

AUSTRALIAN FILM, TELEVISION AND RADIO SCHOOL

Section 1: Entity 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 ENTITY RESOURCE STATEMENT

Table 1.1 shows the total resources from all sources.

Table 1.1: Entity resource statement—Budget estimates for 2015–16 as at Budget May 2015

Source	Actual available appropriation 2014–15 \$'000	Estimate of prior year amounts available in 2015–16 \$'000	Proposed at Budget 2015–16 \$'000	Total estimate 2015–16 \$'000
Opening balance/reserves at bank	7,318	7,854	–	7,854
REVENUE FROM GOVERNMENT				
Ordinary annual services(a)				
Outcome 1	24,335	–	24,058	24,058
Total ordinary annual services	24,335	–	24,058	24,058
Total funds from government	31,653	7,854	24,058	31,912
FUNDS FROM OTHER SOURCES				
Interest	200	–	200	200
Sale of goods and services	5,464	–	5,956	5,956
Other	100	–	100	100
Total	5,764	–	6,256	6,256
Total net resourcing for entity	37,417	7,854	30,314	38,168

All figures are GST exclusive.

AFTRS is not directly appropriated as it is a corporate Commonwealth entity. Appropriations are made to the Attorney-General's Department which are then paid to AFTRS and are considered 'departmental' for all purposes.

(a) Appropriation Bill (No. 1) 2015–16.

1.3 BUDGET MEASURES

AFTRS has no new budget measures.

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 entities achieve the intended results of their outcome statements. Entities 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
- support the publication of research, and provide support to major screen arts and broadcast conferences and events
- develop a new generation of leaders through the provision of high-level skills in leadership, management, finance and persuasion
- deliver the Open Program to meet the skill needs of industry
- provide opportunities for Indigenous Australians to develop skills in screen arts and broadcasting
- make its facilities available to industry associations and organisations
- host a wide range of cultural events related to screen arts and broadcasting that are attended by students and members of the industry
- deliver 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

	2014–15 Estimated actual expenses \$'000	2015–16 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)	24,335	24,058
Revenues from other independent sources	5,580	6,052
Total expenses for Outcome 1	29,915	30,110
	2014–15	2015–16
Average staffing level (number)	140	140

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					
	2014–15 Estimated actual \$'000	2015–16 Budget \$'000	2016–17 Forward estimate \$'000	2017–18 Forward estimate \$'000	2018–19 Forward estimate \$'000
Annual departmental expenses					
Departmental item	29,922	30,110	31,149	31,829	32,268
Total programme expenses	29,922	30,110	31,149	31,829	32,268

Programme 1.1 deliverables

AFTRS meets the creative and professional development needs of students across each stage of their careers through the offer of award courses at a range of escalating levels:

- **Introductory** – Introductory courses 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)** – The Diploma, offered in a range of screen specialisations and radio, provides fundamental skills of the discipline studied.
- **Advanced Diploma (AQF Level 6)** – The Advanced Diploma, offered in a range of screen specialisations and radio, provides specialist skills in the discipline studied.
- **Bachelor of Arts, Screen (AQF Level 7)** – The bachelor degree combines scholarly engagement with storytelling, the history of cinema and cross-disciplinary subjects that span the spectrum of screen production.
- **Bachelor of Arts, Screen, Honours (AQF Level 8)** – The honours year of the bachelor degree will offer specialisation in one discipline, and include the development and realisation of a creative project.
- **Master’s (AQF Level 9)** – Master’s degrees offer advanced media practitioners development in mastery, innovation and leadership.

The Graduate Diploma in Screen Business (AQF Level 8) is also being offered for the last time. The course will be retired at the end of the academic year.

AFTRS maintains its strong relationship with industry, including through the use of highly experienced industry partners in the design and delivery of its courses; 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; through the publication of the screen arts journal *Lumina*; and by providing support to organisations and associations for cultural and industry events and activities.

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

Programme 1.1 deliverables (continued)

Deliverables	2014–15 Estimated actual	2015–16 Budget	2016–17 Forward estimate	2017–18 Forward estimate	2018–19 Forward estimate
Number of higher educational levels offered	6	6	6	6	6
Number of Open Program courses	300	250	250	250	250
Number of forums for industry practitioners to share their expertise	50	40	40	40	40
Number of times AFTRS supports cultural and industry events and activities(a)	100	100	100	100	100
Regular consultations on skills requirements of industry nationally	Annually	Annually	Annually	Annually	Annually

(a) AFTRS supports cultural and industry events through industry use of school facilities and collaboration with festivals, conferences and events.

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 entities include attendance at events, activities and Open Days, and visits to the AFTRS website.

Key performance indicators	2014–15 Estimated actual	2015–16 Budget	2016–17 Forward estimate	2017–18 Forward estimate	2018–19 Forward estimate
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	180,000	200,000	220,000
Expenditure mix					
Expenditure on programmes/projects (as a % of total expenditure)	82.0%	82.1%	81.8%	82.1%	82.9%
Expenditure on capital items (as a % of total expenditure)	6.9%	6.9%	7.2%	7.5%	6.9%
Expenditure on other labour costs (as a % of total expenditure)	8.3%	8.5%	8.4%	8.5%	8.5%
Other expenses (as a % of total expenditure)	2.8%	2.5%	2.6%	1.9%	1.7%
AFTRS-specific indicators					
Number of new student applications (with creative portfolios)	600	700	750	750	750
Number of new and ongoing student enrolments	300	450	500	530	530
Percentage of eligible completions	90%	90%	90%	90%	90%
Number of Open Program enrolments	4,580	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 that provide a comprehensive snapshot of entity finances for the 2015–16 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 entity resourcing and financial statements

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

3.2.2 Analysis of budgeted financial statements

Comprehensive income statement

The budgeted financial statements have been prepared with reference to the objectives of the AFTRS corporate plan, in particular the evolution of the award course programme, increased number of course levels offered, and implementation of the online learning strategy.

AFTRS continues to maintain a break-even year-end result.

Award course income is anticipated to increase by 12% in 2015–16, 38% in 2016–17, 11% in 2017–18 and 4% in 2018–19. The increase in income is due to the progressive roll-out of the award course programme, in particular the impact of the three-year Bachelor of Arts (Screen), introduced in 2014–15. Open Program revenue has been maintained at the 2014–15 level.

Employee costs in 2015–16 are expected to marginally increase compared to the previous year, rising by 4.9% in 2016–17, to reflect increased teaching activity.

In 2017–18, AFTRS anticipates a marginal decrease in labour costs, followed by a 2% increase in 2018–19. Supplier expenses have been reviewed, and are reflected in the overall results. There is only a marginal change in the next two years, followed by a 5% increase in 2017–18 and a 2% increase in 2018–19.

Budgeted departmental balance sheet

The budgeted balance sheet is based on the latest June 2015 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 2016 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

	2014–15 Estimated actual \$'000	2015–16 Budget \$'000	2016–17 Forward estimate \$'000	2017–18 Forward estimate \$'000	2018–19 Forward estimate \$'000
EXPENSES					
Employee benefits	17,340	17,403	18,251	18,235	18,602
Suppliers	10,633	10,757	10,776	11,345	11,566
Depreciation and amortisation	1,949	1,950	2,122	2,249	2,100
Total expenses	29,922	30,110	31,149	31,829	32,268
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	5,369	5,852	7,055	7,540	7,743
Interest	211	200	200	200	200
Total own-source revenue	5,580	6,052	7,255	7,740	7,943
Gains					
Sale of assets	7	–	–	–	–
Total gains	7	–	–	–	–
Total own-source income	5,587	6,052	7,255	7,740	7,943
Net cost of (contribution by) services	24,335	24,058	23,894	24,089	24,325
Revenue from government	24,335	24,058	23,894	24,089	24,325
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)

	2014–15 Estimated actual \$'000	2015–16 Budget \$'000	2016–17 Forward estimate \$'000	2017–18 Forward estimate \$'000	2018–19 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	7,854	8,490	8,977	10,523	11,469
Trade and other receivables	1,564	1,495	1,864	1,783	1,698
Total financial assets	9,418	9,985	10,841	12,306	13,167
Non-financial assets					
Property, plant and equipment	8,251	8,157	7,505	6,315	5,670
Intangibles	598	656	607	651	587
Other non-financial assets	300	300	305	305	305
Total non-financial assets	9,149	9,113	8,417	7,271	6,562
Total assets	18,567	19,098	19,258	19,577	19,729
LIABILITIES					
Payables					
Suppliers	1,180	1,111	1,109	1,037	1,033
Other payables	3,669	4,040	4,262	4,515	4,729
Total payables	4,849	5,151	5,371	5,552	5,762
Provisions					
Employee provisions	2,881	3,110	3,050	3,188	3,130
Total provisions	2,881	3,110	3,050	3,188	3,130
Total liabilities	7,730	8,261	8,421	8,740	8,892
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 2015–16)

	Retained earnings \$'000	Total equity \$'000
Opening balance as at 1 July 2015		
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 2016	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)

	2014–15 Estimated actual \$'000	2015–16 Budget \$'000	2016–17 Forward estimate \$'000	2017–18 Forward estimate \$'000	2018–19 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	24,335	24,058	23,894	24,089	24,325
Sale of goods and rendering of services	5,464	5,956	6,686	7,621	7,828
Interest	200	200	200	200	200
Net GST received	1,284	1,312	1,297	1,300	1,359
Other	100	100	100	100	100
Total cash received	31,383	31,626	32,177	33,310	33,812
Cash used					
Employees	17,610	17,174	18,311	18,097	18,660
Suppliers	11,468	11,902	11,958	12,564	12,815
Total cash used	29,078	29,076	30,269	30,661	31,475
Net cash from (used by) operating activities	2,305	2,550	1,908	2,649	2,337
INVESTING ACTIVITIES					
Cash received					
Proceeds from sales of property, plant and equipment	37	–	–	–	–
Total cash received	37	–	–	–	–
Cash used					
Purchase of property, plant and equipment	1,806	1,914	1,421	1,103	1,391
Total cash used	1,806	1,914	1,421	1,103	1,391
Net cash from (used by) investing activities	(1,769)	(1,914)	(1,421)	(1,103)	(1,391)
Net increase (decrease) in cash held	536	636	487	1,546	946
Cash and cash equivalents at the beginning of the reporting period	7,318	7,854	8,490	8,977	10,523
Cash and cash equivalents at the end of the reporting period	7,854	8,490	8,977	10,523	11,469

Prepared on Australian Accounting Standards basis.

Table 3.2.5: Departmental capital budget statement (for the period ended 30 June)

	2014–15 Estimated actual \$'000	2015–16 Budget \$'000	2016–17 Forward estimate \$'000	2017–18 Forward estimate \$'000	2018–19 Forward estimate \$'000
PURCHASE OF NON-FINANCIAL ASSETS					
Funded internally from departmental resources(a)	1,806	1,914	1,421	1,103	1,391
Total purchases of non-financial assets	1,806	1,914	1,421	1,103	1,391
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	1,806	1,914	1,421	1,103	1,391
Total cash used to acquire assets	1,806	1,914	1,421	1,103	1,391

Prepared on Australian Accounting Standards basis.

(a) 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 (budget year 2015–16)

	Property, plant & equipment \$'000	Computer software & intangibles \$'000	Total \$'000
As at 1 July 2015			
Gross book value	21,751	1,498	23,249
Accumulated depreciation/amortisation and impairment	(13,500)	(900)	(14,400)
Opening net book balance	8,251	598	8,849
CAPITAL ASSET ADDITIONS			
Estimated expenditure on new or replacement assets			
By purchase—appropriation ordinary annual services(a)	1,714	200	1,914
Total additions	1,714	200	1,914
Other movements			
Depreciation/amortisation expense	(1,808)	(142)	(1,950)
Total other movements	(1,808)	(142)	(1,950)
As at 30 June 2016			
Gross book value	23,465	1,698	25,163
Accumulated depreciation/amortisation and impairment	(15,308)	(1,042)	(16,350)
Closing net book balance	8,157	656	8,813

Prepared on Australian Accounting Standards basis.

(a) '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 Public Governance, Performance and Accountability (Financial Reporting) Rule 2015, 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.