

**NATIONAL FILM AND SOUND
ARCHIVE OF AUSTRALIA**

**Entity Additional Estimates
Statements**

NATIONAL FILM AND SOUND ARCHIVE OF AUSTRALIA

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NATIONAL FILM AND SOUND ARCHIVE OF AUSTRALIA

Section 1: Entity overview and resources

1.1 STRATEGIC DIRECTION STATEMENT

The legislative functions of the National Film and Sound Archive of Australia (NFSA) are outlined in the *National Film and Sound Archive of Australia Act 2008*. The NFSA is Australia's premier audiovisual archive and a place of engagement with Australian audiovisual production past and present.

The NFSA's mission is to develop and preserve a collection of significant Australian film, recorded sound and broadcast works, and to share the collection with audiences across Australia and overseas.

The NFSA exists to perform three vital functions:

- develop the collection: at the core of NFSA activity is developing the national audiovisual collection to the highest curatorial standards
- preserve the collection: preservation ensures permanent access to the national audiovisual collection and accessioning and cataloguing the collection facilitates its discoverability. It stores the collection in accordance with recommended international standards (passive preservation), and actively preserves it through both analogue copying and digitisation
- share the collection: access to the collection is characterised by user expectations of being part of a two-way exchange. Audiences embrace the notion of collective ownership of their national estate. Instead of 'granting access' NFSA wishes to share the collection and engage users in its development.

1.2 ENTITY RESOURCE STATEMENT

The Entity Resource Statement details the resourcing for NFSA at Additional Estimates. Table 1.1 outlines the total resourcing available from all sources for the 2016-17 Budget year, including variations through Appropriation Bills No. 3 and No. 4, Special Appropriations and Special Accounts.

Table 1.1: NFSA resource statement — Additional Estimates for 2016-17 as at Additional Estimates February 2017

	<i>Actual available appropriation</i>	Estimate as at Budget	Proposed Additional Estimates	Total estimate at Additional Estimates
	2015-16 \$'000	2016-17 \$'000	2016-17 \$'000	2016-17 \$'000
Opening balance/Reserves at bank	1,247	683	-	683
REVENUE FROM GOVERNMENT				
Ordinary annual services^(a)				
Outcome 1	25,408	24,316	100	24,416
Total ordinary annual services	25,408	24,316	100	24,416
Other services^(b)				
Non-operating	817	814	-	814
Total other services	817	814	-	814
Total annual appropriations	26,225	25,130	100	25,230
Total funds from Government	26,225	25,130	100	25,230
FUNDS FROM OTHER SOURCES				
Interest	236	150	-	150
Royalties	356	850	-	850
Sale of goods and services	776	400	-	400
Other	312	300	-	300
Total fund from other sources	1,680	1,700	-	1,700
Total net resourcing for the NFSA	29,152	27,513	100	27,613
			2015-16	2016-17
Average staffing level (number)			170	164

All figures are GST exclusive.

The NFSA 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 Entity), which are then paid to the NFSA and are considered 'departmental' for all purposes.

(a) Appropriation Act (No. 1) 2016-17 and Appropriation Bill (No. 3) 2016-17.

(b) Appropriation Act (No. 2) 2016-17 and Appropriation Bill (No. 4) 2016-17.

1.3 ENTITY MEASURES

There are no new measures relating to the NFSA since the 2016-17 Budget.

1.4 ADDITIONAL ESTIMATES AND VARIATIONS

The following tables detail the changes to the resourcing for the NFSA at Additional Estimates, by outcome. Table 1.3 details the Additional Estimates resulting from new measures and other variations since the 2016-17 Budget in Appropriation Bill No. 3.

Table 1.3: Additional estimates and other variations to outcomes since 2016-17 Budget

	Program impacted	2016-17 \$'000	2017-18 \$'000	2018-19 \$'000	2019-20 \$'000
Outcome 1					
Departmental					
Annual appropriations					
Smaller Government - collection Agencies - consolidation of back office functions ^(a)	1.1	100	-	-	-
Changes in Parameters		-	(142)	(107)	(60)
Increase in Efficiency Dividend ^(b)		-	(372)	(621)	(750)
Net impact on appropriations for Outcome 1 (departmental)		100	(514)	(810)	(1,011)

(a) This is part of the "Smaller Government – collection agencies – consolidation back office functions" measure published in 2014-15 Budget.

(b) This adjustment relates to increases to the Efficiency Dividend announced in the 2016-17 Budget under the measure "Public Sector Transformation and the Efficiency Dividend".

1.5 BREAKDOWN OF ADDITIONAL ESTIMATES BY APPROPRIATION BILL

The following tables detail the Additional Estimates sought for the NFSA through Appropriation Bill No. 3.

Table 1.4: Appropriation Bill (No. 3) 2016-17

	2015-16 Available \$'000	2016-17 Budget \$'000	2016-17 Revised \$'000	Additional Estimates \$'000	Reduced Estimates \$'000
Departmental programs					
Outcome 1:					
Increased engagement with Australia's audiovisual culture past and present through developing, preserving, maintaining and promoting the national audiovisual collection of historic and cultural significance	25,408	24,316	24,416	100	-
Total departmental	25,408	24,316	24,416	100	-

Note: 2015-16 available appropriation is included to allow a comparison of this year's appropriation with what was made available for use in the previous year.

Section 2: Revisions to outcomes and planned performance

2.1 CHANGES TO OUTCOME AND PROGRAM STRUCTURES

There have been no revisions to the outcome and program structure of the NFSA as a result of the Additional Estimates.

2.2 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 1

Outcome 1: Increased engagement with Australia's audiovisual culture past and present through developing, preserving, maintaining and promoting the national audiovisual collection of historic and cultural significance.

Budgeted expenses for Outcome 1

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

Table 2.2.1 Budgeted expenses for Outcome 1

	2015-16 Actual expenses \$'000	2016-17 Revised estimated expenses \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000
Program 1.1: Collect, preserve and share the national audiovisual collection					
Revenue from Government Ordinary annual services (Appropriation Act No. 1)	25,408	24,416	24,005	23,927	23,965
Revenues from other independent sources	1,680	1,700	1,700	1,700	1,700
Expenses not requiring appropriation in the budget year ^(a)	5,095	6,069	6,735	7,404	8,152
Total expenses for Program 1.1	32,183	32,185	32,440	33,031	33,817
Total expenses for Outcome 1	32,183	32,185	32,440	33,031	33,817
	2015-16	2016-17			
Average staffing level (number)	170	164			

(a) Expenses not requiring appropriation in the budget year are made up of depreciation and amortisation expenses for heritage and cultural assets.

Table 2.2.2: Performance criteria for Outcome 1

Table 2.2.2 below details the performance criteria for each program associated with Outcome 1. It is used by entities to describe the results they plan to achieve with the resources provided for new programs, or materially changed existing programs resulting from decisions made since the 2016-17 Budget.

Outcome 1 – Increased engagement with Australia’s audiovisual culture past and present through developing, preserving, maintaining and promoting the national audiovisual collection of historic and cultural significance.		
Program 1.1 – Develop, preserve and share the national audiovisual collection		
Delivery	<p>The NFSA will continue to build and maintain a unique and comprehensive collection of Australian audiovisual material.</p> <p>The NFSA will store the collection in an environment that sustains long-term preservation and accessibility, and actively preserve material through both analogue copying and digitisation.</p> <p>The NFSA will facilitate access to the collection, nationally and internationally, online and through providing a variety of public programs that promote and enhance understanding, relevance, appreciation and interpretation of the collection.</p>	
Performance information		
Year	Performance criteria	Targets
2016-17	<p>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> <p>Collect, share and digitise – build and maintain a rich national collection for current and future generations of Australians to enjoy and learn from.</p>	<p>75,000 visits to the organisation.</p> <p>1,500,000 visits to the NFSA website.</p> <p>90 per cent of visitors who were satisfied or very satisfied with their visit.</p> <p>13,500 people participating in public programs.</p> <p>33,500 students participating in school programs.</p> <p>400 educational institutions participating in organised school learning programs.</p> <p>90 per cent of teachers reporting overall positive experience.</p> <p>90 per cent of teachers reporting relevance to the classroom curriculum.</p> <p>60,000 acquisitions (made in the reporting period).</p> <p>100,000 objects accessioned (in the reporting period).</p> <p>Less than 1 per cent of the total collection available to the public.</p> <p>Less than 1 per cent of the total collection digitised.</p> <p>230 years average collection lifespan.</p> <p>8,000 titles preserved and made accessible.</p>

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Performance information		
Year	Performance criteria	Targets
2017-18 and beyond	<p>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> <p>Collect, share and digitise – build and maintain a rich national collection for current and future generations of Australians to enjoy and learn from.</p>	<p>75,000 visits to the organisation. 1,650,000 visits to the NFSA website. 90 per cent of visitors who were satisfied or very satisfied with their visit. 13,500 people participating in public programs. 33,500 students participating in school programs. 400 educational institutions participating in organised school learning programs. 90 per cent of teachers reporting overall positive experience. 90 per cent of teachers reporting relevance to the classroom curriculum. 60,000 acquisitions (made in the reporting period). 100,000 objects accessioned (in the reporting period). Less than 1 per cent of the total collection available to the public. Less than 1 per cent of the total collection digitised. 230 years average collection lifespan. 8,000 titles preserved and made accessible.</p>
Purposes	<p>Developing the collection – At the core of the NFSA activity is developing the national audiovisual collection to the highest curatorial standards.</p> <p>Preserving the collection - Preservation ensures permanent access to the national audiovisual collection and accessioning and cataloguing the collection facilitates its discoverability. We store the collection in accordance with recommended international standards (passive preservation), and actively preserve it through both analogue copying and digitisation.</p> <p>Sharing the collection – Access to the collection is characterised by user expectations of being part of a two-way exchange. Audiences embrace the notion of collective ownership of their national estate. Instead of 'granting access', we wish to share the collection and engage users with its development.</p>	

Section 3: Budgeted financial statements

3.1 SPECIAL ACCOUNT FLOWS AND BUDGET STATEMENTS

The NFSA does not manage any special accounts Budgeted financial statements.

3.2 BUDGETED FINANCIAL STATEMENTS

3.2.1 Analysis of budgeted financial statements

There have been no major changes since the 2016-17 Portfolio Budget Statements.

3.2.2 Budgeted financial statements

Table 3.2: Comprehensive income statement (showing net cost of services) for the period ended 30 June

	2015-16 Actual	2016-17 Revised Budget	2017-18 Forward estimate	2018-19 Forward estimate	2019-20 Forward estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
EXPENSES					
Employee benefits	16,810	16,209	15,937	15,990	16,145
Suppliers	6,418	7,334	7,554	7,780	8,014
Depreciation and amortisation	8,951	8,642	8,949	9,261	9,658
Finance costs	4	-	-	-	-
Total expenses	32,183	32,185	32,440	33,031	33,817
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	776	400	400	400	400
Interest	236	150	150	150	150
Royalties	356	850	850	850	850
Other	312	300	300	300	300
Total own-source revenue	1,680	1,700	1,700	1,700	1,700
Gains					
Other	4,634	5,800	5,800	5,800	5,800
Total gains	4,634	5,800	5,800	5,800	5,800
Total own-source income	6,314	7,500	7,500	7,500	7,500
Net cost of/contribution by services	(25,869)	(24,685)	(24,940)	(25,531)	(26,317)
Revenue from Government	25,408	24,416	24,005	23,927	23,965
Surplus/(Deficit) attributable to the Australian Government	(461)	(269)	(935)	(1,604)	(2,352)
Total comprehensive income/(loss) attributable to the Australian Government	(461)	(269)	(935)	(1,604)	(2,352)

Table 3.2: Comprehensive income statement (showing net cost of services) for the period ended 30 June (continued)

Note: Impact of Net Cash Appropriation Arrangements

	2015-16 \$'000	2016-17 \$'000	2017-18 \$'000	2018-19 \$'000	2019-20 \$'000
Total comprehensive loss excluding depreciation/amortisation expenses previously funded through revenue appropriations	5,352	4,481	3,957	3,429	2,820
less heritage and cultural depreciation expenses previously funded through revenue appropriations ^(a)	5,813	4,750	4,892	5,033	5,172
Total comprehensive loss as per the Statement of Comprehensive Income	(461)	(269)	(935)	(1,604)	(2,352)

(a) From 2009-10, the Government replaced Appropriation Act No. 1 and Bill No. 3 revenue appropriations for the heritage and cultural depreciation expenses of Designated Collection Institutions, with a separate capital budget (the Collection Development Acquisition Budget, or CDAB) provided through Appropriation Act No. 2 and Bill No. 4 equity appropriations. For information regarding CDABs, please refer to Table 3.6 Departmental Capital Budget Statement.

Table 3.3: Budgeted departmental balance sheet (as at 30 June)

	2015-16 Actual \$'000	2016-17 Revised Budget \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	1,781	1,784	1,903	2,024	1,240
Trade and other receivables	242	271	273	274	276
Other investments	5,500	5,500	5,500	5,500	5,500
Other financial assets	24	24	24	24	24
Total financial assets	7,547	7,579	7,700	7,822	7,040
Non-financial assets					
Land and buildings	35,555	34,574	33,567	32,440	31,374
Property, plant and equipment	6,562	5,561	4,350	2,931	1,787
Heritage and cultural assets	249,019	251,262	253,436	255,461	257,201
Intangibles	2,204	2,488	2,402	2,122	1,913
Inventories	574	574	574	574	574
Other non-financial assets	405	396	396	397	434
Total non-financial assets	294,319	294,855	294,725	293,925	293,283
Total assets	301,866	302,434	302,425	301,747	300,323
LIABILITIES					
Payables					
Suppliers	980	906	924	943	961
Other payables	11	11	11	11	11
Total payables	991	917	935	954	972
Provisions					
Employee provisions	3,586	3,683	3,783	3,886	3,992
Other provisions	203	203	203	203	203
Total provisions	3,789	3,886	3,986	4,089	4,195
Total liabilities	4,780	4,803	4,921	5,043	5,167
Net assets	297,086	297,631	297,504	296,704	295,156
EQUITY					
Parent entity interest					
Contributed equity	216,756	217,570	218,377	219,181	219,985
Reserves	66,458	66,458	66,458	66,458	66,458
Retained surplus/(accumulated deficit)	13,872	13,603	12,669	11,065	8,713
Total parent entity interest	297,086	297,631	297,504	296,704	295,156
Total Equity	297,086	297,631	297,504	296,704	295,156

Prepared on Australian Accounting Standards basis.

Table 3.4: Departmental statement of changes in equity — summary of movement (Budget Year 2016-17)

	Retained earnings	Asset Revaluation reserve	Contributed equity/capital	Total equity
	\$'000	\$'000	\$'000	\$'000
Opening balance as at 1 July 2016				
Balance carried forward from previous period	13,872	66,458	216,756	297,086
Adjusted opening balance	13,872	66,458	216,756	297,086
Comprehensive income				
Surplus/(deficit) for the period	(269)	-	-	(269)
Total comprehensive income	(269)	-	-	(269)
Contributions by owners				
Equity Injection - Appropriation	-	-	814	814
Sub-total transactions with owners	-	-	814	814
Estimated closing balance as at 30 June 2017	13,603	66,458	217,570	297,631
Closing balance attributable to the Australian Government	13,603	66,458	217,570	297,631

Prepared on Australian Accounting Standards basis.

Table 3.5: Budgeted departmental statement of cash flows (for the period ended 30 June)

	2015-16 Actual \$'000	2016-17 Revised Budget \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	25,408	24,416	24,005	23,927	23,965
Sale of goods and rendering of services	683	409	440	440	440
Interest	192	150	150	150	150
Royalties	356	935	935	935	935
Net GST received	97	610	628	652	674
Other	385	300	300	300	300
Total cash received	27,121	26,820	26,458	26,404	26,464
Cash used					
Employees	17,365	15,651	15,837	15,887	16,039
Suppliers	6,754	8,593	8,291	8,540	8,834
Total cash used	24,119	24,244	24,128	24,427	24,873
Net cash from/(used by) operating activities	3,002	2,576	2,330	1,977	1,591
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant, equipment and intangibles	3,285	3,387	3,019	2,660	3,179
Total cash used	3,285	3,387	3,019	2,660	3,179
Net cash from/(used by) investing activities	(3,285)	(3,387)	(3,019)	(2,660)	(3,179)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	817	814	808	804	804
Total cash received	817	814	808	804	804
Net cash from financing activities	817	814	808	804	804
Net increase/(decrease) in cash held	534	3	119	121	(784)
Cash and cash equivalents at the beginning of the reporting period	1,247	1,781	1,784	1,903	2,024
Cash and cash equivalents at the end of the reporting period	1,781	1,784	1,903	2,024	1,240

Prepared on Australian Accounting Standards basis.

Table 3.6: Departmental capital budget statement (for the period ended 30 June)

	2015-16 Actual \$'000	2016-17 Revised Budget \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Equity injections - Act No. 2	817	814	808	804	804
Total new capital appropriations	817	814	808	804	804
Provided for:					
<i>Purchase of non-financial assets</i>	817	814	808	804	804
Total Items	817	814	808	804	804
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations ^(a)	817	814	808	804	804
Funded internally from departmental resources ^(b)	7,026	8,373	8,011	7,656	8,175
TOTAL AMOUNT SPENT	7,843	9,187	8,819	8,460	8,979
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	7,843	9,187	8,819	8,460	8,979
less gifted assets	(4,634)	(5,800)	(5,800)	(5,800)	(5,800)
TOTAL CASH REQUIRED TO ACQUIRE ASSETS	3,209	3,387	3,019	2,660	3,179

(a) Includes both current and prior Bill No. 4 and prior Act Nos. 2 and 4 appropriations and special capital appropriations.

(b) Includes the following sources of funding: current Bill No. 3 and prior year Act No. 1 and 3 appropriations (excluding amounts from the DCB) and may include donations and contributions, gifts, internally developed assets, s74 Retained Revenue Receipts, and proceeds from sales.

Table 3.7: Statement of asset movements (2016-17 Budget year)

	Land	Buildings	Other property, plant and equipment	Heritage and cultural	Computer software and intangibles	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
As at 1 July 2016						
Gross book value	6,050	29,505	6,562	249,019	4,887	296,023
Accumulated depreciation/amortisation and impairment	-	-	-	-	(2,683)	(2,683)
Opening net book balance	6,050	29,505	6,562	249,019	2,204	293,340
Capital asset additions						
Estimated expenditure on new or replacement assets						
By purchase - appropriation equity ^(a)				814		814
By purchase - appropriation ordinary annual services ^(b)		514	828	379	852	2,573
Assets received as gifts/donations				5,800		5,800
Total additions	-	514	828	6,993	852	9,187
Other movements						
Depreciation/amortisation expense		(1,495)	(1,829)	(4,750)	(568)	(8,642)
Other						-
Total other movements	-	(1,495)	(1,829)	(4,750)	(568)	(8,642)
As at 30 June 2017						
Gross book value	6,050	30,019	7,390	256,012	5,739	305,210
Accumulated depreciation/amortisation and impairment	-	(1,495)	(1,829)	(4,750)	(3,251)	(11,325)
Closing net book balance	6,050	28,524	5,561	251,262	2,488	293,885

(a) "Appropriation equity" refers to equity injections or Administered Assets and Liabilities appropriations provided through Appropriation Act (No.2) 2016-17 and Bill (No.4) 2016-17, including CDABs.

(b) "Appropriation ordinary annual services" refers to funding provided through Appropriation Act (No.1) 2016-17 and Bill (No.3) 2016-17 for depreciation/amortisation expenses, DCBs or other operational expenses.

Prepared on Australian Accounting Standards basis.

Estimated operating expenditure in income statement for heritage and cultural assets	
Operations and Maintenance	3,355
Preservation and Conservation	6,707
Total operating expenditure on heritage and cultural assets	10,062