

National Film and Sound Archive of Australia

**Entity resources and planned
performance**

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 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 by departmental (for the NFSA'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: NFSA 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	920	1,482
Funds from Government		
Annual appropriations - ordinary annual services ^(a)		
Outcome 1	28,026	29,702
Annual appropriations - other services ^(b)		
Equity injection	4,327	8,405
Total annual appropriations	32,353	38,107
Amounts received from related entities		
Amounts from Portfolio Department ^(c)	1,207	1,100
Total amounts received from related entities	1,207	1,100
Total funds from Government	33,560	39,207
Funds from other sources		
Interest	64	200
Royalties	141	195
Sale of Goods	98	15
Rendering of Services	724	726
Other	2,290	590
Total funds from other sources	3,317	1,726
Total net resourcing for NFSA	37,797	42,415
	2021-22	2022-23
Average staffing level (number)	174	182

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) Appropriation Bill (No. 2) 2022-23, Supply Bill (No. 4) 2022-23 and Supply Act (No. 2) 2022-23.
- (c) Funding provided by the Portfolio Department that is not specified within the Annual Appropriation Bills as a payment to NFSA (for example, a grant awarded to NFSA from one of its Portfolio Department's administered programs).

The NFSA 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 (a non-corporate Commonwealth entity), which are then paid to the NFSA and considered 'departmental' for all purposes.

1.3 Budget measures

There are no measures relating to NFSA for the 2022-23 October 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 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 the 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 NFSA 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: Collect, preserve and share the national audiovisual collection					
Revenue from Government					
Ordinary annual services (Appropriation Bill No. 1)	28,026	29,702	31,284	31,789	32,490
Payment from related entities	1,207	1,100	800	-	-
Expenses not requiring appropriation in the Budget year ^(a)	-	4,313	5,286	5,850	5,940
Revenues from other independent sources	2,278	1,726	1,726	1,726	1,726
Total expenses for Program 1.1	31,511	36,841	39,096	39,365	40,156
Outcome 1 totals by resource type					
Revenue from Government					
Ordinary annual services (Appropriation Bill No. 1)	28,026	29,702	31,284	31,789	32,490
Payment from related entities	1,207	1,100	800	-	-
Expenses not requiring appropriation in the Budget year ^(a)	-	4,313	5,286	5,850	5,940
Revenues from other independent sources	2,278	1,726	1,726	1,726	1,726
Total expenses for Outcome 1	31,511	36,841	39,096	39,365	40,156
	2021-22	2022-23			
Average staffing level (number)	174	182			

(a) Expenses not requiring appropriation in the Budget year reflect depreciation of heritage and cultural assets.

Table 2.1.2: Performance measure 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 – 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		
Key Activities	<p>Collect and Connect We will preserve our collection both physical and digital in line with international standards. We will digitise our physical at-risk collection, with magnetic tape as a priority.</p> <p>Engage and Celebrate We will engage audiences through a range of events, displays and screenings. We will increase our national reach in order to showcase the collection.</p> <p>Educate and Empower We will continue to share and develop the educational potential of the national audiovisual collection.</p> <p>Innovate and Collaborate We will collaborate and partner with creatives and cultural institutions working with audiovisual media.</p> <p>Foster and Lead We will improve the culture at the NFA by undertaking a cultural change program.</p>	
Year	Performance measures	Expected Performance Results
Prior year 2021-22	Collect and Connect We will maintain a healthy average lifespan for the physical collection.	Actual: average physical collection lifespan of 266 years. Target met
	We will increase our digitisation capacity.	Actual: Substantially achieved target: 24,616 items digitised Target not met
	Engage and Celebrate We will attract in person visitors to experience Australian audiovisual culture and history.	Actual: Partially achieved target: 58,869 in person visitors Target not met
	We will engage audiences online.	Actual: 28.5 million online engagements Target met
	Educate and Empower We will provide education programs on collection material.	Actual: 9 education programs offered. Target met

Year	Performance measures	Expected Performance Results
Prior year 2021-22 cont.	Innovate and Collaborate We will build and maintain strong relationships with peers in the galleries, libraries, archives and museums sector.	Actual: 6 relationships built and maintained. Target met
	Foster and Lead We will improve our employee engagement score in the APS Employee Census.	Actual: APS Employee Census engagement score remained stable at 75%. Target not met
Year	Performance measures	Planned Performance Results
Budget year 2022-23	Collect and Connect We will maintain optimum environmental conditions for the preservation of the physical collection in line with international standards.	Environmental conditions measured monthly are within the target range set by international standards.
	We will increase our digitisation capacity and capability.	A maximum of 35,000 items to be digitised in this period.
	Engage and Celebrate We will attract in person visitors to experience Australian audiovisual culture and history.	92,990 in-person visitors experience Australian audiovisual culture and history.
	We will engage audiences online.	Audiences experience Australian audiovisual culture and history through 17.5 million online engagements with the NFSA and its content
	Educate and Empower We will partner with relevant organisations to develop media literacy resources.	Media literacy education and teacher training plan developed and piloted.
	Innovate and Collaborate We will build and maintain strong relationships with peers in the galleries, libraries, archives and museums and education sectors.	4 active collaborative projects maintained each year.
	Foster and Lead We will consistently improve our employee engagement score in the APS Employee Census.	Exceed 21/22 employee engagement score in the APS Employee Census.
Forward Estimates 2023-26	As per 2022-23	Environmental conditions measured monthly are within the target range set by international standards.
		At risk collection items at the NFSA and other NCI's are digitised to ensure their preservation.

Year	Performance measures	Planned Performance Results
Forward Estimates 2023-26 cont.		373,835 in-person visitors experience Australian audiovisual culture and history across the years 2023-2026.
		Audiences experience Australian audiovisual culture and history through 60million online engagements with the NFSA and its content across the years 2023-2026.
		Media literacy education and teacher training plan implemented and ongoing.
		4 active collaborative projects maintained each year.
		Improved employee engagement score in APS Employee Census indicates that staff are positive about their workplace and its culture.

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of NFSA 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

Comprehensive income statement

Total income in 2022-23 is expected to be \$35.3 million, which includes \$29.7 million of revenue from Government, \$2.8 million of own sourced revenue and \$2.8 million of collection gains.

Total expenses for 2022-23 are estimated to be \$36.8 million, which is \$5.3 million higher than the 2021-22 estimated actual. Employee benefits have increased by 5% and supplier expenses have increased by 10% following funding from new Government measures taken since the 2021-22 Budget. Depreciation and amortisation expense is comparable to the 2021-22 estimated actual.

Budgeted departmental balance sheet

The NFSA's net assets are budgeted to be \$420.4 million at 30 June 2023. 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 \$0.8 million will be received in 2022-23 for investment in the collection and a further equity injection of \$7.6 million for the investment in property, plant and equipment for the digitisation and storage of audio-visual collection items.

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	16,537	18,618	19,884	19,690	18,544
Suppliers	9,014	11,887	12,299	12,127	13,739
Depreciation and amortisation	5,868	6,296	6,873	7,508	7,833
Finance costs	74	40	40	40	40
Write-down and impairment of assets	13	-	-	-	-
Losses from asset sales	5	-	-	-	-
Total expenses	31,511	36,841	39,096	39,365	40,156
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods	98	15	15	15	15
Rendering of services	724	726	726	726	726
Interest	64	200	200	200	200
Royalties	141	195	195	195	195
Other	3,497	1,690	1,390	590	590
Total own-source revenue	4,524	2,826	2,526	1,726	1,726
Gains					
Other	2,942	2,770	2,770	2,770	2,770
Total gains	2,942	2,770	2,770	2,770	2,770
Total own-source income	7,466	5,596	5,296	4,496	4,496
Net (cost of)/contribution by services	(24,045)	(31,245)	(33,800)	(34,869)	(35,660)
Revenue from Government	28,026	29,702	31,284	31,789	32,490
Surplus/(deficit) attributable to the Australian Government	3,981	(1,543)	(2,516)	(3,080)	(3,170)
OTHER COMPREHENSIVE INCOME					
Changes in asset revaluation surplus	32,512	-	-	-	-
Total other comprehensive income	32,512	-	-	-	-
Total comprehensive income/(loss) attributable to the Australian Government	36,493	(1,543)	(2,516)	(3,080)	(3,170)
Note: Impact of net cash appropriation arrangements					
Total comprehensive income/(loss) - as per statement of comprehensive income	36,493	(1,543)	(2,516)	(3,080)	(3,170)
plus: heritage and cultural depreciation/amortisation expenses previously funded through revenue appropriations ^(a)	2,024	1,936	1,936	1,936	1,936
plus: depreciation/amortisation expenses for ROU assets ^(b)	842	620	620	620	620
less: lease principal repayments ^(b)	(819)	(647)	(647)	(607)	(647)
Net cash operating surplus/ (deficit)	40,178	1,660	687	83	33

Prepared on Australian Accounting Standards basis.

(a) From 2010-11, the Government introduced net cash appropriation arrangements where Bill 1 revenue appropriations for the depreciation/amortisation expenses of non-corporate Commonwealth entities (and select corporate Commonwealth entities) were replaced with a separate capital budget (the Departmental capital budget, or DCB) provided through Bill 1 equity appropriations. For information regarding DCBs, please refer to Table 3.5 Departmental capital budget statement.

(b) Applies to 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	1,482	2,808	3,538	3,879	4,415
Trade and other receivables	1,823	1,823	1,823	1,823	1,823
Other investments	14,500	13,500	13,000	13,000	13,000
Other financial assets	16	16	16	16	16
Total financial assets	17,821	18,147	18,377	18,718	19,254
Non-financial assets					
Land and buildings	60,008	58,598	56,878	55,158	54,960
Property, plant and equipment	4,944	11,262	17,318	18,873	16,276
Heritage and Cultural	337,089	338,743	340,431	342,133	343,844
Intangibles	379	363	377	391	405
Inventories	615	615	615	615	615
Prepayments	932	932	932	932	932
Total non-financial assets	403,967	410,513	416,551	418,102	417,032
Total assets	421,788	428,660	434,928	436,820	436,286
LIABILITIES					
Payables					
Suppliers	462	462	462	462	462
Other payables	363	363	363	363	363
Total payables	825	825	825	825	825
Interest bearing liabilities					
Leases	2,266	2,276	2,276	2,316	3,838
Total interest bearing liabilities	2,266	2,276	2,276	2,316	3,838
Provisions					
Employee provisions	4,519	4,519	4,519	4,519	4,519
Other provisions	593	593	593	593	593
Total provisions	5,112	5,112	5,112	5,112	5,112
Total liabilities	8,203	8,213	8,213	8,253	9,775
Net assets	413,585	420,447	426,715	428,567	426,511
EQUITY					
Parent entity interest					
Contributed equity	229,293	237,698	246,482	251,414	252,528
Reserves	175,554	175,554	175,554	175,554	175,554
Retained surplus (accumulated deficit)	8,738	7,195	4,679	1,599	(1,571)
Total equity	413,585	420,447	426,715	428,567	426,511

Prepared on Australian Accounting Standards basis.

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

	Retained earnings \$'000	Asset revaluation reserve \$'000	Contributed equity/ capital \$'000	Total equity \$'000
Opening balance as at 1 July 2022				
Balance carried forward from previous period	8,738	175,554	229,293	413,585
Adjusted opening balance	8,738	175,554	229,293	413,585
Comprehensive income				
Surplus/(deficit) for the period	(1,543)	-	-	(1,543)
Total comprehensive income	(1,543)	-	-	(1,543)
Transactions with owners				
Contributions by owners				
Equity injection	-	-	8,405	8,405
Closing balance attributable to the Australian Government	7,195	175,554	237,698	420,447

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					
Receipts from Government	29,233	30,802	32,084	31,789	32,490
Sale of goods	98	15	15	15	15
Rendering of services	724	726	726	726	726
Interest	50	200	200	200	200
Net GST received	902	2,391	2,334	1,828	1,541
Other	764	785	785	785	785
Total cash received	31,771	34,919	36,144	35,343	35,757
Cash used					
Employees	18,154	18,618	19,884	19,690	18,544
Suppliers	9,301	11,887	12,299	12,127	13,739
Net GST paid	70	2,391	2,334	1,828	1,541
Interest payments on lease liability	74	40	40	40	40
Total cash used	27,599	32,936	34,557	33,685	33,864
Net cash from/(used by) operating activities	4,172	1,983	1,587	1,658	1,893
INVESTING ACTIVITIES					
Cash received					
Investments	-	1,000	500	-	-
Total cash received	-	1,000	500	-	-
Cash used					
Purchase of property, plant and equipment and intangibles	2,118	9,415	9,494	5,642	1,824
Investments	5,000	-	-	-	-
Total cash used	7,118	9,415	9,494	5,642	1,824
Net cash from/(used by) investing activities	(7,118)	(8,415)	(8,994)	(5,642)	(1,824)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	4,327	8,405	8,784	4,932	1,114
Total cash received	4,327	8,405	8,784	4,932	1,114
Cash used					
Principal payments on lease liability	819	647	647	607	647
Total cash used	819	647	647	607	647
Net cash from/(used by) financing activities	3,508	7,758	8,137	4,325	467
Net increase/(decrease) in cash held	562	1,326	730	341	536
Cash and cash equivalents at the beginning of the reporting period	920	1,482	2,808	3,538	3,879
Cash and cash equivalents at the end of the reporting period	1,482	2,808	3,538	3,879	4,415

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
NEW CAPITAL APPROPRIATIONS					
Equity injections - Bill 2	4,327	8,405	8,784	4,932	1,114
Total new capital appropriations	4,327	8,405	8,784	4,932	1,114
Provided for:					
Purchase of non-financial assets	4,327	8,405	8,784	4,932	1,114
Total items	4,327	8,405	8,784	4,932	1,114
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations ^(a)	2,118	8,405	8,784	4,932	1,114
Funded internally from Departmental resources ^(b)	-	1,010	710	710	710
TOTAL	2,118	9,415	9,494	5,642	1,824

Prepared on Australian Accounting Standards basis.

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

(b) Includes purchases from current and previous years' Departmental capital budgets (DCBs).

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

	Asset Category					Total
	Land	Buildings	Other property, plant and equipment	Heritage and cultural	Computer software and intangibles	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
As at 1 July 2022						
Gross book value	8,355	48,604	4,899	337,089	4,653	403,600
Gross book value - ROU assets	-	5,468	74	-	-	5,542
Accumulated depreciation/amortisation and impairment	-	-	(1)	-	(4,274)	(4,275)
Accumulated depreciation/amortisation and impairment - ROU assets	-	(2,419)	(28)	-	-	(2,447)
Opening net book balance	8,355	51,653	4,944	337,089	379	402,420
Capital asset additions						
Estimated expenditure on new or replacement assets						
By purchase - appropriation equity ^(a)	-	500	7,885	820	210	9,415
By purchase - appropriation equity - ROU assets	-	657	-	-	-	657
Assets received as gifts/donations	-	-	-	2,770	-	2,770
Total additions	-	1,157	7,885	3,590	210	12,842
Other movements						
Depreciation/amortisation expense	-	(1,947)	(1,567)	(1,936)	(226)	(5,676)
Depreciation/amortisation on ROU assets	-	(620)	-	-	-	(620)
Total other movements	-	(2,567)	(1,567)	(1,936)	(226)	(6,296)
As at 30 June 2023						
Gross book value	8,355	49,104	12,784	340,679	4,863	415,785
Gross book value - ROU assets	-	6,125	74	-	-	6,199
Accumulated depreciation/amortisation and impairment	-	(1,947)	(1,568)	(1,936)	(4,500)	(9,951)
Accumulated depreciation/amortisation and impairment - ROU assets	-	(3,039)	(28)	-	-	(3,067)
Closing net book balance	8,355	50,243	11,262	338,743	363	408,966
Estimated operating expenditure in income statement for heritage and cultural assets						\$'000
Operations and Maintenance						3,560
Preservation and Conservation						5,229
Total operating expenditure on heritage and cultural assets						8,789

Prepared on Australian Accounting Standards basis.

(a) 'Appropriation equity' refers to equity injections appropriations provided through Appropriation Bill (No. 2) 2022-23, including CDAB.