



Budget 2019-20

Portfolio Budget Statements 2019-20

Budget Related Paper No. 1.3

Communications and the Arts Portfolio

Budget Initiatives and Explanations of
Appropriations Specified by Outcomes
and Programs by Entity

© Commonwealth of Australia 2019

ISSN 2206-401X (Print)

ISSN 2206-4028 (Online)

This publication is available for your use under a [Creative Commons BY Attribution 3.0 Australia](http://creativecommons.org/licenses/by/3.0/au/legalcode) licence, with the exception of the Commonwealth Coat of Arms, the Department of Communications and the Arts (the Department) logo, photographs, images, signatures and where otherwise stated. The full licence terms are available from <http://creativecommons.org/licenses/by/3.0/au/legalcode>.



Use of the Department material under a [Creative Commons BY Attribution 3.0 Australia](http://creativecommons.org/licenses/by/3.0/au/legalcode) licence requires you to attribute the work (but not in any way that suggests that the Department endorses you or your use of the work).

The Department of Communications and the Arts material used 'as supplied'.

Provided you have not modified or transformed the Department's material in any way including, for example, by changing the Department's text; calculating percentage changes; graphing or charting data; or deriving new statistics from published the Department's statistics – then the Department prefers the following attribution:

Source: The Australian Government Department of Communications and the Arts.

Derivative material

If you have modified or transformed the Department's material, or derived new material from those of the Department's in any way, then the Department prefers the following attribution:

Based on the Australian Government Department of Communications and the Arts data.

Use of the Coat of Arms

The terms under which the Coat of Arms can be used are set out on the Department of the Prime Minister and Cabinet website (see www.pmc.gov.au/government/commonwealth-coat-arms).

Other uses

Enquiries regarding this licence and any other use of this document are welcome at:

Chief Financial Officer, Financial Services Branch, Department of Communications and the Arts

Telephone: 02 6271 1058 (international +61 2 6271 1058)

Email: finance@communications.gov.au.

ENTITY RESOURCES AND PLANNED PERFORMANCE

Department of Communications and the Arts	15
Australia Council.....	51
Australian Broadcasting Corporation	71
Australian Communications and Media Authority.....	91
Australian Film, Television and Radio School	121
Australian National Maritime Museum.....	139
National Film and Sound Archive of Australia.....	157
National Gallery of Australia	175
National Library of Australia	195
National Museum of Australia.....	213
National Portrait Gallery of Australia	231
Old Parliament House	249
Screen Australia.....	267
Special Broadcasting Service Corporation	285

**NATIONAL FILM AND SOUND
ARCHIVE OF AUSTRALIA**

**ENTITY RESOURCES AND PLANNED
PERFORMANCE**

NATIONAL FILM AND SOUND ARCHIVE OF AUSTRALIA

Section 1: Entity overview and resources	157
1.1 Strategic direction statement	157
1.2 Entity resource statement	158
1.3 Budget measures.....	158
Section 2: Outcomes and planned performance	159
2.1 Budgeted expenses and performance for Outcome 1	160
Section 3: Budgeted financial statements	164
3.1 Budgeted financial statements.....	164
3.2 Budgeted financial statements tables	165

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 collect and preserve Australian film, recorded sound, broadcast and new media, and their associated documents and artefacts, and to share the collection with audiences across Australia and overseas.

The NFSA exists to perform three vital functions:

- collect audiovisual works and associated documentation that reflect all aspects of Australian life and our diverse communities
- preserve the collection in accordance with international standards and working within our resources, to ensure permanent access
- share the collection so its stories form an ongoing part of the evolution of our culture.

1.2 ENTITY RESOURCE STATEMENT

Table 1.1 shows the total funding from all sources available to the NFSA 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 departmental (for the entity'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' table in Section 2 and the financial statements in Section 3 are presented on an accrual basis.

Table 1.1: NFSA resource statement — Budget estimates for 2019–20 as at Budget April 2019

	2018–19 Estimated actual \$'000	2019–20 Estimate \$'000
Opening balance/cash reserves at 1 July	2,053	1,802
Funds from Government		
Annual appropriations — ordinary annual services ^(a)		
Outcome 1	23,932	23,969
Annual appropriations — other services ^(b)		
Equity injection	3,511	1,274
Total annual appropriations	27,443	25,243
Amounts received from related entities		
Amounts from portfolio department	521	550
Amounts from other entities	147	-
Total amounts received from related entities	668	550
Total funds from Government	28,111	25,793
Funds from other sources		
Sale of goods and services	861	878
Interest	500	500
Royalties	195	195
Other	323	306
Total funds from other sources	1,879	1,879
Total net resourcing for NFSA	32,043	29,474
	2018–19	2019–20
Average staffing level (number)	164	164

(a) Appropriation Bill (No. 1) 2019–20.

(b) Appropriation Bill (No. 2) 2019–20.

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 Commonwealth Entity), which are then paid to the NFSA and 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

There are no new measures relating to the NFSA for the 2019–20 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.

The NFSA's outcome is described below together with its related program. The following provides detailed information on expenses for the 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 NFSA can be found at:

www.nfsa.gov.au/about/corporate-information/publications/corporate-plan.

The most recent annual performance statement can be found at:

www.nfsa.gov.au/about/corporate-information/publications/annual-reports.

2.1 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 entity intends to spend (on an accrual basis) on achieving the outcome, broken down by program, as well as by Administered and Departmental funding sources.

Table 2.1.1: Budgeted expenses for Outcome 1

	2018–19 Estimated actual \$'000	2019–20 Budget \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000	2022–23 Forward estimate \$'000
Program 1.1: Collect, preserve and share the national audiovisual collection					
Revenue from Government					
Ordinary annual services (Appropriation Bill No. 1)	23,932	23,969	24,170	24,401	24,592
Payment from related entities	668	550	-	-	-
Expenses not requiring appropriation in the budget year	12,336	12,152	12,617	12,812	12,836
Revenues from other independent sources	1,879	1,879	1,903	1,927	1,950
Total expenses for program 1.1	38,815	38,550	38,690	39,140	39,378
Outcome 1 Totals by resource type					
Revenue from Government					
Ordinary annual services (Appropriation Bill No. 1)	23,932	23,969	24,170	24,401	24,592
Payment from related entities	668	550	-	-	-
Expenses not requiring appropriation in the budget year	12,336	12,152	12,617	12,812	12,836
Revenues from other independent sources	1,879	1,879	1,903	1,927	1,950
Total expenses for Outcome 1	38,815	38,550	38,690	39,140	39,378
	2018–19	2019–20			
Average staffing level (number)	164	164			

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 2019–20 Budget measures have created new programs or materially changed existing 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		
Program 1.1 —Collect, preserve and share the national audiovisual collection		
Purpose The NFSA’s purpose is to collect, preserve and share the national audiovisual collection. The NFSA plans to deliver on this purpose by implementing the five strategic priorities (listed above as performance criteria) in order to future proof the audiovisual history of Australia. For further information please see the NFSA Corporate Plan 2018–19 to 2021–22.		
Delivery The NFSA will continue to build and maintain a unique and comprehensive collection of Australian audiovisual material. 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. 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.		
Performance information		
Year	Performance criteria ^(a)	Targets
2018–19	Digitise the National Audiovisual Collection Position the NFSA as the National Centre for Excellence in Audiovisual Heritage	Expected to meet criterion Digitise the national audiovisual collection so that it is digitally preserved and accessible. 10,000 audiovisual collection items digitised in reporting period. Implement the NFSA Digitisation Strategy, which commits to prioritising digitisation as a core program of activity. Expected to meet criterion Build the NFSA’s profile and reputation as a thought leader in the field of audiovisual archiving. 200 participants in the Digital Directions conference. Partner with the tertiary sector, industry, collecting institutions and government to build our impact and output. 8 partnerships in place.

SECTION 3: BUDGETED FINANCIAL STATEMENTS

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2019–20 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

Total income in 2019–20 is expected to be \$29.9 million, which includes \$24.5 million of revenue from Government, \$1.9 million of own sourced revenue and \$3.5 million of collection gains. This is comparable to the 2018–19 estimated actual.

Total expenses for 2019–20 are estimated to be \$38.5 million, which is a decrease of \$0.3 million from the 2018–19 estimated actual. Employee benefits have increased by 1.8% while supplier expenses decreased by 5.5 percent. Depreciation and amortisation expense is comparable to the 2018–19 estimated actual.

Budgeted departmental balance sheet

The NFSA's net assets are budgeted to be \$279.3 million at 30 June 2020. This comprises mainly of the NFSA's heritage and cultural collection. This is independently valued on a regular basis. Depreciation is also incurred on the collection and is determined based on estimated useful lives.

An equity injection of \$1.3 million will be received in 2019–20 for investment in the collection and property, plant and equipment.

3.2 BUDGETED FINANCIAL STATEMENTS TABLES

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

	2018–19 Estimated actual \$'000	2019–20 Budget \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000	2022–23 Forward estimate \$'000
EXPENSES					
Employee benefits	16,716	17,018	17,351	17,737	17,952
Suppliers	8,808	8,319	8,460	8,604	8,627
Depreciation and amortisation	13,291	13,213	12,879	12,799	12,799
Total expenses	38,815	38,550	38,690	39,140	39,378
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	861	878	896	914	931
Interest	500	500	500	500	500
Royalties	195	195	195	195	195
Other	991	856	312	318	324
Total own-source revenue	2,547	2,429	1,903	1,927	1,950
Gains					
Other	3,480	3,480	3,480	3,480	3,480
Total gains	3,480	3,480	3,480	3,480	3,480
Total own-source income	6,027	5,909	5,383	5,407	5,430
Net cost of services	(32,788)	(32,641)	(33,307)	(33,733)	(33,948)
Revenue from Government	23,932	23,969	24,170	24,401	24,592
Surplus/(deficit) attributable to the Australian Government	(8,856)	(8,672)	(9,137)	(9,332)	(9,356)
Total comprehensive income/(loss)	(8,856)	(8,672)	(9,137)	(9,332)	(9,356)
Total comprehensive income/(loss) attributable to the Australian Government	(8,856)	(8,672)	(9,137)	(9,332)	(9,356)
Note: Impact of net cash appropriation arrangements					
Total comprehensive income/(loss) excluding depreciation/amortisation expenses previously funded through revenue appropriations	844	1,028	563	368	344
less heritage and cultural depreciation expenses previously funded through revenue appropriations ^(a)	9,700	9,700	9,700	9,700	9,700
Total comprehensive income/(loss) — as per the statement of comprehensive income	(8,856)	(8,672)	(9,137)	(9,332)	(9,356)

(a) From 2009-10, the Government replaced Bill 1 revenue appropriations for the heritage and cultural depreciation expenses of designated Collection Institutions, with a separate capital budget (the Collection Development Acquisition Budget (CDABs)) provided through Bill 2 equity appropriations. For information regarding CDABs, please refer to Table 3.5 Departmental Capital Budget Statement.

Prepared on Australian Accounting Standards basis.

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

	2018–19 Estimated actual \$'000	2019–20 Budget \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000	2022–23 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	1,802	2,153	1,705	982	1,235
Trade and other receivables	348	348	348	348	348
Other investments	4,000	3,000	2,000	1,000	-
Total financial assets	6,150	5,501	4,053	2,330	1,583
Non-financial assets					
Land and buildings	33,905	32,579	31,162	29,745	28,328
Property, plant and equipment	6,411	5,805	4,819	3,833	2,847
Heritage and cultural assets	242,927	238,510	234,101	229,699	224,303
Intangibles	906	506	440	454	468
Inventories	590	590	590	590	590
Prepayments	245	245	245	245	245
Other non-financial assets	1,152	1,152	1,152	1,152	1,152
Total non-financial assets	286,136	279,387	272,509	265,718	257,933
Total assets	292,286	284,888	276,562	268,048	259,516
LIABILITIES					
Payables					
Suppliers	1,225	1,225	1,225	1,225	1,225
Other payables	153	153	153	153	153
Total payables	1,378	1,378	1,378	1,378	1,378
Provisions					
Employee provisions	3,899	3,899	3,899	3,899	3,899
Other provisions	304	304	304	304	304
Total provisions	4,203	4,203	4,203	4,203	4,203
Total liabilities	5,581	5,581	5,581	5,581	5,581
Net assets	286,705	279,307	270,981	262,467	253,935
EQUITY					
Parent entity interest					
Contributed equity	222,883	224,157	224,968	225,786	226,610
Reserves	68,963	68,963	68,963	68,963	68,963
Retained surplus (accumulated deficit)	(5,141)	(13,813)	(22,950)	(32,282)	(41,638)
Total parent entity interest	286,705	279,307	270,981	262,467	253,935
Total equity	286,705	279,307	270,981	262,467	253,935

Prepared on Australian Accounting Standards basis.

Table 3.3: Departmental statement of changes in equity — summary of movement (Budget year 2019–20)

	Retained earnings	Asset revaluation reserve	Other reserves	Contributed equity/capital	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000
Opening balance as at 1 July 2019					
Balance carried forward from previous period	(5,141)	68,963	-	222,883	286,705
Adjusted opening balance	(5,141)	68,963	-	222,883	286,705
Comprehensive income					
Surplus/(deficit) for the period	(8,672)	-	-	-	(8,672)
Total comprehensive income	(8,672)	-	-	-	(8,672)
of which:					
Attributable to the Australian Government	(8,672)	-	-	-	(8,672)
Transactions with owners					
Contributions by owners					
Equity injection	-	-	-	1,274	1,274
Sub-total transactions with owners	-	-	-	1,274	1,274
Estimated closing balance as at 30 June 2020	(13,813)	68,963	-	224,157	279,307
Closing balance attributable to the Australian Government	(13,813)	68,963	-	224,157	279,307

Prepared on Australian Accounting Standards basis.

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

	2018–19 Estimated actual \$'000	2019–20 Budget \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000	2022–23 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Receipts from Government	24,453	24,519	24,170	24,401	24,592
Sale of goods and rendering of services	957	973	991	1,011	955
Interest	500	500	500	500	500
Net GST received	881	832	846	860	37
Other	685	521	526	532	519
Total cash received	27,476	27,345	27,033	27,304	26,603
Cash used					
Employees	16,716	17,018	17,351	17,737	17,952
Suppliers	9,690	9,153	9,306	9,464	8,664
Net GST paid	115	113	114	116	24
Total cash used	26,521	26,284	26,771	27,317	26,640
Net cash from/(used by) operating activities	955	1,061	262	(13)	(37)
INVESTING ACTIVITIES					
Cash received					
Investments	2,000	1,000	1,000	1,000	1,000
Total cash received	2,000	1,000	1,000	1,000	1,000
Cash used					
Purchase of property, plant and equipment and intangibles	6,717	2,984	2,521	2,528	1,534
Total cash used	6,717	2,984	2,521	2,528	1,534
Net cash from/(used by) investing activities	(4,717)	(1,984)	(1,521)	(1,528)	(534)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	3,511	1,274	811	818	824
Total cash received	3,511	1,274	811	818	824
Net cash from/(used by) financing activities	3,511	1,274	811	818	824
Net increase/(decrease) in cash held	(251)	351	(448)	(723)	253
Cash and cash equivalents at the beginning of the reporting period	2,053	1,802	2,153	1,705	982
Cash and cash equivalents at the end of the reporting period	1,802	2,153	1,705	982	1,235

Prepared on Australian Accounting Standards basis.

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

	2018–19 Estimated actual \$'000	2019–20 Budget \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000	2022–23 Forward estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Equity injections — Bill 2	3,511	1,274	811	818	824
Total new capital appropriations	3,511	1,274	811	818	824
Provided for:					
Purchase of non-financial assets	3,511	1,274	811	818	824
Total items	3,511	1,274	811	818	824
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations ^(a)	3,511	1,274	811	818	824
Funded internally from departmental resources ^(b)	6,686	5,190	5,190	5,190	4,190
TOTAL	10,197	6,464	6,001	6,008	5,014
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	10,197	6,464	6,001	6,008	5,014
less gifted assets	(3,480)	(3,480)	(3,480)	(3,480)	(3,480)
Total cash used to acquire assets	6,717	2,984	2,521	2,528	1,534

(a) Includes both current Bill 2 and prior Act 2/4/6 appropriations.

(b) Includes sources of funding from current Bill and prior year Act 1 appropriations, donations and contributions, gifts, internally developed assets and proceeds from the sale of assets.

Prepared on Australian Accounting Standards basis.

Table 3.6: Statement of asset movements (Budget year 2019–20)

	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 2019						
Gross book value	6,050	32,669	10,648	267,672	4,922	321,961
Accumulated depreciation/amortisation and impairment	-	(4,814)	(4,237)	(24,745)	(4,016)	(37,812)
Opening net book balance	6,050	27,855	6,411	242,927	906	284,149
Capital asset additions						
Estimated expenditure on new or replacement assets						
By purchase — appropriation equity ^(a)	-	91	380	803	-	1,274
By purchase — appropriation ordinary annual services ^(b)	-	200	300	1,000	210	1,710
Assets received as gifts/donations	-	-	-	3,480	-	3,480
Total additions	-	291	680	5,283	210	6,464
Other movements						
Depreciation/amortisation expense	-	(1,617)	(1,286)	(9,700)	(610)	(13,213)
Total other movements	-	(1,617)	(1,286)	(9,700)	(610)	(13,213)
As at 30 June 2020						
Gross book value	6,050	32,960	11,328	272,955	5,132	328,425
Accumulated depreciation/amortisation and impairment	-	(6,431)	(5,523)	(34,445)	(4,626)	(51,025)
Closing net book balance	6,050	26,529	5,805	238,510	506	277,400

Estimated operating expenditure in income statement for heritage and cultural assets	\$'000
Operations and Maintenance	3,633
Preservation and Conservation	1,472
Total operating expenditure on heritage and cultural assets	5,105

(a) 'Appropriation equity' refers to equity injections appropriations provided through Appropriation Bill (No. 2) 2019–20, including CDABs.

(b) 'Appropriation ordinary annual services' refers to funding provided through Appropriation Bill (No. 1) 2019–20 for depreciation/amortisation expenses, DCBs or other operational expenses.

Prepared on Australian Accounting Standards basis.