

AUSTRALIAN FILM, TELEVISION AND RADIO SCHOOL

Section 1: Agency overview and resources

1.1 STRATEGIC DIRECTION STATEMENT

The Australian Film, Television and Radio School (AFTRS) was established through the *Australian Film, Television and Radio School Act 1973*. AFTRS is the leading institution for specialist education and training for Australia's screen arts and broadcast sector.

AFTRS aspires to educate and develop the future creative talent of the screen arts and broadcast sector through:

- the provision of specialist industry-focused education, training and research
- a commitment to excellence in the generation of original ideas and their innovative application.

AFTRS' purpose is to provide specialist education and training to advance the skills and knowledge of talented individuals to meet the evolving needs of Australia's screen arts and broadcast industries. It conducts research relevant to industry, holds forums and disseminates ideas to stimulate conversation about the screen arts, creative practice and broadcast activity. Through its Open Program it meets the skill needs of industry, delivers activities and programmes for schools, and partners with cultural institutions in joint activities, making a unique contribution through its creative expertise and educational reputation. It collaborates with industry to deliver relevant education and shares its facilities, services and resources with industry organisations, associations and enterprises for their activities and events.

1.2 AGENCY RESOURCE STATEMENT

Table 1.1 shows the total resources from all sources.

Table 1.1: Agency resource statement—Budget estimates for 2014–15 as at Budget May 2014

Source	Estimate of prior year amounts available in 2014–15 \$'000	+ Proposed at Budget 2014–15 \$'000	=	Total estimate 2014–15 \$'000	Actual available appropriation 2013–14 \$'000
Opening balance/reserves at bank	6,140	–		6,140	6,893
REVENUE FROM GOVERNMENT					
Ordinary annual services¹					
Outcome 1	–	24,335		24,335	24,429
Total ordinary annual services	–	24,335		24,335	24,429
Total funds from government	–	24,335		24,335	24,429
FUNDS FROM OTHER SOURCES					
Interest	–	223		223	223
Sale of goods and services	–	5,906		5,906	5,769
Other	–	50		50	–
Total	–	6,179		6,179	5,992
Total net resourcing for agency	6,140	30,514		36,654	37,314

All figures are GST exclusive.

AFTRS is not directly appropriated as it is a *Commonwealth Authorities and Companies Act 1997* (CAC Act) body. Appropriations are made to the Attorney-General's Department which are then paid to AFTRS and are considered 'departmental' for all purposes.

1. Appropriation Bill (No. 1) 2014–15.

1.3 BUDGET MEASURES

Measures announced in the 2013–14 Mid-Year Economic and Fiscal Outlook (MYEFO) and other measures not previously reported in a portfolio statement are summarised in Part 2 of Table 1.2.

Table 1.2: Agency 2014–15 Budget measures

Part 1: Measures announced since the 2013–14 MYEFO

AFTRS has no new post-MYEFO measures.

Part 2: MYEFO and other measures not previously reported in a portfolio statement

	Programme	2013–14 \$'000	2014–15 \$'000	2015–16 \$'000	2016–17 \$'000	2017–18 \$'000
Measures						
Temporary increase in the efficiency dividend	1.1					
Departmental expenses		–	(249)	(561)	(876)	(876)
Efficiency Dividend— a further temporary increase of 0.25 per cent	1.1					
Departmental expenses		–	(62)	(124)	(185)	(187)
Total measures		–	(311)	(685)	(1,061)	(1,063)

Prepared on a Government Finance Statistics (fiscal) basis.

Section 2: Outcomes and planned performance

2.1 OUTCOMES AND PERFORMANCE INFORMATION

Government outcomes are the intended results, impacts or consequences of actions by the government on the Australian community. Commonwealth programmes are the primary vehicle by which government agencies achieve the intended results of their outcome statements. Agencies are required to identify the programmes that contribute to government outcomes over the budget and forward years.

AFTRS' outcome is described below together with its related programme, specifying the performance indicators and targets used to assess and monitor the performance of AFTRS in achieving government outcomes.

Outcome 1: Support the development of a professional screen arts and broadcast culture in Australia including through the provision of specialist industry-focused education, training, and research

Outcome 1 strategy

AFTRS will:

- develop and provide a range of award courses at escalating levels designed to meet the creative and development needs of students at each stage of their careers to ensure they are equipped to take advantage of new opportunities in content creation, production and distribution
- maintain the relevancy of its programmes and activities through specialist knowledge of the screen arts and broadcast sector
- connect students with industry through a range of activities including networking opportunities, mentoring, internships and attachments
- deliver its Open Program to meet the skill needs of industry
- make its facilities available to industry associations and organisations and host a wide range of screen arts and broadcast industry-related events which are attended by students and members of industry
- deliver the AFTRS Open Days, bringing its activities and programmes to the wider public.

Outcome 1 expense statement

Table 2.1 provides an overview of the total expenses for Outcome 1, by programme.

Table 2.1: Budgeted expenses for Outcome 1

	2013–14 Estimated actual expenses \$'000	2014–15 Estimated expenses \$'000
Outcome 1: Support the development of a professional screen arts and broadcast culture in Australia including through the provision of specialist industry-focused education, training, and research		
Programme 1.1: Delivery of specialist education to meet the diverse creative needs of students and the skill requirements of industry by means of award courses, activities and events and through its Open Program		
Revenue from government		
Ordinary annual services (Appropriation Bill No. 1)	24,429	24,335
Revenues from other independent sources	6,191	6,196
Total expenses for Outcome 1	30,620	30,531

	2013–14	2014–15
Average staffing level (number)	150	150

Note: Departmental appropriation splits and totals are indicative estimates and may change in the course of the budget year as government priorities change.

Contributions to Outcome 1

Programme 1.1: Delivery of specialist education to meet the diverse creative needs of students and the skill requirements of industry by means of award courses, activities and events and through its Open Program

Programme 1.1 objective

The objective of AFTRS' higher education is to provide students with an educational experience that is distinctive in its quality with a focus on the development of creativity, a capacity for problem-solving, critical thinking and enquiry, and its delivery through collaborative practice. This objective informs the design of curriculum and frames AFTRS' teaching model. It is supported through a range of effective targeted policies and measures to assure the quality and integrity of the learning and teaching model across the life cycle of students from application to graduation.

Through its Open Program courses and the AFTRS public programme of events and publications, AFTRS aims to share its specialist knowledge, training and education with a broader range of communities and markets.

Programme 1.1 expenses					
	2013–14 Estimated actual \$'000	2014–15 Budget \$'000	2015–16 Forward estimate \$'000	2016–17 Forward estimate \$'000	2017–18 Forward estimate \$'000
Annual departmental expenses					
Departmental item	30,620	30,531	30,508	30,907	31,371
Total programme expenses	30,620	30,531	30,508	30,907	31,371

Programme 1.1 deliverables

Through the offer of award courses at escalating levels, AFTRS meets the creative and professional development needs of students across each stage of their careers.

For the remainder of the 2014 academic year, AFTRS will offer the following range of courses:

- undergraduate (Foundation Diploma) – introduces concepts and skills underpinning screen arts and broadcasting production
- post-graduate (Graduate Certificates) – allows students to combine work and study while developing their skills in specialist areas of screen arts
- post-graduate (Graduate Diplomas) – provides focus on the individual professional and creative practice of advanced specialist screen arts and broadcasting students
- master's (Master of Screen Arts) – supports individuals engaged in outstanding screen arts practice in the development of mastery and innovation
- master's (Master of Screen Arts and Business) – supports executives and entrepreneurs in screen arts and business in the development of mastery and leadership.

From the beginning of the 2015 academic year, AFTRS' new educational offerings will be available. Courses of study at a range of educational levels will be offered:

- Enabling. Enabling courses will be offered to ensure access for students who have not yet had the educational opportunities that would prepare them for undertaking a higher education award course.
- Diploma (Australian Qualifications Framework (AQF) Level 5). These award courses, offered in a range of screen specialisations and radio, will provide fundamental skills of the discipline studied.
- Advanced Diploma (AQF Level 6). The Advanced Diploma, to be offered in a range of screen specialisations and radio, will provide specialist skills in the discipline studied.
- Bachelor of Arts, Screen (AQF Level 7). This bachelor degree combines scholarly engagement with storytelling, the history of cinema and cross-disciplinary subjects that span the spectrum of screen production.
- Master's (AQF Level 9). Master's degrees offer advanced screen practitioners development in mastery, innovation and leadership.

AFTRS maintains its strong relationship with industry including through the use of highly experienced industry partners in the design and delivery of its courses; through events such as the AFTRS' weekly public forum 'Friday on My Mind' and the monthly forum 'TV Talks', where leading creative practitioners share their expertise with students, industry and the wider public; and by making AFTRS' facilities available to industry organisations and associations for their events and activities.

The Open Program offers courses and workshops designed to meet the skill needs of industry, as well as to individuals wishing to get experience in the industry, to schools and children, and to the general public wishing to expand their skills and knowledge of the screen and broadcast sector.

	2013–14 Estimated actual	2014–15 Budget	2015–16 Forward estimate	2016–17 Forward estimate	2017–18 Forward estimate
Deliverables					
Number of higher educational levels offered ¹	3	6	6	6	6
Number of Open Program courses	250	250	250	250	250
Number of forums for industry practitioners to share their expertise	40	40	40	40	40
Number of times school facilities used by industry for events and activities	100	100	100	100	100
Regular consultations on skills requirements of industry nationally	Annually	Annually	Annually	Annually	Annually

1. From 2015, AFTRS, in compliance with the Tertiary Education Quality and Standards Agency Threshold Standards and the Higher Education Support Act, will be offering courses of study at a wider range of higher educational levels, which is reflected in this revised deliverable.

Programme 1.1 key performance indicators

Performance of the programme is measured through the applications and enrolments of students in the award courses; the number of eligible students successfully completing their course of study; and paid enrolments in the full range of Open Program activities. Performance measures shared with other national arts and cultural agencies include attendance at events, activities and Open Days, and visits to the AFTRS website.

	2013–14 Estimated actual	2014–15 Budget	2015–16 Forward estimate	2016–17 Forward estimate	2017–18 Forward estimate
Key performance indicators					
Visitor interactions					
Total number of attendances at AFTRS events, activities and Open Days	7,000	7,000	7,000	7,000	7,000
Total number of visits to the AFTRS website	150,000	150,000	150,000	150,000	150,000
Expenditure mix					
Expenditure on programmes/projects (as a % of total expenditure)	84.2%	83.4%	83.8%	83.5%	83.9%
Expenditure on capital items (as a % of total expenditure)	5.8%	6.6%	6.2%	6.5%	6.1%
Expenditure on other labour costs (as a % of total expenditure)	7.5%	7.5%	7.5%	7.5%	7.5%
Other expenses (as a % of total expenditure)	2.5%	2.5%	2.5%	2.5%	2.5%
AFTRS-specific indicators					
Number of new student applications (with creative portfolios)	600	600	600	600	600
Number of new and ongoing student enrolments	300	300	300	300	300
Percentage of eligible completions	90.0%	90.0%	90.0%	90.0%	90.0%
Number of Open Program enrolments	4,750	4,750	5,000	5,000	5,000

Section 3: Explanatory tables and budgeted financial statements

Section 3 presents explanatory tables and budgeted financial statements which provide a comprehensive snapshot of agency finances for the 2014–15 budget year. It explains how budget plans are incorporated into the financial statements and provides further details of the reconciliation between appropriations and programme expenses.

3.1 EXPLANATORY TABLES

3.1.1 Movement of administered funds between years

AFTRS has no administered funds.

3.1.2 Special accounts

AFTRS has no special accounts.

3.1.3 Australian Government Indigenous expenditure

AFTRS has no Indigenous-specific expenses.

3.2 BUDGETED FINANCIAL STATEMENTS

3.2.1 Differences in agency resourcing and financial statements

There is no material difference between the agency resourcing and financial statements.

3.2.2 Analysis of budgeted financial statements

Comprehensive income statement

The budgeted financial statements for 2014–15 have been prepared in conjunction with the latest corporate plan. AFTRS continues to maintain a break-even target. Award course incomes are anticipated to decrease slightly in 2014–15 and 2015–16, and then exceed 2013–14 levels in each of the next two years. Income from the Open Program in 2014–15 is budgeted to rise and maintain further increases throughout the forward estimates period.

Employee costs are expected to stay fairly static or decrease slightly from 2014–15 to 2016–17 due to changes in award course offering. Impacts of Open Program revenue increases on non-staff labour costs have also been reviewed and are reflected in the overall results.

Budgeted departmental balance sheet

The budgeted balance sheet is based on the latest June 2014 forecast with due consideration to flow-ons from the capital expenditure budget, income statements and cash inflows and outflows.

Net equity is forecast to be \$10.837m at 30 June 2015 and remain stable across the forward estimates period.

3.2.3 Budgeted financial statements tables

Table 3.2.1: Comprehensive income statement (showing net cost of services) for the period ended 30 June

	Estimated actual 2013–14 \$'000	Budget estimate 2014–15 \$'000	Forward estimate 2015–16 \$'000	Forward estimate 2016–17 \$'000	Forward estimate 2017–18 \$'000
EXPENSES					
Employee benefits	18,262	17,941	17,893	18,085	18,440
Suppliers	10,508	10,590	10,715	10,822	11,031
Depreciation and amortisation	1,850	2,000	1,900	2,000	1,900
Total expenses	30,620	30,531	30,508	30,907	31,371
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	5,968	5,973	6,132	6,648	6,893
Interest	223	223	223	223	223
Total own-source income	6,191	6,196	6,355	6,871	7,116
Net cost of (contribution by) services	24,429	24,335	24,153	24,036	24,255
Revenue from government	24,429	24,335	24,153	24,036	24,255
Surplus (deficit) attributable to the Australian Government	–	–	–	–	–
OTHER COMPREHENSIVE INCOME					
Changes in asset revaluation surplus	–	–	–	–	–
Total other comprehensive income	–	–	–	–	–
Total comprehensive income (loss)	–	–	–	–	–
Total comprehensive income (loss) attributable to the Australian Government	–	–	–	–	–

Prepared on Australian Accounting Standards basis.

Table 3.2.2: Budgeted departmental balance sheet (as at 30 June)

	Estimated actual 2013–14 \$'000	Budget estimate 2014–15 \$'000	Forward estimate 2015–16 \$'000	Forward estimate 2016–17 \$'000	Forward estimate 2017–18 \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	6,140	7,412	7,456	8,467	9,548
Trade and other receivables	1,727	1,728	1,768	1,897	1,958
Total financial assets	7,867	9,140	9,224	10,364	11,506
Non-financial assets					
Property, plant and equipment	8,609	7,252	6,971	6,007	4,717
Intangibles	1,041	998	1,079	843	933
Other non-financial assets	266	266	266	266	266
Total non-financial assets	9,916	8,516	8,316	7,116	5,916
Total assets	17,783	17,656	17,540	17,480	17,422
LIABILITIES					
Payables					
Suppliers	471	470	470	470	474
Other payables	3,525	3,509	3,494	3,428	3,362
Total payables	3,996	3,979	3,964	3,898	3,836
Provisions					
Employee provisions	2,950	2,840	2,739	2,745	2,749
Total provisions	2,950	2,840	2,739	2,745	2,749
Total liabilities	6,946	6,819	6,703	6,643	6,585
Net assets	10,837	10,837	10,837	10,837	10,837
EQUITY					
Parent entity interest					
Retained surplus (accumulated deficit)	10,837	10,837	10,837	10,837	10,837
Total parent entity interest	10,837	10,837	10,837	10,837	10,837
Total equity	10,837	10,837	10,837	10,837	10,837

Prepared on Australian Accounting Standards basis.

Table 3.2.3: Departmental statement of changes in equity—summary of movement (budget year 2014–15)

	Retained earnings \$'000	Total equity \$'000
Opening balance as at 1 July 2014		
Balance carried forward from previous period	10,837	10,837
Adjustment for changes in accounting policies	–	–
Adjusted opening balance	10,837	10,837
Comprehensive income		
Surplus (deficit) for the period	–	–
Total comprehensive income	–	–
Estimated closing balance as at 30 June 2015	10,837	10,837
Closing balance attributable to the Australian Government	10,837	10,837

Prepared on Australian Accounting Standards basis.

Table 3.2.4: Budgeted departmental statement of cash flows (for the period ended 30 June)

	Estimated actual 2013–14 \$'000	Budget estimate 2014–15 \$'000	Forward estimate 2015–16 \$'000	Forward estimate 2016–17 \$'000	Forward estimate 2017–18 \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	24,429	24,335	24,153	24,036	24,255
Sale of goods and rendering of services	5,769	5,906	6,026	6,453	6,766
Interest	223	223	223	223	223
Other	–	50	51	–	–
Total cash received	30,421	30,514	30,453	30,712	31,244
Cash used					
Employees	18,336	18,051	17,994	18,079	18,436
Suppliers	10,988	10,591	10,715	10,822	11,027
Total cash used	29,324	28,642	28,709	28,901	29,463
Net cash from (used by) operating activities	1,097	1,872	1,744	1,811	1,781
INVESTING ACTIVITIES					
Cash received					
Proceeds from sales of property, plant and equipment	50	–	–	–	–
Total cash received	50	–	–	–	–
Cash used					
Purchase of property, plant and equipment	1,900	600	1,700	800	700
Total cash used	1,900	600	1,700	800	700
Net cash from (used by) investing activities	(1,850)	(600)	(1,700)	(800)	(700)
Net increase (decrease) in cash held	(753)	1,272	44	1,011	1,081
Cash and cash equivalents at the beginning of the reporting period	6,893	6,140	7,412	7,456	8,467
Cash and cash equivalents at the end of the reporting period	6,140	7,412	7,456	8,467	9,548

Prepared on Australian Accounting Standards basis.

Table 3.2.5: Departmental capital budget statement

	Estimated actual 2013–14 \$'000	Budget estimate 2014–15 \$'000	Forward estimate 2015–16 \$'000	Forward estimate 2016–17 \$'000	Forward estimate 2017–18 \$'000
PURCHASE OF NON-FINANCIAL ASSETS					
Funded internally from departmental resources ¹	1,900	600	1,700	800	700
Total	1,900	600	1,700	800	700
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	1,900	600	1,700	800	700
Total cash used to acquire assets	1,900	600	1,700	800	700

Prepared on Australian Accounting Standards basis.

1. Funded from annual appropriations (including prior years) and may include donations and contributions, gifts, internally developed assets, and proceeds from the sale of assets.

Table 3.2.6: Statement of asset movements (2014–15)

	Other property, plant & equipment \$'000	Computer software & intangibles \$'000	Total \$'000
As at 1 July 2014			
Gross book value	24,401	1,921	26,322
Accumulated depreciation/ amortisation and impairment	(15,792)	(880)	(16,672)
Opening net book balance	8,609	1,041	9,650
CAPITAL ASSET ADDITIONS			
Estimated expenditure on new or replacement assets			
By purchase—appropriation ordinary annual services ¹	500	100	600
Total additions	500	100	600
Other movements			
Depreciation/amortisation expense	(1,857)	(143)	(2,000)
Total other movements	(1,857)	(143)	(2,000)
As at 30 June 2015			
Gross book value	24,901	2,021	26,922
Accumulated depreciation/ amortisation and impairment	(17,649)	(1,023)	(18,672)
Closing net book balance	7,252	998	8,250

Prepared on Australian Accounting Standards basis.

1. 'Appropriation ordinary annual services' refers to funding provided through Appropriation Bill (No. 1) 2014–15 for depreciation and amortisation expenses, departmental capital budgets or other operational expenses.

3.2.4 Notes to the financial statements

Basis of accounting

The budgeted financial statements have been prepared on an accrual accounting basis, having regard to Statements of Accounting Concepts, and in accordance with the Finance Minister's Orders, Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board.

Revenue from government

Amounts appropriated are recognised as revenue, except for certain amounts that relate to activities that are reciprocal in nature, in which case revenue is recognised only when it has been earned. Appropriations receivable are recognised at their nominal amounts.

Employee expenses

Employee expenses consist of salaries, leave entitlements, redundancy expenses, superannuation and non-salary benefits.

Supplier expenses

Supplier expenses consist of administrative costs, consultants' costs, travel expenses, property operating expenses and legal expenses.

Cash

Cash includes notes and coins held and any deposits held at call with a bank or other financial institution.

Assets

Assets are made up of cash, receivables, leasehold improvements and plant and equipment. All assets are held at fair value.

Liabilities

Liabilities are made up of employee salary and leave entitlement, property lease and make-good provisions and amounts owed to creditors.