004-05 \$'000 | Forward estimate 2005-06 \$'000 | Forward estimate 2006-07 \$'000 | Forward estimate 2007-08 \$'000 |
|---------------------------------------------------------|------------------------------------------|-----------------------------------------|------------------------------------------|------------------------------------------|------------------------------------------|
| OPERATING ACTIVITIES | | | | | |
| Cash received | | | | | |
| Appropriations | 16,047 | 17,016 | 16,691 | 17,002 | 17,056 |
| Goods and services | 1,697 | 2,028 | 2,046 | 2,055 | 2,183 |
| Interest | 180 | 183 | 191 | 197 | 205 |
| Dividends | - | - | - | - | - |
| Other | 195 | 210 | 230 | 250 | 260 |
| Extraordinary Items | - | - | - | - | - |
| Total cash received | 18,119 | 19,437 | 19,158 | 19,504 | 19,704 |
| Cash used | | | | | |
| Employees | 9,966 | 10,612 | 10,346 | 10,501 | 10,601 |
| Suppliers | 5,611 | 6,676 | 6,295 | 6,432 | 6,532 |
| Grants and subsidies | - | - | - | - | - |
| Borrowing costs | - | - | - | - | - |
| Other | - | - | - | - | - |
| Extraordinary items | - | - | - | - | - |
| Total cash used | 15,577 | 17,288 | 16,641 | 16,933 | 17,133 |
| Net cash from/(used by) operating activities | 2,542 | 2,149 | 2,517 | 2,571 | 2,571 |
| INVESTING ACTIVITIES | | | | | |
| Cash received | | | | | |
| Proceeds from sales of property, plant and equipment | - | - | - | - | - |
| Proceeds from sales of financial instruments | - | - | - | - | - |
| Bills of exchange and promissory notes | - | - | - | - | - |
| Repayments of loans made | - | - | - | - | - |
| Other | - | - | - | - | - |
| Extraordinary items | - | - | - | - | - |
| Total cash received | - | - | - | - | - |
| Cash used | | | | | |
| Purchase of property, plant and equipment | 2,300 | 2,500 | 2,000 | 1,900 | 2,050 |
| Purchase of financial instruments | - | - | - | - | - |
| Bills of exchange and promissory notes | - | - | - | - | - |
| Repayments of loans made | - | - | - | - | - |
| Other | - | - | - | - | - |
| Extraordinary items | - | - | - | - | - |
| Total cash used | 2,300 | 2,500 | 2,000 | 1,900 | 2,050 |
| Net cash from/(used by) investing activities | (2,300) | (2,500) | (2,000) | (1,900) | (2,050) |

Table 3.3: Departmental statement of cash flows (continued)

**Table 3.3: Budgeted departmental statement of cash flows
for the period ended 30 June (continued)**

| | Estimated actual 2003-04 \$'000 | Budget estimate 2004-05 \$'000 | Forward estimate 2005-06 \$'000 | Forward estimate 2006-07 \$'000 | Forward estimate 2007-08 \$'000 |
|------------------------------------------------------------------------------------------|------------------------------------------|-----------------------------------------|------------------------------------------|------------------------------------------|------------------------------------------|
| FINANCIAL ACTIVITIES | | | | | |
| Cash received | | | | | |
| Appropriations - contributed equity | 3 | 2 | - | - | - |
| Proceeds from issuing financial instruments | - | - | - | - | - |
| Proceeds from loans | - | - | - | - | - |
| Other | - | - | - | - | - |
| Extraordinary items | - | - | - | - | - |
| Total cash received | 3 | 2 | - | - | - |
| Cash used | | | | | |
| Repayments of debt | - | - | - | - | - |
| Capital use charge paid | - | - | - | - | - |
| Dividends paid | - | - | - | - | - |
| Other | - | - | - | - | - |
| Extraordinary items | - | - | - | - | - |
| Total cash used | - | - | - | - | - |
| Net cash from/(used by) financing activities | 3 | 2 | - | - | - |
| Net increase in cash held | 245 | (349) | 517 | 671 | 521 |
| Cash at the beginning of the reporting period | 4,301 | 4,546 | 4,197 | 4,714 | 5,385 |
| Effect of exchange rate movements on cash at the beginning of the reporting period | - | - | - | - | - |
| Cash at the end of the reporting period | 4,546 | 4,197 | 4,714 | 5,385 | 5,906 |

Table 3.4: Departmental capital budget statement

| | Estimated actual 2003-04 \$'000 | Budget estimate 2004-05 \$'000 | Forward estimate 2005-06 \$'000 | Forward estimate 2006-07 \$'000 | Forward estimate 2007-08 \$'000 |
|------------------------------------------------|------------------------------------------|-----------------------------------------|------------------------------------------|------------------------------------------|------------------------------------------|
| CAPITAL APPROPRIATIONS | | | | | |
| Total equity injections | 3 | 2 | - | - | - |
| Total loans | - | - | - | - | - |
| Total | 3 | 2 | - | - | - |
| Represented by | | | | | |
| Purchase of non-financial assets | 3 | 2 | - | - | - |
| Other | - | - | - | - | - |
| Total | 3 | 2 | - | - | - |
| PURCHASE OF NON-FINANCIAL ASSETS | | | | | |
| Funded by capital appropriations | 3 | 2 | - | - | - |
| Funded internally by departmental resources | 2,297 | 2,498 | 2,000 | 1,900 | 2,050 |
| Total | 2,300 | 2,500 | 2,000 | 1,900 | 2,050 |

Table 3.5: Departmental non-financial assets — summary of movement (Budget year 2004-05)

| | Land | Buildings | Specialist military equipment | Other infrastructure plant and equipment | Heritage and cultural assets | Computer Software | Other intangibles | Total |
|--------------------------------------|--------------|---------------|-------------------------------|------------------------------------------|------------------------------|-------------------|-------------------|----------------|
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| Carrying amount at the start of year | 8,522 | 22,208 | - | 4,843 | - | - | - | 35,573 |
| Additions | - | 1,000 | - | 1,500 | - | - | - | 2,500 |
| Disposals | - | - | - | - | - | - | - | - |
| Revaluation increments | - | - | - | - | - | - | - | - |
| Recoverable amount write-downs | - | - | - | - | - | - | - | - |
| Net transfers free of charge | - | - | - | - | - | - | - | - |
| Depreciation/amortisation expense | (203) | (732) | - | (1,540) | - | - | - | (2,475) |
| Write-off of assets | - | - | - | - | - | - | - | - |
| Carrying amount at the end of year | 8,319 | 22,476 | - | 4,803 | - | - | - | 35,598 |
| Total additions | - | 1,000 | - | 1,497 | - | - | - | 2,497 |
| Self funded | - | - | - | 3 | - | - | - | 3 |
| Appropriations | - | 1,000 | - | 1,500 | - | - | - | 2,500 |
| Total | - | 1,000 | - | 1,500 | - | - | - | 2,500 |

NOTES TO THE FINANCIAL STATEMENTS

Basis of Accounting

AFTRS's budget statements are prepared with reference to the Australian Accounting Standards, the Finance Minister's Orders and Statements of Best Practice released by the Australian National Audit Office.

The AFTRS Statements of Financial Performance and Financial Position have been prepared on an accrual basis and are in accordance with historical cost convention, except for certain assets which, as noted, are at valuation. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position.

Assets and liabilities are recognised in the AFTRS Statement of Financial Position when and only when it is probable that future economic benefits will flow and the amounts of the assets or liabilities can be reliably measured. Assets and liabilities arising under agreements equally proportionately unperformed are however not recognised unless required by an accounting standard. Liabilities and assets that are unrecognised are reported in the Schedule of Commitments and the Schedule of Contingencies.

Revenues and expenses are recognised in the AFTRS Statement of Financial Performance when and only when the flow or consumption or loss of economic benefits has occurred and can be reliably measured.

Employee Benefits

Liabilities for services rendered by employees are recognised at the reporting date to the extent that they have not been settled.

Liabilities for wages and salaries (including non-monetary benefits) and annual leave are measured at their nominal amounts. Other employee benefits expected to be settled within 12 months of their reporting date are also to be measured at their nominal amounts.

The nominal amount is calculated with regard to the rates expected to be paid on settlement of the liability.

All other employee benefit liabilities are measured as the present value of the estimated future cash outflows to be made in respect of services provided by employees up to the reporting date.

Departmental Financial Statements and Notes Administered Items

Under the Commonwealth's accrual budgeting framework, and consistent with Australian Accounting Standards, transactions that agencies control (Departmental transactions) are separately budgeted for and reported on from transactions agencies do not have control over (Administered transactions). This ensures that agencies are only held fully accountable for the transactions over which they have control.

- Departmental items are those assets, liabilities, revenues and expenses in relation to an agency or authority that are controlled by the agency. Departmental expenses include employee and supplier expenses and other administrative costs, which are incurred by the agency in providing its goods and services.
- Administered items are revenues, expenses, assets and liabilities that are managed by an agency or authority on behalf of the Government according to set Government directions. Administered expenses include subsidies, grants and personal benefit payments and Administered revenues include taxes, fees, fines and excises.

Appropriations in the accrual budgeting framework

Under the Commonwealth's accrual budgeting framework, separate annual appropriations are provided for:

- Departmental price of outputs appropriations: representing the Government's purchase of outputs from agencies;
- Departmental capital appropriations: for investments by the Government for either additional equity or loans in agencies;
- Administered expense appropriations: for the estimated Administered expenses relating to an existing outcome, a new outcome or a Specific Purpose Payment to the states; and
- Administered capital appropriations: for increases in Administered equity through funding non-expense Administered payments.

Special appropriations fund the majority of payments from the Consolidated Revenue Fund (especially those that are entitlement driven or involve transfers to State governments).

Asset valuation

From 1 July 2002 Commonwealth agencies and authorities are required to use either the cost basis or the fair value basis to measure Property, Plant and Equipment. Fair value essentially reflects the current market value of an asset.

Property, plant and equipment are revalued progressively in successive 3-year cycles, so that no asset has a value more than three years old.

Inventories

Inventories held for resale are valued at the lower of cost and net realisable value.

Economic Dependency

The AFTRS is a Commonwealth Statutory Authority established by the Australian Film, Television and Radio School Act 1973, Act No. 95 of 1973 as amended, and is controlled by the Government of the Commonwealth of Australia.

The AFTRS is dependent on appropriations from the Parliament of the Commonwealth for its continued existence and ability to carry out its normal activities.

Section 4: Purchaser/Provider and Cost Recovery arrangements

PURCHASER/PROVIDER ARRANGEMENTS

The AFTRS does not have and purchaser/providers arrangements.

COST RECOVERY ARRANGEMENTS

The AFTRS does not have and cost recovery arrangements.

