

**AUSTRALIAN FILM, TELEVISION
AND RADIO SCHOOL**

**ENTITY RESOURCES AND PLANNED
PERFORMANCE**

AUSTRALIAN FILM, TELEVISION AND RADIO SCHOOL

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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) is the national institution for education, training and research for the screen and broadcast industries. AFTRS helps build a strong local industry, empowering storytelling talent to create great Australian content and position it to engage local and international audiences.

AFTRS offers world-class, industry-relevant education and skills training with a focus on creativity and cultural entrepreneurship. AFTRS also deepens and broadens skills in practitioners through industry training events and thought leadership – drawing on partnerships and input from the screen and broadcast sectors and beyond. AFTRS explores new frontiers of storytelling and technology via research projects and hosts conversations that help creative practitioners grapple with challenges, new practices and ideas.

AFTRS partners across Australia to find great storytellers, whatever their background, and equip them with the skills they need to become the leaders of screen and broadcast industries internationally.

AFTRS recognises that in the context of major disruptions to traditional models in the screen and broadcast sectors, the skills of creative problem solving, collaboration, communication, ‘big-picture’ innovation and entrepreneurialism will become even more important and key to the ongoing success of our professional workforce.

AFTRS’ purpose is to find and empower Australian talent to shape and share their stories with the world by delivering future-focused, industry-relevant education, research and training. AFTRS’ vision is to be the reference point for innovation in screen, sound and story-making globally.

AFTRS’ strategies are:

- **Outreach:** Empower all Australians to tell their stories, wherever they come from and whoever they are.
- **Talent Development:** Educate and train new talent to ensure innovative, relevant Australian content creators are supported on their journey into the screen and broadcast industry.
- **Industry Training:** Ensure current Australian screen and broadcast practitioners have the highest levels of skills required to compete in the international marketplace.
- **Research and Development:** Drive innovation in the screen and broadcast industry and practice-based education through research to ensure relevance and growth.

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- **Inclusion:** Ensure AFTRS reflects Australian society by supporting diversity across its activities.
- **Operations:** Ensure an efficient and effective financially sustainable organisation.
- **Communications:** Position AFTRS as a leading international cultural centre of excellence and innovation in education for the screen and broadcast industries.

These strategies ensure that AFTRS will achieve its Outcome and program in 2018-19 and over the forward estimates.

1.2 ENTITY RESOURCE STATEMENT

Table 1.1 shows the total funding from all sources available to AFTRS for its operations and to deliver programs and services on behalf of the Government.

The table summarises how resources will be applied by outcome (government strategic policy objectives) and by departmental (for the AFTRS's operations) classification.

Information in this table is presented on a resourcing (that is, appropriations/cash available) basis, whilst the 'Budgeted expenses by Outcome 1' tables in Section 2 and the financial statements in Section 3 are presented on an accrual basis.

Table 1.1: AFTRS resource statement—Budget estimates for 2018–19 as at Budget May 2018

	2017–18 estimated actual \$'000	2018–19 estimate \$'000
Opening balance/cash reserves at 1 July	7,405	6,820
Funds from Government		
Annual appropriations—ordinary annual services ^(a)		
Outcome 1	22,683	22,584
<i>Total annual appropriations</i>	<i>22,683</i>	<i>22,584</i>
Total funds from Government	22,683	22,584
Funds from other sources		
Sale of goods and services	9,106	9,900
Interest	138	135
Other	93	12
Total funds from other sources	9,337	10,047
Total net resourcing for AFTRS	39,425	39,451
Average staffing level (number)	149	145

(a) Appropriation Bill (No.1) 2018–19.

AFTRS is not directly appropriated as it is a Corporate Commonwealth Entity. Appropriations are made to the Department of Communications and the Arts (a Non-Corporate Commonwealth Entity), which are then paid to AFTRS and are considered "departmental" for all purposes.

Please note: All figures shown above are GST exclusive—these may not match figures in the cash flow statement.

Prepared on a resourcing (that is, appropriations available) basis.

1.3 BUDGET MEASURES

AFTRS has no budget measures in the 2018–19 Budget.

SECTION 2: OUTCOMES AND PLANNED PERFORMANCE

Government outcomes are the intended results, impacts or consequences of actions by the Government on the Australian community. Commonwealth programs are the primary vehicle by which government entities achieve the intended results of their outcome statements. Entities are required to identify the programs which contribute to government outcomes over the Budget and forward years.

Each outcome is described below together with its related programs. The following provides detailed information on expenses for each outcome and program, further broken down by funding source.

Note:

Performance reporting requirements in the Portfolio Budget Statements are part of the enhanced Commonwealth performance framework established by the *Public Governance, Performance and Accountability Act 2013*. It is anticipated that the performance criteria described in Portfolio Budget Statements will be read with broader information provided in an entity's corporate plans and annual performance statements – included in Annual Reports – to provide an entity's complete performance story.

The most recent corporate plan for AFTRS can be found at:

www.aftrs.edu.au/_data/assets/pdf_file/0020/71354/AFTRS12_CorpPlan2017_02.pdf.

The most recent annual performance statement can be found at:

www.aftrs.edu.au/_data/assets/pdf_file/0008/73079/Annual-Report-20162017.pdf.

2.1 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 1

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

Budgeted expenses for Outcome 1

This table shows how much the entity intends to spend (on an accrual basis) on achieving the outcome, broken down by program, as well as by Departmental funding sources.

Table 2.1.1: Budgeted expenses for Outcome 1

	2017–18 Estimated actual \$'000	2018–19 Budget \$'000	2019–20 Forward estimate \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000
Program 1.1: Australian Film, Television and Radio School					
Revenue from Government					
Ordinary annual services (Appropriation Bill No. 1)	22,683	22,584	22,627	22,825	23,005
Revenues from other independent sources	9,337	10,047	10,576	11,016	11,435
Total expenses for Program 1.1	32,020	32,631	33,203	33,841	34,440
Outcome 1 totals by resource type					
Revenue from Government					
Ordinary annual services (Appropriation Bill No. 1)	22,683	22,584	22,627	22,825	23,005
Revenues from other independent sources	9,337	10,047	10,576	11,016	11,435
Total expenses for Outcome 1	32,020	32,631	33,203	33,841	34,440
	2017–18	2018–19			
Average staffing level (number)	149	145			

Table 2.1.2: Performance criteria for Outcome 1

Table 2.1.2 below details the performance criteria for each program associated with Outcome 1. It also summarises how each program is delivered and where 2018-19 Budget measures have created new programs or materially changed existing programs.

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		
Program 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		
Delivery Program 1.1 is delivered through higher education award courses, industry skills courses and workshops, outreach and schools programs, corporate courses, and research activities and publications. Target groups comprise potential and current film, television and radio students, members of the screen and broadcast industry, cultural and industry partners, and Indigenous Australians.		
Performance information		
Year	Performance criteria	Targets
2017-18	<p>Outreach: Build awareness and appreciation of Australian screen and broadcast culture and empower all Australians to tell their stories, wherever they come from and whoever they are.</p> <p>Talent Development: Educate and train new talent to ensure innovative, relevant Australian content creators are supported on their journey into the screen and broadcast industry.</p> <p>Industry Training: Ensure current Australian screen and broadcast practitioners have the highest levels of skills required to compete in the international marketplace.</p>	<p>Expected to meet criterion 250 Open Program and Indigenous Unit courses offered. 40 forums for industry practitioners to share their expertise. 100 cultural and industry events held. 5,000 Open Program and Indigenous Unit enrolments.</p> <p>Expected to meet criterion 6 higher educational levels offered. 750 new student applications. 530 new and ongoing student enrolments. 90% eligible completions.</p> <p>Expected to meet criterion Annual consultation of national skills requirements of industry.</p>

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Performance information		
Year	Performance criteria	Targets
2018–19	<p>Outreach: Build awareness and appreciation of Australian screen and broadcast culture and empower all Australians to tell their stories, wherever they come from and whoever they are.</p> <p>Talent Development: Educate and train new talent to ensure innovative, relevant Australian content creators are supported on their journey into the screen and broadcast industry.</p> <p>Industry Training: Ensure current Australian screen and broadcast practitioners have the highest levels of skills required to compete in the international marketplace.</p>	<p>3,000 participants in AFTRS training.</p> <p>50,000 views of AFTRS content and events.</p> <p>10 partnerships a year to deliver training nationally.</p> <p>425 award course applications received.</p> <p>300 new and ongoing Award Course student enrolments.</p> <p>80% eligible completions.</p> <p>200 industry practitioners.</p> <p>Triennial consultation on national skills requirements of industry.</p> <p>2 industry research projects per year.</p>
2019–20 and beyond	As per 2018–19	As per 2018–19
Purpose	AFTRS' purpose is to find and empower Australian talent to shape and share their stories with the world by delivering future-focused, industry-relevant education, research and training.	

SECTION 3: BUDGETED FINANCIAL STATEMENTS

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of AFTRS' finances for the 2018-19 Budget year, including the impact of Budget measures and resourcing on financial statements.

3.1 BUDGETED FINANCIAL STATEMENTS

3.1.1 Explanatory notes and analysis of budgeted financial statements

Comprehensive income statement

Own-source revenue in 2018-19 is expected to increase by 7.6 percent. Award course fee income of \$6.0 million is anticipated to remain broadly in line with the 2017-18 forecast, and then is expected to grow by 5 percent each year to 2021-22. Income from the Open Program is budgeted to be \$3.5 million for 2018-19 (\$2.6 million for 2017-18) and then is expected to increase by 5 percent each year throughout the forward estimates period.

Employee costs are expected to rise by 2.8 percent in 2018-19 to \$19.5 million. Average staffing level is planned to decrease to 145 and stay within the guideline. Overall, total expenses for 2018-19 (\$32.6 million) is an increase of 1.9 per cent from 2017-18.

Employee costs are expected to rise 1.5 percent annually to \$20.4 million by 2021-22. AFTRS continues to maintain a break-even target.

Departmental balance sheet

The budgeted balance sheet is based on the latest June 2018 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 \$11.1 million at 30 June 2019 and remain stable across the forward estimates period.

3.2 BUDGETED FINANCIAL STATEMENTS TABLES

Table 3.1: Comprehensive income statement (showing net cost of services) for the period ended 30 June

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000
EXPENSES					
Employee benefits	18,973	19,497	19,789	20,086	20,410
Suppliers	10,952	11,141	11,364	11,591	11,823
Depreciation and amortisation	2,095	1,993	2,050	2,164	2,207
Total expenses	32,020	32,631	33,203	33,841	34,440
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	9,106	9,900	10,429	10,869	11,288
Interest	138	135	135	135	135
Other	72	12	12	12	12
Total own-source revenue	9,316	10,047	10,576	11,016	11,435
Gains					
Sale of assets	21	-	-	-	-
Total gains	21	-	-	-	-
Total own-source income	9,337	10,047	10,576	11,016	11,435
Net (cost of)/contribution by services	(22,683)	(22,584)	(22,627)	(22,825)	(23,005)
Revenue from Government	22,683	22,584	22,627	22,825	23,005
Surplus/(deficit) attributable to the Australian Government	-	-	-	-	-
Total comprehensive income/(loss)	-	-	-	-	-
Total comprehensive income/(loss) attributable to the Australian Government	-	-	-	-	-

Prepared on Australian Accounting Standards basis.

Table 3.2: Budgeted departmental balance sheet (as at 30 June)

	2017–18 Estimated actual \$'000	2018–19 Budget \$'000	2019–20 Forward estimate \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	6,820	6,711	6,840	7,142	7,540
Trade and other receivables	3,732	4,003	4,203	4,413	4,634
Other financial assets	158	156	156	159	160
Total financial assets	10,710	10,870	11,199	11,714	12,334
Non-financial assets					
Property, plant and equipment	7,491	7,359	7,011	6,583	5,988
Intangibles	1,463	1,568	1,646	1,730	1,788
Prepayments	445	445	445	345	345
Total non-financial assets	9,399	9,372	9,102	8,658	8,121
Total assets	20,109	20,242	20,301	20,372	20,455
LIABILITIES					
Payables					
Suppliers	1,225	1,246	1,270	1,295	1,321
Other payables	4,582	4,668	4,683	4,708	4,744
Total payables	5,807	5,914	5,953	6,003	6,065
Provisions					
Employee provisions	3,206	3,232	3,252	3,273	3,294
Total provisions	3,206	3,232	3,252	3,273	3,294
Total liabilities	9,013	9,146	9,205	9,276	9,359
Net assets	11,096	11,096	11,096	11,096	11,096
EQUITY					
Reserves	175	175	175	175	175
Retained surplus (accumulated deficit)	10,921	10,921	10,921	10,921	10,921
Total equity	11,096	11,096	11,096	11,096	11,096

Prepared on Australian Accounting Standards basis.

Table 3.3: Departmental statement of changes in equity—summary of movement (Budget year 2018–19)

	Retained earnings \$'000	Asset revaluation reserve \$'000	Total equity \$'000
Opening balance as at 1 July 2018			
Balance carried forward from previous period	10,921	175	11,096
Adjusted opening balance	10,921	175	11,096
Estimated closing balance as at 30 June 2019	10,921	175	11,096
Closing balance attributable to the Australian Government	10,921	175	11,096

Prepared on Australian Accounting Standards basis.

Table 3.4: Budgeted departmental statement of cash flows (for the period ended 30 June)

	2017–18 Estimated actual \$'000	2018–19 Budget \$'000	2019–20 Forward estimate \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	22,683	22,584	22,627	22,825	23,005
Sale of goods and rendering of services	8,563	9,629	10,229	10,659	11,067
Interest	138	135	135	135	135
Net GST received	1,482	1,555	1,485	1,619	1,540
Other	72	60	60	60	60
Total cash received	32,938	33,963	34,536	35,298	35,807
Cash used					
Employees	18,940	19,471	19,769	20,065	20,389
Suppliers	11,968	12,438	12,680	12,929	13,183
Total cash used	30,908	31,909	32,449	32,994	33,572
Net cash from/(used by) operating activities	2,030	2,054	2,087	2,304	2,235
INVESTING ACTIVITIES					
Cash received					
Proceeds from sales of property, plant and equipment	21	-	-	-	-
Total cash received	21	-	-	-	-
Cash used					
Purchase of property, plant and equipment and intangibles	2,636	2,163	1,958	2,002	1,837
Total cash used	2,636	2,163	1,958	2,002	1,837
Net cash from/(used by) investing activities	(2,615)	(2,163)	(1,958)	(2,002)	(1,837)
Net increase/(decrease) in cash held	(585)	(109)	129	302	398
Cash and cash equivalents at the beginning of the reporting period	7,405	6,820	6,711	6,840	7,142
Cash and cash equivalents at the end of the reporting period	6,820	6,711	6,840	7,142	7,540

Prepared on Australian Accounting Standards basis.

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Table 3.5: Departmental capital budget statement (for the period ended 30 June)

	2017–18 Estimated actual \$'000	2018–19 Budget \$'000	2019–20 Forward estimate \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000
PURCHASE OF NON-FINANCIAL ASSETS					
Funded internally from departmental resources ^(a)	2,396	1,966	1,780	1,820	1,670
TOTAL	2,396	1,966	1,780	1,820	1,670
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	2,396	1,966	1,780	1,820	1,670
Total cash used to acquire assets	2,396	1,966	1,780	1,820	1,670

(a) Funded from annual appropriations and may include donations and contributions, gifts, internally developed assets, and proceeds from sale of assets.
Prepared on Australian Accounting Standards basis.

Table 3.6: Statement of asset movements (Budget year 2018–19)

	Other property, plant and equipment \$'000	Computer software and intangibles \$'000	Total \$'000
As at 1 July 2018			
Gross book value	24,657	3,115	27,772
Accumulated depreciation/amortisation and impairment	(17,166)	(1,652)	(18,818)
Opening net book balance	7,491	1,463	8,954
Capital asset additions			
Estimated expenditure on new or replacement assets			
By purchase—appropriation ordinary annual services ^(a)	1,520	446	1,966
Total additions	1,520	446	1,966
Other movements			
Depreciation/amortisation expense	(1,652)	(341)	(1,993)
Total other movements	(1,652)	(341)	(1,993)
As at 30 June 2019			
Gross book value	26,177	3,561	29,738
Accumulated depreciation/ amortisation and impairment	(18,818)	(1,993)	(20,811)
Closing net book balance	7,359	1,568	8,927

(a) 'Appropriation ordinary annual services' refers to funding provided through Appropriation Bill (No. 1) 2018–19 for depreciation/amortisation expenses, DCBs or other operational expenses.
Prepared on Australian Accounting Standards basis.