

AUSTRALIAN FILM COMMISSION

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AUSTRALIAN FILM COMMISSION

Section 1: Overview, appropriations and budget measures summary

OVERVIEW

The Australian Film Commission (AFC) is a statutory authority established in 1975.

The AFC is the primary development agency for the film, television and interactive industry in Australia.

The AFC facilitates the development of projects, practitioners and the independent production sector of the film, television and interactive media industry through a range of measures, including:

- financing project development;
- financing the professional development of practitioners through the production of feature films, documentaries, animation, short drama and interactive media;
- resourcing the development of Indigenous film and television program makers;
- resourcing activities and events which play a development role in the industry;
- resourcing filmmakers and interactive media producers to engage with the global marketplace; and
- monitoring the performance of the film, television and interactive media industries and providing information, analysis and research.

APPROPRIATIONS

Total appropriations for the Australian Film Commission in the 2001-2002 Budget is \$16.853m

Australian Film Commission — Appropriations 2001-02

Table 1.1: Appropriations and Other Revenue (\$'000)

Outcome	Departmental (price of outputs)			Revenue from other sources ⁽³⁾		Price of outputs ⁽²⁾		Administered appropriations		Special approps	Total administered appropriations	Total appropriations
	Revenue from Government (appropriations)	Special approps	Total	(D)	(E = C+D)	Bill No. 1	Bill No. 2 (SPPs & NAOs) ⁽¹⁾	(H)	(I = F+G+H)	(J=C+I)		
	(A)	(B)	(C = A+B)	(D)	(E = C+D)	(F)	(G)	(H)	(I = F+G+H)	(J=C+I)		
1. An internationally competitive Australian film and television production industry, which enhances Australia's cultural identity	16,853	-	16,853	797	17,650	-	-	-	-	16,853		
					95.5% ⁽⁴⁾							
Total	16,853	-	16,853	797	17,650	-	-	-	-	16,853		
	Departmental capital (equity injections and loans)										-	
	Administered capital										-	
	Total appropriations										16,853	

- Under the appropriation structure, Bill No. 2 includes Specific Purpose Payments (SPP's), New Agency Outcomes (NAO's), administered capital and departmental capital via departmental injections and loans.
- Refer to Budgeted Statement of Financial Performance for application of agency revenue.
- Revenue from other sources includes profit on film investments, interest on surplus funds and loans, recovery of loans and investments previously written off.
- Percentage figures indicate the percentage contribution of Revenue from Government (Departmental Appropriations) to the Total Price of Outputs, by outcome.

Section 2: Outcomes and outputs information

OUTCOME AND OUTPUT GROUPS

Chart 1 and 2 show the Outcome and Output Structure of the Australian Film Commission.

Chart 1: Outcome structure

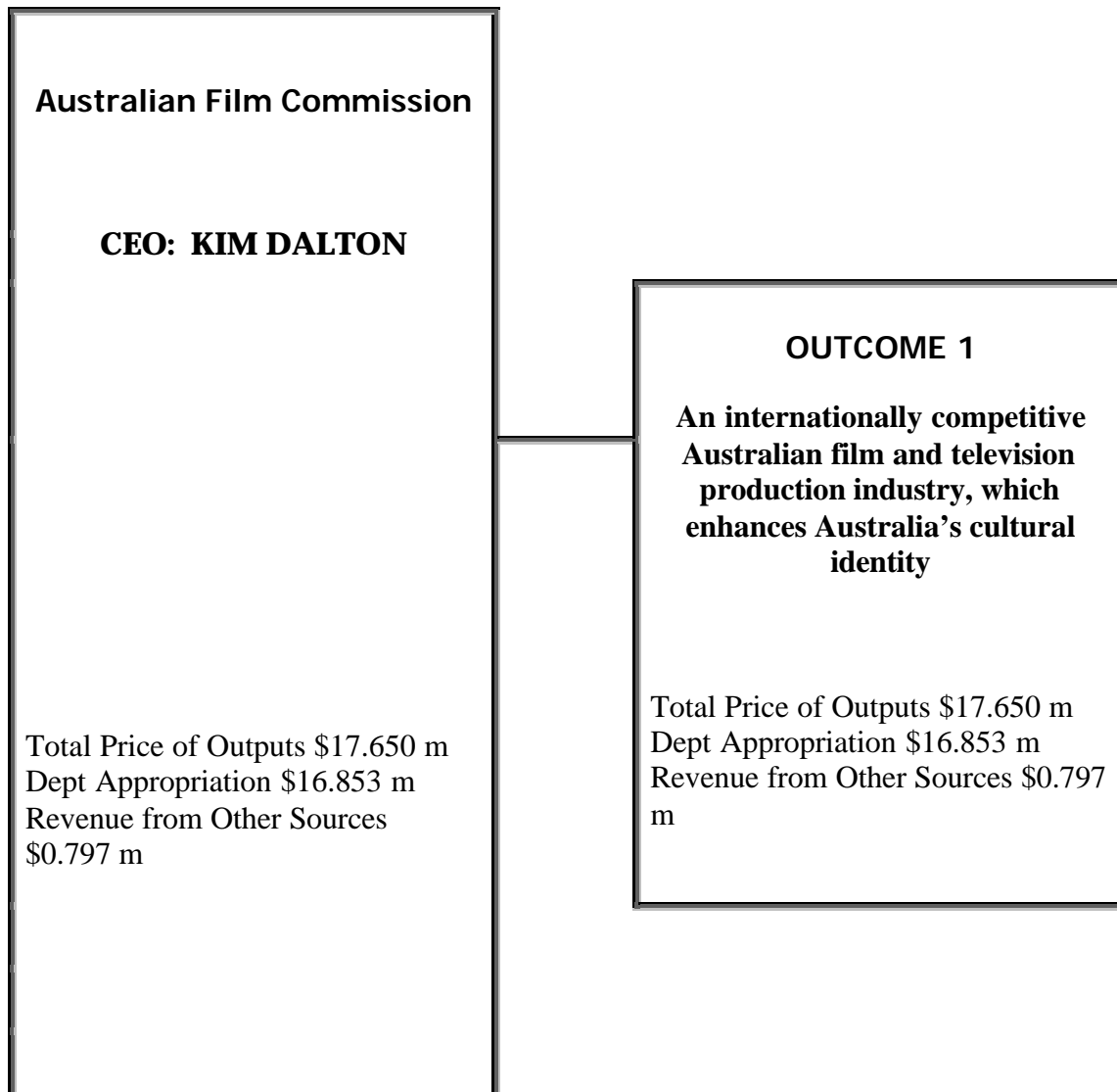
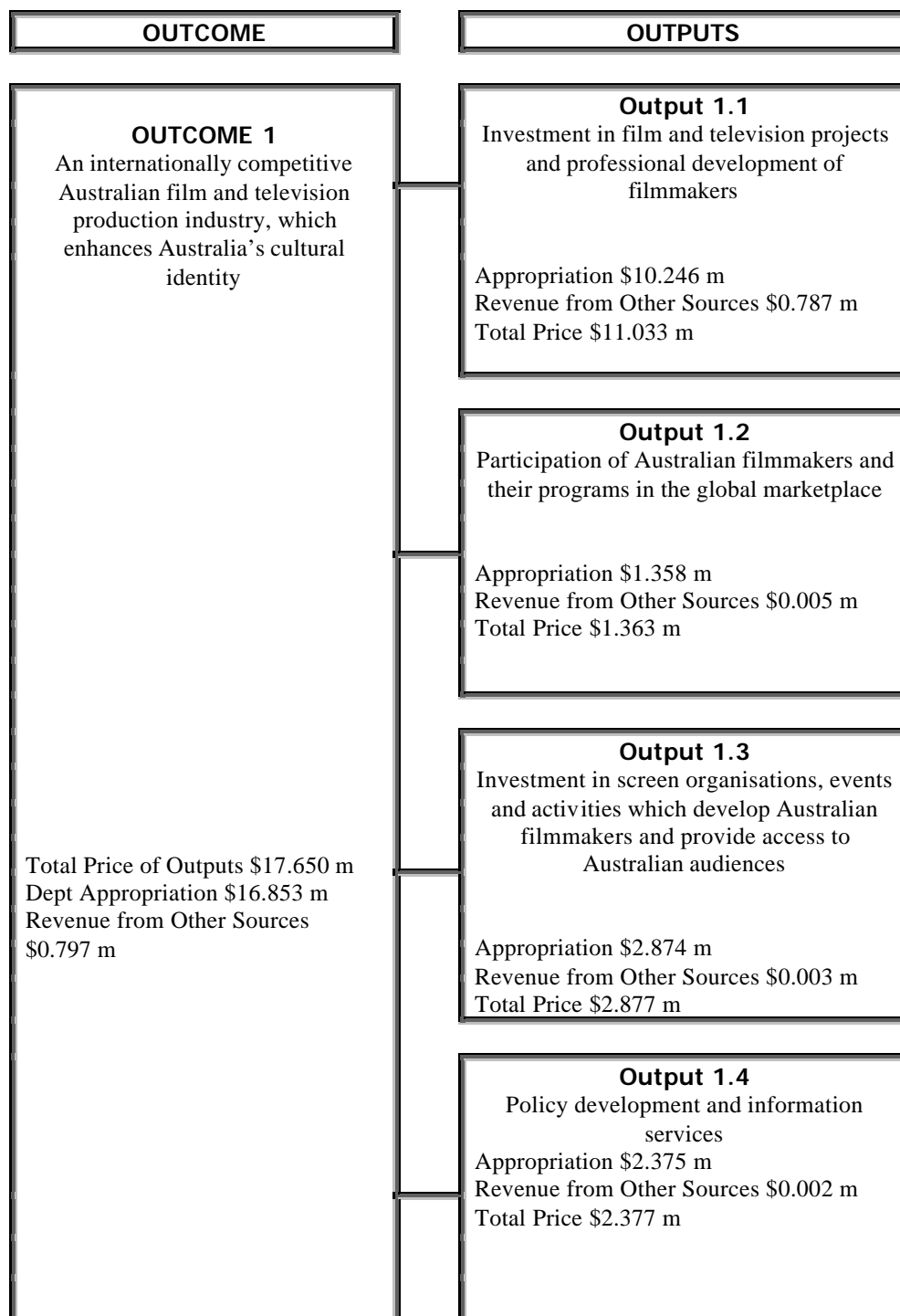


Chart 2: Outcome 1 - Contributing Outputs



Note: Revenue from Government (Appropriations) contributes 95.5 per cent to the Total Price of Output for Outcome 1 for 2001-02.

CHANGES TO OUTCOMES AND OUTPUTS

The Australian Film Commission's Outcome and Output structure has changed since last year. The changes were required following the restructure of the AFC and the approval of a new Corporate Plan. The main change is a separation of Output 1.3 in 2000-2001 into two outputs in 2001-2002. The changes are listed in the following Table:

2000-2001	2001-2002
Outcome 1: Development of an internationally competitive Australian screen industry	Outcome 1: An internationally competitive Australian film and television production industry, which enhances Australia's cultural identity
Output 1.1: Script & Professional Development Services	Output 1.1: Investment in film and television projects and professional development of filmmakers
Output 1.2: Market Development Services	Output 1.2: Participation of Australian filmmakers and their programs in the global marketplace
Output 1.3: Infrastructure & Information Services	Output 1.3: Investment in screen organisations, events and activities which develop Australian filmmakers and provide access to Australian audiences
	Output 1.4: Policy development and information services

OUTCOME 1 — DESCRIPTION

An internationally competitive Australian film and television production industry, which enhances Australia's cultural identity

The Australian Film Commission is the Federal Government's primary development agency for the film, television and interactive media industries.

The Australian Film Commission's outputs of;

- Output 1.1 financing of project development and the professional development of practitioners;
- Output 1.2 resourcing of filmmakers to engage with the global marketplace;
- Output 1.3 resourcing of screen activities and events which provide access for the community; and
- Output 1.4 provision of information, analysis and research covering the performance of the film, television and interactive media industries, contribute to the achievement of the outcome.

OUTCOME 1 — RESOURCING

Table 2.1.1 shows how the 2001-2002 appropriation and program structure translate to total resourcing for Outcome 1, Revenue from Government (Appropriation), Revenue from other sources and the Total Price of Outputs.

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

	Estimated actual 2000-01 \$'000	Budget estimate 2001-2002 \$'000
Administered appropriations	-	-
Total administered appropriations	-	-
Departmental appropriations		
Output 1.1 - Investment in film and television projects and professional development of filmmakers	10,063	10,246
Output 1.2 - Participation of Australian filmmakers and their programs in the global marketplace	1,333	1,358
Output 1.3 - Investment in screen organisations, events and activities which develop Australian filmmakers and provide access to Australian audiences	2,818	2,874
Output 1.4 - Policy development and information services	2,345	2,375
Total revenue from government (appropriations)	16,559	16,853
Contributing to price of departmental outputs	93.2%	95.5%
Revenue from other sources		
Output 1.1 - Investment in film and television projects and professional development of filmmakers	816	787
Output 1.2 - Participation of Australian filmmakers and their programs in the global marketplace	80	5
Output 1.3 - Investment in screen organisations, events and activities which develop Australian filmmakers and provide access to Australian audiences	235	3
Output 1.4 - Policy development and information services	78	2
Total revenue from other sources	1,209	797
Total price from departmental outputs (Total revenue from Government and from other sources)	17,768	17,650
Total estimated resourcing for Outcome 1 (Total price of outputs and admin expenses)	17,768	17,650
	2000-01	2001-02
Average staffing level (number)	52	55

OUTCOME 1 — CONTRIBUTION OF OUTPUTS

The AFC's outputs of:

- financing of project development and the professional development of practitioners,
- resourcing of filmmakers to engage with the global marketplace,
- resourcing of screen activities and events which provide access for the community and
- provision of information, analysis and research covering the performance of the film, television and interactive media industries,

reflect the Government's support for industry development, the professional development of filmmakers, market engagement, and research and information as part of its package of overall assistance to the Australian film industry.

The development role of the AFC complements the training and educational role of the Australian Film, Television and Radio School and the direct production support of the Australian Film Finance Corporation. It also contributes to the overall package of Commonwealth assistance to the film, television and interactive media industries through developing projects and people and contributing to the positioning of these industries, people and projects in the domestic and international marketplace.

Table 2.2.1 Performance information for Outcome 1

Effectiveness - Overall achievement of the outcome	
Project development	Slate of quality projects in development
Practitioner development	Production-based professional development opportunities provided
Engagement of practitioners with the global marketplace	Travel grants, marketing loans, published information and seminars provided
Access for the community to screen activities and events	Select screen activities and events resourced
Provision of information, analysis and research	Information collected, analysed and disseminated
	Research and information published
	Submissions on all major policy issues
	Contribution to policy forums

Table 2.2.1 Performance information for outcome 1 (continued)

Performance information for departmental outputs	
Outcome 1	
Output 1.1: Investment in film and television projects and professional development of filmmakers	Quantity: Between 100 and 125 feature films in development with AFC support. Minimum of 10 writers, producers and directors provided with production
	Quality: More than 6 AFC developed feature films produced per year. Minimum of 10 per cent of general non-project specific support to producers to be repaid over a 3 year period. At least 50 per cent of feature films or short features made with AFC production investment achieve Australian theatrical or television release. At least 75 per cent of short dramas, animations and interactive media titles supported by the AFC achieve festival exposure.
	Price: \$11.033 m
Output 1.2: Participation of Australian filmmakers and their programs in the global marketplace	Quality: A minimum of 80 per cent of recipients of travel assistance report specific benefits from the travel. An 80 per cent satisfaction rating from people attending seminars held in Sydney, Melbourne, Adelaide, Brisbane and Perth each year dealing with festivals and markets.
	Quantity: Minimum of 40 filmmakers supported.
	Price: \$1.363 m
Output 1.3: Investment in screen organisations, events and activities which develop Australian filmmakers and provide access to Australian audiences	Quantity: Programs delivered in each capital city and at least 20 regional centres each year.
	Quality: Achievement of benchmarks in providing production experience opportunities agreed with organisations providing the opportunities. Achievement of benchmark attendance for curated screen events and one-off screenings agreed with event organisers. Achievement of benchmarks for practitioners participating in professional development activities agreed with organisations providing the activities.
	Price: \$2.877 m
Output 1.4: Policy development and information services	Quantity: AFC data publication migrated to on-line delivery, including: feature film, television drama, documentary and interactive media production lists; key data sections of Get The Picture, including box office and awards for Australian productions; the National Production Survey; cinema and television release data for Australian productions; in accordance with the GovernmentOnline strategy.
	Quality: The National Production Survey quoted in the Australian Bureau of Statistics yearbook, the American Film Marketing Association's Factbook and Screen Digest. AFC submissions referenced in all reports from major inquiries. At least 400,000 successful requests for specific pages of the AFC website per year.
	Price: \$2.377 million

Part C: Agency Budget Statements - AFC

Table 2.2.1, above, lists the performance information that the Australian Film Commission will use to assess the level of its achievement of its Outcome during 2001-2002. Information shown is both quantitative and qualitative.

Achievement of planned performance will be reported in the Australian Film Commission's 2001-2002 Annual Report.

Competitive tendering and contracting

The Australian Film Commission has contracted out, on a competitive basis a number of its activities including internal audit, publications, database design and maintenance, information technology hardware, NT server and Screen Network Australia website support.

The Australian Film Commission will continue to consider areas that can be more effectively outsourced during 2001-02.

Section 3: Budgeted Financial Statements

DEPARTMENTAL STATEMENTS

Budgeted Departmental Statement of Financial Performance

This statement provides a picture of the expected financial results for the Australian Film Commission by identifying full accrual expenses, accrual revenues and capital use charge, which highlights whether the Australian Film Commission is operating at a sustainable level.

Budgeted Departmental Statement of Financial Position

This statement shows the financial position of the Australian Film Commission. It helps decision-makers to track the management of the Australian Film Commission'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 Statement

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: Budgeted Departmental Statement of Financial Performance (Operating Statement) for the period ended 30 June

	Estimated actual 2000-01 \$'000	Budget estimate 2001-02 \$'000	Forward estimate 2002-03 \$'000	Forward estimate 2003-04 \$'000	Forward estimate 2004-05 \$'000
Revenues from ordinary activities					
Revenue from government	16,559	16,853	17,010	17,090	17,310
Sales of goods and services	4	4	4	4	4
Interest	245	254	286	292	298
Dividends	-	-	-	-	-
Net gains from sales of assets	-	-	-	-	-
Other	960	539	492	504	498
Total revenues from ordinary activities	17,768	17,650	17,792	17,890	18,110
Expenses from ordinary activities (excluding borrowing costs expense)					
Employees	2,305	2,374	2,445	2,518	2,593
Suppliers	2,052	2,089	2,116	2,134	2,192
Grants	6,395	6,020	6,189	6,192	6,111
Depreciation and amortisation	348	296	245	236	262
Write down of assets	5,955	6,159	6,051	6,058	6,185
Net losses from sales of assets	-	-	-	-	-
Other	-	-	-	-	-
Total expenses from ordinary activities (excluding borrowing costs expense)	17,055	16,938	17,046	17,138	17,343
Borrowing cost expense	-	-	-	-	-
Net surplus or deficit from ordinary activities	713	712	746	752	767
Gain or loss on extraordinary items	-	-	-	-	-
Net surplus or deficit	713	712	746	752	767
Capital use charge	(686)	(690)	(697)	(702)	(709)
Net surplus or deficit after capital use charge	27	22	49	50	58

**Table 3.2: Budgeted Departmental Statement of Financial Position
(Balance Sheet) as at 30 June**

	Estimated actual 2000-01 \$'000	Budget estimate 2001-02 \$'000	Forward estimate 2002-03 \$'000	Forward estimate 2003-04 \$'000	Forward estimate 2004-05 \$'000
ASSETS					
Financial assets					
Cash	131	156	177	127	168
Receivables	735	744	735	702	721
Investments	5,100	5,159	5,255	5,391	5,424
Accrued revenues					
Other					
Total financial assets	5,966	6,059	6,167	6,220	6,313
Non-financial assets					
Land and buildings	-	-	-	-	-
Infrastructure, plant and equipment	472	370	341	350	359
Inventories	-	-	-	-	-
Intangibles	-	-	-	-	-
Other	85	204	209	175	184
Total non-financial assets	557	574	550	525	543
Total assets	6,523	6,633	6,717	6,745	6,856
LIABILITIES					
Debt					
Loans	-	-	-	-	-
Leases	-	-	-	-	-
Deposits	-	-	-	-	-
Overdrafts	-	-	-	-	-
Other	-	-	-	-	-
Total debt	-	-	-	-	-
Provisions and payables					
Employees	630	706	727	749	771
Suppliers	160	172	186	142	173
Grants	-	-	-	-	-
Other	-	-	-	-	-
Total provisions and payables	790	878	913	891	944
Total liabilities	790	878	913	891	944
EQUITY					
Capital	-	-	-	-	-
Reserves	387	387	387	387	387
Accumulated surpluses or deficits	5,346	5,368	5,417	5,467	5,525
Total equity	5,733	5,755	5,804	5,854	5,912
Current liabilities	444	490	513	479	520
Non-current liabilities	347	388	400	412	424
Current assets	499	528	545	478	529
Non-current assets	6,025	6,105	6,173	6,267	6,328

**Table 3.3: Budgeted Departmental Statement of Cash Flows
for the period ended 30 June**

	Estimated actual 2000-01 \$'000	Budget estimate 2001-02 \$'000	Forward estimate 2002-03 \$'000	Forward estimate 2003-04 \$'000	Forward estimate 2004-05 \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations for outputs	16,559	16,853	17,010	17,090	17,310
Sales of goods and services	4	4	4	4	4
Interest	225	268	280	305	294
Other	960	539	492	504	498
Total cash received	17,748	17,664	17,786	17,903	18,106
Cash used					
Employees	(2,290)	(2,365)	(2,467)	(2,532)	(2,606)
Suppliers	(1,863)	(1,864)	(1,879)	(2,147)	(2,184)
Grants	(6,395)	(6,020)	(6,189)	(6,192)	(6,111)
Interest	-	-	-	-	-
Other	-	-	-	-	-
Total cash used	(10,548)	(10,249)	(10,535)	(10,871)	(10,901)
Net cash from operating activities	7,200	7,415	7,251	7,032	7,205
INVESTING ACTIVITIES					
Cash received					
Proceeds from sales of property, plant and equipment	-	-	-	-	-
Repayments of loans made	303	180	147	170	140
Other	494	589	584	625	563
Total cash received	797	769	731	795	703
Cash used					
Purchase of property, plant and equipment	(205)	(194)	(216)	(245)	(271)
Loans made	(441)	(436)	(430)	(405)	(398)
Other	(6,998)	(6,839)	(6,618)	(6,525)	(6,489)
Total cash used	(7,644)	(7,469)	(7,264)	(7,175)	(7,158)
Net cash from investing activities	(6,847)	(6,700)	(6,533)	(6,380)	(6,455)
FINANCIAL ACTIVITIES					
Cash received					
Proceeds from issuing equity instruments	-	-	-	-	-
Proceeds from debt	-	-	-	-	-
Other	-	-	-	-	-
Total cash received	-	-	-	-	-

**Table 3.3: Budgeted Departmental Statement of Cash Flows
(continued)
for the period ended 30 June**

	Estimated actual 2000-01 \$'000	Budget estimate 2001-02 \$'000	Forward estimate 2002-03 \$'000	Forward estimate 2003-04 \$'000	Forward estimate 2004-05 \$'000
Cash used					
Repayments of debt	-	-	-	-	-
Capital use and dividends paid	(686)	(690)	(697)	(702)	(709)
Other	-	-	-	-	-
Total cash used	(686)	(690)	(697)	(702)	(709)
Net cash from financing activities	(686)	(690)	(697)	(702)	(709)
Net increase in cash held	(333)	25	21	(50)	41
Cash at the beginning of the reporting period	464	131	156	177	127
Cash at the end of the reporting period	131	156	177	127	168

Part C: Agency Budget Statements - AFC

Table 3.4: Departmental Capital Budget Statement

	Estimated actual 2000-01 \$'000	Budget estimate 2001-02 \$'000	Forward estimate 2002-03 \$'000	Forward estimate 2003-04 \$'000	Forward estimate 2004-05 \$'000
CAPITAL APPROPRIATIONS					
Total equity injections	-	-	-	-	-
Total loans	-	-	-	-	-
Represented by:					
Purchase of non-current assets	-	-	-	-	-
Other	-	-	-	-	-
Total	-	-	-	-	-
PURCHASE OF NON-CURRENT ASSETS					
Funded by capital appropriations	-	-	-	-	-
Funded internally by					
Departmental resources	205	194	216	245	271
Total	205	194	216	245	271

Table 3.5: Departmental Non-financial Assets – Summary of Movement (Budget Year 2001-02)

	Land	Buildings	Total Land and Buildings	Infrastructure Plant and Equipment	Intangibles	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
GROSS VALUE						
<i>As at 1 July 2001 (opening)</i>	-	-	-	2,467	-	2,467
Additions	-	-	-	194	-	194
Disposals	-	-	-	-	-	-
Other movements	-	-	-	5	-	5
<i>As at 30 June 2002 (closing)</i>	-	-	-	2,666	-	2,666
ACCUMULATED DEPRECIATION						
<i>As at 1 July 2001 (opening)</i>	-	-	-	1,995	-	1,995
Disposals	-	-	-	-	-	-
Charge for the reporting period	-	-	-	296	-	296
Other movements	-	-	-	5	-	5
<i>As at 30 June 2002 (closing)</i>	-	-	-	2,296	-	2,296
Net book value						
As at 30 June 2002	-	-	-	370	-	370
(closing book value)						
Net book value						
as at 1 July 2001	-	-	-	472	-	472
opening book value)						
TOTAL ADDITIONS						
Self funded	-	-	-	194	-	194
Appropriations	-	-	-	-	-	-
Total	-	-	-	194	-	194

Notes to the Financial Statements

The 2000-2001 figures are based on estimates of the results for the full year. The write down of assets included within Expenses from ordinary activities in the Statement of Financial Performance is mainly comprised of adjustments to the provision for loss of investments and loans as well as the write off of loans and investments not previously provided for.

Grants include film industry assistance provided in the form of grants to filmmakers and cultural organisations as well as special industry assistance projects managed by the Australian Film Commission.

Receivables in the Statement of Financial Position primarily comprise assistance provided to the film industry in the form of loans.

The Investments category in the Statement of Financial Position comprises assistance provided to the film industry in the form of equity investments for both the development and production of film and interactive media projects. The investments are net after any recoupment, provisions for loss and write-offs.

A Capital Use Charge has been levied to reflect the cost of the Commonwealth's investment in the AFC. It is accounted for as a below operating result dividend payment. Funding for the Capital Use Charge is included in the price of output appropriations.

Appendix 1

Non-Appropriation Departmental Revenue

	Estimated Revenue 2000-01 \$'000	Estimated Revenue 2001-02 \$'000
Departmental Revenue		
Sales of goods and services	4	4
Interest	245	254
Other non-appropriation revenue	960	539
Total Non-Appropriation departmental revenue	1,209	797

