

Screen Australia

Entity resources and planned performance

Screen Australia

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Screen Australia

Section 1: Entity overview and resources

1.1 Strategic direction statement

Screen Australia works to support bold, enduring and culturally significant Australian storytelling that resonates with local audiences and succeeds in a global marketplace, created by a skilled and entrepreneurial screen industry.

Screen Australia's goals are:

- engaged audiences
- compelling Australian storytelling
- successful Australian screen businesses
- highly-skilled, creative and innovative industry practitioners.

Screen Australia also aims to be an efficient and effective organisation that is responsive to industry.

Screen Australia works to achieve these goals through:

- Culture — supporting screen stories that shape our cultural imagination, contribute to our national belonging, and create a legacy for all Australians now and into the future
- Quality — encouraging creators to extend the ambitions of their projects in terms of development, writing, craft, scale and production to produce high-end content
- Innovation — supporting the creation of innovative, risk-taking content for new and evolving platforms.

Screen Australia co-finances its projects with private financing sources. International economic conditions and tightening of credit markets may impact the availability of private funds for screen projects. The environment for feature film producers is also characterised by uncertain access to distribution and a small domestic market. In addition, the difficult economic climate may affect the level of recoupment of investment flowing to Screen Australia.

1.2 Entity resource statement

Table 1.1 shows the total funding from all sources available to Screen Australia 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 Screen Australia'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: Screen Australia resource statement — Budget estimates for 2022-23 as at Budget October 2022

	2021-22 Estimated actual \$'000	2022-23 Estimate \$'000
Opening balance/cash reserves at 1 July	23,492	18,771
Funds from Government		
Annual appropriations - ordinary annual services ^(a)		
Outcome 1	40,686	27,834
Total annual appropriations	40,686	27,834
Amounts received from related entities		
Amounts from Portfolio Department ^(b)	70,454	70,454
Total amounts received from related entities	70,454	70,454
Total funds from Government	111,140	98,288
Funds from industry sources		
Funds from other sources		
Interest	428	1,400
Royalties	3,703	4,000
Sale of goods and services	1,720	950
Other	3,028	62
Total funds from other sources	8,879	6,412
Total net resourcing for Screen Australia	143,511	123,471
	2021-22	2022-23
Average staffing level (number)	95	97

All figures shown above are GST exclusive - these may not match figures in the cash flow statement.

(a) Appropriation Bill (No. 1) 2022-23, Supply Bill (No. 3) 2022-23 and Supply Act (No. 1) 2022-23.

(b) Funding provided by the Department of Infrastructure, Transport, Regional Development, Communications and the Arts that is not specified within the annual Appropriation Bills as a payment to Screen Australia.

Screen Australia is not directly appropriated as it is a corporate Commonwealth entity. Appropriations are made to the Department of Infrastructure, Transport, Regional Development, Communications and the Arts which are then paid to Screen Australia and are considered 'departmental' for all purposes.

1.3 Budget measures

Table 1.2: Screen Australia October 2022-23 Budget measures

Part 1: Measures announced since the 2022-23 March Budget

	Program	2021-22 \$'000	2022-23 \$'000	2023-24 \$'000	2024-25 \$'000	2025-26 \$'000
Receipt measures						
Supporting the Arts	1.1					
Departmental receipts		-	800	-	-	-
Total		-	800	-	-	-
Total receipt measures						
Departmental		-	800	-	-	-
Total		-	800	-	-	-
Payment measures						
Supporting the Arts	1.1					
Departmental payments		-	800	-	-	-
Total		-	800	-	-	-
Total payment measures						
Departmental		-	800	-	-	-
Total		-	800	-	-	-

Prepared on a Government Finance Statistics (Underlying Cash) basis.

Figures displayed as a negative (-) represent a decrease in funds and a positive (+) represent an increase in funds.

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 Commonwealth performance framework established by the *Public Governance, Performance and Accountability Act 2013*. It is anticipated that the performance measures 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 a complete picture of an entity's planned and actual performance.

The most recent Corporate Plan for Screen Australia can be found at:
www.screenaustralia.gov.au/corporateplan

The most recent annual performance statement can be found at:
www.screenaustralia.gov.au/annualreport

2.1 Budgeted expenses and performance for Outcome 1

Outcome 1: Promote engaged audiences and support a creative, innovative and commercially sustainable screen industry through the funding and promotion of diverse Australian screen product

Budgeted expenses for Outcome 1

This table shows how much Screen Australia intends to spend (on an accrual basis) on achieving the outcome, broken down by program.

Table 2.1.1: Budgeted expenses for Outcome 1

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
Program 1.1: Screen Australia					
Revenue from Government					
Ordinary annual services (Appropriation Bill No. 1)	40,686	27,834	12,034	12,223	12,355
Payment from related entities	70,454	70,454	70,454	70,454	70,454
Expenses not requiring appropriation in the Budget year ^(a)	(210)	(255)	231	112	37
Revenues from other independent sources	8,879	6,412	5,550	5,550	5,550
Total expenses for Program 1.1	119,809	104,445	88,269	88,339	88,396
Outcome 1 totals by resource type					
Revenue from Government					
Ordinary annual services (Appropriation Bill No. 1)	40,686	27,834	12,034	12,223	12,355
Payment from related entities	70,454	70,454	70,454	70,454	70,454
Expenses not requiring appropriation in the Budget year ^(a)	(210)	(255)	231	112	37
Revenues from other independent sources	8,879	6,412	5,550	5,550	5,550
Total expenses for Outcome 1	119,809	104,445	88,269	88,339	88,396
Average staffing level (number)					
	95	97			

(a) Net impact of AASB 16 Leases relating to right of use (buildings) lease repayments and depreciation/ amortisation expenses of right of use assets.

Table 2.1.2: Performance measures for Outcome 1

Table 2.1.2 details the performance measures for each program associated with Outcome 1. It also provides the related key activities as expressed in the current corporate plan where further detail is provided about the delivery of the activities related to the program, the context in which these activities are delivered and how the performance of these activities will be measured. Where relevant, details of 2022-23 Budget measures that have created new programs or materially changed existing programs are provided.

Outcome 1 – Promote engaged audiences and support a creative, innovative and commercially sustainable screen industry through the funding and promotion of diverse Australian screen product		
Program 1.1 – Screen Australia The key results will be for creative individuals and businesses, through financial and other assistance, to make high-quality film, television, interactive entertainment, and other screen programs and for these programs to attract Australian and international audiences.		
Key Activities	Key activities reported in the current corporate plan that relate to this program, include: <ul style="list-style-type: none"> Engage, educate and inspire Lead and collaborate 	
Year	Performance measures	Expected Performance Results
Prior year 2021-22	Engage, educate and inspire – increase engagement with national and international visitors through innovative exhibitions and programs that are accessed in a variety of ways.	Target: Total audience number for Australian productions, including 2.7 million admissions for productions shown at movie theatres (based on three-year average) and 107 million cumulative audience for Screen Australia-funded productions shown on television. Actual: 3,027,998 admissions Actual: 155,148,987 million Target met Target: 1.8 million visits to Screen Australia's website. Actual: 2.3 million Target met Target: 50 culturally diverse projects and events funded, with total funding of \$8 million. Actual: 160 culturally diverse projects and events were funded with total funding of \$19.6 million. Target met

Year	Performance measures	Expected Performance Results
Prior year 2021-22 cont.	Lead and collaborate – be leaders in the sector and foster long-term relationships through partnerships and collaborations with key stakeholders and similar organisations/institutions nationally and internationally.	<p>Target: 225 new Australian artwork projects supported, with total funding of \$62 million provided.</p> <p>Actual: 406 projects were supported with total funding of \$83.6 million provided.</p> <p>Target met</p> <p>Target: \$0.4 million total funding for research and development projects.</p> <p>Actual: \$0.29 million. Due to COVID-19, planned research project with Australian Bureau of Statistics was cancelled.</p> <p>Target not met</p> <p>Screen Australia specific indicators:</p> <ul style="list-style-type: none"> dollar value of production generated for each dollar of Screen Australia investment in features: \$5.90 Actual: \$6.32 dollar value of production generated for each dollar of Screen Australia investment in documentaries: \$2.90 Actual: \$5.72 dollar value of production generated for each dollar of Screen Australia investment in TV drama: \$5.50 Actual: \$7.86 dollar value of production generated for each dollar of Screen Australia investment in children's TV drama: \$3.60 Actual: \$5.81
Year	Performance measures	Planned Performance Results
Budget year 2022-23	Engage, educate and inspire – increase engagement with national and international visitors through innovative exhibitions and programs that are accessed in a variety of ways.	<p>Total audience number for Australian productions, including 2.7 million admissions for productions shown at movie theatres (based on three-year average) and 91 million cumulative audience for Screen Australia- funded productions shown on television.</p> <p>1.8 million visits to Screen Australia's website.</p> <p>50 culturally diverse projects and events funded, with total funding of \$8 million.</p>

Year	Performance measures	Planned Performance Results
Budget year 2022-23 cont.	Lead and collaborate – be leaders in the sector and foster long-term relationships through partnerships and collaborations with key stakeholders and similar organisations/institutions nationally and internationally.	<p>225 new Australian artwork projects supported, with total funding of \$74 million provided.</p> <p>\$0.4 million total funding for research and development projects.</p> <p>Screen Australia specific indicators:</p> <ul style="list-style-type: none"> dollar value of production generated for each dollar of Screen Australia investment in features: \$5.90 dollar value of production generated for each dollar of Screen Australia investment in documentaries: \$2.90 dollar value of production generated for each dollar of Screen Australia investment in TV drama: \$5.50 dollar value of production generated for each dollar of Screen Australia investment in children's TV drama: \$3.60.
Forward Estimates 2023-26	As per 2022-23	As per 2022-23

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of Screen Australia's finances for the 2022-23 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

Screen Australia's budget has been developed on the underlying principle of a balanced budget, (that is, annual expense matches the annual revenue forecast to be received) adjusted for any surplus/deficit impacts arising from accounting for leases under AASB 16 Leases.

Total expenses for 2022–23 are estimated to be 104.4 million and will be used in delivering the activities outlined in Program 1.1.

Total income for 2022–23 is estimated to be \$104.7 million. Screen Australia's revenue from Government for 2022–23 is \$98.3 million. Screen Australia is also expecting to generate \$6.4 million in own source revenue in 2022–23. This will be predominantly sourced from recoupment from screen investments, interest income and rendering of services.

Screen Australia continues to focus on containing administrative operating expenses to maximise funds directed to on-screen production.

Screen Australia has budgeted \$0.8 million in capital expenditure.

Screen Australia's budgeted net asset position of \$14.7 million is expected to comprise total assets of \$92.5 million, less liabilities of \$77.8 million.

Total financial assets as at 30 June 2023 are estimated to be \$89.8 million which represents 97 per cent of the total asset value. A significant proportion of Screen Australia's financial assets (cash and investments in term deposits) have been committed to funding screen projects.

Total liabilities are estimated to be \$77.8 million as at 30 June 2023 of which 94 per cent relates to obligations to pay amounts under executed screen industry contracts.

3.2 Budgeted financial statements tables

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
EXPENSES					
Employee benefits	13,274	14,243	14,503	14,763	15,023
Suppliers	5,968	6,592	6,709	6,709	6,709
Grants	49,206	37,052	30,034	29,997	29,799
Depreciation and amortisation	1,774	1,906	2,519	2,519	2,529
Finance costs	32	16	93	115	100
Write-down and impairment of assets	49,421	44,636	34,411	34,236	34,236
Losses from asset sales	134	-	-	-	-
Total expenses	119,809	104,445	88,269	88,339	88,396
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	1,720	950	150	150	150
Interest	428	1,400	1,400	1,400	1,400
Royalties	3,703	4,000	4,000	4,000	4,000
Other	1,445	-	-	-	-
Total own-source revenue	7,296	6,350	5,550	5,550	5,550
Gains					
Other	1,583	62	-	-	-
Total gains	1,583	62	-	-	-
Total own-source income	8,879	6,412	5,550	5,550	5,550
Net (cost of)/contribution by services	(110,930)	(98,033)	(82,719)	(82,789)	(82,846)
Revenue from Government	111,140	98,288	82,488	82,677	82,809
Surplus/(deficit) attributable to the Australian Government	210	255	(231)	(112)	(37)
Total other comprehensive income	-	-	-	-	-
Total comprehensive income/(loss)	210	255	(231)	(112)	(37)
Total comprehensive income/(loss) attributable to the Australian Government	210	255	(231)	(112)	(37)
Note: Impact of net cash appropriation arrangements					
Total comprehensive income/(loss) - as per statement of comprehensive income	210	255	(231)	(112)	(37)
plus: depreciation/amortisation expenses for ROU assets ^(a)	1,056	1,056	1,669	1,669	1,679
less: lease principal repayments ^(a)	(1,246)	(1,311)	(1,438)	(1,557)	(1,642)
Net cash operating surplus/ (deficit)	20	-	-	-	-

Prepared on Australian Accounting Standards basis.

(a) Applies leases under AASB 16 Leases.

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	18,771	18,771	18,771	18,771	18,771
Trade and other receivables	3,191	3,191	3,191	3,191	3,191
Other investments	68,002	67,835	67,798	67,930	68,050
Total financial assets	89,964	89,797	89,760	89,892	90,012
Non-financial assets					
Land and buildings	2,498	967	6,659	5,717	4,013
Property, plant and equipment	613	1,053	1,238	1,263	1,238
Intangibles	15	-	-	-	-
Other non-financial assets	653	653	653	653	653
Total non-financial assets	3,779	2,673	8,550	7,633	5,904
Total assets	93,743	92,470	98,310	97,525	95,916
LIABILITIES					
Payables					
Suppliers	225	225	225	225	225
Other payables	619	670	677	759	829
Total payables	844	895	902	984	1,054
Interest bearing liabilities					
Leases	2,383	801	6,862	6,107	4,465
Total interest bearing liabilities	2,383	801	6,862	6,107	4,465
Provisions					
Employee provisions	2,554	2,554	2,554	2,554	2,554
Other provisions	73,502	73,505	73,508	73,508	73,508
Total provisions	76,056	76,059	76,062	76,062	76,062
Total liabilities	79,283	77,755	83,826	83,153	81,581
Net assets	14,460	14,715	14,484	14,372	14,335
EQUITY					
Parent entity interest					
Contributed equity	9,505	9,505	9,505	9,505	9,505
Reserves	45	45	45	45	45
Retained surplus (accumulated deficit)	4,910	5,165	4,934	4,822	4,785
Total parent entity interest	14,460	14,715	14,484	14,372	14,335
Total equity	14,460	14,715	14,484	14,372	14,335

Prepared on Australian Accounting Standards basis.

Table 3.3: Departmental statement of changes in equity — summary of movement (Budget year 2022-23)

	Retained earnings	Asset revaluation reserve	Contributed equity/ capital	Total equity
	\$'000	\$'000	\$'000	\$'000
Opening balance as at 1 July 2022				
Balance carried forward from previous period	4,910	45	9,505	14,460
Adjusted opening balance	4,910	45	9,505	14,460
Comprehensive income				
Surplus/(deficit) for the period	255	-	-	255
Total comprehensive income	255	-	-	255
of which:				
Attributable to the Australian Government	255	-	-	255
Estimated closing balance as at 30 June 2023	5,165	45	9,505	14,715
Closing balance attributable to the Australian Government	5,165	45	9,505	14,715

Prepared on Australian Accounting Standards basis.

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	39,466	27,834	12,034	12,223	12,355
Receipts from Government	70,454	70,454	70,454	70,454	70,454
Sale of goods and rendering of services	1,816	965	165	165	165
Interest	334	1,400	1,400	1,400	1,400
Net GST received	8,402	7,500	7,500	7,500	7,500
Other	4,784	4,231	4,231	4,231	4,231
Total cash received	125,256	112,384	95,784	95,973	96,105
Cash used					
Employees	13,252	14,192	14,496	14,681	14,953
Suppliers	5,252	7,251	7,380	7,380	7,380
Interest payments on lease liability	27	13	90	112	97
Other	51,341	44,139	37,109	37,072	36,874
Total cash used	69,872	65,595	59,075	59,245	59,304
Net cash from operating activities	55,384	46,789	36,709	36,728	36,801
INVESTING ACTIVITIES					
Cash received					
Proceeds from sales of property, plant and equipment	2	-	-	-	-
Proceeds from sales of financial instruments	156,593	180,062	180,000	180,000	180,000
Total cash received	156,595	180,062	180,000	180,000	180,000
Cash used					
Purchase of property, plant and equipment and intangibles	651	800	800	800	800
Purchase of financial instruments	174,468	180,533	180,663	180,832	180,820
On-screen Investments	40,176	43,936	33,711	33,539	33,539
Total cash used	215,295	225,269	215,174	215,171	215,159
Net cash (used by) investing activities	(58,700)	(45,207)	(35,174)	(35,171)	(35,159)
FINANCING ACTIVITIES					
Cash used					
Principal payments on lease liability	1,405	1,582	1,535	1,557	1,642
Total cash used	1,405	1,582	1,535	1,557	1,642
Net cash (used by) financing activities	(1,405)	(1,582)	(1,535)	(1,557)	(1,642)
Net (decrease) in cash held	(4,721)	-	-	-	-
Cash and cash equivalents at the beginning of the reporting period	23,492	18,771	18,771	18,771	18,771
Cash and cash equivalents at the end of the reporting period	18,771	18,771	18,771	18,771	18,771

Prepared on Australian Accounting Standards basis.

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
PURCHASE OF NON-FINANCIAL ASSETS					
Funded internally from Departmental resources ^(a)	651	800	800	800	800
TOTAL	651	800	800	800	800
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	651	800	800	800	800
Total cash used to acquire assets	651	800	800	800	800

Prepared on Australian Accounting Standards basis.

(a) Includes current Appropriation Bill 1 and revenue from independent sources.

Table 3.6: Statement of departmental asset movements (Budget year 2022-23)

	Asset Category			Total
	Buildings	Other property, plant and equipment	Computer software and intangibles	
	\$'000	\$'000	\$'000	\$'000
As at 1 July 2022				
Gross book value	4,068	1,991	933	6,992
Gross book value - ROU assets	9,812	-	-	9,812
Accumulated depreciation/amortisation and impairment	(3,252)	(1,378)	(918)	(5,548)
Accumulated depreciation/amortisation and impairment - ROU assets	(8,130)	-	-	(8,130)
Opening net book balance	2,498	613	15	3,126
Capital asset additions				
Estimated expenditure on new or replacement assets				
By purchase - appropriation ordinary annual services ^(a)	75	725	-	800
Total additions	75	725	-	800
Other movements				
Depreciation/amortisation expense	(550)	(285)	(15)	(850)
Depreciation/amortisation on ROU	(1,056)	-	-	(1,056)
Total other movements	(1,606)	(285)	(15)	(1,906)
As at 30 June 2023				
Gross book value	4,143	2,716	933	7,792
Gross book value - ROU assets	9,812	-	-	9,812
Accumulated depreciation/amortisation and impairment	(3,802)	(1,663)	(933)	(6,398)
Accumulated depreciation/amortisation and impairment - ROU assets	(9,186)	-	-	(9,186)
Closing net book balance	967	1,053	-	2,020

Prepared on Australian Accounting Standards basis.

- (a) 'Appropriation ordinary annual services' refers to funding provided through Appropriation Bill (No. 1) 2022-23 for depreciation/amortisation expenses, departmental capital budget or other operational expenses.