



Screen Australia

# Annual Report 2011/12



Australian Government



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This Annual Report is available to download as a PDF from [www.screenaustralia.gov.au](http://www.screenaustralia.gov.au)

Front cover image from *The Sapphires*.



**Australian Government**



The background features a large, abstract graphic composed of several overlapping, rounded shapes in shades of red and pink. The shapes are layered, creating a sense of depth and movement. The top right corner is dominated by a large, light pink shape, while a darker red shape overlaps it from the bottom left. Another red shape overlaps the pink one from the bottom right. The overall composition is dynamic and modern.

**Screen Australia  
Annual Report  
2011/12**

# Correction

Department of Regional Australia, Local Government, Arts and Sport  
Screen Australia Annual Report 2011/12

## **Producer Offset and Co-productions – page 74:**

Incorrect total (173) for *Producer Offset Provisional Certificates issued in 2011/12*.

It should read: 145 Provisional Certificates.

## **Producer Offset and Co-productions – page 76:**

Under heading *Certificates issued in 2011/12*, the figures for Producer Offset Provisional Certificates (Features – 78; Non-feature documentaries – 54; TV and other – 41; Total – 173) are incorrect.

The table should read:

### **Certificates issued in 2011/12**

	Provisional	Final	
		Number	Offset value (\$m)
Features	47	24	127.29
Non-feature documentaries	55	98	18.21
TV and other	43	39	58.45
<b>Total</b>	<b>145</b>	<b>161</b>	<b>203.96</b>

Note: Figures may not total exactly due to rounding.

A man with brown hair and a light beard, wearing a green and white plaid shirt, is sitting on a motorcycle. He is looking towards the camera with a slight smile. A brown dog is sitting next to him, looking forward. The background is a sandy, desert-like environment. The text "Red Dog" is in the top left corner.

Red Dog

Our **vision** is to ensure diverse and compelling Australian stories are reflected on screen.

Our **mission** is to support, promote and grow Australian storytelling.

# 2011/12

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# Letter from the Chair



**GLEN BOREHAM**  
CHAIR

Dear Minister,

I am pleased to present Screen Australia's Annual Report for 2011/12.

Screen Australia was established four years ago. The Australian Screen Production Incentive package of tax offsets was established in parallel as part of significant reform of Government support for the film industry. This fundamental reform marks the beginning of a period of growth and transformation for the industry and Screen Australia is proud of the role we have played in leading and supporting this development. The year under review provided firm evidence that the industry is well placed to maintain the momentum of recent years, delivering bold, creative stories that resonated with audiences both domestically and internationally.

High-profile international festivals such as Cannes continue to be a key platform to elevate Australian films onto the world stage. This year saw Australian features, documentaries and shorts screen in all six of the premier international film festivals. Highlights included the selection of *Wish You Were Here* as the opening night film at Sundance and the outstanding and diverse line-up of six films at both the Toronto International Film Festival (TIFF) and the Busan International Film Festival. A strong selection of Australian shorts screened at the Berlin International Film Festival, including *Julian*, which was awarded the prestigious Crystal Bear Award for Best Short Film in the Generation Kplus program.

Domestically, Australian feature films made a strong impact.

*Red Dog* was a standout achievement, garnering \$21.3 million at the domestic box office. This marks the first time in two decades that an Australian film has broken the \$20 million barrier without having the backing of a major Hollywood studio. *Red Dog's* success continued on DVD, where it has become the biggest-selling local film of all time in Australia. Other local films to perform strongly at the domestic box office include *Happy Feet Two* and *A Few Best Men*, which grossed \$10.7 million and \$5.6 million respectively.

There were also a number of notable successes on television for both documentary and drama programs. SBS documentary series *Go Back to Where You Came From* was the highest-rating program on SBS in 2011 and achieved multiple format sales to international territories. *Go Back to Where You Came From* received considerable industry recognition including being awarded the prestigious Best of Rose d'Or award for Best Television Program at the Rose d'Or Festival in Lucerne, Switzerland. This is the first time that the award has been presented to an Australian production. Australian documentaries also achieved success on subscription television, with *The Bombing of Darwin: An Awkward Truth* becoming the History Channel's highest-rating program ever. ABC's drama series *The Slap* is another example of a bold, distinctly Australian story. *The Slap* performed strongly on the ABC and received five Australian Academy of Cinema and Television Arts (AACTA) awards and a UK BAFTA nomination for Best International Program.

I take this opportunity to draw attention to the achievements of the children's television sector as well.

Screen Australia undertook research into the economic value of the screen production industry as well as the value Australians place on local screen content. The findings included that 91 per cent of Australians aged 14 and over believed that it is quite important or very important that Australia has a film and television industry that produces local content.

Four Screen Australia-funded children's drama series premiered in 2011/12. These included the second series of the popular and critically acclaimed *Dance Academy* and *My Place* as well as new series *a gURLs wURLd* and *Lightning Point*.

As the 2011/12 year was drawing to an end, I was fortunate to experience first-hand the enthusiastic reception of *The Sapphires* at Cannes. It was inspiring to see an international audience respond ardently to such a distinctively Australian story, a testament to the depth of talent involved in the film. During Cannes, The Weinstein Company announced that they had acquired the worldwide rights, further heightening anticipation for *The Sapphires'* forthcoming domestic and international theatrical release.

These accomplishments have occurred at a time when the rationale and structure of support for the screen production industry are being intensely scrutinised, largely due to the profound effects of technological convergence. I had the privilege of serving as Chair of the Convergence Review, which examined the policy and regulatory frameworks that apply to the converged media and communications landscape in Australia. The protection and support of Australian content was a central tenet of the review, which speaks to the value of the screen production industry and the esteem in which it is held.

At a time when the media environment is undergoing rapid change, Screen Australia has been the lead analyst of the forces shaping the production and consumption of Australian content. In the lead-up to a

formal submission, Screen Australia released *Convergence 2011: Australian content state of play* and held a series of forums to help inform the discussion. Screen Australia's submission to the Government's development of the National Cultural Policy, which was underway concurrently with the Convergence Review, also provided an opportunity for Screen Australia to articulate a strategic long-term vision for the screen production industry. To buttress the recommendations contained in the submissions Screen Australia undertook research into the economic value of the screen production industry as well as the value Australians place on local screen content. The findings included that 91 per cent of Australians aged 14 and over believed that it is quite important or very important that Australia has a film and television industry that produces local content.

*Convergence 2011: Australian content state of play* also mapped the contribution of various platforms to the production of Australian content and positioned the challenges of generating original content in the absence of regulation. Such authoritative analysis provides a solid basis from which to respond to the challenges and opportunities presented by media convergence now and into the future.

To assist content producers to adapt to these changes, Screen Australia released *What to Watch? Audience motivation in a multi-screen world* in June 2012, an analysis of audience motivations for engaging with screen stories across different platforms and distribution points. *What to Watch?* also examined the importance that viewers place on Australian content and their level of engagement with social media. The research findings were



presented in Sydney at an event featuring a panel of industry experts and broadcast as a live webinar, and included a range of other supporting material. *What to Watch?* contributes new and valuable knowledge for producers and distributors seeking effective ways to market and distribute Australian content.

I would like to express my sincere gratitude to Robert Connolly and Greg Smith, who both left the

Board on 30 June 2012. For all their complementary strengths, Robert and Greg both shared one thing: passion. Passion to see Australian stories on screen, passion to nurture the next generation, and passion to see the industry evolve and thrive. We wish them every success in the next stages of their careers.

In conclusion, I would like to acknowledge the contribution of my fellow Board members

and our executive led by CEO Ruth Harley. I would also like to acknowledge the strong support we have received from the Australian Government and from you, as Minister for the Arts, for your ongoing enthusiasm for the sector.

**Glen Boreham**



Wish You Were Here

# Screen Australia Board



## **GLEN BOREHAM** **CHAIR**

Mr Boreham retired from his role as Managing Director of IBM Australia and New Zealand in 2011, where he managed a business of 15,000 employees and annual revenues of over \$4 billion. He began his career in Australia in 1986 and held a series of senior management positions at IBM including roles in Europe and Japan. In addition, Mr Boreham has served on the Australian Government's Information Technology Industry Innovation Council, as a member of the Business Council of Australia, as Deputy Chairman of the Australian Information Industry Association and as a Director of the Australian Chamber Orchestra. In March 2011, he was appointed to Chair the Australian Government's Convergence Review.

**Mr Boreham's term expires on  
30 June 2014**



## **IAN ROBERTSON** **DEPUTY CHAIR**

Mr Robertson is a corporate and media lawyer who heads the media and entertainment practice of national law firm, Holding Redlich. He is also the managing partner of the firm's Sydney office. He has worked in and for the media and entertainment industries for most of his career, including a position as the inhouse counsel for David Syme & Co Limited, publisher of *The Age* newspaper, in the 1980s, and as a senior executive of the video, post-production and facilities company, AAV Australia. He became a partner of Holding Redlich in Melbourne in 1990 and established the firm's Sydney office in 1994. He is also a director of the publicly listed television production and distribution group, Beyond International Limited, and his former appointments include Board member of the Australian Broadcasting Authority, Director and Chair of Ausfilm, Director and Deputy Chair of Film Australia Limited, and Director of the Victorian Government film agency Cinemedia (now Film Victoria).

**Mr Robertson's term expires on  
30 June 2013**



## **CHERRIE BOTTGER**

Ms Bottger is the Head of Children's Television and Documentary Unit at Network Ten Pty Ltd, presiding over a multi-million dollar slate of production and with responsibility for policy, programming, commissions, acquisitions and program development. Ms Bottger began her career in television in the 1970s and has produced many series, documentaries and children's programs including the acclaimed children's television series, *Totally Wild*, which has screened in 13 countries. She has previously held positions with the Seven Network, Grundy's and the Nine Network. Ms Bottger is a Board member of Screen Queensland, a member of the Advisory Board of Queensland University of Technology's Creative Industries Faculty and works closely with state and federal education departments.

**Ms Bottger's term expires on  
31 December 2012**

# Screen Australia Board



## **ROBERT CONNOLLY**

Mr Connolly is a well-known film director and writer. His writing and directing credits include the critically acclaimed feature films *Three Dollars*, *The Bank* and *Balibo*, and his producing credits include the award-winning films, *Romulus*, *My Father*, *The Monkey's Mask* and *The Boys*. Mr Connolly has won four Australian Film Institute (AFI) Awards and has received a Centenary medal for services to the Australian film industry. He is also a principal in the film distribution company Footprint. He has served on various industry boards, including the NSW Film and Television Office (NSW FTO), the Australian Screen Directors Association and the University of NSW Dean's Council.

**Mr Connolly left the Board on 30 June 2012**



## **ROSS ENTWISTLE**

Mr Entwistle has been exhibiting and distributing motion pictures for almost 25 years, with experience in more than 18 international territories as an exhibitor, and having worked on over 150 films as a theatrical distributor in Australia. Mr Entwistle is the founding director of Limelight Cinemas, an independent cinema exhibition company, and was formerly Managing Director of Greater Union, where he was responsible for managing the largest cinema circuits in Australia and the United Arab Emirates. Previously, Mr Entwistle was Managing Director of Sony Pictures Releasing (Australia), and during the 1990s, held senior executive positions with Village Roadshow. Mr Entwistle is a former Chairman of the Australian Cinema Exhibitors Coalition (ACEC), the Motion Picture Distributors Association of Australia (MPDAA) and former President of the Society of Australian Cinema Pioneers. In 2008, he was named, along with Greater Union, as the International Exhibitor of the Year at ShoWest, the world's largest convention for the motion picture exhibition and distribution industries.

**Mr Entwistle's first term expires on 3 August 2012**



## **MATTHEW LIEBMANN**

Mr Liebmann has more than 15 years' experience in the entertainment and media sector. In his current role as Commercial and New Business Director at Hoyts, he is a senior member of the executive team responsible for sales, business analysis, loyalty and new business opportunities in Australia and beyond. Prior to joining Hoyts, Mr Liebmann was General Manager of SKYCITY Cinemas, New Zealand's largest cinema circuit. Mr Liebmann also spent six years as an entertainment and media consultant at PricewaterhouseCoopers, assisting many leading organisations in the areas of strategy, business planning, operational effectiveness and risk management. He is the founding author and editor of the PricewaterhouseCoopers *Australian Entertainment & Media Outlook*, writing the first five editions of this leading sector publication. Mr Liebmann also spent six years in a variety of roles at Village Roadshow during the 1990s.

**Mr Liebmann's first term expires on 29 March 2013**



#### **RACHEL PERKINS**

Ms Perkins is an established filmmaker who has contributed extensively to the development of Indigenous filmmakers in Australia and, more broadly, the Australian film industry. In addition to her experience as an executive producer for both the ABC and SBS, Ms Perkins has had a successful film and documentary making career, directing the feature films *Bran Nue Dae*, *Radiance* and *One Night the Moon*, which received five AFI Awards, as well as the critically acclaimed television series *First Australians*, which won the 2008 Logie Award for Best Documentary. Ms Perkins is from the Arrernte and Kalkadoon nations. She has previously served on the Council of the Australian Film Television and Radio School (AFTRS), the NSW FTO, the Australian Film Commission (AFC) and is a founding member of the National Indigenous Television Service.

**Ms Perkins' term expires on 31 December 2013**



#### **GREG SMITH**

Mr Smith has over 20 years' experience in the Australian film industry including as an executive producer and film financier. He has recently retired from the Board of Animal Logic, one of the world's most highly respected digital production companies with credits including *Happy Feet*, *300*, *Harry Potter and the Goblet of Fire*, *Hero*, *The Matrix* and *Moulin Rouge*. He is a Director of Object, and a member of the NSW Innovation Council, as well as being a former Director of Film Victoria, the NSW FTO and Ausfilm.

**Mr Smith left the Board on 30 June 2012**



#### **DEANNE WEIR**

Ms Weir is a media and communications executive with over 20 years' experience, including long-term legal, strategy and content roles at Telstra and AUSTAR. Following the completion of the FOXTEL acquisition of AUSTAR in May 2012, Ms Weir has embarked on a new career as a media entrepreneur, with investments in various media companies. As a result, she is a member of the Boards of Access Innovation Holdings Pty Ltd (Ai-Media), Girlosophy Pty Ltd, WE Magazines Pty Ltd (publisher of *The Hoopla*) and was recently appointed as Chairman of both Bloomtech Pty Ltd, publisher of the live music website Moshcam, and Hoodlum Active Pty Ltd, an Emmy® and BAFTA award-winning television and digital content production company. In August 2012, Ms Weir joined the Board of the International Women's Development Agency.

**Ms Weir's term expires on 31 December 2012**

## BOARD MEETING ATTENDANCE TABLE 2011/12

	GLEN BOREHAM	IAN ROBERTSON	CHERRIE BOTTGER	ROBERT CONNOLLY	ROSS ENTWISTLE	MATTHEW LIEBMANN	RACHEL PERKINS	GREG SMITH	DEANNE WEIR
20 July 2011	✓	✓	✓	✓	✓	✓	✓	✓	✓
20 September 2011	✓	✓	✓	✓	✓	✓	✓	✓	✓
12 October 2011	✓	✓	✓	✓	✓	✓			✓
1 December 2011	✓	✓	✓	✓	✓	✓		✓	✓
15 December 2011	✓			✓	✓		✓	✓	✓
16 February 2012	✓	✓	✓	✓	✓	✓	✓	✓	✓
21 March 2012	✓	✓	✓	✓	✓	✓	✓	✓	✓
3 May 2012	✓	✓	✓		✓	✓		✓	✓
10 May 2012 (Circulating resolution)	✓	✓	✓		✓	✓			✓
4 June 2012	✓	✓	✓	✓	✓	✓		✓	✓

## AUDIT COMMITTEE ATTENDANCE TABLE 2011/12

	IAN ROBERTSON	GREG SMITH	DEANNE WEIR
19 September 2011	✓	✓	✓
1 December 2011	✓	✓	✓
16 February 2012	✓	✓	✓
3 May 2012	✓	✓	✓

# Executive overview 2011/12



A handwritten signature in black ink that reads "Ruth Harley". The signature is written in a cursive, flowing style.

**CEO**  
**DR RUTH HARLEY**

The success of Australian screen content in 2011/12 showcases a dynamic and diverse production industry, securing a reputation for excellence in both domestic and international arenas. Since its inception four years ago, Screen Australia has fostered transformation and growth in the industry as well as building a culture of efficiency, responsiveness and leadership within the agency.

## **ORGANISATIONAL EFFICIENCIES**

The organisational efficiencies encouraged through the merger of our three predecessor agencies have reached fruition. Since the formation of Screen Australia, staff numbers have been reduced from 190 to 110 and operating costs are down from \$32 million to \$19.5 million, while direct funding to the sector has been prioritised. The streamlining of administrative and operating processes within Screen Australia has ensured that we are a more nimble and responsive agency and that our energy and funds are committed to supporting screen productions and practitioners. Screen Australia is continually refining our funding programs to improve efficiency and effectiveness. Following a period of industry consultation, Screen Australia introduced changes to the feature production guidelines to reflect the complexity of feature film financing and provide greater flexibility for the industry. These changes include making Letters of Interest available earlier in the financing process and considering financing decisions at more Board meetings per year, increasing from four to eight.

## **DIRECT INVESTMENT**

Direct production investment from Screen Australia continues to perform a vital role in delivering cultural objectives as well as promoting business sustainability for targeted industry sectors. Screen Australia committed \$58.76 million to film, television and multi-platform projects in 2011/12 leveraging in excess of \$250 million in total budgets. This included \$18.09 million to production investment of 16 feature films, including 11 films by first-time directors; \$21.80 million to 17 television dramas, including five programs for children; \$14.86 million to 52 documentaries; and \$2.05 million to interactive and multi-platform projects via the All Media Program. A further \$1.96 million was committed to projects through the Indigenous Department. 2011/12 was another remarkable year for Indigenous screen stories. The strength of Indigenous filmmaking in Australia was highlighted at the 2012 Sydney Film Festival in a showcase of Indigenous screen stories presented in collaboration with Blackfella Films. Two Screen Australia-funded documentaries, *Croker Island Exodus* and *Coniston*, and two Screen Australia-funded short films, *She.Say.* and *Blackbuster*, screened as part of the program. A number of Australian interactive digital projects rose to prominence over the past year. In a significant international acknowledgment for Australia's digital sector, six Australian projects were selected as finalists for the SXSW Interactive Awards. Two projects funded by Screen Australia won SXSW awards,

*Big Stories, Small Towns* and *Goa Hippy Tribe*. *Little Space Heroes*, an online virtual universe for children, is another notable interactive project. Supported through the All Media Program, *Little Space Heroes* launched in December 2011 and already has tens of thousands of players from over 80 countries logging in daily. Furthermore, the developer Bubblegum Interactive has raised an additional \$2.5 million in private investment in a second round of funding to further expand and promote the project.

### **SUCCESSFUL PROGRAM INITIATIVES**

2011/12 saw the continuation of successful initiatives across our program areas. These included the third round of the Enterprise Program, which announced \$2.97 million in support over three years for four production companies. The chosen companies

demonstrated robust strategies for growth including diversification, new partnerships and alliances, and marketing and expansion into international markets. The Enterprise Program will see a fourth iteration in 2012/13.

Screen Australia again provided funding to each of the state agencies to assist with state-level development of craft, partnering on the following initiatives: *Inside Out/Outside In* (Screen NSW), *Aurora* (Screen NSW), *Evolution Masterclass* (Screen Queensland), *GoldPass* (Screen Tasmania), *IGNITE* (Screen Territory), *FilmLab*, *South Australian Film Corporation* (SAFC), *Feature Navigator* (ScreenWest), *Script Lab* (Film Victoria), *Project Pod* (ScreenACT). Screen Australia also partnered with the Adelaide Film Festival on The Hive development workshop, *Dungoo* Film Festival's *In the Raw* workshop and *37° South Books* at Melbourne

International Film Festival (MIFF).

Another ongoing Screen Australia program, the Springboard Short Film Initiative, announced investment in the production of three short films in 2011/12. The Springboard Initiative assists filmmakers to leverage finance and interest in their debut feature films by showcasing the director's distinctive voice. Previous recipients of Springboard short film funding include Zak Hilditch's *Transmission*, which helped secure finance for his feature *These Final Hours*. Screen Australia was thrilled to see Springboard short *The Wilding* premiere at the Berlin International Film Festival in 2012, where it was nominated for a Teddy Award.

### **INDIRECT FUNDING VIA THE PRODUCER OFFSET**

A suite of reforms were introduced in July 2011 as a result of the Australian Government's 2010 Review of the Australian



Independent Screen Production Sector. These included lowering the Qualifying Australian Production Expenditure (QAPE) threshold from \$1 million to \$500,000 for feature films. A minimum QAPE for documentary projects of \$500,000 was introduced, with eligible documentaries with budgets of less than \$500,000 able to apply for a Producer Equity payment equal to 20 per cent of the total budget. Since its inception, the Producer Offset has proved vital as a financing instrument for the industry and stimulus for growth during a turbulent period for the global economy. As of 30 June 2012, 487 projects had received Final Certificates, providing approximately \$535 million to producers across television drama, documentaries and features.

### **AUSTRALIAN BUSINESS IN THE DOMESTIC AND INTERNATIONAL MARKETPLACE**

As well as providing a stable source of local finance, the Producer Offset has generated significant interest in the Australian industry from international financiers and co-production partners. Screen Australia has promoted the Producer Offset internationally through a sustained presence across key markets including MIPTV, MIPCOM and Cannes as well as dedicated co-production markets. Notably, Screen Australia has formed a partnership with Independent Filmmaker Project's (IFP) No Borders Co-Production Market, the oldest and most prominent co-production market in the United States. Following a successful first year of partnership in 2011, Screen Australia and IFP are enabling selection of up to three Australian projects for the forthcoming 2012 market.

Enhancing Screen Australia's international business facilitation, our partnership with the Department of Foreign Affairs and Trade (DFAT) is an important component of our international business facilitation. The Australian International Cultural Council (AICC), Australia's key cultural diplomacy body, institutes an annual Country of Focus Program to deepen ties with specific countries. Screen Australia and DFAT have leveraged the increased diplomatic engagement with countries of focus to ensure a conspicuous presence in key foreign regions

The success of Australian screen content in 2011/12 showcases a dynamic and diverse production industry, securing a reputation for excellence in both domestic and international arenas. Since its inception four years ago Screen Australia has fostered transformation and growth in the industry as well as building a culture of efficiency, responsiveness and leadership within the agency.

and markets. Recent countries of focus have included the Republic of Korea and China.

Since its inception, Screen Australia has focused in particular on fostering inter-governmental and industry partnerships with Asia. Greater collaboration between Asian and Australian production industries presents substantial opportunities for the local screen industry to expand and develop. Already recent years have seen an increase in co-production activity with Asian countries as well as growing Asian audiences for Australian content. Screen Australia's integral role in establishing industry forums such as the Australia–China Film Industry Forum and forthcoming Asian Animation Summit are crucial for the continued expansion and enrichment of ties with Asia.

### **COMMUNICATIONS**

Screen Australia supports, promotes and engages the industry through expert use of digital and social media. This year our Facebook followers increased by 2,000 to 3,033 and our Twitter followers increased





Australia–China Film Industry Forum: (from left) Chris Hilton, Essential Media and Entertainment; Alaric McAusland, Deluxe and former Chair Ausfilm; Mario Andreacchio, AMPCO Films; Frances Adamson, Ambassador to China; Emile Sherman, See-Saw Films; Ruth Harley, Screen Australia; Doug Mitchell, Kennedy Miller Mitchell; Chris Oliver, Screen Australia.

by 4,000 to 6,070. There have been 935,650 views of our YouTube channel to date, including 700,000 views over a five-month period as a result of Screen Australia's consumer-facing *Map My Summer* initiative, in partnership with Google Australia.

Our new website design launched last year continues to enhance stakeholders' access to Screen Australia's programs and activities, with a 32 per cent increase in visitors in June 2012 compared to the same period the previous year. Our use of web technologies continues to improve communication with stakeholders outside major centres. For example, Screen Australia's webinar in August 2011 discussing our report *Convergence 2011: Australian content state of play* attracted more than 130 participants, and

the presentation of our audience research *What to Watch? Audience motivation in a multi-screen world* in June 2012 was broadcast live via the web, with a recording subsequently made available through our YouTube channel and website.

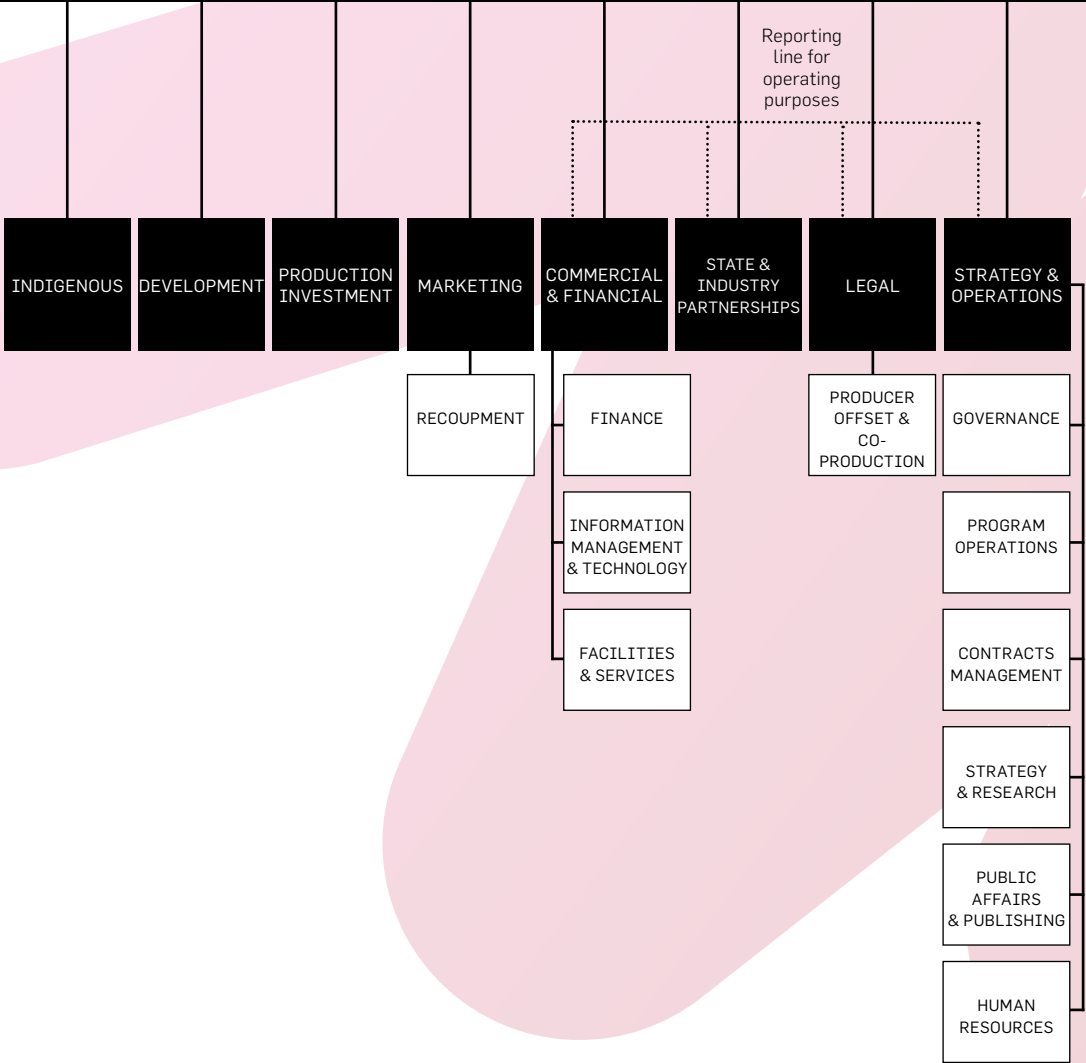
It is an exciting time for the screen sector with the diversity and strength of Australian filmmaking talent being recognised both here and abroad, and content producers exploring innovative approaches to storytelling, fresh ways of engaging audiences and new partnerships. I look forward to working with and for the industry to maximise those opportunities in the year to come.

**Dr Ruth Harley**

# Organisational structure

As at 30 June 2012

## CHIEF EXECUTIVE OFFICER



# Senior management

As at 30 June 2012

## **CEO** **DR RUTH HARLEY**

Dr Harley has been the Chief Executive Officer of Screen Australia since November 2008. Prior to that, she was the Chief Executive of the New Zealand Film Commission (NZFC) from 1997 until November 2008, and has more than 25 years' experience in the film and television industries. Dr Harley has held other important roles in the sector including Executive Director of New Zealand on Air, Commissioning Editor at Television New Zealand and the National Media Director of Saatchi and Saatchi in New Zealand. She holds a PhD from the University of Auckland and is a former Fulbright Scholar. Her commitment to broadcasting and the arts was recognised in 1996 with an OBE and in 2006 she received a Companion of the New Zealand Order of Merit for her services to film.

## **CHIEF OPERATING OFFICER** **FIONA CAMERON**

Fiona joined Screen Australia at its inception, 1 July 2008, as Executive Director, Strategy and Operations. Prior to this role Fiona was a General Manager with DMG Radio Australia, responsible for launching the new radio brand Nova in Melbourne. Fiona has had a number of senior roles in the state and federal arena including a stint as Chief of Staff to the Minister of Communications in the mid-1990s. Fiona has been a Director of AFTRS and Commercial Radio Australia.

## **HEAD OF PRODUCTION INVESTMENT**

### **ROSS MATTHEWS**

Ross spent eight years as the Senior Investment Manager and Investment Manager for the Film Finance Corporation Australia (FFC). At the FFC he was responsible for financing a diverse slate of Australian feature films, adult drama, children's television and documentary. He worked closely with producers on their funding applications and in negotiating investment structures and production planning. For the three decades prior to this, Ross was an award-winning producer of television drama and feature films. Ross's roles at Screen Australia have been as Senior Investment Manager, Acting Head of Production Support & Investment, and since January 2009, Head of Production Investment.

## **HEAD OF DEVELOPMENT** **MARTHA COLEMAN**

Martha worked in the UK as the Head of Development at Icon Entertainment International, the Head of Creative Affairs at Material Entertainment and as a consultant producer. As Head of Development at Icon, Martha was responsible for the company's UK development slate as well as being involved in their production investment decisions. At Material Entertainment, she developed projects with some of the UK's top creative talent as well as nurturing new talent. Before working in the UK, Martha was an independent feature film and commercials producer based in Sydney. Martha produced the acclaimed Australian feature film *Praise* and was executive producer on the UK box office hit, *Run, Fat Boy, Run*.

## **HEAD OF INDIGENOUS** **ERICA GLYNN**

A graduate of AFTRS in Sydney, Erica cut her teeth working for the Central Australian Aboriginal Media Association (CAAMA) in Alice Springs. Erica's award-winning short film *My Bed, Your Bed* was an international success. She's also made many documentaries including *A Walk with Words* with Romaine Morton and *Ngangkari* about traditional healers of the Central Desert Region.

## **HEAD OF MARKETING** **KATHLEEN DRUMM**

Kathleen joined Screen Australia on 1 September 2009. Previously she was Head of Sales and Marketing at NZ Film where she was responsible for the international sales and marketing of New Zealand features, including creating an international presence and increasing the focus on domestic audiences. Kathleen maintains close relationships with local distributors, international distributors, festival directors and international film executives. She has been actively involved in devising sales strategies, positioning titles in the marketplace and creating quality international marketing materials. Prior to 2001, Kathleen was the NZFC's Short Film Sales and Marketing Manager, where she explored different ways for screen content to reach domestic and international audiences. Before this, Kathleen held various roles in sales and marketing within the book trade, including Random House NZ.



**GENERAL COUNSEL**  
**ELIZABETH GRINSTON**

Elizabeth joined Screen Australia in April 2009 from Gilbert + Tobin, where she was a Special Counsel in the firm's Intellectual Property and Litigation Group. While specialising in intellectual property matters, particularly copyright, Elizabeth's practice at Gilbert + Tobin covered a wide range of other areas, including regulatory and administrative law and general commercial disputes and transactions. Elizabeth has also practised in the public sector as a decision-maker in various specialist state and federal Tribunals. She was previously a partner with Freehills, where she practised in the areas of commercial/finance law and litigation. Elizabeth has also held a number of non-executive Director positions on Boards in the energy and insurance sectors. She was selected by her peers for inclusion in the 2009 Best Lawyers® list for Australia in the specialty of Litigation. Elizabeth holds a Bachelor of Laws and a Bachelor of Arts degree from the University of Sydney, where she graduated with First Class Honours and the University Medal in Law.

**CHIEF FINANCIAL OFFICER**  
**RICHARD NANKIVELL**

Richard joined Screen Australia in October 2010 from City of Ryde where he was Chief Financial Officer. He has an extensive background in finance and administration from his time in local government having held senior management positions in a number of NSW metropolitan and rural councils including City of Ryde, Parramatta City Council, Willoughby City Council, Corowa Council and Boorowa Council. Richard holds an Associate in Local Government Administration and was awarded the Albert Mainard Local Government Scholarship sponsored by the then Town Clerks Society of NSW in 1982.

**SENIOR MANAGER, STATE AND INDUSTRY PARTNERSHIPS**  
**CHRIS OLIVER**

Before the creation of Screen Australia, Chris was an Investment Manager for feature films and TV drama at the FFC. Recent titles include *Bright Star*, *Balibo*, *Daybreakers*, *Beautiful Kate*, *Underbelly* and *Sea Patrol*. In the late 1980s, he was appointed to the role of Executive Producer at Film

Australia where he commissioned/executive produced and financed more than 100 hours of drama and documentary production, including *Rats in the Ranks* (ABC, CH4, Arte), *Admission Impossible* (ABC, BBC) and the drama series *House Gang* (SBS, CH4). Before this, Chris produced documentaries (including *Witch Hunt*) and feature films (including *Blood Money* and *Desolation Angels*). In Chris's current role he assists Screen Australia in working more closely with the state screen agencies, key guilds and screen practitioners, ensuring that the differing needs of practitioners are met. Chris also manages the Enterprise Program.

Section 1

# Creative storytelling



Screen Australia invests in a range of audience-engaging and culturally relevant programs including feature films, documentaries, television drama and children's television drama.

- Feature films
- Television drama
- Documentary

Not Suitable for Children



## HIGHLIGHTS

- Screen Australia provided \$2.7 million in development support to 102 features in 2011/12.
- Screen Australia's Production Investment Department committed \$18.09 million to 16 feature films with a total production value of \$83.39 million.
- Sales of more than 90 Screen Australia-funded feature films to over 90 territories were reported during the year. *The Sapphires* sold to all international territories including a major multi-territory sale to The Weinstein Company.
- Screen Australia-developed features *Not Suitable for Children* and *Last Dance* were nominated for the AWGIE award for Best Original Screenplay.
- Nine Screen Australia-funded feature films were selected for international 'A-list' film festival screenings in 2011/12.
- The Screen Australia-funded film *Red Dog* was the best-performing Australian feature at the domestic box office this year with \$21.33 million.



# Feature films

**Screen Australia aims to assist in the creation of a diverse range of successful Australian films that resonate with local and international audiences.**

## STRATEGIES

- Develop outstanding stories from a range of genres, ready to be turned into screen productions that win international acclaim and engage domestic and international audiences
- Work proactively with the strongest Australian talent on original, creatively excellent stories with a clear sense of audience and appropriate budget expectations
- Evaluate feature film projects and invest in quality productions that are audience-focused and culturally relevant
- Work with producers to secure appropriate finance plans including sources of funds outside Screen Australia to increase overall production expenditure.

## OUTCOMES

### Feature development

Screen Australia provides project-specific development funding to screen professionals with proven track records, generally working in teams. Less experienced filmmakers can access the Single-project Development Program by partnering with eligible experienced colleagues.

Focusing on projects that demonstrate impressive talent, robust craft and knowledge of their audience, market and cultural value, the Screen Australia feature development slate has continued to grow and diversify.

Screen Australia provided \$2.7 million in development support to 102 features in 2011/12. Of the 102 projects funded, 37 per cent were drama and 63 per cent were other

genres including thrillers, comedies, romantic comedies, action and horror.

Here are some of the highlights.

Ongoing support has been provided for projects identified as having strong potential in 2010/11. All are now heading towards production, including:

- animated romantic comedy *Ernee* (p: Peter Kaufmann, ep: Brian Rosen, Bryce Menzies, w/d: Academy Award®-winning Adam Elliot)
- romantic comedy *Almost French* (p: Sonja Armstrong; co-p: Raphaël Benoliel, ep: Troy Lum, w/d: Kate Dennis)
- drama adaptation of Tim Winton's acclaimed novel *The Riders* (p: Timothy White, w: Susie Brooks-Smith, d: Robert Connolly)
- family film *Paper Planes* (w/d/p: Robert Connolly, p: Maggie Miles)
- romantic comedy *Learning to Fly* (p: Finola Dwyer, w: Sheridan Jobbins, w/d: Stephan Elliott)
- comedy *Now Add Honey* (p: Louisa Kors, w: Robyn Butler, d: Wayne Hope)
- erotic romance *My Mistress* (p: Leanne Tonkes, ep: Robyn Kershaw, w: Gerard Lee, d: Stephen Lance).

New projects supported during the year included:

- musical *Synchronicity* (p: Leesa Kahn, Catriona Hughes, ep: Greg Coote, w: Marissa Goodhill, d: Kriv Stenders) set to the music of Kylie Minogue
- biopic *Life* (p: Academy Award®-winning Emile Sherman, Iain Canning, w: Luke Davies)
- revenge drama *Untitled Lucky Project* (w/d/p: Nash Edgerton, p: Joel Edgerton)
- family drama *An Oddball Solution* (p: Steve Kearney, Richard Keddie, w: Peter Ivan)





Save Your Legs!

- dark comedy *Untitled Australia Project* (p: Matthew Reeder, ep: Greg McLean, w/d: Abe Forsyth)
  - romantic comedy *The Post Office* (p: Angie Fielder, Polly Staniford, w: Emma Vuletic, Justine Flynn)
  - crime drama *Memorial Day* (p: Angie Fielder, w/d: Kieran Darcy-Smith)
  - comedy *Bogan Wedding* (w: Jules Duncan)
  - psychological thriller *Berlin Syndrome* (p: Polly Staniford, ep: Angie Fielder, w: Shaun Grant)
  - comedy *Out West* (p: Catriona Hughes, Leesa Kahn, Terry Jennings, w/d: Alister Grierson)
  - supernatural thriller *One White Crow* (p: Jodea Bloomfield, w/d: Catriona McKenzie)
  - true drama *Choir of Hard Knocks* (p: Marian Macgowan, w: Pip Karmel, d: Jonathan Teplitzky)
  - horror film *The Tunnel: Dead End* (p/w: Enzo Tedeschi, Julian Harvey, d: Carlo Ledesma), follow up to the highly successful crowd-funded feature *The Tunnel*
  - supernatural thriller *Backtrack* (p: Jamie Hilton, w/d: Michael Petroni).
- We've been pleased to see a diverse range of development-supported projects go into production, including:
- comedy *Save Your Legs!* (p: Robyn Kershaw, Nick Batzias, w: Brendan Cowell, d: Boyd Hicklin)
  - comedy *The Mule* (p: Paul Clarke, ep: Bruce Kane, w: Leigh Whannell, Angus Sampson, d: Tony Mahony)
  - science fiction thriller *These Final Hours* (p: Liz Kearney, ep: Robert Connolly, w/d: Zak Hilditch)

- comedy horror *100 Bloody Acres* (p: Julie Ryan, Kate Croser, ep: Jonathan Page, w/d: Colin Cairnes, Cameron Cairnes)
- drama *Break the Sky* (aka *The Rocket*) (p: Sylvia Wilczynski, ep: Bridget Ikin, w/d: Kim Mordaunt)
- horror/thriller *The Babadook* (p: Kristina Ceyton, Kristian Moliere, ep: Jonathan Page, Michael Tear, Jeff Harrison, w/d: Jennifer Kent)
- teenage drama *Galore* (p: Philippa Campey, ep: Sue Murray, Victoria Treole, w/d: Rhys Graham)
- adventure drama *Tracks* (p: Emile Sherman, Iain Canning, co-p: Julie Ryan, w/d: John Curran)
- Tim Winton's short story collection *The Turning* (p: Robert Connolly, co-p: Maggie Miles, ep: Andrew Myer, Paul Wiegard, d: including Benedict Andrews, Jonathan auf der Heide, Tony Ayres, Cate Blanchett, Robert Connolly, Shaun Gladwell, Rhys Graham, Justin Kurzel, Ian Meadows, Yaron Lifschitz, Claire McCarthy, Ashlee Page, Stephen Page, Mia Wasikowska, David Wenham)
- drama *Last Dance* (p: Antony I Ginnane, w: Terence Hammond, w/d: David Pulbrook).

Other projects we have supported include: thriller *Los Alamos* (p: Iain Canning, Emile Sherman, w: Luke Davies), biopic *Michael H* (p: Richard Lowenstein, Sue Murray, ep: Domenico Procacci, w/d: Richard Lowenstein), sci-fi *Chronical* (p: Lisa Shaunessy, ep: Michael Rymer, co-p: James Whitlam, w/d: Seth Larney), drama *Ali's Wedding* (p: Helen Panckhurst, Michael McMahon, ap: Sheila Jayadev, w: Osamah Sami, Andrew Knight), comedy *Bad Angel* (p: Nicholas Cole, Antonia Barnard, w: Shaun Grant), psychological horror *Disquiet* (w/d: Julia Leigh), action film *Kingdom Come* (p: Martin Fabinyi, ep: Ron Saunders, Keith Sweitzer, Rob Woodburn, w/d: Marc Furmie, w: Shiyang Zheng), romantic comedy *The Stockpicker* (p: Phillip Bowman, w: Dave Warner), biopic *Banjo & Matilda* (p: Bill Leimbach, w: David Roach, d: Bruce Beresford) and family film *Nim's Island: The Return of the Pirates* (p: Chris Brown, Tom Hoffee, w: Ray Boseley, d: Brendan Maher). See Appendix 3 on



page 107 for the full list of features receiving development support this year.

Of the total development funds allocated to single-draft funding, writers' fees made up 61 per cent of allocated funds (or some \$1.6 million) approved in 2011/12, with producer, director and script editor fees making up 21 per cent, and other costs (travel, casting, budgeting and legal) accounting for the remaining 18 per cent.

### **Individual script consultations**

A number of teams receiving Screen Australia development funding had the opportunity for one-on-one consultations with international expertise during the year. Michael Hauge, Steve Kaplan, Meg LeFauve, Paul Welsh, Sheila Hanahan Taylor and Lucy Scher comprise a carefully selected group of international advisers engaged where appropriate in one-on-one consultancies with our writers and producers to support them in bringing their projects to their full potential. Although such consultancies are not required for every project, the positive feedback from those we have supported has been very strong.

### **Feature production**

Screen Australia invested \$18.09 million in 16 feature films this year. Of the films financed:

- three had budgets under \$2 million
- ten had budgets between \$2 million and \$6 million

- three had budgets in excess of \$10 million.

Screen Australia's investment generated \$83.39 million in feature film production.

Screen Australia continues to demonstrate diversity in genre and production scope from a spectacular 3D surfing documentary to a visual and audio feast designed for planetaria; from a low-budget drama shot in the Lao language to a large-scale co-production starring Colin Firth and Nicole Kidman.

Films funded include *The Babadook* (p: Kristina Ceyton, Kristian Moliere, w/d: Jennifer Kent), *Coral Rekindling* (p: John Maynard, w/d: Lynette Wallworth), *The Mule* (p: Paul Clarke, w: Leigh Whannell, Angus Sampson, d: Tony Mahony), *Patrick* (p: Antony I Ginnane, w: Justin King, d: Mark Hartley), *The Rocket* (p: Sylvia Wilczynski, w/d: Kim Mordaunt), *Save Your Legs!* (p: Robyn Kershaw, Nick Batzias, w: Brendan Cowell, d: Boyd Hicklin), *Storm Surfers 3D* (p: Ellenor Cox, Marcus Gillezeau, w/d: Chris Nelius, Justin McMillan), and *Tracks* (p: Emile Sherman, Iain Canning, w: Marion Nelson, w/d: John Curran).

There were two official co-productions funded this year: *The Railway Man* (UK/Australia) (p: Andy Paterson, Chris Brown, Bill Curbishley, w: Frank Cottrell Boyce, Andy Paterson, d: Jonathan Teplitzky) and *Lovers and Sons\** (France/Australia) (p: Andrew Mason, Philippe Carcassonne, Michel Feller, Barbara Gibbs, w: Christopher Hampton, d: Anne Fontaine).

\* aka *The Grandmothers* (working title)

### Sales and awards

Of the 28 new Australian films released in 2011/12, Screen Australia provided production investment for 14.

The best-performing Screen Australia-funded films at the

domestic box office this year were *Red Dog* with \$21.33 million, *A Few Best Men* with \$5.63 million and *The Cup* with \$2.74 million.

*Snowtown*, *Sleeping Beauty*, *Burning Man*, *The Eye of the Storm* and *The Hunter* were invited to screen at TIFF.

*Wish You Were Here* premiered on the opening night of the Sundance Film Festival.

*Hail* had its international premiere at the Venice International Film Festival.

*The Hunter*, *Red Dog* and *Snowtown* were selected for the Busan International Film Festival.

*The Sapphires* screened in Official Selection at the 65th Cannes Film Festival.

During 2011/12, we recorded sales of more than 90 Screen Australia-funded feature films to over 90 territories. *The Sapphires* has now sold to all international territories including a major multi-territory sale to The Weinstein Company. *A Few Best Men* pre-sold widely, has subsequently sold to most remaining territories and has achieved US\$11 million in worldwide returns so far.

Following its very strong domestic outing, *Red Dog* has sold to 14 international territories including major territories the US, the UK, Germany and Scandinavia.

*Tomorrow When the War Began* has sold to 25 territories and *Sleeping Beauty* to 24.

Five Screen Australia-funded feature titles were released in the US this year – *Griff the Invisible*, *The Hunter*, *Sleeping Beauty*, *Snowtown* and *The Tree*. Twelve Screen Australia-funded features secured US sales. Four features were released in the UK – *Cane Toads 3D*, *Red Dog*, *Snowtown* and *The Tree*.

### ACTA Awards 2012 – features

- *Red Dog* – Best Feature Film
- *Snowtown* – Best Direction, Best Adapted Screenplay, Best Lead Actor, Best Supporting Actress, Best Editing, Best Sound
- *Griff the Invisible* – Best Original Screenplay
- *The Eye of the Storm* – Best Lead Actress, Best Production Design, Best Costume Design
- *Oranges and Sunshine* – Best Supporting Actor.



The Sapphires

## HIGHLIGHTS

- Screen Australia's Production Investment Department committed \$13.53 million to 12 television drama mini-series and telemovies, with a total production value of \$75.11 million.
- Funding of \$8.27 million was approved for five children's television drama series, with a total production value of \$40.80 million.
- More than 67 Screen Australia-funded television drama titles sold to over 90 international territories.
- Screen Australia-funded mini-series *The Slap* was nominated for Best International Program at the BAFTAs.
- Children's series *Dance Academy* was nominated for an International Emmy®.
- Two Screen Australia-funded television dramas won 2012 Logie Awards – *The Slap* (Most Outstanding Drama Series, Most Outstanding Actress, Most Popular Actress) and *Paper Giants* (Silver Logie Most Outstanding Actor).
- *Miss Fisher's Murder Mysteries* sold to eight territories, including the US, UKTV, Scandinavia and TVNZ. *The Slap* sold to 22 territories including the BBC, Arte/NDR, Direct TV for the US, Sveriges TV and NRK. *Dance Academy* sold to 20 territories including US, France, Spain, Portugal, Benelux and Russia.



# Television drama

**Screen Australia supports the creation of a diverse slate of high-quality, culturally significant small-screen storytelling that resonates with contemporary audiences.**

## STRATEGIES

- Support the production of quality, audience-focused and culturally relevant television drama and children's television
- Work proactively with the strongest Australian talent on original, creatively excellent stories with a clear sense of audience and appropriate budget expectations
- Work with producers to secure appropriate finance plans including sources of funds outside Screen Australia to increase overall production expenditure
- Increase the international profile of television drama and children's television through major market exposure.

## OUTCOMES

### Adult television drama

Over 2011/2012, Screen Australia committed \$13.53 million through the Production Investment Department to a slate of 12 programs which generated \$75.11 million in total production spend and 60 hours of broadcast television. The networks have continued to make significant investments in locally produced television mini-series and telemovies because these programs continue to rate well. Audiences are engaged with these programs in order to view compelling stories with great cast and high production values, and also because Australian drama is on Australian screens *first*. Audiences are unable to download these programs before their air date, unlike a lot of internationally produced drama.

Screen Australia's adult television slate included programs financed with the ABC, Nine Network, Network Ten and a new player for Screen Australia, BBC Worldwide. Notably absent from this year's slate were projects from SBS, Seven and FOXTEL. However, SBS and FOXTEL are planning to co-finance drama with Screen Australia in the next financial year.

Australian-produced drama continues to be tough to sell to international broadcasters, but occasional breakthroughs still occur. Screen Australia-funded series *The Slap*, for instance, achieved a high-profile sale to the UK's BBC4. Likewise, *The Straits* secured a large multi-territory sale to the Sundance Channel.

While many Screen Australia-financed drama titles achieved high ratings this year, the biggest ratings winner was Southern Star's *Beaconsfield* which aired on the Nine Network. A television event about the Beaconsfield mining disaster, the telemovie exceeded all expectations to rate 2.56 million viewers – a stellar result even taking into account the lead-in of ratings juggernaut, *The Voice*. Other true stories that rated extremely well this year included *The Great Mint Swindle* (Nine Network) and *Brothers in Arms* (Network Ten), both achieving ratings in the 1.7 million viewer range.

More true stories that were funded this year include: *Devil's Dust* (ABC – the Bernie Banton story); *Howzat! Kerry Packer's War* (Nine Network – the introduction of World Series Cricket); and *Underground* (Network Ten – Julian Assange, the early years).

The television drama projects funded this year also included some crime drama: *Dripping in Chocolate*, *Jack Irish: Black Tide* (Part 1) and *Bad Debts* (Part 2) (ABC), *The Broken Shore* (ABC), *Mr & Mrs Murder* (Network Ten) and *The Doctor Blake Mysteries* (ABC). *House Husbands* (Nine Network), a family drama/comedy, and *Puberty Blues* (Network Ten), based on the 1970s novel of the same name, complete the slate.

### Sales and awards

*Miss Fisher's Murder Mysteries* sold to eight territories, including major territories the US, UKTV, Scandinavia and TVNZ. *The Slap* was another success story with sales to 22 territories including the BBC, Arte/NDR, Direct TV for the US, Sveriges TV and NRK. *SLiDE* sold to Nickelodeon in the US. *The Straits* sold to the Sundance Channel for their European and Canadian channels. *Rake* sold to the Sundance Channel for European and Asian territories. Buyers of the first series of *Rescue Special Ops* licensed the second series in many territories.

Format rights have taken off as predicted in our 2008/09 Annual Report: NBC Universal has optioned the remake rights of *The Slap* for both UK and US versions. NBC optioned *Laid* for the US. *Spirited* was optioned by the ABC in the US. Warner Bros optioned *Animal Kingdom* for a TV series and HBO optioned *The Magician* for a TV series.

### AACTA Awards 2012 – television

- *East West 101 series 3 – The Heroes Journey* – Best Television Drama Series
- *Laid* – Best Television Comedy Series
- *Paper Giants* – Audience Choice Award for Best Performance in a Television Drama
- *Sisters of War* – Best Lead Actress in a Television Drama
- *The Slap* – Best Telefeature, Mini Series or Short Run Series, Best Direction in Television, Best Screenplay in Television, Best Lead Actor in a Television Drama, Best Supporting Actress in a Television Drama

### Chicago International Film Festival's Hugo Awards

- *Blood Brothers* – Silver Plaque Special Achievement: Direction, Peter Andrikidis

### Logie Awards

- *The Slap* – Most Outstanding Drama Series, Most Outstanding Actress, Most Popular Actress (with *Offspring*)
- *Paper Giants* – Silver Logie Most Outstanding Actor

### BAFTAs

- *The Slap* – nominated for Best International Program

### Children's television drama

In 2011/12, Screen Australia approved a total of \$8.27 million in funding for five children's television programs: *Mako: Island of Secrets* (Seven Network), *In Your Dreams* (Network Ten), *Dance Academy series 3* (ABC3), *The Flamin' Thongs* (ABC3) and *Get Ace* (Network Ten). The programs are a mix of live action and animation and represent a total production expenditure of \$40.80 million. Screen Australia's investment in these programs will help generate 104 broadcast half-hours of children's content.

The financing environment for children's television remains difficult but the long-running synergy between certain Australian and New Zealand producers, the German public broadcasters ZDF and NDR, and Screen Australia continues to result in high-quality, live-action children's series. Other players, such as Moonscoop, also continue to invest and distribute Australian-generated content.

### Sales and awards

*Dance Academy* sold to 20 territories including US, France, Spain, Portugal, Benelux and Russia and was nominated for an International Emmy®.

*Lightning Point* sold to Teen Nick for the US and the UK/Ireland. Teen Nick also licensed *H2O series 2 and 3* for the US.

*My Place series 2* won the AACTA Award for Best Children's Television Series and the Logie Award for Most Outstanding Children's Show.



East West 101 series 3





## HIGHLIGHTS

- During 2011/12, Screen Australia's Production Investment Department committed \$14.86 million to 52 documentary projects with a total production value of \$44.36 million.
- Screen Australia funded 39 projects through the Documentary Development Program, 10 (25 per cent) have been supported into production in the same financial year.
- Four Screen Australia-funded documentaries achieved more than one million viewers in 2011/12: *Australia: The Time Traveller's Guide* (ABC) averaged 1.2 million; *Two on the Great Divide* (ABC) averaged 1.1 million; *Wide Open Road* (ABC) averaged 1.1 million; and *Sporting Nation* (ABC) averaged 1.1 million.
- Screen Australia-funded *Once Upon a Time in Cabramatta* broke SBS documentary ratings records, trended second worldwide on Twitter during the first episode and broke post-broadcast records through the online catch-up service.
- *The Bombing of Darwin: An Awkward Truth* now stands as the highest-rating program of all time on The History Channel and the fourth highest-rating documentary program of all time on subscription television.
- *My Thai Bride* won the Best Mid-Length Documentary category at Toronto's Hot Docs Festival.
- *Go Back to Where You Came From* won the Logie for Most Outstanding Factual Program and two Golden Roses at the Rose d'Or Festival in Lucerne, Switzerland, including the Best of Rose d'Or title.
- Five titles screened at the International Documentary Festival Amsterdam (IDFA): *The Hungry Tide*, *The Tall Man*, *Then the Wind Changed*, *Mrs Carey's Concert* and *My Thai Bride*; *Goa Hippy Tribe* screened through IDFA DocLab.
- Three Screen Australia-funded documentaries collected AACTA Awards – *Mrs Carey's Concert* (Best Feature Length Documentary and Best Direction in a Documentary), *Jandamarra's War* (Best Documentary Under One Hour) and SAS: *The Search for Warriors* (Best Documentary Series).
- Interactive digital documentary *Big Stories*, *Small Towns* won an award for Best Interactive Community at the SXSW Interactive Awards.



# Documentary

**Screen Australia's investment in documentaries aims to engage audiences with Australian culture, identity, and an Australian viewpoint on the world.**

## STRATEGIES

- Support the development and production of a wide range of documentaries, including high-quality productions under the National Documentary Program (NDP)
- Work proactively with the strongest Australian talent on original, creatively excellent stories with a clear sense of audience and appropriate budget expectations
- Work with producers to secure appropriate finance plans including sources of funds outside Screen Australia to increase overall production expenditure
- Increase the international profile of Australian documentaries through festival exposure.

## OUTCOMES

### Documentaries

Screen Australia's investment in documentaries supports the presentation of Australian culture as well as an Australian viewpoint on international stories.

In the 2011/12 financial year, Screen Australia invested \$14.86 million in 52 documentary titles across all funding programs, generating approximately 87 hours of documentaries and one documentary website.

Documentaries were also funded through the Indigenous Department (see page 62), and the All Media programs (see page 58).

The Producer Equity Program (PEP) was announced by the Australian Government in its 2011/12 Budget and is administered by Screen Australia's Documentary Unit. The PEP provides a direct payment of funds to producers of eligible low-budget Australian

documentaries, equal to 20 per cent of the approved budget (see page 33).

### Development

The documentary development program aims to assist documentary makers in achieving their goals at various stages of development. This may include research, script writing and shooting time-critical material.

Of the 39 projects funded through the documentary development program in 2011/12, 10 (25 per cent) have been supported into production by Screen Australia in the same financial year. It is expected that more of these development projects will go into production in the new financial year.

### National Documentary Program (NDP)

The NDP invested in 13 titles resulting in 26 hours of production and one stand-alone website. The slate is significant in terms of its span and diversity. It delivers new material to the Film Australia Collection Library that will benefit Australian filmmakers for years to come. Administration of the Film Australia Collection Library (formerly the Screen Australia Documentary Collection Library) was transferred from Screen Australia to the National Film and Sound Archive of Australia (NFSA) on 1 July 2011.

NDP documentaries address the four content areas needed to maintain a snapshot of life in Australia. These are:

- Art and Culture: *Raising the Curtain* and *George Rrurrambu*
- Contemporary and Social Issues: *Great Southern Land*, *The Grey Man*, *Once Upon A Time in Punchbowl* and the online project *10 Days That Shocked the Nation*
- History and Identity: *First Footprints*, *History of Mining*, *Canberra Confidential*, *Gallipoli From Above*
- Science and the Environment: *Life at 7*, *Jabbed*, *I Can Change Your Mind About... Climate*.



Mrs Carey's Concert

The ABC supported seven projects, SBS supported four projects including the web-based documentary and subscription television two projects.

### General Documentary Program

In the General Documentary Program, Screen Australia matches the broadcaster pre-sales which are determined as a fixed percentage of a project's total budget. A total of 17 projects were supported this year through the General Documentary Program resulting in 31.5 hours of production.

The projects were spread among the broadcasters:

- ABC supported 12 projects including three series, *Family Confidential series 2*, *Holy Switch*, *Making Couples Happy*, and nine one-off documentaries: *Nothing On Earth*, *ABBA: Bang-a-Boomerang*, *Love and Fury*,

*Plumpton High Babies: 10 Years On*, *Peter Sculthorpe: A Journey Through My Life*, *The Sunnyboy*, *Licence to Kill*, *Ian Thorpe: The Swimmer* and *The Sharp End*

- SBS supported three projects including two series, *Go Back to Where You Came From series 2* and *Who Do You Think You Are?® series 5*, and a one-off program, *The Surgery Ship*
- STUDIO supported two arts projects, the series *Creative Minds* and one-off documentary *Show Me the Magic*.

### International program

In 2011/12, Screen Australia invested in 11 international projects, which generated 18 hours of documentary for local and international broadcasters. This year the international co-financiers

included BBC, BBC Worldwide, Channel 5, Cineflix, Corniche/Le Pacte, Discovery Europe, ITV, MDA, National Geographic Wild, NGTI, Parthenon, SVT, Ten Alps, UKTV, Universal Pictures International, ZDF and ZED.

The local broadcasters were:

- ABC with seven projects, *The Australian Wine Revolution*, *Reptilian Battleground*, *Dingo: Wild Dog at War*, *Desert Rats*, *Redesign My Brain*, *Kakadu* and *Possum Wars*
- SBS with two projects, *The Network* and *Murdoch*
- Channel 7 with one project, *Outback Truckers*
- National Geographic with one project, *Sydney Harbour: Life on the Edge*.

### Signature Documentary Program

A total of six projects were supported under the Signature Documentary Program this year. This fund allows filmmakers to make projects that sit outside the remit of the broadcasters. It continues to be a highly competitive round with the six documentaries selected from over 50 applications.

The projects supported this year were *Audrey of the Alps*, *Call of Conscious*, *Fallout*, *Miss Nikki and the Tiger Girls*, *Sam Klemke's Time Machine* and *Unlikely Pilgrims*.

### Release success

A number of Screen Australia-funded documentaries achieved more than one million viewers in 2011/12: *Australia: The Time Traveller's Guide* (ABC) averaged 1.2 million; *Two on the Great Divide* (ABC) averaged 1.1 million; *Wide Open Road* (ABC) averaged 1.1 million; and *Sporting Nation* (ABC) averaged 1.1 million.

*Once Upon a Time in Cabramatta* broke SBS documentary ratings records and trended second

worldwide on Twitter during the first episode. The program was simulcast with Vietnamese subtitles on SBS TWO and broke post-broadcast records through the online catch-up service.

*The Bombing of Darwin: An Awkward Truth* screened on the anniversary of the bombing of Darwin during World War II and now stands as the highest rating program of all time on The History Channel and the fourth highest rating documentary program of all time on subscription television.

The US version of *Immortal*, called *Decoding Immortality*, has been nominated for an Emmy®.

*My Thai Bride* won the Best Mid-Length Documentary category at Toronto's Hot Docs Festival.

*Go Back to Where You Came From* won the Logie for Most Outstanding Factual Program and two Golden Roses at the Rose d'Or Festival awards ceremony in Lucerne, Switzerland, including the Best of Rose d'Or title.

*The Tall Man* won the 2011 Walkley inaugural Award for Long-form Journalism: Documentary.

*Mrs Carey's Concert* collected the AACTA Awards for Best Feature Length Documentary and Best Direction in a Documentary, *Jandamarra's War* won the AACTA Award for Best Documentary Under One Hour and *SAS: The Search for Warriors* won the AACTA Award for Best Documentary Series.

Interactive digital documentary *Big Stories, Small Towns* won an award for Best Interactive Community at the SXSW Interactive Awards and the *Making Australia Happy* website, funded through the General Documentary Program, was an Official Webby Honoree.

Five titles screened at IDFA: *The Hungry Tide*, *The Tall Man*, *Then the Wind Changed*, *Mrs Carey's Concert* and *My Thai Bride*; *Goa Hippy Tribe* screened through IDFA DocLab.

*The First Interview* screened at Telluride Film Festival (US) in the Filmmakers of Tomorrow section.

## Special Initiatives

Screen Australia and the ABC ran the first Opening Shot initiative in 2011/12. Opening Shot aims to give voice to a younger point of view on contemporary Australian life and to advance the careers of a new generation of program makers.

Titles funded for Opening Shot 1 were *Dating the H-Bomb*, *Disassembly Line*, *Future Radicals*, *Project Baby* and *Queen of the Desert*. The half-hour documentaries will screen on primetime ABC2.

## Producer Equity Program (PEP)

The PEP was announced by the Australian Government in its 2011/12 Budget.

Reforms to the Producer Offset in the 2011/12 Budget included the introduction of an 'overall' qualifying Australian production expenditure (QAPE) threshold for documentary projects of \$500,000. For low-budget documentaries (ie with budgets of \$500,000 or less) the Producer Offset was replaced with a more accessible and efficient Producer Equity payment administered by Screen Australia, funded through an additional appropriation of \$2–3 million per annum.

The PEP is administered by Screen Australia's Documentary Unit. It provides a direct payment of funds to producers of eligible low-budget Australian documentaries, equal to 20 per cent of the approved budget.

In 2011/12, Screen Australia contributed \$2.73 million to projects eligible for the PEP.

Many producers have accessed funding through the PEP since its introduction in July 2011, including 34 projects with Screen Australia investment. Eight projects whose finance plans did not include Screen Australia funding also received PEP funding.

A hand holding a wooden gavel against a blue background with a white geometric shape.

Section 2

# Audience engagement



Our focus is on marketing the Australian industry and its products to domestic and international audiences. Our pathways to achieving this are:

- Promotion
- Distribution
- Screen culture
- Business facilitation
- Sector development
- Recoupmnt

## HIGHLIGHTS

- Screen Australia has directly promoted and engaged the industry through its Facebook, YouTube and Twitter accounts. There have been 935,650 views of our YouTube channel to date. During the year our Facebook followers increased by 2,000 to 3,033 and our Twitter followers increased by 4,000 to 6,070.
- Twelve film releases were promoted via the Screen Australia YouTube channel during the year – *A Few Best Men*, *The Cup*, *Red Dog*, *Happy Feet Two*, *Toomelah*, *The Tall Man*, *The Eye of the Storm*, *Santa's Apprentice*, *Wish You Were Here*, *The Hunter*, *Burning Man* and *Hail* – as part of a constant drive to support local films through our social media channels.
- In a first, a dedicated Facebook page was created for Australians attending the Cannes Film Festival in 2012, with 200 Australians using it as a business and promotional tool.
- Bespoke websites promoting Australian content at four international festivals – Toronto, Busan, IDFA and Cannes – were produced in 2011/12. The expanded Cannes website included new sections featuring profiles and slates of Australian producers and distributors along with a news section. The site consisted of 338 pages and received 3,894 visits and 17,378 page views.
- A special Australian Documentaries website was created to showcase new titles, providing a resource at international and domestic documentary conferences such as the World Congress of Science and Factual Producers



(WCSFP) and the Australian International Documentary Conference (AIDC).

- An updated *Doing Business with Australia* guide was produced introducing the Producer Offset and co-production opportunities with Australia; a version in Mandarin was created for the Australia–China Film Industry Forum.
- Screen Australia ran an online campaign in *The*

*Hollywood Reporter* and *Screen International*, which promoted both the Australian line-up at Cannes and doing business with Australia, receiving 364,041 ad views.

- A new Screen Australia brand was introduced, including an animated ident, as a tool that both recognises and positions the agency as a supporter of high-quality screen content.



# Promotion

– creating awareness of content and talent

**Highly visible screen content and talent help our films reach broader Australian and international audiences.**

## STRATEGIES

- Devise consumer-facing social media campaigns, to raise the visibility of, and encourage positive word of mouth about, Australian film and television
- Create international, market-facing online campaigns including webpages and websites
- Support local releases with social media activity across YouTube, Facebook and Twitter
- Produce marketing collateral designed to profile new Australian title line-ups at major events as well as producer directories, banners and posters
- Include advertising, merchandising, targeted direct mail, press releases, promo reels and clips as part of the marketing mix
- Utilise Screen Australia's Sydney window space to support the commercial releases of new Australian films and television dramas.

## OUTCOMES

### Consumer-facing domestic campaign

The recent social media explosion has occurred as the mainstream embraces online spaces. As film marketers, we now have the ability to find communities of people with like-minded interests. The big challenge online is finding a way to get traction and visibility in an infinite space. The most powerful component in any cinema and television campaign is word of mouth and social media provides an opportunity to encourage this, as well as to celebrate our past successes and promote upcoming releases.

We began the first phase of Screen Australia's consumer-facing social media activities last

year with our YouTube initiative, *Map My Summer*, which was conceived in partnership with Google Australia. This campaign engaged the online community in documenting their collective summer experience through contributions to a film made entirely from user-generated content. To help inspire Australians to participate, director Amy Gebhardt was one of three Australian filmmakers commissioned to make a short film which was posted on the campaign site. Her film, *Into the Sun*, went on to win the Craft Award at the St Kilda Film Festival in May 2012. Then, from 350 entries submitted, Amy Gebhardt and editor Nick Meyers, under the mentorship of renowned Australian filmmaker, Dr George Miller, created the short film *We Were Here*, which premiered at the 2011 Sydney Film Festival and went on to screen at the Melbourne and St Kilda Film Festivals along with the prestigious Sheffield International Documentary Festival.

As a result of the *Map My Summer* initiative, Screen Australia's YouTube channel clocked up some outstanding results, including 700,000 views over a five-month period. The redesigned channel featured the latest trailers and behind-the-scenes footage of Australian movies, complementing local distributors' release strategies by providing a new platform designed to communicate directly with audiences.

The next phase of our consumer-facing strategy will be launched in September with *Are You Buff Enough?*, an ambitious social media tool that targets regular cinemagoers and aims to build an online community of movie fans, while promoting recent and upcoming releases of Australian films as well as high-profile television content.

### Social media

In 2011/12, Screen Australia shared content with distributors, broadcasters, media outlets and industry partners through its Facebook and Twitter accounts, and kept followers up-to-date with industry announcements and news about Australian content.



In a first this year, a dedicated Facebook page was created for Australians attending the Cannes Film Festival, as a business and promotional tool. The page attracted around 200 Australians heading to Cannes, who interacted throughout the festival.

We commissioned content throughout the year for the Screen Australia YouTube channel to highlight the activities of Australians in the marketplace. It profiled 14 interviews from Toronto; eight from the SXSW Film Conference & Festival in Austin, Texas; and six from Cannes, including interviews with the teams behind the Australian films in Official Selection, *The Sapphires* and *Yardbird*, which were recorded and uploaded from Cannes.

The channel housed Screen Australia's *What to Watch?* forum, film and television trailers, and themed, curated playlists including 'Australian Films at the Oscars®', 'Favourite Australian Love Stories' and 'Australian War Films, TV and Documentaries' near ANZAC day.

The Screen Australia Facebook, YouTube and Twitter accounts have allowed us to directly promote and engage the industry. There have been 935,650 views of our YouTube channel to date. We have 3,033 Facebook followers (an increase of 2,000 since last year's report) and 6,070 Twitter followers (an increase of 4,000 in the last 12 months).

### **Online campaigns – web pages and websites**

This year Screen Australia produced bespoke industry-facing websites for TIFF, Busan, IDFA and Cannes. These websites included production and sales information, trailers and screening dates, times and locations for the Australian films screening, as well as information on upcoming titles.

The largest and most elaborate was the Cannes website which was expanded to include new sections on

Australian producers and distributors along with their profiles and slate information, and a news section containing press releases and festival film coverage. It featured over 338 pages. There were 147 newly created pages (137 pop-ups and 10 landing pages) and 191 pages generated by the search engine in our new Producers section, providing information on 102 producers, 78 production companies, 162 completed titles and 11 film genres in the market. The site received a very positive response in the marketplace and accumulated 3,894 total visits and 17,378 page views.

An Australian Documentaries website was produced to showcase a selection of new titles from the Australian production sector over a 12-month period. Updated throughout the year, it was developed as a key resource for international and domestic documentary conferences such as the WCSFP and the AIDC. Featured projects were grouped by topics including Art & Culture, History & National Identity, Natural History & Environment, Religion & Ethics, Science and Social Contemporary.

All websites included a section on doing business with Australia – featuring the latest information about the Producer Offset and co-productions.

### **Publications and directories**

Marketing collateral was created for international producer delegations at several major international markets this year, including Kidscreen, Toronto, Busan, IDFA, AIDC, Berlin, Cannes, MIPTV, MIPCOM and Sheffield.

An updated *Doing Business with Australia: Producer Offset and co-productions* guide was produced; a version in Mandarin was created for the Australia–China Film Industry Forum in Beijing, China.

### **Advertising and banners**

In 2011/12, Screen Australia placed print advertising in *Screen International*, *The Hollywood*

*Reporter* and *Variety* to support premieres of new Australian titles at Toronto, Berlin and Cannes.

A newly conceived digital campaign ran ahead of the Cannes Film Festival in *The Hollywood Reporter* and *Screen International*. The campaign promoted both the Australian line-up and doing business with Australia, receiving 364,041 ad views.

Four new display banners were produced for domestic festivals, awards and industry events, including the Screen Producers Association of Australia (SPAA) Conference, Sydney Film Festival, MIFF's 37<sup>th</sup> South Market and the AACTA Awards.

USB flash drives with a revised guide to *Doing Business with Australia: Producer Offset and co-productions* were distributed to executives at major international markets such as Toronto and Busan.

In addition, a DVD box set was produced for the Australian International Movie Convention (AIMC) containing three classic films, *Muriel's Wedding*, *Phar Lap* and *The Adventures of Priscilla, Queen of the Desert*, to promote the same three directors' upcoming titles – *Mental* (PJ Hogan), *The Cup* (Simon Wincer) and *A Few Best Men* (Stephan Elliott).

### **Targeted direct mail and press releases**

Prior to international markets Screen Australia's direct mail was targeted towards international acquisitions executives and other key players. It drew attention to the Australian slate and attending delegation.

Australian projects selected for major international film festivals in 2011/12 were promoted through media releases and industry alerts.

### **Trailer and promo reels**

As part of a constant drive to support local films, 12 new feature releases were promoted via the Screen Australia YouTube channel – *A Few Best Men*, *The Cup*, *Red Dog*, *Happy Feet Two*, *Toomeleh*, *The Tall*



The Gradual Demise of Phillipa Finch


*Man, The Eye of the Storm, Santa's Apprentice, Wish You Were Here, The Hunter, Burning Man and Hail.*

Showreels of new titles were screened at the Australian stand or office at MIPCOM, AIDC, MIPTV and Cannes.

#### **Window display**

In an enhanced promotional strategy this year, Screen Australia's Sydney office's nine-metre, high-visibility street frontage on William Street, Woolloomooloo, was regularly skinned with fresh artwork showcasing upcoming

titles and promotional activities. This year 16 titles were promoted – *Sleeping Beauty, The Tall Man, Red Dog, The Cup, The Hunter, The Eye of the Storm, Miss Fisher's Murder Mysteries, The Gradual Demise of Phillipa Finch, Wish You Were Here, Not Suitable for Children, Being Venice, Mabo, Lore and Dead Europe*, as well as high-impact full window designs supporting the local releases of *A Few Best Men* and *The Sapphires*. The response was positive and window displays resulted in favourable comment from media, practitioners, distributors and other industry members.



A Few Best Men

## HIGHLIGHTS

- Two Australian feature films went out more broadly in the local marketplace during 2011/12, assisted by Prints and Advertising (P&A) loans to enhance their theatrical release strategies.
- Screen Australia supported professional test screenings for *A Few Best Men*, *Drift*, *Mental*, *Not Suitable for Children* and *Storm Surfers 3D* in partnership with local distributors.
- Web keys produced for the AIMC were included in booklets showcasing new Australian films and distributed to all delegates. The keys took users directly to trailers for upcoming films on the Screen Australia YouTube channel.
- FanDependent, a start-up distribution business aiming to help producers engage audiences online and raise finance through crowd funding, was funded under Screen Australia's Innovative Distribution program.



# Distribution

– building local audiences

**The scale and profile of domestic releases directly impacts the reach of Australian feature films.**

## STRATEGIES

- Help build local audiences by providing P&A loans designed to enhance the theatrical release of Australian feature films
- Provide financial support for the development of innovative distribution strategies for low-budget features, documentaries, shorts and other screen content
- Deliver a commercially focused promotional presence at the AIMC.

## OUTCOMES

### Print and Advertising (P&A) loans

The P&A loan program is designed to enhance the theatrical distribution and marketing of Australian films. In 2011/12, loans were approved for two local releases, *Santa's Apprentice* and *Not Suitable for Children*, providing them with the opportunity to increase screen count while boosting awareness. Support was also approved for *The Curse of the Gothic Symphony*. Five P&A loans totalling \$1.6 million were completely recouped – *The Boys Are Back*, *Oranges and Sunshine*, *Beneath Hill 60*, *Balibo* and *Summer Coda*.

### Innovative Distribution

The Innovative Distribution program recognises that new models allow access to expanding markets especially for low-budget screen content that does not fit into a traditional distribution and exhibition paradigm. In its second year, the program reviewed 17 applications, before funding Josh Pomeranz and Thomas Mai's *FanDependent*, a start-up distribution business aiming to help producers engage audiences online and raise finance through crowd funding. A true hybrid incorporating marketing, development and production, this model promises outcomes for

filmmakers including visibility of films, support for low-budget content, revenue, marketing training and an understanding of audience.

Our two other Innovative Distribution partners cemented their activities. BeamAfilm distributed 18 documentaries via their Video on Demand (VOD) platform, launched at the AIDC in February. They also sublicensed titles to smh.tv and Kanopy. Titan View recognises each filmmaking team brings a different skill set and resources, and they have a common need for professional guidance and mentorship. Titan's work included supporting 12 filmmaking teams to complete their projects, and on marketing and release plans.

### Movie Convention

The AIMC is the main domestic sales event for the local film distribution and exhibition communities. In 2011, Screen Australia promoted 25 Australian titles to this audience via marketing collateral, custom merchandise, and unique web keys included in Australian film booklets distributed to delegates. The keys took users to a compilation of the films' latest trailers, interviews and behind-the-scenes clips on our YouTube channel.

Travel assistance was provided for attendance by Stephan Elliott, Simon Wincer, Morgana Davies, Sam Neill, Kimble Rendall and Jonathan Teplitzky to help highlight the extraordinary filmmaking talent and exciting projects scheduled for release. Three of the 11 films screened were Australian – *A Few Best Men*, *The Hunter* and the red carpet opening night premiere of *The Cup*.

### Test screenings

In partnership with local distributors, Screen Australia provided support and advice to encourage professional testing of Australian films preparing for release this year. The market research derived not only informs the final cut of films but also helps distributors shape their sales and marketing strategies. Test screenings were conducted for *A Few Best Men*, *Drift*, *Mental*, *Not Suitable for Children* and *Storm Surfers 3D*.



## HIGHLIGHT

- In 2011/12, Australian domestic festivals and events receiving financial support reached a combined audience across regional Australia of 750,000.

My Place series 2



# Screen culture

– high-profile showcasing of Australian screen content domestically and internationally

**Film festivals, awards and international showcases profile Australian screen content to targeted audiences.**

## STRATEGIES

- Reinforce the growth of a vibrant screen culture sector through targeted funding for Australian film festivals in every state and territory
- Support annual industry events that bring together Australian practitioners and industry players
- Provide financial support for a high-quality Australian awards event celebrating the achievements of the industry
- Partner with DFAT on strategic international activities designed to enhance the profile of the Australian screen industry.

## OUTCOMES

### Australian film festivals

This was the second year of Screen Australia's triennial funding arrangements through the Australian Festivals, Special Events and Conferences Program. Preeminent local festivals in every state and territory received support to increase audiences for Australian films and to encourage a strong and diverse screen culture. The business plans of the funded events were the driving mechanisms for their key performance indicators, and they were encouraged to plan longer-term strategies. Support continued for regional events, specialist programs for children, animation and short film festivals, digital content events and specialised festivals providing access for people with disabilities.

Screen Australia-supported festivals and events reached a combined audience across Australia of 750,000.

### Conferences

In addition to the AIDC, included in the Australian Festivals, Special Events and Conferences funding, Screen Australia supported the INPUT TV Conference held in Sydney in early 2012. Funds were provided for MIFF's 37°South Market, which delivered a unique opportunity to bring together Australian producers, distributors and international sales agents, to advance quality commercial projects. Screen Australia funded a new industry 'hub' introduced by the Sydney Film Festival in 2012.

### Awards

Substantial support was provided to the AFI's inaugural AACTA Awards held in Sydney at the beginning of 2012. Screen Australia committed funding to this awards event in support of its aim to market the Australian industry more widely.

Screen Australia-supported agencies also hosted other awards events including the AWGIES, the SPAA Independent Producer Awards and the Australian Directors Guild (ADG) Awards.

### International cultural reach

In 2011/12, Screen Australia partnered with DFAT to increase awareness and appreciation of Australian films and culture internationally. This reinvigorated relationship with DFAT enabled an enhanced Australian presence in North America, Europe and Asia. Connections and opportunities were built for the industry across six events – the Busan market in Korea, TIFF in Canada, Berlinale, Federation of Indian Chambers of Commerce and Industry (FICCI) Frames in Mumbai, the Australia-China Film Industry Forum in Beijing and the Cannes Film Festival.



## HIGHLIGHTS

- In 2011/12, Screen Australia supported more than 74 filmmakers to attend international premieres of their films or to pitch new projects. Seventeen international festival materials grants were also provided to producers to help enhance the profile of their selected projects and ensure Australian films achieved visibility in the competitive marketplace.
- A comprehensive directory was published this year, featuring the latest information about international sales agents.
- Screen Australia held 10 targeted networking events for producers, sales agents, acquisitions executives, financiers, festival selectors and potential international partners across seven major international markets.
- Screen Australia's Asian strategy featured support for events in China and India as well as matchmaking meetings with South-East Asia for 10 Australian producers at MIPCOM.

Jack Irish: Black Tide



# Business facilitation

– connecting producers with potential business partners and targeted decision makers

**Our international marketing efforts are focused on facilitating financial partnerships between Australian producers and market players.**

## STRATEGIES

- Create opportunities to help progress commercial Australian screen projects and businesses
- Conceive and facilitate matchmaking with targeted international executives
- Organise networking events to provide the industry with the opportunity to connect with key players in Australia and abroad
- Provide a marketplace umbrella at key international events with quality resources and services for Australian producers
- Provide travel grants to enable Australian producers to attend significant international markets and festivals
- Host programmers from the world's leading film festivals on visits to Australia so they can meet Australian filmmakers and select new titles
- Maintain a strategic overview of sales agents in the marketplace
- Provide direct advice for Australian producers to help them do better deals
- Roll out a strategy for providing greater business opportunities with Asia.

## OUTCOMES

### Connecting producers with key players

Maximising the opportunities presented by major markets is crucial to maintaining a prominent profile for both Australia's national cinema and production community. In 2011/12, Screen Australia put together a schedule of meetings, events, business activities and promotional materials in

support of Australia at Cannes, Berlin, MIPTV and MIPCOM.

### Networking, pitching and matchmaking events

Screen Australia held 10 events across the year during international festivals and markets including IDFA, MIPCOM, Busan, MIPTV, Berlin, TIFF and Cannes. These allowed producers, sales agents, acquisitions executives, financiers, festival selectors and potential international partners to meet and conduct business.

At MIPTV, a digital content matchmaking event for eight Australian producers helped connect them with buyers and potential partners in this sector.

Screen Australia supported the IFP's No Borders Co-Production Market in New York, providing opportunities for three Australian feature film projects in advanced development to be presented to the international market during Independent Film Week.

In 2011/12, Screen Australia hosted networking events for producers based around Australian visits by major international festival programmers from the Cannes Film Festival, Cannes Critics' Week, Toronto and Berlin.

### Marketplace umbrella

Umbrella facilities and services were provided at four key international markets – MIPCOM, European Film Market, MIPTV and the Cannes Marché du Film – enabling a professional base for Australians to do business.

In 2011, 258 Australians registered with Screen Australia at MIPCOM in France. Over 81 per cent of these used the Screen Australia stand as a base for holding meetings and doing business. The well-known Australian stand comprised meeting tables, Wi-Fi, printer, screening facilities, a reception and message service, booklets, a feature wall and showreel promoting new titles. Our feedback forms were positive and producers'





The Rocket

projected returns for Australian projects were encouraging, with 172 projects taken to the market and \$71.8 million in estimated potential finance or sales generated as a result of attendance.

Our biggest umbrella presence during the year was at Cannes; 62 per cent of Australians at the market used the Screen Australia office for meetings, while 90 per cent attended it for events. The online resources produced by Screen Australia for Cannes were well received with a 94 per cent positive response. Between them, Australians took 146 projects to Cannes for financing. From our online survey completed by Australians who attended the market, the estimated finance and sales generated by the Australian attendance at Cannes was \$190 million.

The Australian stand was redesigned for MIPTV this year, incorporating the new Screen Australia brand and an improved layout to make better use of the space. Our online booking system on the Screen Australia website allowed delegates to pre-book tables for 247 meetings. One hundred and ninety-six Australian companies registered with Screen Australia. Producers took 140 Australian projects to the market, and an estimated \$42.5 million in potential finance or sales was generated from attendance.

#### **Travel and materials grants**

In 2011/12, Screen Australia supported more than 74 filmmakers to attend international festivals, markets, pitching and digital media events. Highlights from the producers' market reports were added to the festival and market

profiles on Screen Australia's website, allowing tips, advice and experience to be shared with the filmmaking community.

Forty-two festival travel grants, 20 market attendance grants, six pitching event grants, three Rotterdam Lab grants, two transmedia events and an exceptional opportunity grant were provided. Support was also given through one Ateliers du Cinéma Européen (ACE) scholarship and three Federation of Indian Chambers of Commerce (FICCI) Frames Conference grants.

Seventeen international festival materials grants were provided to producers, to enhance the profile of projects chosen for select major international festivals.

#### **Connecting with sales agents**

A substantial survey of feature film sellers was undertaken resulting in the publication of a *Directory*

of *International Sales Agents*, providing a snapshot of companies representing Australian feature films around the world. The directory features details of each seller's acquisition policy, the markets they attend, at what stage they prefer to be approached and whether they paid advances. A list of the Australian films handled by each seller was also included. The directory was compiled through contact with sellers and information derived from Screen Australia's market reports, forums and other activities throughout 2011. The preface of the directory encourages producers of commercially attractive titles to negotiate for beneficial terms. Less experienced producers are advised to ask around before signing up with an agent, to ensure they have found the right sales partner before proceeding. The directory has been widely used by the industry, with very positive feedback, and will be regularly updated following key markets throughout the year.

### **Doing better deals**

Market intelligence from the Marketing and Recoupment team helped provide benchmarks to lift deal terms. Earlier involvement by marketing executives is increasingly becoming part of the process. Our database of licensing and distribution deals for Screen Australia and legacy agency funded titles continues to be a valuable resource for both internal and external stakeholders. It provides data to assist in measuring the potential of future projects and also allows Screen Australia to judge the performance of investments both domestically and internationally.

The implementation of new FilmTrack software is underway, which will enable more efficient tracking of content in the marketplace.

### **Hosting 'A-list' festival programmers**

Screen Australia aims to ensure a high international profile for Australian feature films through 'A-list' festival exposure.

Screen Australia hosts selectors from major international festivals to view recently completed films and to meet filmmakers and the local industry. In 2011/12, these guests included:

- Deputy General Delegate for Festival de Cannes Official Selection (In

Competition, Out of Competition and Un Certain Regard), Christian Jeune

- Artistic Director of Critics' Week in Cannes, Charles Tesson
- Deputy Director of the Busan International Film Festival, Korea, Jay Jeon
- Director of Berlinale's Generation section, Maryanne Redpath
- Senior Programmer for TIFF, Jane Schoettle
- Representative from the Doha Tribeca Film Festival, Belinda Henley.

### **Asian focus**

Continuing Screen Australia's work in Asia, a new program of activities with DFAT was undertaken in 2011/12 to utilise the opportunities offered by the Australian Government's 'Year of Friendship' series. The program delivered alignment and strategic benefits with a focus on Asia and India, including assistance for four producers to attend the FICCI Frames Conference in Mumbai, and on-the-ground support for a high-profile delegation at the Australia–China Film Forum in Beijing. At MIPCOM, a matchmaking event brought together 10 Australian practitioners with buyers, commissioning editors and producers from South-East Asia.



Two on the Great Divide



# Sector development

– enabling greater connectivity with the marketplace

**The Marketing team provides support and advice to producers from pre-production through to release, helping them to constructively engage with their distribution partners, deliver the best marketing materials possible and better understand both the distribution and sales process.**

## STRATEGIES

- Provide holistic marketing support for quality titles throughout the feature film life cycle
- Foster the development of marketing and distribution knowledge among producers, including specific programs designed to support the next wave of talent
- Provide opportunities for filmmakers to hone their marketing skills and have a greater connectivity with the marketplace
- Publish information and contribute to forums about the importance of quality marketing materials and clear positioning of projects from the outset.

## OUTCOMES

### Right from the OnSet

In October 2011, Screen Australia invited feature film producers at all levels to attend Right from the OnSet, a half-day Sydney forum that highlighted marketing opportunities which exist during production. From the importance of an early strategy through to the collection of strong marketing assets, six industry professionals shared their experience with 56 attendees, providing practical tips and valuable insights about distribution, electronic press kit (EPK) and trailer production and dealing with media. Feedback was very positive. The six speakers (and the subjects they addressed) were: Richard Payten from Transmission Films

(distribution); Giles Hardie, Fairfax Online (media); Victoria Buchan, The Lantern Group (publicity); Adam Butler, Team Butler (EPKs); Danny Lachevre, The Solid State (trailers); and Screen Australia's Kathleen Drumm (market positioning and sales).

### Marketing guides

To coincide with Right from the OnSet, a series of guides were created and published online, to support producers' choices when planning and creating marketing materials for their projects. The guides – *Working with a Unit Publicist*, *Working with a Unit Photographer* and *Producing an EPK* – emphasise early strategic planning and the importance of quality materials in reaching audiences. Screen Australia also created a sample budget for marketing materials. Each of the six guest speakers at the forum were interviewed on camera by journalist Sandy George. Three clips outlining best practice before, during and post production were created for the Screen Australia website and YouTube channel. These clips were also screened by the Marketing Department at speaking engagements for emerging filmmakers during the year.

### Sales agent directory

A directory of feature film sales agents was created to provide a guide to the companies acquiring and representing Australian feature films internationally (see page 46).

### Media training

Effective publicity is a powerful marketing tool during a film's promotional campaign, and often this opportunity can be lost if the cast and filmmakers aren't equipped with adequate media training and messaging tools. Good interview skills are essential to create awareness and interest for Australian films. In 2011/12, we introduced a new training program to help key spokespeople understand and convey their project's marketing messages.



Big Stories, Small Towns

### Market preparation and pitching

A significant new initiative at Cannes was the 'first-timers' induction program for 15 Australian producers new to the Cannes Film Market. It consisted of 12 pre-market podcast interviews with sellers, distributors and international producers; four group morning sessions at Cannes with leading industry players; and four post-Cannes podcasts to exploit follow-up opportunities. Thirteen industry experts contributed to the program. Feedback from

participants was 100 per cent positive, with several deals reported from meetings and introductions arranged through the program.

Ten experienced Australian producers with new projects were supported to receive one-on-one pitching training with renowned Hollywood script consultant Michael Hauge in the lead-up to Cannes. Feedback from participating producers was positive, describing the sessions as invaluable in helping refine their pitches in

preparation for the market. Some of the participants secured sales agents in Cannes, one noting that the producer's pitch was one of the best they had heard. These selected producers also received travel support through Screen Australia's International Festival and Marketplace Travel program.



# Recoupment

– collecting and disbursing the best return on investment

**Screen Australia runs a collection and disbursement service to maximise return on investment for producers and investors, and to provide market intelligence on deal terms.**

## STRATEGIES

- Closely track sales and returns, especially of key, commercial titles
- Regular disbursement of funds to producers
- Provide intelligence on deal terms
- Provide sales and investment recoupment data for Screen Australia's Strategy and Research Unit
- Perform regular audits to ensure accurate accounting has been provided.

## OUTCOMES

### Tracking sales and return on investment

Screen Australia's recoupment of production investment for the financial year 2011/12 was \$7,318,847. Of this amount, \$1,203,184 was returned to producers under the legacy agencies' Producer Revenue Entitlement and Producer Revenue Split schemes and Screen Australia's revenue reversion policy introduced from 1 July 2010. This resulted in net recoupment to the organisation of \$6,115,663.

Feature films returned \$3,271,498 or 53.49% of net recoupment. Recoupment from television sales was \$1,781,743 or 29.13%. Of this amount children's programming was responsible for \$1,426,076 or 80.04% whilst adult television returned \$355,667 (19.96%) of television recoupment. Documentaries returned \$1,062,422 or 17.37%.

Australian sourced revenue totalled \$3,245,175 or 53.06% of net recoupment, while overseas sales resulted in net recoupment of \$2,870,488 to Screen Australia or 46.94%.

In excess of 90 Screen Australia-funded features and 67 television dramas were sold to over 90 countries. Five features had theatrical releases in the major market of North America while a further 12 films were sold to the US for varying non-theatrical rights. Five titles were released theatrically in the UK. Children's programs once again proved to be the best-selling titles on Screen Australia's drama slate.

### Disbursement of funds

Screen Australia's Disbursement Service manages disbursement for 300 titles. During the year funds disbursed to investors and other beneficiaries totalled nearly \$6.1 million.

### Audits

The Marketing Department's Recoupment team manages Screen Australia's audit program. In the past financial year the agency commenced audits of four Australian distributors for four feature films. Preliminary reports for three of the titles have indicated there are no major inaccuracies in the distributors' reporting.

Section 3

# Skilled and innovative practitioners



Screen Australia fosters highly skilled, creative and innovative industry practitioners through providing professional development opportunities, investing in multi-platform storytelling and nurturing Indigenous talent.

- Talent Escalator
- All Media
- Indigenous



## HIGHLIGHTS

- \$1.5 million was provided for professional development of writers, directors and producers through Screen Australia's Talent Escalator and other development programs. A range of emerging producers and directors were supported for high-level six-month internships with the following companies: Ridley Scott's Scott Free (UK), Film4 (UK), Village Roadshow (LA), The Gotham Group (LA), The Directors Bureau (LA), Magnolia Pictures (NYC), as well as internship programs with producer Andy Paterson (*Hilary and Jackie*, *The Railway Man*) and Jane Campion (*The Piano*, *Bright Star*, *Top of the Lake*) and William Horberg (*The Talented Mr Ripley*, *The Kite Runner*, *Cold Mountain*).
- Screen Australia provided funding to each of the state agencies to assist with state-level development of craft, partnering on the following initiatives: Inside Out/Outside In (Screen NSW), Aurora (Screen NSW), Evolution Masterclass (Screen Queensland), GoldPass (Screen Tasmania), IGNITE (Screen Territory), FilmLab (SAFC), Feature Navigator (ScreenWest), Script Lab (Film Victoria), Project Pod (ScreenACT). Screen Australia also partnered with the Adelaide Film Festival on The Hive development workshop, Dungog Film Festival's In the Raw workshop and 37° South Books at MIFF.
- Screen Australia supports the production of short films through several areas: Short Film Completion, Short Animation Production and the Springboard Workshop (as well as funding the Raw Nerve shorts program for screen resource organisations in each state). Shorts supported by Screen Australia this year have been well represented in major festivals in Australia and around the world, including Cannes (*Yardbird*) with our directors and producers collecting numerous awards.





# Talent Escalator

– supporting key talent to step up

**Professional development opportunities enable producers, writers and directors to build skills and feature film slates.**

## STRATEGIES

- Foster the development of the craft skills of producers, writers and directors
- Identify and develop a pool of highly skilled writers and screen developers with outstanding commercial and creative track records
- Offer a strategic short film development and production workshop aimed at 'the next wave' of feature film talent.

## OUTCOMES

### Talent Escalator

The Talent Escalator programs offered by Screen Australia's Development Department provide professional development opportunities to help writers, producers and directors take strategic steps in building their skills, their careers and their slate, with a particular focus on feature film.

**Director's Acclaim Fund:** Designed to help short film directors leverage attention received as a result of international acclaim, this fund allows directors who have been in competition at Cannes, Toronto, Sundance, Venice and other A-list festivals to apply for up to \$15,000 to assist them to get to the next stage in their career. Intentionally flexible, we require a measurable outcome and the fund is specifically available to directors as their talent is generally the most clearly showcased in short films. Writer/directors Patrick Sarell and Alister Lockhart and writer/director Michael Cody were supported this year.

**Internships:** Internships allow talented individuals to reach their potential more quickly through exposure to high-level

practice in their area. Ambitious proposals are highly valued. Following up from the success of the London-based producer internships of 2010/11, this year Screen Australia supported Sheila Jayadev to work with Ridley Scott's London-based Scott Free Productions (*Robin Hood*, *The A-Team*, *Unstoppable*) and Adam Bishop to work with Film4's development department (*Slumdog Millionaire*, *127 Hours*, *Four Lions*). In continuing our internships with the US, we partnered with AFTRS, Village Roadshow and The Gotham Group to send an AFTRS graduate to complete an internship with the multi-award winning company Village Roadshow Pictures in Los Angeles. We also sent producer Melissa Kelly (*Blame*) to work at Magnolia Pictures in New York and Benjamin Gilovitz, producer of multi-award winning short film *Deeper Than Yesterday*, to work with producer/director Roman Coppola at The Directors Bureau. Michelle Sahayan also received training from London-based producer Andy Paterson (*Hilary and Jackie*, *Girl with a Pearl Earring*) and director Leonie Savvides is attached to director Jane Campion on her mini-series *Top of the Lake* based in Sydney and New Zealand. Next year we will select another talented intern to work with dynamic independent producer Ted Hope (*21 Grams*, *American Splendor*) for a six-month placement in New York.

**Springboard:** This year the Springboard workshops were lead by renowned producer and development executive Paul Welsh (*Lore*, *Skeletons*). Springboard is targeted at writer, director and producer teams who are one short away from making their first feature film, and during three three-day workshops we help them develop a short film that speaks directly to the sensibility of the feature film. The short can then act as a strategic calling card for the feature as well as showcasing the talent of the team at festivals. Of the 17 applications received, six teams were interviewed and five were chosen for the workshops. Three teams were selected to go into production. In partnership with MIFF 37° South Market, we



Eli the Invincible

are funding our Springboard alumni to attend the MIFF Accelerator Program in August 2012.

#### **Short Film Completion Funding:**

This program provides finance for distinctive and creatively ambitious short films that show outstanding potential but lack the funds to finish. The fund seeks to galvanise the connection between short filmmaking and a feature film career, favouring shorts with a clear professional development benefit and ability to showcase talent at local and international film festivals. Four projects were funded this year: *Lois* (p: Rachel Higgins, w/d: Alexandra Schepisi), *The One Who Broke Your Heart* (p: Bruce Dawson, Lawrence Lim, w: Luke Tierney, w/d: Scott Pickett), *Spine* (p: Sheila Jayadev, ep: Prue Williams, w/d: Sophie Miller) and *StrangeFace* (p: Samantha Jennings, w/d: Lynne Vincent McCarthy).

#### **Short Animation Production**

**Funding:** This program provides practitioners with the opportunity to create work that would showcase their skills and assist in the development of their careers. Two projects were funded: *The Gallant Captain* (p: Katrina Mathers, Daryl Munton, w/d: Graeme Base; d: Katrina Mathers, Animators: Adrian Moyes, Jasper Parker Trenfield, Patrick Sarell) and *The Crossing* (p: Donna Chang, w/d/animator: Marieka Walsh).

#### **Workshops and seminars**

Screen Australia's workshops and seminars support our belief in the importance of craft and of getting the idea and storytelling foundations right at the beginning. Highlights during the year included:

**Script Developers Initiative:** In October 2011, we ran for the fifth time the UK Script Factory's Script Developers Initiative, taught by Lucy Scher and Justine Hart. The Script Developers Initiative is an ongoing, three-day script development workshop aimed at raising the quality of development practice in Australia by enhancing the skills of people working with writers in a development role. Fourteen script developers participated in the three-day workshop. Feedback forms were 100 per cent positive. The reputation and enthusiasm for this course continues to grow and we see this as an initiative we will continue to offer once a year, such is the need and hunger for this area of professional development.

**Wrestling the Redraft Workshop:** Due to the overwhelming response from the participants of the Script Developers Initiative, we were pleased to offer for the first time a follow-up course, Wrestling the Redraft, hosted by the UK Script Factory's Lucy Scher and Justine Hart, which we ran in October. The aim of the two-day workshop was to help participants continue to hone their screenplay analysis skills as well as explore how to effectively manage creative relationships.

Seventeen script developers participated and feedback forms were 90 per cent positive.

#### **Script Reading for Film Distributors and Talent Agents:**

Also in October and hosted by the UK Script Factory's Lucy Scher and Justine Hart, we offered a Script Reading for Film Distributors and Talent Agents workshop. The aim of the one-day workshop was to give our distributors and agents an understanding of story structure to help with their ongoing collaborations with writers, directors and producers. Ten distributors and agents participated and feedback forms were 95 per cent positive.

#### **High Concept Movie Workshop:**

In March 2012, Michael Hauge presented the High Concept Movie Workshop for the second time. Normally the domain of Hollywood (and as such subject to stringent principles), high-concept movies are a specific area of commercial storytelling, whereby audiences will go to the movie based simply on its one-liner (eg 'A bus is hijacked in LA and the driver is forced to drive above 50 mph until the hijackers needs are met. If the bus drops below 50 mph the bus will blow up.' – *Speed*). Eleven writer teams (and one producer) were selected to spend three days working closely with Michael to develop their high concept idea into a well-structured outline and ten-page script. Feedback was 95 per cent positive.

**Pitching Workshop:** Also in March, Michael Hauge ran a Pitching Workshop for the first time for producers and their writers. Based on Michael's best-selling books *Writing Screenplays That Sell* and *Selling Your Story in 60 Seconds*, the teams workshopped their pitch with Michael and in front of their peers to produce a constructive, concise and clear pitch. The intense one-day workshop was enormously beneficial for our producers who regularly attend film festivals and various

industry meetings trying to sell their stories. Nine producers and four writers participated and feedback forms were 95 per cent positive.

#### **The Comic Premise: A Screenwriting**

**Workshop:** Seeing a widespread need for a more refined understanding of the principles of comedy writing for the big screen and to support more writers in this area, Steve Kaplan was invited to run a workshop in August on The Comic Premise. Steve presented his insightful lecture on comedy, followed by a workshop in which 12 selected teams worked with him over three days to interrogate their comedy premise and develop their comedy idea into a well-structured treatment which they could then develop into a script. Feedback forms were 95 per cent positive.

#### **Mastering Comedy: A Directing**

**Masterclass:** To work alongside our comedy workshop for writers, we partnered with Sue Maslin/Film Art Media and MIFF to present the brilliant comedy director Francis Veber who conducted a two-day masterclass and lecture focused on directing comedy for experienced directors of film and television. Twenty-five directors participated and feedback forms were very positive.

#### **Short film awards**

- Yarbird* – Cannes Film Festival (In Competition), Sydney Film Festival (Dendy Award, Best Short Film)
- Nullarbor* – AACTA Award (Best Short Animation), Sydney Film Festival (Yoram Gross Animation Award), MIFF (Best Short Animation)
- Eli the Invincible* – Flickerfest (SBS TV Award)
- The Kiss* – ADG Awards (Best Directing in a Short Film)
- After the Credits* – St Kilda Film Festival (Best Screenplay), LA Short Film Festival (Best Comedy)
- Lois* – Palm Springs Shorts Festival (premiere screening)
- Strangeface* – Palm Springs Shorts Festival (premiere screening)
- The Wilding* – St Kilda Film Festival (SBS TV Award)
- Transmission* – St Kilda Film Festival (Best Short Film, Best Director, Best Editing, Best Actor).

## Special Initiatives

Screen Australia's Development Department provided funding for the following initiatives during 2011/12:

- **Screen NSW: Inside Out/Outside In** – a three-day workshop looking at the development of a script through trailers, posters, marketplace, financing, and through thematic, character, emotional drive and plot – led by Sheila Hanahan-Taylor and Meg LeFauve
- **Screen NSW: Aurora** – an intensive professional script development program
- **Screen NSW: Slaying the Dragon – Secrets of the Second Act** seminar
- **Screen Queensland: Evolution Masterclass** – a workshop for low-budget feature filmmaking teams
- **Screen Territory: IGNITE** – a project development scheme taking teams through an accelerated development process over an eight-month period
- **Screen Tasmania: GoldPass** – an internship initiative
- **SAFC: FilmLab** – a low-budget filmmaking program
- **ScreenWest: Feature Navigator Workshop** – a screenplay development program for Western Australian feature filmmaker teams
- **Film Victoria: Script Lab** – fostering script development and focused support to ensure proper development of scripts and ensure practitioners gain the essential skills in writing and development practice
- **ScreenACT: Project Pod** – a professional and project development initiative
- **Adelaide Film Festival: The Hive** – a four-day lab to encourage art form cross-pollination
- **Dungog Film Festival: In the Raw** – a workshop environment for creative teams to put their projects to the test in front of screen industry professionals
- **Tropfest: Roughcut** – cultivating outstanding storytelling and fostering a culture of dynamic and creative filmmakers
- **37°South Market: Books at MIFF** – fostering links between the publishing and production industries to encourage screen adaptations of books.

## HIGHLIGHTS

- This was the first year of Screen Australia's All Media Program, designed to support innovative storytelling that engages audiences across existing distribution platforms as well as new and evolving platforms.
- During 2011/12, Screen Australia committed \$2.05 million to a slate of 15 multi-platform projects with a total production value of \$6.29 million.
- Screen Australia committed \$0.7 million to support 18 projects through Digital Ignition this year. Three of those have already advanced to production in the same financial year, two of which have already launched.
- Eight teams participated in the inaugural Digital Ignition Multi-platform Clinic, a five-day workshop designed to support the development of production-ready multi-platform strategies for 'key platforms'.
- Screen Australia formed a strategic partnership with The Movie Network to run *Movie Extra Webfest*, an online competition to secure \$100,000 (including \$50,000 from Screen Australia) to produce a seven-part web series for digital distribution across YouTube and other platforms.
- Screen Australia-funded interactive documentary *Goa Hippy Tribe* won the Interactive Award for Film & TV at SXSW, two Gold Awards at the W3 Awards 2011 for Video Design and Interactive Video, and was nominated for an Interactive Award at the Banff World Media Festival.
- Screen Australia-funded interactive documentary *Asylum: Exit Australia* was nominated for a Webby Award for Best Use of Interactive Video.
- The Screen Australia-funded serious game *Alternator* was launched via the ABC online portal, and marked a key milestone in the Screen Australia/ABC Serious Games Initiative.





# All Media

– supporting multi-platform storytelling

**We fund innovative content to engage audiences on new and evolving platforms.**

## STRATEGIES

- Develop multi-platform projects that connect with audiences or online communities
- Support narrative content in both linear and non-linear forms that pushes the envelope of creative storytelling
- Provide practitioners with opportunities to take risks, extend their skills and explore new storytelling tools and platforms
- Encourage the formation of multi-disciplinary teams that embody convergence between traditional media and digital media
- Increase the international profile of Australian multi-platform projects through festival, conference and awards exposure.

## OUTCOMES

### All Media Production

This was the first year of Screen Australia's All Media Program, designed to support innovative storytelling that engages audiences across existing distribution platforms as well as new and evolving platforms. Combining the former Innovation Program and Low-budget Drama Program, it aims to support narrative content in both linear and non-linear forms that pushes the envelope of creative storytelling, and to provide practitioners with opportunities to take risks, extend their skills and explore new storytelling tools and platforms. It encourages the formation of multi-disciplinary teams that embody convergence between traditional media and digital media or other disciplines.

The broad nature of the fund attracted a wide variety of project types, including linear drama, interactive drama and documentary, games and apps.

Over the last year, Screen Australia committed \$2.05 million through the All Media Production program to a slate of 15 projects which generated \$6.29 million in total production spend.

One of the key features of the program is the requirement for some form of marketplace attachment, and it was encouraging to see the number of projects able to generate third party interest in relatively unproven formats. Marketplace attachments came from a wide variety of sources, including SBS, ABC, Network Ten, Steam, CBC, Bento Box Interactive and Surprise Attack.

The 2011/12 slate included: *The Strange Calls* (ABC2), a multi-platform comedy drama including a six-part television series; short-form animated history series *Australian Encounters* (ABC) based on the illustrations that appear in *The Monthly Magazine* by Shane Maloney and Chris Grosz; a story-rich puzzle game for PC and touch screen devices called *MacGuffin's Curse* (Steam); an interactive documentary about Indian students in Australia called *Convenient Education* aka *Wonderland* (SBS); Australia/Canada co-production *Time Tremors* (ABC, CBC), a VFX-rich multi-platform television series for kids; and apps based on animated children's series including *Guess How Much I Love You* (Disney Jr), *dirtgirlworld* (ABC, BBC, CBC) and *The Adventures of Figaro Pho* (ABC, CBC).

### Digital Ignition (development)

The All Media Program includes the Digital Ignition development fund which aims to ignite digital understanding, expertise and activity within the Australian screen content sector through supporting development of projects to the point at which they can be taken to market. This may include the writing of a multi-platform production bible and



Danger 5

the production of a prototype. In the 2011/12 financial year, Screen Australia committed \$0.7 million to support 18 projects through Digital Ignition across a wide variety of project types, including online games, interactive documentary, apps and motion comics. Three of those have already advanced to production in the same financial year, two of which have already launched. It is expected that more of these development projects will go into production in the next financial year.

The 2011/12 slate included: *Feng Shui Master*, a story-rich game for touch screen devices from Many Monkeys; an app adaptation of the classic Australian children's book series *Bottersnikes & Gumbles* by Ambience Entertainment, *The Playroom* and *Mighty Nice*; and an interactive documentary about the human traffic flowing through Sydney's *Granville Station* being developed by Elevator Entertainment.

### Digital Ignition Multi-platform Clinic

2011/12 saw the inaugural Digital Ignition annual workshop, called the Digital Ignition Multi-platform Clinic. The Clinic was directed by Gary Hayes of StoryLabs, a renowned designer of digital project development workshops. A five-day workshop designed to support the development of production-ready multi-platform strategies for 'key platforms', participants were given guidance on story worlds, business potential, community and audience focus, and interactive functionality and technology by world-renowned mentors including Lance Weiler (US). Eight teams were selected to participate, representing a broad range of screen content including feature films, television drama, interactive documentaries, and games. The Clinic will run again in 2012/13.

### Awards and launches

Projects funded by the predecessor program won or were nominated for many awards during the period: interactive documentary *Goa Hippy Tribe* won the Interactive Award for Film and TV at SXSW, two Gold Awards at the W3 Awards 2011 for Video Design and Interactive Video, and was nominated for an Interactive Award at the Banff World Media Festival; interactive documentary *Asylum: Exit Australia* was nominated for a Webby Award for Best Use of Interactive Video, and received a Special Commendation for Promotion of Multicultural Issues at the United Nations Association of Australian Media Peace Awards 2011; *Stay Tuned* won Best Children's Factual Television Program, Australian Teachers of Media (ATOM) Awards 2011; serious game *Alternator* was nominated for a People's Choice Award at the WWF Earth Hour Awards; *Massively Multiplayer*



Goa Hippy Tribe

Online (MMO) game *Little Space Heroes* won a Parents' Choice Award from the Parents' Choice Foundation; *Laid* won Best TV Comedy Series, AACTA Awards 2012; and *Twentysomething* was nominated for Best TV Comedy Series, AACTA Awards 2012.

Including former Innovation Program and Low-budget Drama productions, the following projects launched during the period: two games, *Heroes Call* and *MacGuffin's Curse*, launched for a variety of platforms through a number of outlets including iTunes and Google Play; web series *Event Zero* launched on YouTube; an MMO game for children, *Little Space Heroes*, went live; the six-part multi-platform comedy television series *Danger 5* (SBS) went to air following a prequel web series on YouTube; the serious game *Alternator* launched via the ABC online portal, and marked a key milestone in the Screen Australia/ABC Serious Games Initiative; and online community hub *Club dirtgirlworld* launched as a digital extension of the successful television series.

#### Digital Ignition Talent Escalator

The All Media Program also supported a number of public conferences and events

with the aim of increasing the skills of the Australian industry in this field. These include the Portable Symposium speaker series, and the XIMedialab events What's Your Story? (Perth), Global Media Ideas (Sydney) and Jeff Gomez Transmedia Masterclass (Sydney, Melbourne and Perth).

## Special Initiative

As part of the suite of multi-platform activities, Screen Australia formed a strategic partnership with The Movie Network to run *Movie Extra Webfest*, an online competition to secure \$100,000 (including \$50,000 from Screen Australia) to produce a seven-part web series for digital distribution across YouTube and other platforms. Applicants submitted a one-minute pilot which was voted on by a large community of fans, with final decisions made by a panel representing the partners. The winning entry, *Event Zero*, a thrilling seven-part series produced by Enzo Tedeschi and Julian Harvey, is live on YouTube.



## HIGHLIGHTS

- *Mystery Road*, Ivan Sen's fourth feature began production in June 2012. Produced by David Jowsey who worked with Ivan on *Toomelah*, the cast includes Aaron Pederson, Ryan Kwanten, Hugo Weaving, Jack Thompson and Tasma Walton.
- *Redfern Now*, a six x 1-hour television drama series produced by Blackfella Films, commenced production in May 2012. With internationally acclaimed writer Jimmy McGovern as story producer, the series is written and directed by both emerging and established Indigenous filmmakers. *Redfern Now* will air in October 2012 on ABC TV.
- *The Gods of Wheat Street*, another six x 1-hour ABC TV drama series will also go into production in late 2012. Supported by the ABC and Screen Australia's Indigenous Department, the series was written solely by Indigenous writer Jon Bell and is produced by Every Cloud Productions.



# Indigenous

– supporting Indigenous talent and distinctive stories

**Screen Australia's Indigenous Department is recognised locally and internationally for its achievements. During 2011/12, it continued to build on its funding programs and initiatives.**

## STRATEGIES

- Identify and nurture talented Indigenous filmmakers who display bold, distinctive and diverse voices
- Promote an Indigenous perspective as central to Australian culture, and pivotal to the wider success of the Australian screen industry
- Foster in Indigenous screen content creators the skills and ability to contribute a distinctive and diverse body of creative work, as well as the ability to work in and contribute to the wider industry
- Ensure Indigenous works are acknowledged and recognised in both the local and international marketplace
- Play a leadership role in the development and advocacy of policy relating to Indigenous screen content creators.

## OUTCOMES

### Development

The Indigenous Department's development funding provides practitioners with the opportunity to create materials both written and/or visual to ensure that their projects are as strong as possible when competing for production finance.

Outcomes for 2011/12 included development support for:

- five documentaries, three under the Call to Country (NIDF 13) initiative
- two feature films, *Mystery Road* (p: David Jowsey, w/d: Ivan Sen) and *Love of Your Life* (w/d: Lawrence Johnston)

- seven short dramas from the Flash Black initiative received additional support
- two television drama series, *The Athletes* and *8MMM Aboriginal Radio*.

### Production financing

Production funds are often provided through targeted initiatives in collaboration with other funding agencies and broadcasters.

The Indigenous Department supports a range of creatively ambitious screen projects including documentary, drama and television series that make a significant contribution to Australian screen culture and our national cultural identity.

Key outcomes for 2011/12 included:

- feature film *Mystery Road* (p: David Jowsey, w/d: Ivan Sen)
- six x 1-hour television drama series *The Gods of Wheat Street*
- six x half-hour documentary series *Inside AFL* (p: Veronica Fury, w/d: Kelrick Martin)
- five x half-hour documentaries under the Call to Country (NIDF 13) initiative
- half-hour documentary *Danny Eastwood* (p: Tom Zubrycki, w/d: John Harvey)
- three short dramas under the Flash Black initiative.

In 2011, Screen Australia supported Metro Screen's Indigenous Breakthrough program. The project moved into production in 2012.

### Professional development

As part of the Flash Black Short Drama Initiative a directors workshop was held in July 2011. Ten Indigenous teams worked alongside experienced industry practitioners (Gillian Armstrong, Chris Noonan, David Ceasar, Stuart McDonald, Sue Brooks and Lindy Davies) to explore all aspects of drama directing and further their stories.



Blackbuster

Eight of the 10 stories began production in 2012. Two were completed and screened at the Sydney Film Festival.

Call to Country (NIDF 13) is a five x half-hour documentary series targeting entry level filmmakers. Participants of this initiative attended two residential workshops designed to explore and practice a variety of documentary filmmaking techniques.

### **Practitioner support**

The Practitioner Support – Internships program is designed to assist practitioners whose careers will benefit from an attachment to a person, production or organisation and help with the costs associated with attending film festivals, marketplaces, conferences, workshops and award ceremonies.

In 2012, support was given to Blackfella Films to establish a three-year Indigenous producer internship.

Three attachments in various departments were supported on the feature film *The Sapphires*.

The Indigenous Department also supported two emerging Indigenous filmmakers as attachments on the two short dramas, *The Hunter* and *She.Say*. Steven McGregor was a mentor director to Tiffany Parker on her short film *Scar*.

The Indigenous Department supported nine travel grants for filmmakers and cast to attend festivals and markets including the Cannes Film Festival, the Montreal Film Festival and the Rotterdam Lab – International Film Festival Rotterdam. In addition

to the international festivals, the Indigenous Department supported three filmmakers to attend the Remote Indigenous Video Festival.

### **Promotion**

The Indigenous Department continued to promote the recognition of Indigenous work in local and international festivals.

In 2011/12, we supported Blackfella Films on the Blackfella Films Presents program at the Sydney Film Festival. This program aims to partner with major film festivals across the country to present the latest work from both national and international Indigenous filmmakers. This was the second year of the triennial agreement, and the program continues to change from year to year.

In June 2012, the Indigenous Department hosted Mr Bird Runningwater, Director of the Native American and Indigenous program at Sundance, in Sydney.

Mr Runningwater attended the Blackfella Films Presents program and also held a seminar for Indigenous Australian filmmakers.

Screen Australia staff attended international film festivals in Berlin and Rotterdam as well as local festivals, Adelaide Film Festival and industry event the *Inside Film* (IF) Awards. Staff also attended conferences: AIDC and SPAA.

Erica Glynn, Head of Indigenous Department, was the keynote speaker at the Sami Film Institute's Indigenous Film Conference in Norway.

### **Policy development and advice**

The Indigenous Department continued its involvement in the Media Reconciliation Industry Network Group (Media RING). The Media RING is a collective which aims to drive practical measures to support and promote reconciliation in the media sector.

A key focus has been the implementation of the Media RING Aboriginal and Torres Strait Islander Employment Strategy which aims to grow and develop the Indigenous talent pool available to the media industry, and increase the engagement of Indigenous people with the industry.

In addition, the Indigenous Department participated in the assessment of projects with Indigenous content submitted to other funding programs across the agency.



Section 4

# Successful screen businesses

A young girl with her hair in two braids, wearing a red dress, is running through a forest. She is seen from behind, moving towards the right side of the frame. The background is filled with trees and greenery, creating a natural, outdoor setting.

Screen Australia aims to support and enhance the viability of screen production in Australia by funding screen businesses, providing authoritative industry data and analysis, and operating the Producer Offset and International Co-production Program.

- Enterprise
- State and Industry Partnerships
- Producer Offset and Co-productions
- Strategy and Research

## HIGHLIGHTS

The third annual round of the Enterprise Program awarded total funding of \$2.97 million over three years to four companies in October 2011.

The 12 companies that received Enterprise funding in the inaugural round reported on their second full year of funded activity to the end of the 2011 calendar year, while the second round of companies delivered their full year of funded activity reports, highlighting a range of achievements including:

- production activity
- appointment of senior creative and management staff
- new strategic alliances both domestic and international
- acquisition of private equity investment.

In the third quarter of 2011, the funded companies participated in the second business survey measuring the long-term impact of Enterprise funding, which revealed an overall increase in revenue of 59.9 per cent for the first round of Enterprise-funded companies, with producer's fees increasing by 90 per cent and profits by 21 per cent.



# Enterprise

– providing working capital investments for growth-oriented screen companies

**The Enterprise Program supports a diverse range of screen businesses that have identified opportunities to develop, step up and expand in terms of turnover, scale of production and range of business activities undertaken to enhance the company's sustainability.**

## STRATEGIES

The Enterprise Program provides significant funding to production companies, based on a three-year business plan, to:

- develop audience-engaging projects
- build a strong presence in the international marketplace
- develop new revenue streams, business partnerships and alliances
- increase their skill base, take on additional professional expertise, and employ trainees and interns
- grow revenue.

## OUTCOMES

The third round of the Enterprise Program closed in August 2011. Forty-one applications were received. The successful applicants were announced on 13 October 2011.

Four applicants were awarded total funding of \$2.97 million over three years (see Appendix 3, page 123). Contracting with all applicants was finalised, following negotiation of budget details and key performance indicators (KPIs).

The 17 companies funded in the first (Group One) and second (Group Two) rounds reported on their performance to the end of December 2011, and also participated in a second survey designed by Screen Australia's Strategy and Research Unit to measure the impact of Enterprise funding on company growth. Significant progress reported by the companies included:

**New alliances:** Hopscotch Pictures formed a financing–distribution partnership with

Lakeshore Entertainment and Entertainment One and announced the financing of two feature films. Cordell Jigsaw merged with Andrew Denton's Zapruder Films, to gain a stronger foothold in the entertainment genre. Essential Media & Entertainment established Essential 11 Media Group with two prominent American/Canadian producers with offices in Los Angeles and Toronto and a strategic alliance with In Focus Asia (with offices in Singapore, Beijing and Taipei).

**Critical success:** Goalpost Pictures successfully launched their feature *The Sapphires* at the Cannes Film Festival with a prestigious midnight screening in Official Selection and announced a distribution deal with The Weinstein Company. Matchbox Pictures' *The Slap* won five AACTA Awards including Best Telefeature, Mini Series or Short Run Series. Blackfella Films' feature documentary *The Tall Man* was awarded the inaugural Walkley Award for Documentary and the AWGIE Award for Best Documentary. Cordell Jigsaw was awarded the highly regarded international television award, the Best of Rose d'Or, in Switzerland, for its groundbreaking production *Go Back to Where You Came From*. The series also won the Best Factual Entertainment Category.

**New senior staff:** Hoodlum announced the engagement of Heads of Business Development for their US and Australian offices. Essential Media & Entertainment engaged a new Head of Factual and General Manager of their Sydney office, to allow the company principals to focus more on managing and growing the group of companies. Wild Fury appointed a Head of Production and a Sales Executive to head their new sales team. To expand development capacity Matchbox have promoted staff internally and also employed a Business Affairs Manager and a Managing Director.

**Emerging talent:** Mentorships, internships and traineeships increased by 23 per cent, from 40 to 49, across the first two rounds of Enterprise companies. Companies continued





Go Back to Where You Came From series 1

to bring on emerging producers to develop their own projects while being mentored by senior producers.

**Slate development:** Factual projects again dominated. The survey revealed that in 2011 the Group One companies had on their development slates: 125 factual programs (an increase of 9 per cent), 49 features (an increase of 63 per cent), and 30 television series (including scripted comedy – an increase of 3 per cent). There was a reduction in children’s television drama, reflecting the state of the domestic market for ‘C’ material and 32 other television projects (an increase of 78 per cent). Group Two reported a decrease in development to 42 projects reflecting a culling of slates. The companies’ combined slates included 20 factual projects, eight features and 11 television drama projects. Playmaker Media launched its second Scribe Development Initiative following

on from a successful first year that resulted in a number of projects being commissioned for development by broadcasters.

**Production:** There was an overall increase in production starts of 17.5 per cent. In terms of alternative financing of projects there was an increase of 35 per cent in projects (17 to 23) without Screen Australia funding reported by Group One Enterprise companies. SBS commissioned a second series from Cordell Jigsaw of *Go Back to Where You Came From*. Wild Fury received its first commission from the Nine Network for an eight x 1-hour series – *World’s Greatest Island*.

Great Wight commenced production on its second 3D feature, *Deep Challenge*, with James Cameron and National Geographic. Sadly, the principal of the company, Andrew Wight, met with a fatal accident while directing and producing the film.

**Financial results:** The second annual Enterprise Survey revealed an overall increase in revenue of 59.9 per cent for Group One Enterprise-funded companies, with producer’s fees increasing by 90 per cent and profits by 21 per cent. In Group One 66 per cent of the companies reinvested their profits in company development and 25 per cent reinvested in projects. All five Group Two companies reinvested their profits in their companies. Companies in Group One were also successful in attracting \$2.62 million in private equity investment in their companies.

The four companies selected in the 2011 funding round are due to provide their first six-monthly reports for the period to 30 June 2011.

Guidelines for the fourth Enterprise funding round were released on 22 June 2012.



# State and Industry Partnerships

– ensuring support programs have a national reach

**Screen Australia collaborates with a variety of federal and state organisations to ensure that the differing needs of practitioners around the country are met, and that the various support programs available to the industry complement, rather than duplicate each other.**

## STRATEGIES

- Work collaboratively with the industry, guilds and state screen agencies to avoid overlap and duplication, and enhance the overall opportunities available for developing the Australian screen industry
- In particular, partner with the state government screen agencies to fund state screen resource organisations (SROs), acknowledging their role in providing a path for new entrants to the industry
- Partner with the key industry guilds in long-term arrangements that provide opportunities for the Australian screen industry to connect with both the domestic and international industry and to enhance their knowledge of current developments, financing, production, marketing and technology changes.

## OUTCOMES

### State and territory agencies

The CEO and Screen Australia management held a number of briefings or workshops in the states and territories presenting research and reports prepared by Strategy and Research:

- Screen Australia management conducted an industry forum on Screen Australia's submission to the Australian Government's Convergence

Review, *Convergence 2011: Australian content state of play*, in three states (VIC, SA, NSW) and via a live and interactive webinar.

- The CEO presented a research report, *Playing for Keeps: Enhancing sustainability in Australia's interactive entertainment industry*, to the 2011 Game Connect Asia Pacific Conference in Melbourne.
- Screen Australia presented the findings of *What to Watch? Audience motivation in a multi-screen world* at an event featuring a panel of industry experts in Sydney, which was also broadcast as a live webinar. The panel in conjunction with both online and live audience feedback discussed Australians' motivations for watching feature film, television drama and documentary.

In addition to these special events, Screen Australia has maintained the practice of regular contact with the state and territory agencies through quarterly Screen Finance Group meetings and meetings of Screen Australia departmental heads with their state and territory counterparts.

Screen Australia continues to consolidate its relationship with the two territories. In the ACT and Northern Territory, three-year arrangements support both territories' screen cultural film festival endeavours. Ongoing matched funding workshops have been instrumental in maintaining a healthy, cooperative relationship between Screen Australia and the Northern Territory and ACT screen industries.

Indigenous screen programs continue to be well represented in the states and the Northern Territory by Screen Australia's Indigenous Department. Some of these programs such as *Yarning Up* are co-funded with Screen Territory and include the public



SLIDE

broadcasters. Development programs such as Ignite and the ScreenACT Project Pod continue to provide opportunities for Northern Territory and ACT practitioners to develop their projects in a collaborative workshop environment.

### **Industry organisations**

Guilds and similar organisations provide an important connection with the industry for Screen Australia, and the practice of regular meetings continued throughout the year with key industry bodies including SPAA, ADG and Australian Writers' Guild (AWG).

Funding support for SPAA, ADG and AWG is managed by the State and Industry Partnerships Unit. Screen Australia has now committed to three-year funding arrangements with SPAA, AWG and ADG, and formalised this arrangement in the 2011/12 calendar year. The three-year funding agreements help provide these three organisations with certainty and the ability to plan for the future.

Screen Australia's CEO led a large delegation, including the CEO of SPAA, and Australian producers Doug Mitchell (Kennedy Miller Mitchell), Oscar®-winning producer Emile Sherman (See-Saw Films),

Gary Hamilton (Arclight) and Mario Andreacchio (AMPCO), attending the second Australia-China Film Industry Forum in Beijing in April 2012. This major co-production film forum event, launched in 2010 by the Australian Embassy in Beijing and attended by major Chinese film distributors and studios, provided an opportunity for Australian producers to engage with and pitch projects to the Chinese film industry and attend the International Film Industry Summit Forum and the Beijing International Film Festival. Screen Australia continues to be a member of Ausfilm and has

played an active role on its Board as well as attending member events during the year. Ausfilm is the organisation charged with attracting international film and television production and post-production to Australia.

### **Screen Resource Organisations (SROs)**

The network of SROs around the country comprises Metro Screen in NSW, Film & Television Institute (FTI) in WA, Media Resource Centre (MRC) in South Australia, Open Channel in Victoria, Wide Angle in Tasmania, QPIX in Queensland and Screenworks in north-eastern NSW.

These organisations perform an important role in the Australian screen industry, providing resources, production opportunities and professional development particularly for entry-level practitioners. Their activities vary from state to state, but their strength is that they offer services to newcomers, allowing Screen Australia to concentrate its resources on more experienced professionals.

Screen Australia supports the SROs in partnership with the government screen agency in each state. Three-year tripartite funding arrangements have now been agreed with all the state agencies. Screenworks in north-eastern NSW is also being supported for the 2012 calendar year.

The SROs devise and provide workshop and short-form programs that aim to give entry-level practitioners necessary industry skills to produce, direct and script programs and take on more substantial roles in the screen industry. A number of the SRO programs have a new media focus and build cross-platform skills. The programs are held in regional areas in a majority of the states.

A number of the films produced under the SRO short film program *Raw Nerve*, which is funded by Screen Australia, have been accepted into and been finalists in Australian and international short film festivals.

## **SRO National Pitching Competition – Australian wins at Beijing event**

**A National Pitching Competition was held in the second half of 2011 providing an opportunity for a first-time feature practitioner to attend an Asia Pacific film and mentoring workshop in Beijing. The December 2011 Beijing event was hosted by the Motion Picture Association (MPA) Asia Pacific partnered with the China International Copyright Expo (CICE). As a precursor to the event, state-based pitching competitions were held by SROs Metro Screen (NSW), MRC (SA), Open Channel (VIC), FTI (WA), QPIX (QLD) and Wide Angle Tasmania (TAS). Finalists were selected from each state and judged by industry representatives, including film distributors, at the National Pitching Competition held by Metro Screen at the Chauvel Cinema in Sydney before a packed audience. The winner, Brendan Skinner, was provided with travel assistance from Screen Australia and a unique opportunity to attend the workshop and pitch in Beijing. Brendan went on to win the pitch event with his project *The Pulse* and is currently developing the feature with Chinese partners.**

# Correction

Department of Regional Australia, Local Government, Arts and Sport  
Screen Australia Annual Report 2011/12

## **Producer Offset and Co-productions – page 74:**

Incorrect total (173) for *Producer Offset Provisional Certificates issued in 2011/12*.

It should read: 145 Provisional Certificates.

## **Producer Offset and Co-productions – page 76:**

Under heading *Certificates issued in 2011/12*, the figures for Producer Offset Provisional Certificates (Features – 78; Non-feature documentaries – 54; TV and other – 41; Total – 173) are incorrect.

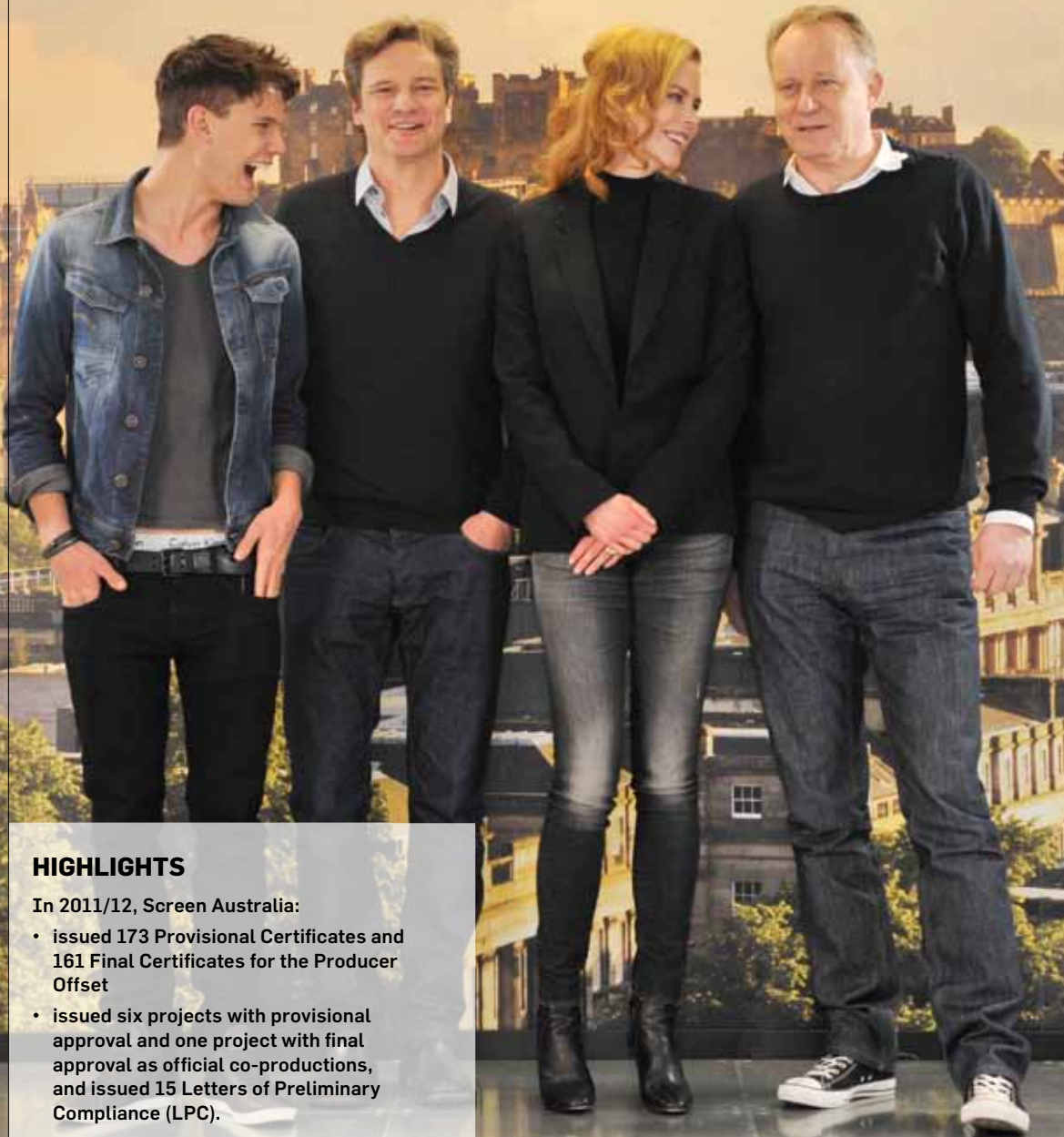
The table should read:

### **Certificates issued in 2011/12**

	Provisional	Final	
		Number	Offset value (\$m)
Features	47	24	127.29
Non-feature documentaries	55	98	18.21
TV and other	43	39	58.45
<b>Total</b>	<b>145</b>	<b>161</b>	<b>203.96</b>

Note: Figures may not total exactly due to rounding.

## The Railway Man



### HIGHLIGHTS

In 2011/12, Screen Australia:

- issued 173 Provisional Certificates and 161 Final Certificates for the Producer Offset
- issued six projects with provisional approval and one project with final approval as official co-productions, and issued 15 Letters of Preliminary Compliance (LPC).



# Producer Offset and Co-productions

– administering a federal screen tax incentive and co-production treaty program

**Through its administration and regulation of the Producer Offset and Official Co-production Program, Screen Australia aims to help deliver the Government's objectives for these programs, including:**

- **to build the Producer Offset into a successful mechanism to fund production of Australian film, TV and other content**
- **for Australia's Official Co-production Program to:**
  - **facilitate cultural and creative exchange between co-production countries**
  - **allow co-production countries to share the risk and cost of productions**
  - **increase the output of high-quality productions.**

## STRATEGIES

- Administer the Producer Offset and Official Co-production programs in an effective, efficient and timely way
- Provide high-quality information about the programs to industry, both domestically and internationally
- Ensure administration of the programs is undertaken at the highest standards according to legislation, regulation and Government accountability frameworks
- Participate in the Trade and Co-production Forum and contribute to the Government's diplomatic strategy.

## OUTCOMES

**Industry information, outreach and education:** Screen Australia's Producer Offset and Co-production Unit actively

communicates with industry and stakeholders in a variety of ways in order to increase awareness of the operation of the Producer Offset and Co-production programs. For example, during 2011/12, the unit:

- provided a great deal of formal and informal advice to industry on the 2011/12 Budget measures
- commenced a program of one-on-one meetings with larger production companies to increase the accuracy and quality of applications
- distributed four e-bulletins providing practical information for potential applicants including the release of one new issue-specific fact sheet
- participated in the SPAA Conference and AIDC, the Ausfilm week in Los Angeles, the Game Connect Asia Pacific Conference and a number of other industry panels during the year
- presented at state screen agency events in Brisbane and Canberra, and presented on marketing expenditure and the Offset at AFTRS
- presented a seminar on the 2011/12 Budget measures as part of a Legalwise seminar on film and television law
- within the limits imposed by taxation secrecy requirements, prepared data for Screen Australia's Convergence Review submission, *The Drama Report 2010/11*, *The Documentary Production Summary 2010/11* and presentations by Screen Australia's senior executives at the SPAA Conference, AIDC, film festivals and other local and international events.

**Legislation, regulation and government liaison:** During 2011/12, Screen Australia participated in the Film Industry Partnership

convened by the Australian Taxation Office (ATO) and the Screen Production Incentive Co-administration Committee (including the ATO, the Department of Regional Australia, Local Government, Arts and Sport's Office for the Arts (DRALGAS's OFTA), Screen Australia and selected industry professionals).

In early 2011/12, the Producer Offset and Co-production Unit assisted Government in the preparation of the legislation enacting the 2011/12 Budget measures. Many of the measures reflected recommendations made by Screen Australia as part of its extensive submission to the Government's 2010 Review of the

Australian Independent Screen Production Sector.

Reforms announced in the 2011/12 Budget included the introduction of an 'overall' QAPE threshold for documentary projects of \$500,000. For low-budget documentaries (ie with budgets of \$500,000 or less) the Producer Offset was replaced with a Producer Equity payment from July 2011. The PEP is administered by Screen Australia's Documentary Unit (see page 33).

Screen Australia also hosted a meeting of the Trade and Co-production Forum, a body designed to provide a mechanism for Government to consult with industry on co-production matters (notably the negotiation of new

arrangements) and relevant trade issues such as the negotiation of bilateral free trade agreements.

As outlined below, Screen Australia provides expert advice to Government on the negotiation and renegotiation of co-production arrangements, both treaties and memoranda of understanding (MOUs).

**Federal Court Decision:** Screen Australia appealed the decision of the Administrative Appeals Tribunal (AAT) in what has become known as the *Lush House* decision in the Full Federal Court. The Court dismissed Screen Australia's appeal in *Screen Australia v EME Productions No. 1 Pty Ltd* [2012] FCAFC 19 on 7 March 2012.

## ADMINISTRATION OF PRODUCER OFFSET CERTIFICATION PROCESS:

### Certificates issued in 2011/12

	Provisional	Final	
		Number	Offset value (\$m)
Features	78	24	127.29
Non-feature documentaries	54	98	18.21
TV and other	41	39	58.45
<b>Total</b>	<b>173</b>	<b>161</b>	<b>203.96</b>

### Certificates issued in 2010/11\*

	Provisional	Final	
		Number	Offset value (\$m)
Features	39	30	62.36
Non-feature documentaries	73	89	17.20
TV and other	32	35	48.39
<b>Total</b>	<b>144</b>	<b>154</b>	<b>127.95</b>

Notes:

Figures may not total exactly due to rounding.

\* The number of Provisional and Final Certificates and the final Offset value figures have been updated from the published figures in the 2010/11 Annual Report.



**Co-production treaties and memoranda of understanding (MOUs) currently in force**

Country	Treaty or MOU	Date signed
Canada	Treaty	23 July 1990
China	Treaty	27 August 2007
France	MOU	15 May 1986
Germany	Treaty	17 January 2001
Ireland	Treaty	4 February 1998
Israel	Treaty	25 June 1997
Italy	Treaty	28 June 1993
New Zealand	MOU	23 December 1994
Singapore	Treaty	7 September 2007
South Africa	Treaty	22 August 2011
United Kingdom	Treaty	12 June 1990

Australia is currently negotiating new co-production arrangements with India, Denmark, Malaysia and the Republic of Korea, and is in the process of renegotiating its co-production arrangements with the United Kingdom, Canada and France. Screen Australia is actively assisting DRALGAS's OFTA and DFAT in these negotiations.

**Co-production administration and approvals**

The table below provides details of the six provisional approvals that were granted by Screen Australia during 2011/12.

Title	Co-production partner
<i>Deception</i> (feature)	Canada
<i>Gallery of Everyday Things</i> (documentary)	Singapore
<i>Lovers and Sons*</i> (feature)	France
<i>Murdoch</i> (documentary)	UK
<i>New Zealand From Above</i> (documentary)	New Zealand
<i>The Railway Man</i> (feature)	UK

\* aka *The Grandmothers* (working title)

**Letters of Preliminary Compliance (LPC)**

2011/12 marked the first full year of operation of Screen Australia's revised and more flexible Co-production Guidelines. In particular it was the first full year of operation of Screen Australia's LPC process. LPCs are non-binding, but provide a method by which producers can receive a preliminary view from Screen Australia on whether their planned structures for co-productions would be consistent with the terms of the relevant Co-production Arrangement and the Guidelines.

Producers can then utilise the LPC to assist in raising marketplace finance before seeking provisional co-production approval.

In 2011/12, Screen Australia issued 15 LPCs. Of these:

- 10 were for feature films, three were for television drama, and one was for a documentary
- seven projects would involve the UK, three would involve Canada, two would involve Singapore, one would involve China, one would involve Germany and one would involve Ireland.

## HIGHLIGHTS

- In the lead-up to the Federal Government's generational change of broadcasting regulation, Screen Australia sparked debate with the release of our *Convergence 2011: Australian content state of play* report. Through wide media attention and a national roadshow, we helped drive the public agenda with the requisite evidence base to underpin new regulatory approaches.
- After the success of Screen Australia's *Beyond the Box Office: Understanding audiences in a multi-screen world* research, we continued to explore evolving audience behaviour with the release of a companion piece, *What to Watch? Audience motivation in a multi-screen world*, in June 2012. This new work offers unprecedented analysis of viewer motivations for long-form content across all screen platforms.
- Screen Australia launched a 'Celebrate Australian Stories' campaign, coinciding with our submission to the Federal Government's new National Cultural Policy. A major aspect of the campaign was a promotional video rolled out across Twitter, Facebook and YouTube as well as being screened nationally over several months in theatres and on subscription and free-to-air television.
- For many years Screen Australia has been engaged with the interactive entertainment industry, exploring ways to advance the strategic opportunities that are unique to this sector. This reached a pinnacle with the release of our *Playing for Keeps: Enhancing sustainability in Australia's interactive entertainment industry* report in November 2011 which presented new analysis of the industry, including economic modelling of policy options for Government.
- As part of Screen Australia's ongoing commitment to improving the usability of our research, we launched a new online interactive tool for displaying audience metrics specifically pulling together performance data for television and box office. Updated on a weekly basis this new interactive widget can be found on our website and it will be embedded across other sites in the next financial year.



# Strategy and Research

– underpinning industry development through authoritative data and analysis

**Screen Australia's Strategy and Research Unit provides authoritative, timely and relevant data and research to the industry and Government, and ensures such information results in continuous improvements to Screen Australia programs.**

## STRATEGIES

- Collect comprehensive data on Australia's development and production slate to identify long-term trends and robust benchmarks
- Conduct or collate quantitative and qualitative audience research to understand evolving audience behaviours
- Enhance data collection and performance measurements by developing new methodologies and approaches
- Disseminate research and analysis to engage a wide range of industry stakeholders in an accessible and meaningful way
- Lead debate and engagement with Government policies that contribute to the support, provision and regulation of Australian screen content, media and the digital economy
- Contribute to the design, implementation and review of Screen Australia's support programs.

## OUTCOMES

### Industry research and strategic leadership

**Government submissions:** Screen Australia is the lead analyst of the forces shaping the production, distribution and consumption of Australian content.

Two pivotal Australian Government policy developments took place in 2011/12, the Convergence Review and the Government's

call for submissions to inform the design of the National Cultural Policy, providing Screen Australia with a prominent platform to outline a long-term strategic vision for a vibrant and diverse screen production industry.

The Convergence Review examined the regulation outlined in the Broadcasting Services Act of 1992 in light of today's converged media and communications landscape. The National Cultural Policy is the first examination of national cultural policy since the seminal *Creative Nation* framework laid out by the Keating Government in 1994.

Screen Australia harnessed a unified voice for the screen sector by guiding industry discussion and offering objective and comprehensive analysis including new evidence as to the contribution of narrative screen content production to Australia's economy and gross domestic product, new research into the cultural value of local content and economic modelling of policy options for Government.

**Convergence Review:** Screen Australia's submission to the Australian Government's Convergence Review was released in October 2011. To help inform the discussion around the Convergence Review, Screen Australia launched a comprehensive analysis of Australian content across all media platforms, *Convergence 2011: Australian content state of play* in August 2011.

The report includes original analysis of the impact of the introduction of the digital multi-channels on the total share of hours of Australian television content and the level of expenditure on original Australian narrative content by platform.

Screen Australia also undertook an analysis of the impact of narrative screen content production on the Australian economy. The analysis revealed that the sector attracted investment in excess of \$700 million in 2009/10. This included \$124 million in foreign investment that would not otherwise come into

# What to Watch?

***What to Watch? Audience motivation in a multi-screen world* analyses how audience motivations for watching long-form screen content change across different distribution mechanisms or platforms (cinema, DVD and Blu-ray, online video, subscription and free-to-air television). The report builds on the broad trends identified in Screen Australia's 2011 analysis of screen media consumption in Australia, *Beyond the Box Office*, and expands the focus beyond feature films to include television drama and documentaries.**

**Four distinct audience profiles emerged from the research, taking into account the values of viewers as well as their access to technology and the importance they place on it. The audience profiles shed light on patterns of consumption, in particular identifying the types of people who are driving convergence.**

**The key findings of *What to Watch?* affirm the strong social currency that exists in both the act of collective consumption and the discussion of this consumption with others. Understanding the dynamics of this conversation, and the extent to which new tools of social media can help shape it, is a vital step in ensuring that Australian screen stories continue to have traction on traditional distribution platforms as well as getting a foothold in the highly competitive online market.**

**The release of the report was accompanied by a launch event in Sydney including industry panels discussing the impacts and applications of the research findings. The event was disseminated online via a live webinar, which has been archived on the Screen Australia YouTube channel.**

**The accompanying materials included audience demographic and platform profile 'playing cards', an animated short video presenting the key insights and recorded vox pops of a range of Australians canvassing their media consumption habits.**

**[www.screenaustralia.gov.au/research/what2watch.aspx](http://www.screenaustralia.gov.au/research/what2watch.aspx)**

As part of the submission, Screen Australia commissioned original research that asked Australians about the importance they placed on Australian narrative screen content revealing that 91 per cent of Australians believed that it was quite important or very important that Australia had a film and television industry producing local content. The research findings supplement the Strategy and Research Unit's quantitative audience analysis by illuminating the less tangible aspects of audience engagement.

In addition to supporting the submission, the survey findings were released as a separate report accompanied by a video clip of scenes from iconic Australian film and television productions. The video clip was disseminated online via a social media campaign under the tagline 'Celebrate Australian Stories' and appeared on commercial free-to-air television, subscription television and cinema advertising slots.

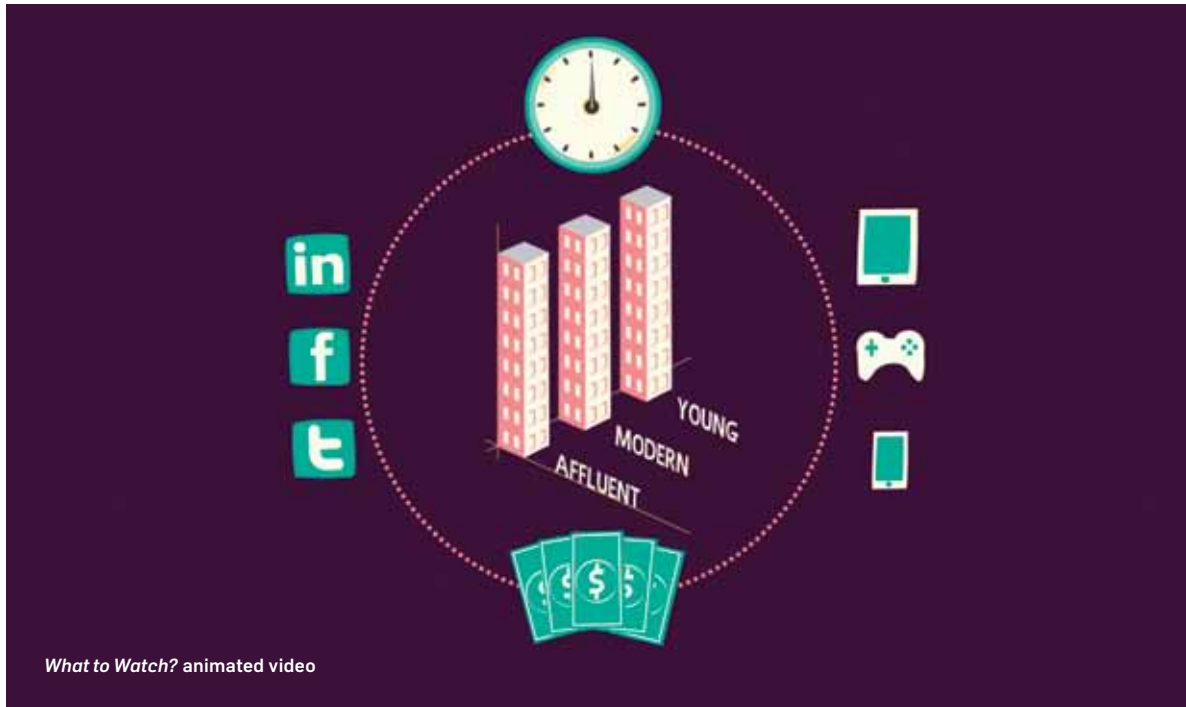
In order to provide additional context to the options for Government contained in Screen Australia's submissions to the Australian Government's Convergence Review and the National Cultural Policy, Screen Australia launched the discussion paper *Playing for Keeps: Enhancing sustainability in Australia's interactive entertainment industry* in November 2011. As well as supporting the submissions, the research addressed a lack of comprehensive and up to date information about the interactive entertainment industry. The discussion paper draws together insights gained through industry consultation and economic modelling of the proposed support options, to assist the evidence-based development of public policy. The research findings were presented at the Game Connect Asia Pacific Conference, followed by a panel discussion.

the economy. Economic modelling based on this result indicates that locally produced narrative stories make a net contribution of \$330.5 million per annum to Australia's gross domestic product.

*Convergence 2011: Australian content state of play* was presented

at industry briefings in Adelaide, Melbourne and Sydney and via a live and interactive webinar.

**National Cultural Policy:** The Strategy and Research Unit also made a submission to the Australian Government's new National Cultural Policy in October 2011.



*What to Watch? animated video*

**Audience trends:** In June 2012, Screen Australia launched the first comprehensive analysis into how audience motivations for watching long-form screen content vary across different distribution mechanisms or platforms (cinema, DVD and Blu-ray, online video, subscription and free-to-air television). *What to Watch? Audience motivation in a multi-screen world* builds on and refines the broad consumption trends identified in *Beyond the Box Office*. It specifically focuses on 'screen stories' – feature films, television drama and documentaries – reflecting both the Federal Government's cultural policy objectives and Screen Australia's role in providing an authoritative source of information on these content types.

To build this detailed picture Screen Australia commissioned Auspoll to facilitate a series of focus groups and attitudinal surveys. They explored motivations by content type and distribution platform, the importance that viewers place on Australian content and their level of engagement with social media.

Screen Australia's analysis highlights the strategic opportunities offered by the rapidly

changing online environment that could help producers of Australian feature films, television drama and documentaries connect with their audiences across all platforms. At the same time the research findings shed light on patterns of consumption, in particular identifying the types of people who are driving convergence.

**Communication:** The Strategy and Research Unit has an invigorated approach to communicating statistical and policy information by supporting the release of research and analysis with a variety of supplementary material to convey the major findings and engage a broad range of stakeholders. Accompanying reports and industry forums are audiovisual animations, vox pops discussions, social media campaigns, data visualisations and interactive webinars.

The unit's augmented communication strategies have also culminated in extensive media coverage by national and international media outlets, incorporating print, radio and television.

*Did You Know?* e-bulletins combining internally generated statistics with external information provide unique insights into

# Australian screen stories are important to Australians

To enhance quantitative audience metrics with a better understanding of the less tangible aspects of audience engagement, Screen Australia commissioned original research that asked Australians about the importance they placed on Australian narrative screen content – feature films, television drama and documentaries. The research surveyed 1,002 people aged over 14 years, weighted to be representative of the population in terms of age, gender and residential location.

Overall, 91 per cent of people believed it was quite important or very important that Australia had a film and television industry producing local content.

Out of 10 benefits of having a local film and television industry, the one identified as most important (cited by 21 per cent of respondents) was to make sure that Australian culture isn't overwhelmed by American culture on account of the amount of movies and television series that Hollywood produces.

This was followed by recognition of the employment opportunities that the industry brings, as well as ensuring that Australia's stories and important events from the past are told and recorded, each nominated by 13 per cent of respondents.

79 per cent of people agreed (32 per cent strongly) that Australian stories are vital for contributing to our sense of Australian national identity; while 75 per cent agreed (35 per cent strongly) that they would miss the Australian film and television industry if it ceased to exist.

To accompany the research findings, Screen Australia launched *Celebrate Australian Stories*, a social media campaign with an online video clip highlighting the cultural significance of Australian screen stories. The video clip also screened on commercial free-to-air television, subscription television and cinema advertising slots.

[www.screenaustralia.gov.au/austories\\_research](http://www.screenaustralia.gov.au/austories_research)

Australia's screen industry. The statistical snapshot is presented in an engaging graphical format and is extensively shared through social media networks such as Facebook and Twitter. In April 2012, the unit launched a new newsletter outlining updates to Screen Australia's comprehensive online statistical

resource. Over 6,000 subscribers received these releases.

## Internal benchmarking and program review

Internally focused activities designed to support and enhance the effectiveness of Screen Australia's programs during the year included:

- regular engagement with Screen Australia departments and units to assist with the compilation of their KPIs and ongoing refinement of Screen Australia's suite of programs
- core participation in the organisation-wide Business Process Review with the objective of streamlining and improving Screen Australia's efficiency and effectiveness
- contributing to the development and enhancement of a unified data management system
- ongoing tracking of production, release and performance data of both Screen Australia-funded titles and the broader industry to provide context for the results.

## Statistical and reference publishing

**Industry statistics online:** Screen Australia continues to provide comprehensive statistical information for the Australian screen sector and the agency's broader stakeholders via its website. The information includes data used in measuring the production, release and performance of screen content in various markets and across an array of distribution platforms. Updates were made to 136 pages of Screen Australia's online statistical benchmarks between July 2011 and June 2012.

In December 2011, the unit launched an online audience widget, an interactive tool that provides unprecedented access to regular, relevant and in-depth information on the performance of Australian content on screens. Highlights include a variety of weekly and monthly updates on the performance of films at the box office, the progressive share of Australian films and programs on Australian television across both free-to-air and subscription television.  
[www.screenaustralia.gov.au/research](http://www.screenaustralia.gov.au/research)

**The Drama Report:** Screen Australia's production survey is the industry benchmark for drama production in Australia. It covers all Australian and co-production titles that went into production each year, as well as foreign titles if they are shot in Australia or do post, digital or visual effects (PDV) work here. [www.screenaustralia.gov.au/dramareport](http://www.screenaustralia.gov.au/dramareport)

**The Documentary Production Summary:** This summary brings together key statistics on documentary production activity and sources of finance, and included time-series data on production activity from 2002/03 to 2010/11. [www.screenaustralia.gov.au/about\\_us/pub\\_docsommary.aspx](http://www.screenaustralia.gov.au/about_us/pub_docsommary.aspx)

**Find a Film online database:** Regularly updated, this online database helps visitors to Screen Australia's website find information about Australian productions, and co-productions with Australia, including key cast and creatives, duration, genre, co-production partners, international sales contacts, website links and more. It includes comprehensive coverage of all features since 1970, television drama mini-series since 1980 and series/serials since 1988, telemovies since 1970, documentaries since 1980, selected shorts since 1988 and selected interactive digital media projects since 2009. [www.screenaustralia.gov.au/films](http://www.screenaustralia.gov.au/films)

**Research and Publications Partnerships:** The Strategy and Research Unit is currently working with stakeholder groups on three projects. The projects include a comprehensive analysis of the Indigenous film and television sector in Australia, a book aimed at assisting producers to adapt and develop their production skills to reflect an evolving digital landscape and a large-scale, public analysis of audiovisual distribution in Australia to quantify the changing ways Australians are watching and engaging with audiovisual stories.

Completed Research and Publications Partnership projects include an investigation into rural and regional cinema-going practices, which was undertaken in collaboration with Griffith University and the NFSA and supported via an Australian Research Council (ARC) Linkage Grant.

The Research and Publication Partnerships program has been refined and will continue as the Research Partnerships Program. In order

## Playing for Keeps

Screen Australia launched the discussion paper *Playing for Keeps: Enhancing sustainability in Australia's interactive entertainment industry* in November 2011. The discussion paper draws together themes raised in several Screen Australia reports released in the previous two years and provides new insights to help inform the ongoing discussion.


*Playing for Keeps* provides an overview of the interactive entertainment industry as part of the broader screen production sector, covering industry ecology, pressure points and options to support sustainability.

Screen Australia carried out extensive industry consultation with local and international developers, publishers and film producers to gain a comprehensive and up-to-date understanding of the interactive entertainment industry. In addition, Screen Australia undertook economic modelling, in collaboration with PwC, of the proposed support options outlined in Screen Australia's submissions to the Convergence Review and the new National Cultural Policy.

The research findings were presented at the Game Connect Asia Pacific 2011 Conference, followed by a panel discussion.

[www.screenaustralia.gov.au/about\\_us/pub\\_gamesreport.aspx](http://www.screenaustralia.gov.au/about_us/pub_gamesreport.aspx)

to most effectively leverage its contribution, the program is focused on partnerships with higher education researchers in Linkage Projects support by the ARC.



Section 5

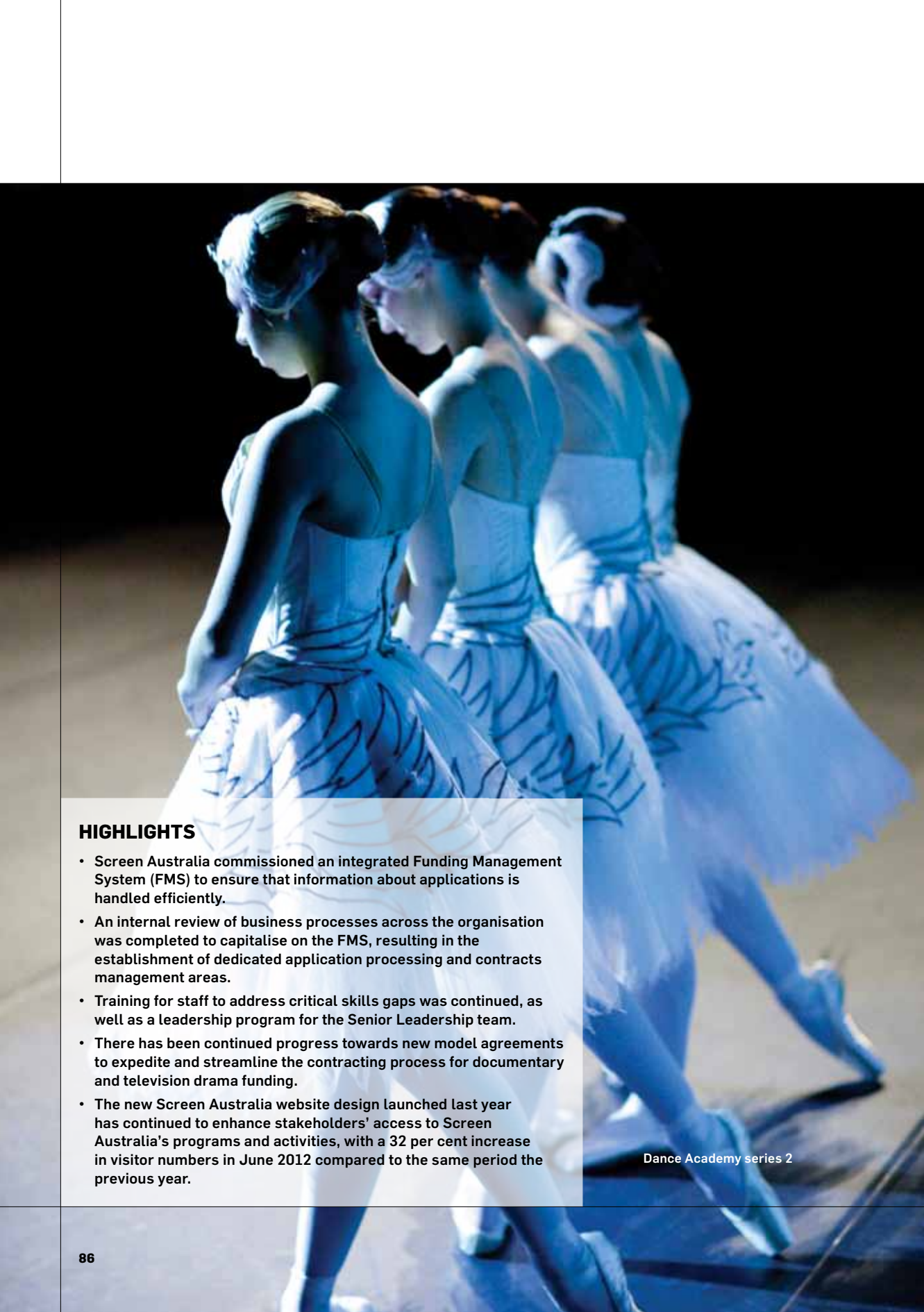
# Efficiency, responsiveness, accountability





Screen Australia is building a culture of efficiency, accountability and transparency.

- Operations
- Governance Statement
- Board Charter
- Board Code of Conduct
- Statutory Reports
- Portfolio Budget Statement



## HIGHLIGHTS

- Screen Australia commissioned an integrated Funding Management System (FMS) to ensure that information about applications is handled efficiently.
- An internal review of business processes across the organisation was completed to capitalise on the FMS, resulting in the establishment of dedicated application processing and contracts management areas.
- Training for staff to address critical skills gaps was continued, as well as a leadership program for the Senior Leadership team.
- There has been continued progress towards new model agreements to expedite and streamline the contracting process for documentary and television drama funding.
- The new Screen Australia website design launched last year has continued to enhance stakeholders' access to Screen Australia's programs and activities, with a 32 per cent increase in visitor numbers in June 2012 compared to the same period the previous year.

Dance Academy series 2

# Operations

– managing an efficient, effective organisation

**Screen Australia's operational units aim to provide the highest-quality outcomes in the management and service delivery of Screen Australia's programs.**

## STRATEGIES

- Provide infrastructure to support and enhance the delivery of Screen Australia's programs and policies
- Manage Screen Australia's affairs with due diligence and meet all appropriate governance and compliance requirements
- Promote a high-performance culture and a committed and engaged workforce.

## OUTCOMES

### Finance

The Finance team provides transactions-based processing, asset management, treasury, budgeting, and financial and management reporting to Screen Australia's Board, senior executives and staff, and, where relevant, to Australian Government departments including the Department of the Prime Minister and Cabinet (DPM&C), DRALGAS's OFTA, the Department of Finance and Deregulation (DoFD) and the Australian National Audit Office (ANAO).

During 2011/12, Screen Australia met all its internal and external reporting and budgeting requirements as required by its Board, DPM&C, DRALGAS's OFTA, DoFD and ANAO.

### Financial overview

Screen Australia's operating results for the year ended 30 June 2012 was a deficit of \$2.3 million and is in line with the \$3 million deficit previously approved by the Finance Minister.

During the year, Screen Australia received revenue from the Australian Government totalling \$91.8 million. Revenue generated from other sources totalled \$15.2 million

and included \$1.6 million from the sale of goods and services, \$7.9 million from the recoupment of investments and loans already fully recovered, written-off or impaired, and \$4.0 million from interest earned on cash deposits.

The write-off and impairment of assets, mainly relating to loans and equity investments in film production and development, was \$64.2 million.

Screen Australia's operating expenses included employee benefits of \$14.3 million, supplier expenses of \$9.4 million and grants expense (ie program expenses that are not investments or loans) of \$20.2 million.

Screen Australia has been successful in maintaining its level of program funding whilst continuing to drive down its internal operating costs from approximately \$32 million in 2007/08 pre-merger by 39.1 per cent as follows:

Year	Administration operating costs	\$ Reduction	% Reduction on base year
2007/08	\$32m		
2008/09	\$29m	\$3m	9.4%
2009/10	\$24m	\$5m	15.6%
2010/11	\$22.1m	\$1.9m	5.9%
2011/12	\$20m	\$2.1m	6.6%
2012/13	\$19.5m*	\$0.5m	1.6%
<b>Total % reduction on base year</b>			<b>39.1%</b>

\* Budget

During this period the full-time equivalent staff has been reduced from 190 to 110.

Screen Australia is focused on continuing to drive cost reductions and efficiencies throughout the organisation.

Major achievements for the Finance team in 2011/12 included:

- meeting service standards for finance-related functions such as processing

of acquittals, payments, reconciliations and reporting timeframes

- reviewing and updating financial policies including Accounting for Leases, Asset Management, Banking and Investment, Cabcharge and Fringe Benefits Tax (FBT), as well as documenting procedures for Production and Development drawdowns and Impairment of Onerous Contracts to ensure knowledge transfer within the Finance team
- improving the efficiency and effectiveness of the finance system, TechnologyOne, and streamlining associated processes to make financial information easily accessible to all staff
- improving the content and timeliness of financial management and board reporting.

Screen Australia's financial statements for 2011/12 were prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board and the Finance Minister's Orders for reporting periods ending on or after 1 July 2011. The staff of the ANAO inspected Screen Australia's 2011/12 financial records and provided an unqualified audit opinion on the financial statements and notes on 5 September 2012.

### **Risk management**

Screen Australia's risk management policy and plan provides a formal framework for effectively managing our business risks. The plan categorises Screen Australia's business risks using methodologies derived from Australian/New Zealand Standard AS/NZS 31000:2009 Risk Management. In 2011/12, Screen Australia adopted its Business Continuity

Management Policy and Framework based on the principles of AS/NZS5050 Business Continuity and is rolling out its risk assessment across the agency.

### **Audit Committee**

Screen Australia's Deputy Chair, Ian Robertson, chairs the Audit Committee. The Audit Committee met on four occasions during 2011/12 (See Audit Committee attendance table, page 10).

Screen Australia has an Audit Committee charter which outlines the Audit Committee's role and includes assessing the adequacy of the internal audit program, reviewing the results of audits and reviews of Screen Australia's administrative functions, and monitoring management's performance in implementing internal audit recommendations.

The Committee also monitors Screen Australia's adoption of, and compliance with, appropriate frameworks of risk management, fraud control and financial reporting. Representatives from Screen Australia's internal and external auditors attended by invitation. The Audit Committee applies the same process regarding Conflicts of Interest as the Board (see page 93).

### **Internal audit**

RSM Bird Cameron is Screen Australia's internal auditor and undertakes periodic reviews of the organisation's operations.

No control or compliance deficiencies constituting unacceptable risks to Screen Australia were identified during the RSM Bird Cameron audits.

Screen Australia has an internal audit plan in place for 2011–2013, a long-term planning tool designed to assess the business plans, strategic outlook and risk exposures of the organisation as a whole.

### **Facilities**

The Facilities Unit managed Screen Australia's owned and leased property portfolio. It also provided support services including general procurement advice, contract management, project management and risk management, as well as supervision of the reception and office support functions in Sydney and in Melbourne.

**William Street (Sydney):** The head office has been relatively stable during the year with around 35 staff per floor at an average density of 19 m<sup>2</sup> per work point. The decrease in density is due to a reduction in staff numbers and minor fitout adjustments to suit the changing business structure. All fitout projects comply with the Building Code of Australia and the *Disability Discrimination Act*.

**Lindfield (Sydney):** The Lindfield site continued to operate as a production complex during the year and succeeded in meeting its revenue targets. However, it is Screen Australia's intention to dispose of the site, and the rezoning and disposal process has commenced. This, together with a lull in local production, has meant that ongoing tenant revenue will be unpredictable. The NFSA and the Embassy Roadshow Program both used vault space at Lindfield during the year.

Although the sound stage has been in solid use by production companies shooting television series, music videos and television commercials, there has been almost a complete drop off in demand for the Roxy preview theatre and other facilities.

**Coventry Street (Melbourne):** The Melbourne office has been relatively stable during the year and the premises – first occupied in 2010/11 – are well-located and suitable for Screen Australia's Melbourne operations.

**Elizabeth Street (Sydney):** The lease of the former FFC premises at 130 Elizabeth Street was successfully

surrendered from 1 December 2011 resulting in a savings to Screen Australia of \$390,000.

### **Information Management and Technology Services (IMTS)**

#### **Information Management**

Information Management continued its consolidation of the agency's corporate information systems. A database decommissioning project resulted in a 75 per cent reduction in the agency's databases.

Successful implementations were undertaken for two new centralised systems – Screen Names and Screen Titles. Deployment of these systems has integrated data from numerous legacy sources, enabling significant efficiencies in Screen Australia's data capture, sharing and generation.

A significant focus in 2011/12 for Information Management has been progressing activities driven by Screen Australia's Business Process Review. These have included:

- project managing the development of a single agency FMS and an integrated Recoupment Management System (RMS) scheduled for deployment in 2012/13
- ongoing business requirements analysis, scoping, design and system testing for the new FMS and RMS systems
- support and training for the implementation of new business processes in the Programs Operations and Contracts Management units.

The implementation of the FMS within the coming year will streamline the management of Screen Australia's funding programs and simplify industry dealings with Screen Australia through online application form submission.

The Information Management team continues to ensure Screen Australia and the industry benefits from its revised processes



and systems development, supporting simplification and consistency across the agency.

### **Information Technology (IT)**

In 2011/12, implementation of Screen Australia's new Information Architecture and Desktop computer migration was completed, providing an IT architecture based on virtualised servers, centralised Storage Area Network (SAN) and a single desktop standard operating environment.

Development of revised policies, procedures and processes around the new architecture began as well as ongoing training of IT staff in supporting and maintaining the new environment.

To facilitate the implementation of the new FMS and RMS, Screen Australia's IT architecture was extended providing:

- an upgrade to Screen Australia's Internet gateway environment and Wide Area Network (WAN) connectivity resulting in higher access speeds and redundancy
- increased server and SAN storage
- deployment of new supporting robust application and backend database environments.

Deployment of the new database environment presented an opportunity for Screen Australia to further consolidate its database environment by migrating to a single corporate database environment. This initiative will continue in the 2012/13 financial year.

### **Records Management**

The focus for Records Management this year has been on the implementation and development of Screen Australia's Electronic Document Management System (EDMS). Training was provided to all staff in October 2011 with ongoing

training and support provided to departments integrating EDMS into their business processes.

A significant and continuing area for Records Management has been the streamlining of processes to complement the implementation of the new FMS.

During 2011/12, Records Management negotiated and finalised an agreement for offsite storage and progressed Screen Australia's Records Authority to approval stage with the National Archives of Australia.

The ongoing work undertaken by the Records Management area will enable Screen Australia to meet requirements of the Commonwealth Government's Digital Transition Policy through the provision of a framework to reduce costs and inefficiencies associated with maintaining stockpiles of paper records offsite and move towards a predominantly digital records management environment.

### **Legal**

The Screen Australia Legal Department provides legal advice to, and contracts arrangements on behalf of, all business units within Screen Australia.

Contracts drafted, negotiated and reviewed by the Legal Department relate to both Screen Australia's funding programs and its general operations and activities. In relation to Screen Australia's program activity during 2011/12, the Legal Department finalised a wide range of contractual arrangements including for:

- direct production investment (for feature films, television drama, multi-platform and documentary projects)
- development funding support (including funding of scripts, and participation in internships and workshops)
- a variety of marketing support agreements including

P&A loans and Innovative Distribution grants

- Enterprise and Indigenous Program funding support.

During 2011/12, the Legal Department continued its work developing and refining new model contracts which are intended to expedite and streamline the contracting process. In addition to contracting its own projects, the Legal Department provides model agreements and drafting instructions to the Contracts Management Unit to enable the efficient and high-volume contracting of lower-value projects. The Legal Department also advised the agency about changes to Terms of Trade and guidelines and a range of new programs and processes.

During the 2011/12 year, the Legal Department continued to actively support the Producer Offset and Co-production Unit in relation to legal issues arising from individual Producer Offset and co-production applications. The Legal Department also assists the Producer Offset and Co-production Unit in advising Government in relation to the negotiation of new co-production arrangements.

During 2011/12, the Legal Department instructed Counsel in proceedings in the Federal Court of Australia and in the AAT arising from decisions made by Screen Australia as the 'film authority' under the *Income Tax Assessment Act 1997*.

### **Human Resources (HR)**

At an operational level, the HR team was responsible for policy development, service delivery and provision of advice to managers and staff on a broad range of areas including recruitment, remuneration and employment conditions, performance management, workplace relations, training and development, and work health and safety.

At a strategic level, HR's remit has revolved around developing a high performance culture within Screen Australia. A number of key initiatives have been successfully delivered during 2011/12 to further this aim, including delivery of a bespoke training strategy to address critical skills gaps in the workforce, development and rollout of a management program for People Managers and a specific leadership program for the Senior Management team. In addition, we have further enhanced the organisation's new Performance and Development Planning scheme by introducing a more efficient, streamlined best-practice performance system.

In addition, the Screen Australia Enterprise Agreement was approved in September 2011.

### Staffing overview

At 30 June 2012, Screen Australia employed a total of 110 staff, 96 of whom were full-time and 14 part-time. There were 32 men and 78 women. Over the year the average number of full-time equivalent staff was 110.58.

The breakdown of staff at 30 June 2012 is detailed in the table below.

Department	Full-time	Part-time
Office of the CEO	2	Nil
Indigenous	3	2
Development	5	Nil
Production Investment	13	Nil
Marketing (Marketing & Recoupment)	10	3
State & Industry Partnerships	2	1
Finance (Finance, IMTS, Facilities & Services)	20	5
Legal & Producer Offset & Co-productions	11	3
Strategy & Operations (Governance, Strategy & Research, HR, Public Affairs & Publishing, Program Operations & Contracts Management)	30	Nil

### Communications

Corporate communications for Screen Australia are handled through the Publishing and Public Affairs Units. This includes strategic communications planning, public

relations and media management, and print and web publishing.

The new website design launched last year has continued to enhance stakeholders' access to Screen Australia's programs and activities, with a 32 per cent increase in visitor numbers in June 2012 compared to the same period the previous year. The next phase of website development was initiated during the year, involving the implementation of a new content management system. Planned for release late in 2012, the system will make it easier to maintain the site and reduce the time required to develop new functionality such as web apps. It will also provide a platform for increased user interaction and social media integration.

Web technologies continue to be used to help improve communication with stakeholders outside major centres. For example:

- supplementing industry forums in Melbourne, Adelaide and Sydney to discuss Screen Australia's report *Convergence 2011: Australian content state of play*, the findings were presented via webinar on 30 August, with more than 130 participants
- the presentation of Screen Australia's audience research *What to Watch? Audience motivation in a multi-screen world* in June 2012 was broadcast live via the web, and a recording subsequently made available through our YouTube channel and the Screen Australia site.

"Thank you so much," said one webinar participant. "...this has been a wonderful experience, a time saver and planet saver for me ...and the technology worked extremely well even here in the bush."

The Publishing Unit also maintains the organisation's internal intranet and supported the creation of special-purpose websites for major international festivals and markets such as Cannes, and print materials including guidelines, submissions, reports, catalogues and promotional collateral. This year's special-purpose Cannes website was expanded to over 338 pages, including 147 new pages (137 pop-ups and 10 landing pages) and 191 pages generated by the search engine in the new Australian Producers section. Screen Australia's infographic presentation of

research data was well received during the year, particularly the January 2012 *Did You Know?* focusing on the performance of Australian feature films at the box office and beyond.

Media releases and campaigns, keynote speeches at events such as the AIDC, SPAA and Game Connect Asia Pacific Conference, interviews and e-bulletins were used to communicate Screen Australia's messages to trade and mainstream

media and individual practitioners. Media highlights included Minister Simon Crean's participation in a celebration of Australian films' success at all six 2011 A-list international film festivals in October, as well as substantial coverage of Screen Australia's research into media convergence and attitudes to Australian content in October 2011, and the *What to Watch?* and *Catch-up TV* research in June 2012.

As of June 2012, there were 9,393 subscribers to Screen Australia's main e-bulletin (8,975 in June 2011), and 4,000 to the more targeted Producer Offset News (3,746 in June 2011). The research e-newsletters – the infographic bulletin *Did You Know?* and new *Industry Statistics Update* – finished the year with 6,094 subscribers (5,663 in June 2011).



Wild Boys





# Governance Statement

## INTRODUCTION

The legal framework for Screen Australia's corporate governance practices is set out in the *Screen Australia Act 2008*, the *Commonwealth Authorities and Companies Act 1997* (the CAC Act) and the *Public Service Act 1999*.

This legal framework is supplemented by a number of other internal protocols and measures that are consistent with the Department of Finance and Administration publication *Governance Arrangements for Australian Government Bodies* (2005) and the publication of the former Department of Communications, Information Technology and the Arts *General Guidance for Directors of Statutory Authorities* (2004), as well as the ANAO publications on Public Sector Governance. During 2011/12, the Minister for the Arts requested that Screen Australia and other arts agencies in the Minister's portfolio consider a more effective and coherent governance framework that aligns their activities, reporting and strategic planning processes with broader Government priorities and cultural policy objectives, within the context of the Government's development of the National Cultural Policy. To assist with the development of a consistent strategic planning and reporting framework, DRALGAS's OFTA engaged consultants to work with the agencies. While this work is underway, the Minister exempted Screen Australia from developing a Charter of Operations, and the governance reports that are associated with the Charter. Screen Australia has established a number of governance practices and procedures to ensure it adheres to appropriate levels of accountability, disclosure and transparency.

## BOARD

Screen Australia's Board comprised nine members during 2011/12. The terms of two of Screen Australia's original Board members,

Robert Connolly and Greg Smith, came to an end on 30 June 2012. See page 7 for details of the Board and their terms.

Board members are appointed by the Minister by written instrument. A member holds office for the period specified in the instrument of appointment. The period must not exceed three years. Members may be reappointed but the total period of Board membership must not exceed nine years.

The Board is responsible for the governance practices of Screen Australia.

### Attendance and remuneration

The Board is paid such remuneration and allowances as determined by the Remuneration Tribunal, out of the monies of Screen Australia.

Board members' attendance at Board meetings and Audit Committee meetings is set out on page 10.

### Role of the Board

The Board is responsible for performing its functions and exercising its powers consistent with the *Screen Australia Act 2008*. The Chief Executive Officer is appointed by the Minister, but is not a member of the Board.

The Board acts in accordance with its Charter and Code of Conduct, set out on pages 95 and 96. In accordance with Section 9 of the CAC Act, the Board is responsible for preparing the Annual Report and for giving it to the Minister for the Arts by 19 October 2012. The Hon Simon Crean MP is the current Minister for the Arts.

### Conflicts of interest

Board members' obligations are provided for in a number of legal instruments, including the *Screen Australia Act 2008* and the CAC Act. Board members are also subject to the Australian Public Service Code of Conduct and Values, and Screen Australia's Board Conflict of Interest Policy, which are available on Screen Australia's website. Board members who have a material personal interest in a

matter under consideration by the Board or the Audit Committee are required to declare that interest. A Board member with a material personal interest in a matter being considered by the Board is required to leave the meeting while the matter is considered and a decision is made. Disclosure of such interests and departure from the meeting are recorded in the minutes of the meeting.

The Governance Manager is responsible for maintaining a register of standing interests of Board members. The register is reviewed by the Board quarterly and prior to adoption of the Annual Report.

#### **Audit Committee**

The Audit Committee was established in accordance with section 32 of the CAC Act, to assist the Board in the discharge of its responsibilities. During 2011/12, the Audit Committee consisted of Ian Robertson (Chair), Greg Smith and Deanne Weir.

The Audit Committee provides a forum for communication between the full Board, senior management and Screen Australia's internal and external auditors.

Pursuant to the Charter of the Audit Committee, the Committee must satisfy itself that the internal management and accounting controls are operating effectively, review the risk management strategy, consider external audit reports, monitor management's implementation of recommendations, and regulatory compliance.

The Chief Executive, Chief Operating Officer, Chief Financial Officer and the General Counsel have a standing invitation to attend each meeting, and representatives of internal and external auditors are invited as observers. The Audit Committee met on four occasions during the year (see page 10 for details).

#### **External audit**

Under section 8 of the CAC Act, the Auditor-General is the external auditor of Screen Australia.

#### **Internal audit**

Screen Australia maintains an internal audit function, which reports to the Audit Committee. The current internal auditor is RSM Bird Cameron. The role of the internal auditor includes monitoring of the risk management plan, assurance regarding the accuracy of financial and management information, asset protection, regulatory compliance and fraud control.

The audit strategies of the internal auditor are subject to review by the Audit Committee on an annual basis. The internal audit report of operations is reviewed at meetings of the Audit Committee.

#### **Risk management**

Screen Australia's risk management policy and plan provides a formal framework for effectively managing its business risks. The plan categorises Screen Australia's business risks using methodologies derived from Australian/New Zealand Standard AS/NZS 31000:2009 Risk Management.

In 2011/12, Screen Australia adopted its Business Continuity Management Policy and Framework based on the principles of AS/NZS5050 Business Continuity and is rolling out its risk assessment across the agency. Screen Australia again participated in the Comcover Risk Management Benchmarking Survey and received an improved score compared to last year.

#### **Fraud control**

The Board has a current Fraud Risk Assessment and Fraud Control Plan in place, in accordance with section 28 of the CAC Act and the *Fraud Control Guidelines 2002* issued by the Minister for Justice and Customs.

The plan verifies Screen Australia's general status as a low-risk agency. This assessment was based on the adequacy of the controls that are in place or are being implemented.

The agency has in place appropriate fraud prevention, detection, investigation and reporting procedures that meet its specific needs and comply with the Fraud Control Guidelines.



# Board Charter

The Board is responsible to the Minister for the Arts for the performance of Screen Australia. The Board's role, responsibilities and powers are set out in the *Screen Australia Act 2008* and the *Commonwealth Authorities and Companies Act 1997*.

The Board is responsible for the strategic directions and objectives of Screen Australia, as represented in the Corporate Plan and other strategy documents. The Corporate Plan is reviewed annually. The Board's responsibilities include the governance practices of Screen Australia.

Subject to certain authority limits and reporting requirements, the Board reserves the following matters:

- expenditure of funds outside the current financial authorisations
- approval of material changes to guidelines for all funding programs
- approval of policy positions advocated by Screen Australia
- Statement of Intent
- Compliance Report
- Annual Report
- Corporate Plan (including strategic plan and overall strategic directions)
- the annual budget and material departures from the approved budget for each Strategic Business Unit (SBU).
- financial reports (at SBU level)
- monitoring of Official Co-production Program
- monitoring of the Producer Offset program
- certification of projects applying for the Producer Offset in accordance with established Screen Australia policy
- membership of the Audit Committee and other Board committees
- risk management and monitoring of operational and financial risks.

The Board may decide on other matters as necessary and at its discretion. An Audit Committee is to be established to assist the Board in the discharge of its responsibilities and its role will be contained in a Charter to be established by the Board. Other committees of the Board are to be established as needed.

The Board Charter will be included in each annual report of the Board.

# Board Code of Conduct

The Code sets out the standards of personal and professional conduct required of board members. The standards concern personal integrity, honesty, self-discipline, diligence and professional competence.

Board members have an obligation to accept and abide by this Code in spirit as well as by the letter of the law.

Board members must at all times:

- a) Understand and uphold the values and objectives of Screen Australia.
- b) Be familiar with the *Screen Australia Act 2008*, its policies and procedures, and the duties of directors as defined in the relevant legislation including the *Commonwealth Authorities and Companies Act 1997*.
- c) Prepare for, attend, and participate actively in board meetings, and make decisions in a timely, fair and efficient manner.
- d) Ensure decisions of the board are based on the best evidence and information available.
- e) Maintain good relations with other government agencies and have regard to stakeholders.
- f) Report immediately any personal conflicts of interest or serious breaches of the law to the board.
- g) Conduct themselves with regard to the reputation, purpose, objectives and interests of Screen Australia, and not do, say, or omit to do anything which might bring Screen Australia into disrepute, be inconsistent with or detrimental to its objectives and interests or cast doubt on the professional integrity of board members.
- h) Not claim or give the impression that they are representing the official views of Screen Australia, unless they have been expressly authorised to do so.
- i) Perform their duties diligently, conscientiously and without favour to themselves or another person.
- j) Not improperly use information they have obtained as a result of their position, and ensure that confidential information is not disclosed improperly, or only as required.



# Statutory Reports

## JUDICIAL DECISIONS AND REVIEWS BY OUTSIDE BODIES

On 7 March 2012, the Federal Court of Australia dismissed Screen Australia's appeal from the decision of the AAT in the matter of *EME Productions No 1 Pty Ltd v Screen Australia* (*Lush House* proceedings). In the *Lush House* proceedings, the AAT had set aside Screen Australia's decision that the program, a television series entitled *Lush House*, is not a documentary. In dismissing Screen Australia's appeal, the Full Federal Court did not decide the meaning of the term 'documentary' as used in the Producer Offset legislation. However, the Court found that there was no material error in the decision of the AAT.

## FREEDOM OF INFORMATION

Screen Australia publishes an Information Publication Scheme on its website.

The *Freedom of Information Act 1982* (FOI Act) requires Screen Australia to publish specific pieces of information, including detailed information about the way it is organised, its powers, the kinds of decisions made, arrangements for public involvement in the work of the agency, documents held by the agency and how members of the public can access these documents. Screen Australia has elected to provide these on its website, in accordance with the Information Publication Scheme.

### FOI procedures

Applicants seeking access to documents in the possession of Screen Australia under the FOI Act should apply in writing to:

Freedom of Information Coordinator  
Screen Australia  
GPO Box 3984  
SYDNEY NSW 2001

or by email to [foi@screenaustralia.gov.au](mailto:foi@screenaustralia.gov.au)

The FOI Coordinator may be contacted by telephone on 02 8113 1056 during normal business hours.

If you disagree with Screen Australia's decision, you can request in writing that it reconsider its decision through an internal review. An internal review will be conducted by another officer in the agency.

You can ask the Australian Information Commissioner to review Screen Australia's original decision or its decision on internal review within 60 days of the date of decision. The Information Commissioner can affirm or vary the decision or substitute a new decision. The Information Commissioner may decide not to conduct a review in certain circumstances.

If you are unhappy with the way Screen Australia has handled your request, you can make a complaint to the Australian Information Commissioner who may investigate Screen Australia's actions. The Commonwealth Ombudsman can also investigate complaints about Screen Australia's actions.

### Facilities for access

If Screen Australia approves access, and after it has received payment of any charges that may apply, copies of the documents concerned will be provided.

Alternatively, applicants may arrange to inspect documents at the Screen Australia offices in Sydney or Melbourne, or at the nearest regional office of the National Archives of Australia (Canberra, Brisbane, Perth, Adelaide, Hobart or Darwin).

The application fees and charges for FOI requests are determined in Schedules to the FOI (Fees and Charges) Regulations. Charges may be remitted on request if their imposition would cause undue financial hardship or release of the documents is in the general public interest. A decision not to remit the charges must be made within 30 days of a request being made.

### FOI Act statistics 2011/12

Six valid requests for information under the FOI Act were received during 2011/12 and information that was not exempt was provided.



## PRIVACY

Screen Australia adhered to the requirements of the *Privacy Act 1988* and to the Privacy Commissioner's guidelines in relation to the collection, maintenance, storage and release of personal information. Predecessor agency the AFC provided information as required to the Privacy Commissioner for inclusion in the annual *Personal Information Digest*, as will Screen Australia.

No complaints under the *Privacy Act 1988* were received during 2011/12.

## EFFECTS OF MINISTERIAL DIRECTIONS

Section 44 of the *Screen Australia Act 2008* provides that:

1. The Minister may, by legislative instrument, give written directions to the Board:

- a) in relation to the performance of the functions of, and the exercise of powers of, Screen Australia; or
- b) requiring the provision of a report or advice on a matter that relates to any of Screen Australia's functions or powers.

Note 1: Section 42 (disallowance) of the *Legislative Instruments Act 2003* does not apply to the direction – see section 44 of that Act.

Note 2: Part 6 (sunsetting) of the *Legislative Instruments Act 2003* does not apply to the direction – see section 54 of that Act.

2. The Minister must not give a direction in relation to a decision by the Board to provide support to a

particular person or for a particular program.

3. The Board must ensure that any direction given by the Minister under subsection (1) is complied with.
4. This section does not limit the operation of section 16 of the CAC Act.

During 2011/12 there were no Ministerial Directions received.

## CONTINGENCY LIABILITY STATEMENT

As required by part 7, subsection 43 of the *Screen Australia Act 2008*, the following statement is furnished:

- a) no new guarantees were provided by the Board during the year ended 30 June 2012
- b) there is no amount subject to guarantee as at 30 June 2012.

Screen Australia can, at times, provide bank loan guarantees and underwriting as a form of assistance. Any underwritten projects are included within project commitments in the Schedule of Commitments on page 134 and the guarantees are included in the Schedule of Contingencies on page 135.

## **INDEMNITY AND INSURANCE PREMIUMS**

Screen Australia's Comcover premium covers the normal general and property risks as well as directors' and officers' liability. Workers' compensation is insured through Comcare Australia.

## **OCCUPATIONAL HEALTH AND SAFETY**

In accordance with the introduction of the new *Work Health and Safety Act 2011*, Screen Australia is undertaking a review of existing Health and Safety Management Arrangements (HSMAs). Screen Australia is committed to promoting measures to ensure the health, safety and welfare of our employees at work; provide the mechanisms for consultation and dispute resolution between Screen Australia, our workers and its staff-elected Health and Safety Representatives (HSRs), and set out the way the Health and Safety Committee (HSC) is constituted. Briefing sessions on the new *Work Health and Safety Act 2011*, facilitated by a lawyer from Australian Government Solicitor, were provided for all staff.

In 2012, Screen Australia arranged an on-site Influenza Vaccination Service open to all staff, and 23 staff members availed themselves of this service. Reimbursement for the cost of influenza vaccinations was also offered to all staff.

There were no accidents or incidents reported to Comcare under the *Work Health and Safety Act 2011* and no notices issued or investigation conducted under the Act.

## **COMMONWEALTH DISABILITY STRATEGY**

Through its 2011/12 funding programs, Screen Australia supported The Other Film Festival, Australia's largest disability film festival, and Access All Areas Travelling Film Festival, NSW's first fully accessible travelling film festival.

Screen Australia requires that all feature films it finances put aside a portion of their budget to caption for cinema and DVD release, a policy designed to encourage accessibility of screen content for hearing-impaired people. Screen Australia's Terms of Trade encourage producers of all content to budget for audio description as well as captioning, to provide access for both hearing and vision-impaired audiences.

Feature film producers are also required by Screen Australia to use reasonable endeavours to ensure that all Australian distribution agreements include access for the hearing-impaired via captioned theatrical screenings and DVDs.

Screen Australia endeavours to make information easily accessible for its stakeholders. The Screen Australia website was built to comply with the Priority One checkpoints and the majority of Priority Two checkpoints (ie Conformance Level A) of the Web Accessibility Initiative (WAI) Web Content Accessibility Guidelines 1.0. Further development will also aim to comply to at least this level.

## **ENVIRONMENTAL PROTECTION AND BIODIVERSITY STATEMENT**

Screen Australia maintains a commonsense Environmental Management policy based on the practical recommendations of *ESD Operations Guide for Owners, Managers and Tenants*, published by the former Department of the Environment, Water, Heritage and the Arts. This policy aims to reduce resource wastage at all premises through systems and procedures, responsible procurement decisions and active promotion to staff of environmental initiatives such as Earth Hour and Ride to Work Day.

# Portfolio Budget Statement (PBS) 2011/12

## PERFORMANCE INDICATORS

**OUTCOME 1: Enhancement to Australia's screen culture, nationally and internationally, by supporting the development of the Australian screen production industry and by developing, producing, promoting and providing access to diverse Australian programs.**

### CONTRIBUTIONS TO OUTCOME 1

Program 1.1: Foster the Australian screen industry through strengthening the skills of screen content practitioners and developing, investing in producing Australian screen content, and promoting it to audiences.

### COMPONENTS OF PROGRAM 1.1

The key results will be for creative individuals and businesses, through financial and other assistance, to make high-quality film, television and other screen programs and for these programs to attract Australian audiences and international markets.

### KPI: DEVELOPMENT

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**Target:** At least five projects with strong audience-engaging potential identified.

**Target met:** Twenty projects with strong audience-engaging potential (commercial and/or cultural), and provided with financial, creative and professional support through single-project development and/or workshops.

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**Target:** At least 10% of projects developed by Screen Australia that proceed into production.

**Target met:** Eleven projects in receipt of development funding since July 2011 and have proceeded from development into production. Eleven projects out of 94 developed – approximately 12%.

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**Target:** At least two digital media development projects with critical and/or commercial success.

**Target met:** Thirteen projects were supported for All Media Production in the reporting period, and all are fully financed. Seventeen projects were supported for development in the reporting period through the Digital Ignition Program.

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### KPI: STATE AND INDUSTRY PARTNERSHIPS

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**Target:** At least a 15% increase in number of projects completed by companies funded under Enterprise Program.

**Target met:** Production starts rose by 17.5% from 40 to 47. The number of series in production increased 44% from nine to 13.

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**Target:** At least a 12% increase in revenue of companies funded under Enterprise Program.

**Target met:** Total revenue increased by 59.9%.

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**Target:** At least a 15% increase in number of people being mentored or attached to companies as interns in companies funded under Enterprise Program.

**Target met:** An overall increase of 23%. Mentorships increased from nine to 18, while internships and traineeships fell slightly from 25 to 24. The number of companies offering places increased from eight to 10 (+25%).

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## KPI: EXPANDING INDIGENOUS SCREEN CONTENT CREATION

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**Target:** 15% of drama scripts with Screen Australia development assistance seeking finance, in production or complete within three years.

**Target met:** 60% of Indigenous drama scripts with Screen Australia development assistance were seeking finance, in production or complete within three years. During the three-year period from 1 July 2009 to 30 June 2012 the Indigenous Department invested in 25 drama scripts. Fifteen projects are seeking finance, in production or completed production.

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**Target:** 75% of Indigenous feature films with Screen Australia production investment achieving Australian theatrical release or TV broadcast commitment or major festival selection.

**Target met:** 100% achieved theatrical release or TV broadcast commitment. Two feature films previously funded by the Indigenous Department had a theatrical release and a TV broadcast during the period. *Toomelah* was released in cinemas and *Here I Am* was broadcast on the ABC. The feature film *Mystery Road*, funded by the Indigenous Department, is currently in production and will be broadcast on the ABC.

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**Target:** At least three internships and mentor programs offered annually.

**Target met:** Three filmmakers (Ruby Langton-Batty, Cornel Ozies and Tracey Rigney) were supported to be attachments to various departments on the feature film *The Sapphires*. Two filmmakers (Joseph Stewart and Kieran Satour) were supported to be attachments on two Flash Black short dramas. Steven McGregor, an experienced Indigenous director, mentored emerging director Tiffany Parker on her short film, *Scar*. An internship with an Indigenous production company was supported in this reporting period and will commence later in 2012. An internship with Arenamedia supported in previous years is still ongoing.

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## KPI: INVESTING IN QUALITY CONTENT

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**Target:** At least 25% of feature film slate selected for screening at major international festivals each year.

**Target met:** Of the 25 features completed or released in 2011/12, nine (36%) were selected for a major festival that announced its selections or commenced in the reporting period:

*Burning Man* (Toronto 2011)

*The Eye of the Storm* (Toronto 2011)

*Hail* (Venice 2011)

*The Hunter* (Busan, Toronto 2011)

*Red Dog* (Busan, Berlin 2011)

*The Sapphires* (Cannes 2012)

*Sleeping Beauty* (Toronto 2011)

*Snowtown* (Busan, San Sebastian, Toronto 2011)

*Wish You Were Here* (Sundance 2012).

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**Target:** At least \$3.10 of production expenditure generated for each \$1 of Screen Australia investment in features.

**Target met:** Total Screen Australia investment: \$18.09 million.

Total production budgets: \$83.39 million.

Every \$1 invested generated \$4.61 of production for the period July 2011 – June 2012.

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**Target:** At least 25% of the documentary slate is selected for screening at major international festivals.

**Target met:** Result: 40% (10 documentaries).

Of the 25 one-off documentary projects released in the reporting period, 10 were selected for major festivals with a total of 14 screenings:

*The First Interview* (Telluride)

*Goa Hippy Tribe* (IDFA)

*The Hungry Tide* (IDFA)

*Mad as Hell: Peter Finch* (Busan)

*Mrs Carey's Concert* (IDFA)

*Murundak: Songs of Freedom* (Valladolid)

*My Thai Bride* (Hot Docs, IDFA)

*Scarlet Road* (Hot Docs, Sheffield International Documentary Festival, SXSW)

*The Tall Man* (Toronto, IDFA)

*Then the Wind Changed* (IDFA).

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**Target:** At least \$2.10 of production expenditure generated for each \$1 of Screen Australia investment in documentaries.

**Target met:** Every \$1 invested in documentary generated \$2.99 worth of production for the period July 2011 – June 2012.

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**Target:** At least 25% of adult TV slate given premiere at major market.

**Target met:** Of the 18 adult TV dramas which were completed, released or in-release during 2011/12, 12 (67%) were launched at a major market held during the reporting period (note: second and third series titles are not included in market launch KPIs):  
*The Broken Shore* (MIPTV 2012)  
*Brothers in Arms* (MIPTV 2012)  
*Danger 5* (MIPTV 2012)  
*Dripping in Chocolate* (MIPTV 2012)  
*The Great Mint Swindle aka Sundowner* (MIPTV 2012)  
*Jack Irish: Black Tide* (Part 1) and *Bad Debts* (Part 2) (MIPTV 2012)  
*Miss Fisher's Murder Mysteries series 1* (MIPTV 2012)  
*Rake series 1 & 2* (MIPTV 2012)  
*The Slap* (MIPCOM 2011)  
*SLiDE* (MIPCOM 2011)  
*Twentysomething* (MIPCOM 2011)  
*Wild Boys* (MIPCOM 2011).

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**Target:** At least \$4.10 of production expenditure generated for each \$1 of Screen Australia investment in adult TV.

**Target met:** Total Screen Australia investment: \$13.53 million.  
Total production budgets: \$75.11 million.  
Every \$1 invested generated \$5.55 of production for the period July 2011 – June 2012.

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**Target:** At least 20% of children's TV slate given premiere at major market.

**Target met:** Of the eight children's TV dramas which were completed, released, or in-release during 2011/12, two (25%) were launched at a major market during the reporting period (note: second and third series are not included in market launch KPIs):  
*The Adventures of Figaro Pho* (MIPTV 2012)  
*Gasp!* (MIPTV 2012).

---

**Target:** At least \$3.10 of production expenditure generated for each \$1 of Screen Australia investment in children's TV.

**Target met:** There were five children's TV drama projects approved in the period July 2011 – June 2012.  
Total Screen Australia investment: \$8.27 million.  
Total production budgets: \$40.8 million.  
Every \$1 invested generated \$4.93 of production for the period July 2011 – June 2012.

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## KPI: MARKETING

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**Target:** At least five films provided with P&A support for theatrical release.

**Target met:** Financial support to three feature films:

*Santa's Apprentice*

*Not Suitable for Children*

*The Sapphires.*

A loan approved for *The Curse of the Gothic Symphony*.

Strategic marketing advice to producers and distributors towards theatrical release of five further films.

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**Target:** At least five films provided with P&A support for release on other platforms.

**Target met:** Eighteen titles distributed by Innovative Distribution companies.

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**Target:** At least 50 filmmakers funded to travel to international events.

**Target met:** More than 74 filmmakers supported through 71 travel grants, one ACE scholarship and three FICCI Frames Conference grants. Recipients attended the international premieres of their films at key events; raised finance in the international marketplace; pitched new projects at special industry gatherings or attended high-level awards events.

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**Target:** At least 10 festival and/or touring programs provided with support, ensuring screenings in capital cities and/or regional centres.

**Target met:** Financial support was provided to 15 festivals, including capital city events and regional touring programs.

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## Appendix 1

# Enabling legislation

Section 6 of the *Screen Australia Act 2008* lists the functions of Screen Australia as:

1. The functions of Screen Australia are to:
  - (a) support and promote the development of a highly creative, innovative and commercially sustainable Australian screen production industry; and
  - (b) support or engage in:
    - (i) the development, production, promotion and distribution of Australian programs; and
    - (ii) the provision of access to Australian programs and other programs; and
  - (c) support and promote the development of screen culture in Australia; and
  - (d) undertake any other function conferred on it by any other law of the Commonwealth.

*Ways in which support may be provided*

2. The ways in which Screen Australia may provide support as mentioned in subsection (1) include (but are not limited to) doing any of the following:
  - (a) providing financial assistance (whether by way of loan, grant, investment or otherwise and whether on commercial terms or otherwise);
  - (b) providing guarantees;
  - (c) commissioning or sponsoring programs or other activities;
  - (d) providing services, facilities, programs or equipment.

*Considerations governing the performance of functions*

3. In performing its functions Screen Australia is, as far as practicable, to:
  - (a) ensure the development of a diverse range of Australian programs that deal with matters of national interest or importance to Australians, or that illustrate or interpret aspects of Australia or the life and activities of Australian people; and
  - (b) place an emphasis on:
    - (i) documentaries; and
    - (ii) programs of interest or relevance to children; and
    - (iii) programs with a high level of artistic and cultural merit; and
  - (c) promote the open market as the primary means of support for projects with commercial potential; and
  - (d) promote the development of commercially focused screen production businesses; and
  - (e) promote the efficient, effective and ethical use of public resources.

*Screen Australia may charge fees*

4. Screen Australia may charge fees for things done in performing its functions.

*Screen Australia may cooperate with others*

5. Screen Australia may perform its functions alone or together with other persons.

### *Severability*

6. Without limiting its effect apart from this subsection, this Act also has the effect it would have if the powers and functions of Screen Australia were confined to powers and functions that were to be exercised and performed:
  - (a) in so far as it is appropriate for those powers and functions to be exercised and performed by Screen Australia on behalf of the Government of the Commonwealth as the national Government of Australia; and
  - (b) for purposes for which it is appropriate for the Parliament, as the national Parliament of Australia, to authorise Screen Australia to exercise powers and perform functions; and
  - (c) in relation to expenditure of money that is available for the purposes of Screen Australia in accordance with an appropriation made by the Parliament; and
  - (d) in relation to trade and commerce with other countries, among the States, between Territories or between a Territory and a State; and
  - (e) in relation to postal, telegraphic, telephonic, and other like services; and
  - (f) in relation to the collection of statistics; and
  - (g) in relation to external affairs; and
  - (h) in relation to a Territory; and
  - (i) in relation to the executive power of the Commonwealth; and
  - (j) in relation to matters incidental to the execution of any of the legislative powers of the Parliament or the executive power of the Commonwealth.

### **Powers of Screen Australia**

Section 7 of the *Screen Australia Act 2008* lists the powers of Screen Australia:

1. Screen Australia has power to do all things necessary or convenient to be done for or in connection with the performance of its functions.
2. Screen Australia's powers include, but are not limited to, the following powers:
  - (a) to accept gifts, devises, bequests and assignments (whether on trust or otherwise);
  - (b) to act as trustee of money, programs or other property vested in Screen Australia on trust;
  - (c) to act on behalf of the Commonwealth or an authority of the Commonwealth in the administration of a trust relating to programs or to matters connected with programs;
  - (d) with the written approval of the Minister, but not otherwise:
    - (i) to form, or participate with other persons in the formation of, a company; or
    - (ii) to acquire, hold or dispose of shares or stock in the capital of, or debentures or other securities of, a company;
  - (e) to do anything incidental to any of its functions.
3. Despite anything contained in this Act, any money, programs or other property held by Screen Australia on trust must be dealt with in accordance with the obligations of Screen Australia as trustee of the trust.

## Appendix 2

# Assessors and script consultants

### **Indigenous Department**

Sue Castrique, Amiel Courtin-Wilson, Jackie McKimmie.

### **Production Investment Department**

Miro Bilbrough, Paul Callaghan, Sandy Cameron, Andy Cox, Matthew Dabner, Wain Fimeri, Gary Hayes, James Hewison, Sheridan Jobbins, Antony Reed, Tim Richards, Glenys Rowe, Joan Sauers, Eleanor Smagarinsky, Victoria Treole, Lynne Vincent McCarthy.

### **Enterprise Department**

Jonathan Olsberg, Christina Willoughby.

### **Development Department**

Karin Altmann, Emily Anderton, Michael Brindley, Marcus Cole, Andy Cox, Louise Gough, Sheila Hanahan Taylor, Michael Hauge, David Hely, Amree Hewitt, Steve Kaplan, Meg LeFauve, Zyra McAuliffe, Nathalie Peter-Contesse, Tim Richards, Joan Sauers, Lucy Scher, Paul Welsh, Naomi Wenck, Rodney Whitham.

### **Marketing Department**

Gayle Lake.

## Appendix 3

# Investments, loans, grants and other initiatives

Lists full Screen Australia contribution to projects approved/commissioned during 2011/12, rather than actual expenditure during the year.

Title	Applicant	Amount \$
<b>DEVELOPMENT DEPARTMENT</b>		
<b>Feature Development</b>		
Addition	Buon Giorno Productions Pty Ltd	37,500
Alex and Eve	Alex and Eve Pty Ltd	12,000
Ali's Wedding	Matchbox Productions Pty Ltd	27,500
Almost French	Sonja Armstrong	11,634
Aussie Gals	Josephine Emery	27,000
Backtrack	See Pictures	30,000
Bad Angel	Talk Films Pty Ltd	15,000
Banjo & Matilda	Lucky Country Productions Pty Ltd	15,000
Banjo & Matilda	Lucky Country Productions Pty Ltd	20,000
Bdazl	Bdazl Pty Ltd	37,350
Berlin Syndrome	Aquarius Films Pty Ltd	34,500
Black Echoes	Lux Monkey Pty Ltd	29,000
Bogan Wedding	Bogan Wedding Film	23,000
Bon Scott	Circe Films Pty Ltd	20,000
Breath	Breath Production Pty Ltd	35,500
The Bunyip of Berkeley's Creek	Melodrama Pictures Pty Ltd	20,000
Byzantium	Melodrama Pictures Pty Ltd	25,000
The Canary Cottage	Scope Red	25,000
Choir of Hard Knocks	Macgowan Films Pty Ltd	25,000
Choir of Hard Knocks	Macgowan Films Pty Ltd	25,000
Chronical	Chaotic Pictures	26,000
Coonardoo	Patricia Hunder	39,000
Defiant	Honour Killing Productions Pty Ltd	30,000
Defiant	Honour Killing Productions Pty Ltd	20,000
The Devil's Staircase	Macgowan Films Pty Ltd	15,500
The Diary of Jimmy Porter	Lisa McCune	35,000
Disquiet	Lindesay Island Pty Ltd	30,000

<b>Title</b>	<b>Applicant</b>	<b>Amount \$</b>
The Docks	See-Saw Productions Pty Ltd	31,000
Dog Training for Beginners	Pip Karmel	30,000
The Dressmaker	Film Art Media	40,000
The Dressmaker	Film Art Media	15,000
Elvis in Bollywood	Robyn Kershaw Productions Pty Ltd	15,000
Emily Tempest	Mushroom Pictures Pty Ltd	3,750
Enemy Alien	Tree (Australia) Pty Ltd	33,500
Ernee	Adam Elliot Pictures Pty Ltd	34,000
The Evolution of Bruno Littlemore	Magic Films Pty Ltd	3,000
Force of Destiny	Illumination Films Pty Ltd	33,300
Fucked! A Romance	Andy Cox	30,000
Galore	Film Camp Pty Ltd	20,000
Gin and Tonic	Gin & Tonic Productions	38,000
The Glass Blower (aka A Life Half Lived)	Benchmark Films	20,000
The Great	Macgowan Films Pty Ltd	31,500
The Grey Nomads	Jodi Matterson	37,500
The Household Guide to Dying	GFN Productions	27,000
Jasper Jones	Porchlight Films Pty Ltd	40,000
Joe Cinque's Consolation	Fandango Australia	13,000
Julian Corkle Is a Filthy Liar	Macgowan Films Pty Ltd	16,000
Julian Corkle Is a Filthy Liar	Macgowan Films Pty Ltd	10,000
Kingdom Come	Beyond Screen Production Pty Ltd	30,000
Koala Blue	Maleny Films Pty Limited	27,500
Last Cab to Darwin	Hydra Hamlet Pty Ltd	30,000
Life	See-Saw Productions Pty Ltd	43,000
The Line	Sarah Walker	20,000
Little Fur: The Legend Begins	HZ Entertainment	28,000
Los Alamos	See-Saw Films Pty Ltd	40,000
The Make-up Girl	Tree (Aust) Pty Ltd	29,000
Marauder	Corner Table Productions Ltd	31,000
Memorial Day	Vivid Films Pty Ltd	38,000
Metamorphosis	Palm Beach Pictures Pty Ltd	20,000
Michael (aka Michael H)	Ghost Pictures	33,000
Michael H	Ghost Pictures	38,500
Mozart Maulers	Lesley Dyer	10,000
A Murder of Crows	Prodigy Movies Pty Ltd	20,000



<b>Title</b>	<b>Applicant</b>	<b>Amount \$</b>
My Mistress	Leanne Tonkes	24,000
Nim's Island: The Return of the Pirates	Pictures in Paradise	15,000
Now Add Honey	Gristmill Pty Ltd	22,850
An Oddball Situation	Kmunications Pty Ltd	37,000
One White Crow	Allotria Productions	23,000
Out West	GFN Productions	30,000
The Outrageous Barry Rush	Atlantic Film Group	34,250
Paper Planes	Arenamedia Pty Ltd	25,000
Piccolo: The Dolphin Prince	Emu Creek Pictures Pty Ltd	30,000
Plates Day	Spirited Films Pty Ltd	22,000
Please Explain	Mini Studios Pty Ltd	20,000
The Post Office	Aquarius Films Pty Ltd	20,000
Prince Leonard	Brian Hoose & Associates Pty Ltd	19,729
Remarkable Creatures	Galvanized Film Group Pty Ltd	45,000
Remarkable Creatures	Galvanized Film Group Pty Ltd	30,000
The Removalists	Pointblank Pictures Pty Ltd	34,000
The Riders	Whale Beach Ltd	15,000
The Right Hand (aka Son of a Gun)	Southern Light Films Pty Ltd	27,500
Rockpool	Dragonet Films Pty Ltd	13,000
Salvation Creek	Galvanized Film Group Pty Ltd	37,000
Santa: Lost Down Under	Bruce's Dream Productions Pty Ltd	20,000
Scarygirl	Passion Pictures	25,000
Scratch the Surface	Happening Films	20,000
Secret Sisters	Go Gill Films Pty Ltd	30,000
Sentido	Babilu Films	10,500
Silent Disco	Vanguard Productions Pty Ltd	23,250
Silent Disco	Vanguard Productions Pty Ltd	38,250
The Stockpicker	Enjoy Entertainment Pty Ltd	31,000
Strangerland	Dragonfly Pictures Pty Ltd	15,000
Synchronicity	GFN Productions	20,000
Tide of Souls	Factor 30 Films Pty Ltd	33,000
Tracks	See-Saw Productions Pty Ltd	20,000
Training Grounds	360 Productions Pty Ltd	14,250
The Tunnel: Dead End	Distracted Media Pty Ltd	40,000
Under	Alice Addison	24,000
Untitled Australia Project	Night Kitchen Productions	28,000

Title	Applicant	Amount \$
Untitled Lucky Project	Blue Tongue Films	40,500
What Alice Forgot	Porchlight Films Pty Ltd	48,000
<b>Total Feature Development</b>		<b>2,655,113</b>

### Short Animation Production

The Crossing	Studio Balloon Pty Ltd	150,000
The Gallant Captain	The Lampshade Collective	150,000
<b>Total Short Animation Production</b>		<b>300,000</b>

### Short Film Completion

Lois	Birdcage Films Pty Ltd	27,545
The One Who Broke Your Heart	Lightshaft Entertainment	34,000
Spine	Emerald Productions Pty Ltd	40,000
Strangeface	Second Sight Productions Pty Ltd	31,000
<b>Total Short Film Completion</b>		<b>132,545</b>

### Springboard Short Film Production

The Last Time I Saw Richard	Mushroom Pictures Pty Ltd	150,000
Perception	Emerald Productions	150,000
Snowblind	Colour in Pictures	150,000
<b>Total Springboard Short Film Production</b>		<b>450,000</b>

### Targeted Initiatives

Andrew Bovell Workshop 11/12	ScreenWest	6,709
AURORA 11/12	Screen NSW	30,000
The Evolution Masterclass 11/12	Screen Queensland	40,000
Feature Navigator 11/12	ScreenWest	24,940
Film Lab 11/12	South Australian Film Corporation	44,000
GoldPass 11/12	Screen Tasmania	40,000
High Concept Workshop 11/12	Michael Hauge	18,250
The Hive 12/13	Adelaide Film Festival	20,000
Ignite 11/12	Screen Territory	40,000
In the Raw 11/12	Dungog Film Festival	20,000
Inside Out/Outside In 11/12	Screen NSW	22,000
LA Internship 11/12	AFTRS	17,500
MIFF: 37°South 11/12	Filmfest Limited	10,620

<b>Title</b>	<b>Applicant</b>	<b>Amount \$</b>
Producer Pod 11/12	ScreenACT	45,000
Roughcut 11/12	Tropfest Festival Productions Pty Ltd	5,000
The Script Factory 11/12	Script Factory	49,961
Script Lab 11/12	Film Victoria	40,000
Springboard 11/12	Paul Welsh	35,000
<b>Total Targeted Initiatives</b>		<b>508,980</b>

### **Internships**

Adam Bishop Internship	Adam Bishop	28,000
Adam Dolman Internship	Adam Dolman	16,600
Bec Cubitt Internship	Bec Cubitt	15,000
Benjamin Gilovitz Internship	Benjamin Gilovitz	30,000
John Ratchford Internship	John Ratchford	20,000
Leonie Savvides Internship	Leonie Savvides	25,000
Mary Minas Internship	Mary Minas	15,000
Melissa Kelly Internship	Factor 30 Films Pty Ltd	25,000
Michelle Sahayan Internship	Michelle Sahayan	25,000
Sheila Jayadev Internship	Butternut Pumpkin Productions	28,000
Zyra McAuliffe Internship	Zyra McAuliffe	38,000
<b>Total Internships</b>		<b>265,600</b>

### **Director's Acclaim Fund**

Michael Cody Acclaim Fund	Michael Cody	15,000
P Sarell & A Lockhart Acclaim Fund	The LampShade Collective	15,000
<b>Total Director's Acclaim Fund</b>		<b>30,000</b>

<b>TOTAL DEVELOPMENT</b>	<b>4,342,238</b>
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Title	Applicant	Amount \$
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## PRODUCTION INVESTMENT DEPARTMENT

### Feature Production

100 Bloody Acres	Cyan Films Pty Ltd	867,210
The Babadook	Babadook Films Pty Ltd	764,616
Coral Rekindling Venus	Felix Media Pty Ltd	380,000
Galore	Film Camp Pty Ltd	813,017
Last Dance	F G Film Productions (Australia) Pty Ltd	553,332
Lovers and Sons (aka The Grandmothers)	The Grandmothers Pty Ltd	989,500
The Mule	The Mule Development Company	1,265,569
The Pappas Brothers	Pank & Martin Pty Ltd	465,000
Patrick	Roget Clinic Pty Ltd	1,081,905
The Railway Man	Pictures in Paradise Pty Ltd	2,050,000
The Rocket	Red Lamp Films Pty Ltd	881,050
Save Your Legs!	Save Your Legs Pty Ltd	2,355,350
Storm Surfers 3D	Storm Surfers 3D Pty Ltd	865,547
These Final Hours	8th in Line Productions Pty Ltd	716,275
Tracks	See-Saw Productions Pty Ltd	2,397,500
The Turning	Arenamedia Pty Ltd	1,146,021
Dead Europe (variation only)	See-Saw Films Pty Ltd	45,000
A Few Best Men (variation only)	A Few Best Men Pty Ltd	50,000
Kath & Kimderella (variation only)	Riley Turner Productions Pty Ltd	200,000
Not Suitable for Children (variation only)	Matterson Productions Pty Ltd	50,000
The Sapphires (variation only)	The Sapphires Film Holdings Pty Ltd	150,000
<b>Total Feature Production</b>		<b>18,086,892</b>

### TV Drama

The Broken Shore	Essential Media and Entertainment Pty Ltd	885,000
Brothers in Arms	Screentime Pty Ltd	875,000
Devil's Dust	FremantleMedia Australia Pty Ltd	1,171,206
The Doctor Blake Mysteries	December Films Pty Ltd	1,360,000
Dripping in Chocolate	Southern Star Entertainment Pty Ltd	652,351
The Great Mint Swindle (aka Sundowner)	Cordell Jigsaw Productions Pty Ltd	638,342
House Husbands	Playmaker Media Pty Ltd	1,293,440
Howzat! Kerry Packer's War	Southern Star Entertainment Pty Ltd	1,144,000
Jack Irish: Black Tide (Part 1) and Bad Debts (Part 2)	Essential Media and Entertainment Pty Ltd	944,027

<b>Title</b>	<b>Applicant</b>	<b>Amount \$</b>
Mr & Mrs Murder	FremantleMedia Australia Pty Ltd	1,700,000
Puberty Blues	Southern Star Entertainment Pty Ltd	2,024,000
Underground	Underground Productions Pty Ltd	645,000
The Straits (variation only)	Pixa House Limited	200,000
<b>Total TV Drama</b>		<b>13,532,366</b>

### **Children's TV Drama**

Dance Academy series 3	Werner Film Productions	1,525,000
The Flamin' Thongs	Media World Holdings Pty Ltd	1,221,867
Get Ace	Galaxy Pop Pty Ltd	1,798,000
In Your Dreams	Southern Star Entertainment Pty Ltd	2,438,596
Mako: Island of Secrets	Jonathan M. Shiff Productions Pty Ltd	2,916,336
<b>Total Children's TV Drama</b>		<b>9,899,799</b>
Resistance	Project lapsed from y/e 2011	-1,630,661
<b>Revised Total Children's TV Drama</b>		<b>8,269,138</b>

### **Documentary Development**

#### ***Single-project Documentary Development***

Acid Ocean	360 Degree Films	20,000
Australia: Land of Sheepdogs	360 Degree Films	10,000
Baxter and Me	Gecko Films Pty Ltd	20,000
Big House Blues	Freshwater Productions Pty Ltd	7,000
Building Australia	For Valour Pty Ltd	25,000
Business as Usual	Frontline Films Pty Ltd	22,500
Canberra Confidential	Smith & Nasht Pty Ltd	25,000
A Celtic Conspiracy	The Acme Film Co Pty Ltd	20,000
Changed Forever	For Valour Pty Ltd	20,000
Clean-Bowled Bradman	Arcimedia Pty Ltd	6,000
The Cult of the Family	Rosemary Gordon Jones	14,575
Darlinghurst Nights	Beyond Screen Production Pty Ltd	15,000
Diana Doman's Wedding	Spirited Films Pty Ltd	7,520
The Eulogy	iKandy Films Pty Ltd	20,000
Gas Guerrilla	Richard Michael Todd	20,000
Hollywood Picture Show Man: Rod Taylor	Lowlands Media Pty Ltd	20,000
I Am Melba	Pericles Films Productions Pty Ltd	15,000
The Japanese House, Australia	Tropic Productions Pty Ltd	10,000

<b>Title</b>	<b>Applicant</b>	<b>Amount \$</b>
Kitchen Mavericks	Blackout Productions Pty Ltd	15,000
Love Commandos	Honour Killing Productions Pty Ltd	20,000
Miller's Find	Sascha Ettinger-Epstein	15,000
Milpirri: Winds of Change	Walpiri Media Association Inc	20,000
Miss Nikki and the Tiger Girls	Iris Pictures Pty Ltd	20,000
Neon	Lawrence Johnston	15,000
Possum Wars	360 Degree Films Pty Ltd	20,000
Rewriting History	Tattooed Media Pty Ltd	9,400
Striving	Consuello Pty Ltd	20,000
The Sunnyboy	Jotz Productions Pty Ltd	10,000
The Surgery Ship	Madeleine Hetherton	7,600
The Swimmer	The Finch Company Pty Ltd	5,000
A Turn of Destiny	Mitra Films Pty Ltd	15,000

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***Documentary Development Time-critical Funding***

Charlotte's Story	Rymer Childs Pty Ltd	20,000
Charlotte's Story	Rymer Childs Pty Ltd	25,000

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***Documentary Development Matched Funding***

Are You Racist?	Mindful Media Pty Ltd	10,000
The Garden	Vast Productions Pty Ltd	20,000
Heaven and Hell: A Life in Art	Flaming Star Films Pty Ltd	15,000
Plumpton High Babies: 10 Years On	Kalmedia Pty Ltd	6,000
Plumpton High Babies: 10 Years On	Kalmedia Pty Ltd	15,000
Rogue Bank Inc	Blackwattle Media Pty Ltd	7,500

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***Documentary Development Matched and Time-critical Funding***

Once Upon a Time in Bankstown	Eye Spy Productions Pty Ltd	30,000
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***Documentary Development Initiative***

NFTO Realisator Development Program 2012	Northern Territory Film Office	30,000
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**Total Documentary Development 668,095**

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<b>Title</b>	<b>Applicant</b>	<b>Amount \$</b>
<b>National Documentary Program (NDP)</b>		
10 Days That Shocked the Nation	Eye Spy Productions Pty Ltd	200,000
Canberra Confidential	Smith & Nasht Pty Ltd	258,000
First Footprints	First Footprints Pty Ltd	730,000
First Footprints	First Footprints Pty Ltd	80,000
Gallipoli From Above	John Moore Productions Pty Ltd	162,500
George Rrurrambu	Night Sky Films Pty Ltd	285,000
Great Southern Land	Cordell Jigsaw Productions Pty Ltd	1,392,332
The Grey Man	Fairtrade Films Pty Ltd	192,000
History of Mining	Renegade Films Pty Ltd	848,288
I Can Change Your Mind About... Climate (aka I Can Change Your Mind About Climate Change)	Smith & Nasht Pty Ltd	316,670
Jabbed	Genepool Productions Pty Ltd	550,000
Life at 7	Heiress Films Pty Ltd	480,000
Once Upon a Time in Punchbowl	Eye Spy Productions Pty Ltd	905,000
Raising the Curtain	Essential Media & Entertainment Pty Ltd	525,000
<b>Total National Documentary Program (NDP)</b>		<b>6,924,790</b>

### **General Documentary Program**

ABBA: Bang-a-Boomerang	Gulliver Media Australia Pty Ltd	135,000
Australia: The Land That Time Forgot	Essential Media & Entertainment Pty Ltd	50,000
Creative Minds	Arts Bio Pty Ltd	350,000
Family Confidential series 2	Kalmedia Pty Ltd	385,000
Go Back to Where You Came From series 2	Cordell Jigsaw Productions Pty Ltd	350,000
Holy Switch	Roar Films Pty Ltd	200,000
Licence to Kill	DD & B Productions Pty Ltd	135,000
Love and Fury	Early Works Productions Pty Ltd	67,500
Mad as Hell: Peter Finch	Lowlands Media Pty Ltd	15,000
Making Couples Happy	Heiress Films Pty Ltd	500,000
Nothing On Earth	Jerrycan Films Pty Ltd	120,000
Peter Sculthorpe: A Journey Through My Life	Heliograph Pty Ltd	50,000
Plumpton High Babies: 10 Years On	Southern Pictures Pty Ltd	114,000
The Sharp End	Southern Pictures Pty Ltd	67,500
Show Me the Magic	Virgo Productions Pty Ltd	13,000
The Sunnyboy	Jotz Productions Pty Ltd	110,000
The Surgery Ship	Media Stockade Pty Ltd	192,400

<b>Title</b>	<b>Applicant</b>	<b>Amount \$</b>
The Swimmer	The Finch Company Pty Ltd	130,000
Who Do You Think You Are? series 5	Artemis International Pty Ltd	500,000
<b>Total General Documentary Program</b>		<b>3,484,400</b>

### **Signature Documentary Program**

Audrey of the Alps	Electric Pictures Pty Ltd	135,000
Call of Conscience (aka Then They Came for Me)	iKandy Films Pty Ltd	188,014
Fallout	Rough Trade Pictures Pty Ltd	250,000
Miss Nikki and the Tiger Girls	Iris Pictures Pty Ltd	175,000
My Long Neck	Secret Key Films Pty Ltd	50,000
Sam Klemke's Time Machine	Closer Productions Pty Ltd	200,000
Sons and Mothers	Pop Pictures Pty Ltd	28,000
Unlikely Pilgrims (aka The Unlikely Pilgrim)	Intafusion Films Pty Ltd	190,000
<b>Total Signature Documentary Program</b>		<b>1,216,014</b>

### **International Documentary Program**

The Australian Wine Revolution	Electric Pictures Pty Ltd	274,494
Desert Rats	Electric Pictures Pty Ltd	397,000
Dingo: Wild Dog of War	Essential Media and Entertainment Pty Ltd	279,454
Kakadu	Eye Spy Productions Pty Ltd	484,000
Murdoch	Electric Pictures Pty Ltd	370,000
Outback Truckers (aka Mutha Truckers)	Prospero Productions (2006) Pty Ltd	200,000
The Network	Nerdy Girl Pty Ltd	90,000
Possum Wars	360 Degree Films Pty Ltd	110,000
Redesign My Brain	Mindful Media Pty Ltd	387,328
Reptilian Battleground	BK Films Pty Ltd	240,000
Sydney Harbour: Life on the Edge	Prospero Productions (2006) Pty Ltd	200,000
<b>Total International Documentary Program</b>		<b>3,032,276</b>

### **Opening Shot**

Dating the H-Bomb	LaLa Pictures Pty Ltd	40,000
Disassembly Line	Assembly Line Films Pty Ltd	40,000
Future Radicals	Renegade Films (Australia) Pty Ltd	40,000
Project Baby	Secret Key Films Pty Ltd	40,000
Queen of the Desert	360 Degree Films Pty Ltd	40,000
<b>Total Opening Shot</b>		<b>200,000</b>



<b>Title</b>	<b>Applicant</b>	<b>Amount \$</b>
<b>All Media Production</b>		
Armello	Polymath Entertainment Pty Ltd	95,000
ATOM Digital Study Guides Loan	Australian Teachers of Media Inc	30,000
Australian Encounters	Beyond the Backyard Productions Pty Ltd	150,000
Beachtown	Huey's Planet Pty Ltd	15,000
Convenient Education (aka Wonderland)	Chocolate Liberation Front Pty Ltd	195,750
dirtgirlworld Interactive Garden App	Mememe Productions Pty Ltd	150,000
Figaro Pho Interactive Adventures	Chocolate Liberation Front Pty Ltd	90,000
Guess How Much I Love You	SLR Productions Pty Ltd	35,000
MacGuffin's Curse	Browsome Pty Ltd	50,000
Micro Nation	Freehand Productions Pty Ltd	200,000
The Paper Fox	Torsion Fork Studio Pty Ltd	55,000
Peleda	Vishus Productions	250,000
The Sapphires' Soul Sync Application	Tequila Pty Ltd	35,000
The Strange Calls	Hoodlum Active	500,000
Time Tremors	The People's Republic of Animation Pty Ltd	199,746
<b>Total All Media Production</b>		<b>2,050,496</b>
<b>Digital Ignition and Talent Escalator</b>		
The Babadook	Causeway Films Pty Ltd	15,000
Bottersnikes and Gumbles	The Playroom – Omnilib Media	50,000
Byrax	Studio Joho Pty Ltd	15,000
Cave	Inkubator Pty Ltd	15,000
Digital Ignition Multi-platform Clinic 2011	MUVEDesign	105,000
dirtgirlworld Interactive Garden App	Mememe Productions Pty Ltd	50,000
Double Happy vs The Infinite Sadness	2XCUBED Pty Ltd	50,000
Eleanor's Quest	Robot Circus Pty Limited	47,700
The Eventide	Loud & Clear Pty Ltd	50,000
Feng Shui Master: The Art of Placement	Many Monkeys Development Pty Ltd	50,000
The Floods Family Files Application	Essential Media & Entertainment Pty Ltd	50,000
Granville Station	Elevator Entertainment Pty Ltd	20,000
Harry Butterfly	Electric Yak Pty Ltd	37,000
The Hive	Smith and Nasht Pty Ltd	35,000
Movie Extra Webfest	The Movie Network Channels Pty Ltd	50,000
The Mysterious life of Martha Grimstone	Bulpadok Pty Ltd	50,000
Neptune's Pride	Jay Kyburz	50,000

<b>Title</b>	<b>Applicant</b>	<b>Amount \$</b>
Portable Presents 2012	Portable Australia Pty Ltd	7,500
Quick Quest	Defiant Development Pty Ltd	50,000
Ringbalin	Goodmorningbeautiful Pty Ltd	15,000
These Final Hours	8th In Line Productions	15,000
X Media Lab Conference Perth 2012	X Media Lab Conference	15,000
X Media Lab Conference Sydney 2011	X Media Lab	15,000
X Media Lab Conference Sydney 2012	X Media Lab Conference	7,500
<b>Total Digital Ignition and Talent Escalator</b>		<b>864,700</b>

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**TOTAL PRODUCTION INVESTMENT** **58,329,167**

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## **INDIGENOUS DEPARTMENT**

### **Development**

#### **Documentary**

Closing My Gap	Pursekey Productions Pty Ltd	22,000
Kelli Cross – Call to Country	Taryne Laffar Management	6,613
Mt Druitt Indigenous Church	Jotz Productions Pty Ltd	14,000
Outback Rangers	CAAMA Productions Pty Ltd	33,900
Victor Steffensen – Call to Country	Studio GISUN	20,000
<b>Total Documentary Development</b>		<b>96,513</b>

#### **Drama**

8MMM Aboriginal Radio	Brindle Films	20,000
Abalone	Wedge Tail Media	5,080
The Athletes	Arenamedia	20,000
Blackbuster	LaLa Pictures P/L	3,902
The Chuck In	Brown Cab Productions	5,560
The Hunter	Brown Cab Productions	5,500
Love of Your Life	Lawrence Johnston	28,000
Mystery Road	Bunya Productions	25,000
The Oysterman	Brown Cab Productions	7,640
Scar	Wedge Tail Media	10,500
She.Say.	Oombarra Productions	5,000
<b>Total Drama Development</b>		<b>136,182</b>

<b>Title</b>	<b>Applicant</b>	<b>Amount \$</b>
<b><i>Other Development</i></b>		
Beck Cole – Montreal World Film Festival 2011 Travel Grant	Beck Cole	5,800
Blackfella Films Presents National Tour	Blackfella Films Pty Ltd	110,250
Cornel Ozies Attachment	The Sapphires Productions Pty Ltd	1,210
Deborah Mailman – Cannes Film Festival Travel Grant 2012	Sue Barnett & Associates	6,000
Jessica Mauboy – Cannes Film Festival Travel Grant 2012	Jessica's Creations	6,000
Joseph Stewart Attachment	Oombarra Productions	4,300
Kelrick Martin – Rotterdam Lab 2012 Travel Grant	Spear Point Productions Pty Ltd	5,000
Kieran Satour Attachment	Brown Cab Productions	3,596
Miranda Tapsell – Cannes Film Festival Travel Grant 2012	Creative Representation (Sydney)	6,000
Producer Internship	Blackfella Films Pty Ltd	126,533
Remote Indigenous Media Festival 2011 Travel Grant	Indigenous Remote Aboriginal Media Association	5,000
Ruby Langton Batty Attachment	The Sapphires Production Pty Ltd	7,000
Shari Sebbens – Cannes Film Festival Travel Grant 2012	Linsten Morris Management	6,000
Tracey Rigney Attachment	The Sapphires Production Pty Ltd	3,416
<b>Total Other Development</b>		<b>296,105</b>
<b>TOTAL DEVELOPMENT</b>		<b>528,800</b>
<b>Production</b>		
<b><i>Documentary</i></b>		
Danny Eastwood	Jotz Productions Pty Ltd	64,000
Inside AFL	Fury Productions Pty Ltd	200,000
<b>Total Documentary Production</b>		<b>264,000</b>
<b><i>Drama</i></b>		
Blackbuster	LaLa Pictures Pty Ltd	5,974
The Chuck In	Brown Cab Productions	888
The Gods of Wheat Street	Every Cloud Productions	969,330
The Hunter	Brown Cab Productions	114,524
The Oysterman	Brown Cab Productions	127,666
She.Say.	Oombarra Productions Pty Ltd	15,000
<b>Total Drama Production</b>		<b>1,233,382</b>

Title	Applicant	Amount \$
<b>Features</b>		
Mystery Road	Bunya Productions	445,000
Toomelah Marketing Grant	Bunya Productions	20,000
<b>Total Features Production</b>		<b>465,000</b>
<b>TOTAL PRODUCTION</b>		<b>1,962,382</b>
<b>TOTAL INDIGENOUS</b>		<b>2,491,182</b>

## MARKETING DEPARTMENT

### P&A

Not Suitable for Children	Icon Film Distribution	200,000
Santa's Apprentice	Avrill Stark Entertainment Pty Ltd	200,000
<b>Total P&amp;A</b>		<b>400,000</b>

### Innovative Distribution

FanDependent	FanDependent Pty Ltd	200,000
<b>Total Innovative Distribution</b>		<b>200,000</b>

### International Festival and Marketplace Travel

American Film Market	L Smith	5,000
Anney International Animated Film Festival	A Spencer	3,000
Berlin Co-pro Market	K Radzyner	6,000
Berlin International Film Festival	M Moore	4,363
Berlin International Film Festival	B Pleffer	5,000
Berlin International Film Festival	A J Bell	5,000
Berlin International Film Festival	J Barnes	5,000
Berlin International Film Festival	M Overett	6,000
Berlin Talent Campus	J Bliss	1,000
Berlin Talent Campus	N Daley	1,000
Berlin Talent Campus	A Kojevnikov	1,000
Berlin Talent Campus	M Latham	1,000
Berlin Talent Campus	A Wotzke	1,000
Busan International Film Festival	W Furlong	2,760
Busan International Film Festival	D Power	4,550
Busan International Film Festival	R de Young	3,033
Cannes Film Festival	J Mitchell	6,000
Cannes Film Market	S Murray	3,000

<b>Title</b>	<b>Applicant</b>	<b>Amount \$</b>
Cannes Film Market	R Markovic	6,000
Cannes Film Market	A Ginnane	6,000
Cannes Film Market	D Lightfoot	6,000
Cannes Film Market	A Harris	3,000
Cannes Film Market	L Watts	6,000
Cannes Film Market	S Maslin	6,000
Cannes Film Market	H Ogilvie	6,000
Cannes Film Market	L Atkins	6,000
Cannes Film Market	J Hilton	6,000
Cannes Film Market	M Andreacchio	6,000
Clermont-Ferrand International Short Film Festival	A Harris	2,500
Clermont-Ferrand International Short Film Festival	N Lewis	3,500
Clermont-Ferrand International Short Film Festival	R Telecican	3,000
European Film Market	L Shaunessy	5,000
European Film Market	E Orner	5,000
Hot Docs	K Astrup	3,000
IDFA	C Geer	5,000
IDFA	T Zubrycki	5,000
IDFA	R Cross	5,000
IDFA	D Tucker	5,000
International Digital Emmy® Awards	M Hilliard	5,000
International Film Festival Rotterdam	R Tuohy	4,400
International Film Festival Rotterdam	M Beauford	5,000
London Cultural Olympiad	L Wallworth	5,000
MPA-CICE Film Workshop	B Skinner	1,896
No Borders	B Brown	5,000
No Borders	L Tonkes	7,000
No Borders	N O'Donohue	7,000
No Borders	S Madgwick	7,000
Rome International Film Festival	S Elliott	10,000
Rotterdam Lab	L Kearney	3,000
Rotterdam Lab	L Micsko	3,000
Rotterdam Lab	L Norfor	3,000
Screamfest	J Harvey	10,000
Sheffield International Documentary Festival	A Distefano	3,000
Sundance Film Festival	A Fielder	14,000
SXSW	C Scott	3,000

<b>Title</b>	<b>Applicant</b>	<b>Amount \$</b>
SXSW	N Crowther	5,000
SXSW	M Walsh	3,000
SXSW	D Devas	5,000
SXSW	S Radanovich	3,000
SXSW	N Pincus	3,000
Telluride Film Festival	A Maras	5,000
TIFF	G Rush	10,000
TIFF	A Waddington	7,000
TIFF	V Sheehan	7,000
TIFF	J Teplitzky	6,000
TIFF Talent Lab	S Voutas	3,500
Tribeca Film Festival	Z Hilditch	3,000
Venice International Film Festival	M Cody	12,000
WCSFP	P Scott	5,000
WCSFP	T Brady	5,000
WCSFP	S Ingleton	5,000
<b>Total International Festival and Marketplace Travel</b>		<b>346,502</b>

### **International Festival Materials**

Berlin International Film Festival	B Pleffer	2,730
Berlin International Film Festival	J Barnes	1,500
Cannes Film Festival	R Blight	23,000
Cannes Film Festival	J Mitchell	20,683
Hot Docs	K Astrup	5,000
IDFA	J McMahan	3,000
IDFA	D Tucker	3,000
IDFA	T Zubrycki	1,500
International Film Festival Rotterdam	M Beauford	5,000
London Cultural Olympiad	J Maynard	22,000
Mill Valley Film Festival	A Barnard	6,000
Sundance Film Festival	A Fielder	14,000
TIFF	A Waddington	10,000
TIFF	V Sheehan	19,000
TIFF	J Teplitzky	25,945
TIFF	D Dale	29,419
Venice International Film Festival	M Cody	30,000
<b>Total International Festival Materials</b>		<b>221,777</b>

Title	Applicant	Amount \$
<b>Strategic Projects</b>		
Input Sydney 2012	Input Australia	75,000
<b>Total Strategic Projects</b>		<b>75,000</b>

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**TOTAL MARKETING** **1,243,278**

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### STATE AND INDUSTRY PARTNERSHIPS UNIT

#### Triennial Enterprise Agreements

December Media Grant	December Media	562,500
December Media Loan	December Media	187,500
Madman Productions Grant	Madman Productions	450,000
Madman Productions Loan	Madman Productions	150,000
The Project Factory Grant	The Digital Project Factory Pty Ltd	577,500
The Project Factory Loan	The Digital Project Factory Pty Ltd	192,500
The Chocolate Liberation Front Grant	Chocolate Liberation Front	637,500
The Chocolate Liberation Front Loan	Chocolate Liberation Front	212,500
<b>Total Triennial Enterprise Agreements</b>		<b>2,970,000</b>

#### Screen Enterprise Organisation Grants

Open Channel Operational 2011	Open Channel Co-operative Ltd	217,000
Open Channel Operational 2012	Open Channel Co-operative Ltd	240,000
<b>Total Screen Enterprise Organisation Grants</b>		<b>457,000</b>

#### Screen Enterprise Raw Nerve Grants

QPIX Raw Nerve 2010–12	QPIX Ltd	35,000
Metro Screen Raw Nerve 2010–12	Metro Screen	35,000
Wide Angle Tasmania Raw Nerve 2010–12	Wide Angle Tasmania	35,000
Film & Television Institute Raw Nerve 2010–12	Film & Television Institute	35,000
Media Resource Centre Raw Nerve 2010–12	Media Resource Centre	35,000
Open Channel Raw Nerve 2011–12	Open Channel Co-operative Ltd	70,000
<b>Total Screen Enterprise Raw Nerve Grants</b>		<b>245,000</b>

#### Key Guilds

Australian Writers' Guild 2012–2014	Australian Writers' Guild	180,000
<b>Total Key Guilds</b>		<b>180,000</b>

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**TOTAL STATE AND INDUSTRY PARTNERSHIPS** **3,852,000**

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# Appendix 4

## Awards

This is a select list of Screen Australia-supported documentaries, features, shorts, television drama and multi-platform projects which have received accolades at key film festivals and events both locally and overseas.

The list includes projects that have received investment at development, production or post-production stages from Screen Australia or its predecessor agencies, the Film Finance Corporation Australia, Film Australia Limited and the Australian Film Commission. Awards won by projects receiving Screen Australia marketing support only are included where funding was provided related to the film festival or event where these awards were won.

For more information on these projects, including writer, director and producer credits, please see the Find a Film database at [www.screenaustralia.gov.au/films](http://www.screenaustralia.gov.au/films)

### DOCUMENTARIES

#### ***The Curse of the Gothic Symphony***

2011 Brisbane International Film Festival  
*Showtime Top Ten Awards*

#### ***Go Back to Where You Came From***

2012 ADG  
*Best Direction in a Documentary Series*  
2012 TV Week Logie Awards  
*Outstanding Factual Program*

#### ***I Am Eleven***

2011 IF Awards  
*Best Documentary*

#### ***Jandamarrá's War***

2012 AACTA Awards  
*Best Documentary Under One Hour*

#### ***Mrs Carey's Concert***

2012 AACTA Awards  
*Best Feature Length Documentary*  
*Best Direction in a Documentary*  
2012 ADG  
*Best Direction in a Documentary Feature*

#### ***Murundak: Songs of Freedom***

2012 AACTA Awards  
*Best Sound in a Documentary*  
2011 Valladolid International Film Festival  
*Time of History First Prize*  
*Cultural Diversity Award*

#### ***My Thai Bride***

2012 Hot Docs – Canadian International Documentary Festival  
*Best Mid-Length Documentary*

#### ***Orchids***

2012 ADG  
*Best Direction in a Documentary (Stand Alone Category)*

#### ***Out of the Ashes***

2012 AACTA Awards  
*Best Cinematography in a Documentary*

#### ***SAS: The Search for Warriors***

2012 AACTA Awards  
*Best Documentary Series*

#### ***The Tall Man***

2012 ADG  
*Best Direction in a Documentary Feature*  
*Director's Guild of American Finders/ADG Award*  
2011 AWGIE Awards  
*Documentary – Public Broadcast*  
2011 Brisbane International Film Festival  
*Showtime Top Ten Awards*

### FEATURES

#### ***Burning Man***

2011 AWGIE Awards  
*Feature Film – Original*

#### ***The Eye of the Storm***

2012 AACTA Awards  
*Best Lead Actress*  
2011 International Rome Film Festival  
*Special Marc'Aurelio Jury Award*  
2011 Melbourne International Film Festival  
*Best Australian Feature*

#### ***Griff the Invisible***

2012 AACTA Awards  
*Best Original Screenplay*



**The Hunter**

2012 AACTA Awards  
*Best Cinematography*  
*Best Original Music Score*

**Mad Bastards**

2011 IF Awards  
*Independent Spirit Award*

**Oranges and Sunshine**

2012 AACTA Awards  
*Best Supporting Actor*  
 2011 IF Awards  
*Best Production Design*  
*Best Actress*

**Red Dog**

2012 AACTA Awards  
*AFI Member's Choice Award*  
*Best Film*  
 2011 IF Awards  
*Best Script*  
*Best Box Office Achievement*  
*Best Cinematography*  
*Best Actor*  
*Best Director*  
*Best Feature Film*

**Sleeping Beauty**

2012 ADG  
*Best Direction in a Feature Film*

**Snowtown**

2012 AACTA Awards  
*Best Editing*  
*Best Sound*  
*Best Direction*  
*Best Adapted Screenplay*  
*Best Lead Actor*  
*Best Supporting Actress*

2011 AWGIE Awards  
*Feature Film – Adaptation*

2011 IF Awards  
*Best Editing*

**SHORTS****After the Credits**

2012 St Kilda Film Festival  
*Best Achievement in Screenplay*

**Bino**

2012 Berlin International Film Festival  
*Special Mention Generation Kplus for Best Short Film*  
*Special Prize of the Deutsches Kinderhilfswerk for Best Short Film*

**Cryo**

2012 St Kilda Film Festival  
*Best Achievement in Production Design*

**Eli the Invincible**

2012 Flickerfest  
*SBS TV Award*

**The Globe Collector**

2012 Sheffield International Documentary Festival  
*Audience Award*

**Into the Sun**

2012 St Kilda Film Festival  
*Craft Award*

**Julian**

2012 Berlin International Film Festival  
*Crystal Bear Generation Kplus for Best Short Film*

**The Kiss**

2012 ADG  
*Best Direction in a Short Film*

**Nullarbor**

2012 AACTA Awards  
*Best Short Animation*  
 2012 Flickerfest  
*Best Achievement in Sound*  
 2011 Melbourne International Film Festival  
*Best Animation*  
 2012 St Kilda Film Festival  
*Best Achievement in Sound Post Production*

**Transmission**

2012 St Kilda Film Festival  
*Best Short Film*  
*Best Director*  
*Best Actor*  
*Best Achievement in Editing*



### **The Wilding**

2012 St Kilda Film Festival  
SBS Award

### **Yardbird**

2012 Sydney International Film Festival  
Dendy Award for Best Live Action Short

## **TV DRAMA**

### **Danger 5**

2012 ADG  
Best Direction in an Original Online Project

### **East West 101 series 3**

2012 AACTA Awards  
Best Television Drama series

### **H2O: Just Add Water series 3**

2012 ADG  
Esben Storm Award for Best Direction in a Children's TV Program

### **Hawke**

2012 ADG  
Best Direction in a Telemovie

### **Laid series 1**

2012 AACTA Awards  
Best Television Comedy Series  
2011 AWGIE Awards  
Comedy – Situation or Narrative

### **My Place series 2**

2012 AACTA Awards  
Best Children's Television Series  
2012 TV Week Logie Awards  
Outstanding Children's Program

### **Panic at Rock Island**

2011 AWGIE Awards  
John Hinde Award – Excellence in Science Fiction Writing

### **Paper Giants: The Birth of Cleo**

2012 AACTA Awards  
Audience Choice Award for Best Performance in a Television Drama  
2012 TV Week Logie Awards  
Silver Logie, Outstanding Actor

### **Rake series 1**

2011 AWGIE Awards  
Television – Series

### **Sisters of War**

2012 AACTA Awards  
Best Lead Actress in a Television Drama

### **The Slap**

2012 AACTA Awards  
Best Telefeature, Mini Series or Short Run Series  
Best Direction in Television  
Best Screenplay in Television  
Best Lead Actor in a Television Drama  
Best Guest or Supporting Actress  
2012 ADG  
Best Direction in a TV Drama Series  
2012 TV Week Logie Awards  
Silver Logie, Most Outstanding Drama Series, Miniseries or Telemovie  
Silver Logie, Outstanding Actress

### **Underbelly – The Movie Files: Lucifer**

2011 AWGIE Awards  
Telemovie – Original

## **ONLINE**

### **Big Stories, Small Towns**

2012 SXSW Interactive Awards  
Community

### **Goa Hippy Tribe**

2012 SXSW Interactive Awards  
Film and Television

Satellite Boy



## INDEPENDENT AUDITOR'S REPORT

### To the Minister for the Arts

I have audited the accompanying financial statements of Screen Australia for the year ended 30 June 2012, which comprise: a Statement by Directors, Chief Executive and Chief Financial Officer; the Statement of Comprehensive Income; Balance Sheet; Statement of Changes in Equity; Cash Flow Statement; Schedule of Commitments; Schedule of Contingencies; and Notes to and forming part of the Financial Statements, including a Summary of Significant Accounting Policies.

### **Directors' Responsibility for the Financial Statements**

The directors of Screen Australia are responsible for the preparation of the financial statements that give a true and fair view in accordance with the Finance Minister's Orders made under the *Commonwealth Authorities and Companies Act 1997*, including the Australian Accounting Standards, and for such internal control as is necessary to enable the preparation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

My responsibility is to express an opinion on the financial statements based on my audit. I have conducted my audit in accordance with the Australian National Audit Office Auditing Standards, which incorporate the Australian Auditing Standards. These auditing standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to Screen Australia's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Screen Australia's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

### **Independence**

In conducting my audit, I have followed the independence requirements of the Australian National Audit Office, which incorporate the requirements of the Australian accounting profession.

### **Opinion**

In my opinion, the financial statements of Screen Australia:

- (a) have been prepared in accordance with the Finance Minister's Orders made under the *Commonwealth Authorities and Companies Act 1997*, including the Australian Accounting Standards; and
- (b) give a true and fair view of the matters required by the Finance Minister's Orders including Screen Australia's financial position as at 30 June 2012 and of its financial performance and cash flows for the year then ended.

Australian National Audit Office



Ron Wah  
Audit Principal

Delegate of the Auditor-General

Canberra  
5 September 2012

GPO Box 707 CANBERRA ACT 2601  
19 National Circuit BARTON ACT 2600  
Phone (02) 6203 7300 Fax (02) 6203 7777

Screen Australia

## Financial Statements

For the year ended 30 June 2012

### Statement by Directors, Chief Executive and Chief Financial Officer

In our opinion, the attached financial statements for the year ended 30 June 2012 are based on properly maintained financial records and give a true and fair view of the matters required by the Finance Minister's Orders made under the *Commonwealth Authorities and Companies Act 1997*.

In our opinion, at the date of this statement, there are reasonable grounds to believe that Screen Australia will be able to pay its debts as and when they become due and payable.



Glen Boreham  
Chair

5 September 2012



Ruth Harley  
Chief Executive

5 September 2012



Richard Nankivell  
Chief Financial Officer

5 September 2012

Screen Australia

## Statement of Comprehensive Income

For the year ended 30 June 2012

	Notes	2012 \$	2011 \$
<b>EXPENSES</b>			
Employee benefits	3a	14,270,508	15,249,087
Supplier expenses	3b	9,379,127	10,612,415
Grants	3c	20,160,903	14,803,169
Depreciation and amortisation	3d	1,129,505	1,011,496
Finance costs	4	100,430	72,352
Write-down and impairment of assets	3e	64,225,469	61,367,282
Net foreign exchange loss	3f	870	36
Losses from asset sales	3g	66,963	–
<b>TOTAL EXPENSES</b>		<b>109,333,775</b>	103,115,837
LESS:			
<b>OWN-SOURCE INCOME</b>			
Own-source revenue			
Sale of goods and rendering of services	5b	1,648,241	2,024,729
Interest	5c	4,015,016	3,971,891
Rental income	5d	1,062,147	988,766
Other revenue	5e	8,461,051	8,634,748
<b>TOTAL OWN-SOURCE INCOME</b>		<b>15,186,455</b>	15,620,134
<b>NET COST OF SERVICES</b>		<b>94,147,320</b>	87,495,703
<b>SURPLUS ON CONTINUING OPERATIONS</b>		<b>94,147,320</b>	87,495,703
Revenue from Government	5a	91,785,682	89,398,000
<b>(LOSS) SURPLUS</b>		<b>(2,361,638)</b>	1,902,297
<b>OTHER COMPREHENSIVE INCOME</b>			
Changes in asset revaluation reserves		1,220,000	6,062,623
<b>TOTAL OTHER COMPREHENSIVE INCOME</b>		<b>1,220,000</b>	6,062,623
<b>TOTAL COMPREHENSIVE INCOME</b>		<b>(1,141,638)</b>	7,964,920

Note – The above total expenses of \$109.334M are made up program costs of \$89.325M and operational costs of \$20.009M. (The total expenses in 2011 were made up of program costs of \$80.975M and operational costs of \$22.141M.)

Program costs include costs associated with outward facing units such as Producer Offset and Co-production Unit, Lindfield Operation, Strategy and Research as well as Marketing and Development costs associated with attendance at markets such as Cannes, MIPTV and MIPCOM as well as workshops such as High Concept, Springboard, the Script Factory, Call to Country and the Flash Black – Short Drama Initiative.

The above statement should be read in conjunction with the accompanying notes.

Screen Australia  
**Balance Sheet**

As at 30 June 2012

	Notes	2012 \$	2011 \$
<b>ASSETS</b>			
<b>FINANCIAL ASSETS</b>			
Cash and cash equivalents	6a	<b>11,378,870</b>	13,780,013
Trade and other receivables	6b	<b>825,827</b>	2,770,745
Investments – film industry assistance	6c	–	1,336,417
Investments – term deposits	6d	<b>52,352,501</b>	45,147,166
<b>TOTAL FINANCIAL ASSETS</b>		<b>64,557,198</b>	63,034,341
<b>NON-FINANCIAL ASSETS</b>			
Land and buildings	7a	<b>24,665,652</b>	24,199,814
Plant and equipment	7b	<b>667,939</b>	900,163
Intangibles	7c	<b>707,142</b>	442,468
Inventories	7e	–	34,248
Other non-financial assets	7f	<b>363,519</b>	196,008
<b>TOTAL NON-FINANCIAL ASSETS</b>		<b>26,404,252</b>	25,772,701
<b>TOTAL ASSETS</b>		<b>90,961,450</b>	88,807,042
<b>LIABILITIES</b>			
<b>PAYABLES</b>			
Suppliers	8a	<b>601,302</b>	331,122
Other payables	8b	<b>944,866</b>	1,752,175
<b>TOTAL PAYABLES</b>		<b>1,546,168</b>	2,083,297
<b>INTEREST BEARING LIABILITIES</b>			
Leases	9	<b>549,572</b>	659,355
<b>TOTAL INTEREST BEARING LIABILITIES</b>		<b>549,572</b>	659,355
<b>PROVISIONS</b>			
Employee provisions	10a	<b>2,942,363</b>	2,927,284
Other provisions	10b	<b>27,615,341</b>	23,687,462
<b>TOTAL PROVISIONS</b>		<b>30,557,704</b>	26,614,746
<b>TOTAL LIABILITIES</b>		<b>32,653,444</b>	29,357,398
<b>NET ASSETS</b>		<b>58,308,006</b>	59,449,644
<b>EQUITY</b>			
Contributed equity		<b>44,504,970</b>	44,504,970
Asset revaluation reserve		<b>7,282,623</b>	6,062,623
Retained surplus		<b>6,520,413</b>	8,882,051
<b>TOTAL EQUITY</b>		<b>58,308,006</b>	59,449,644

The above statement should be read in conjunction with the accompanying notes.

Screen Australia  
**Statement of Changes in Equity**

For the year ended 30 June 2012

	Retained Earnings 2012	Retained Earnings 2011	Asset Revaluation Reserve 2012	Asset Revaluation Reserve 2011	Contributed Equity 2012	Contributed Equity 2011	Total Equity 2012	Total Equity 2011
	\$	\$	\$	\$	\$	\$	\$	\$
<b>OPENING BALANCE AT 1 JULY</b>								
Balance carried forward from previous period	8,882,051	6,979,754	6,062,623	-	44,504,970	44,504,970	59,449,644	52,484,724
	8,882,051	6,979,754	6,062,623	-	44,504,970	44,504,970	59,449,644	51,484,724
<b>COMPREHENSIVE INCOME</b>								
Other comprehensive income (revaluation of land and buildings)	-	-	1,220,000	6,062,623	-	-	1,220,000	6,062,623
(Loss) Surplus for the period	(2,361,638)	1,902,297	-	-	-	-	(2,361,638)	1,902,297
<b>TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO THE AUSTRALIAN GOVERNMENT</b>	<b>(2,361,638)</b>	<b>1,902,297</b>	<b>1,220,000</b>	<b>6,062,623</b>	<b>-</b>	<b>-</b>	<b>(1,141,638)</b>	<b>7,964,920</b>
<b>CLOSING BALANCE AT 30 JUNE</b>	<b>6,520,413</b>	<b>8,882,051</b>	<b>7,282,623</b>	<b>6,062,623</b>	<b>44,504,970</b>	<b>44,504,970</b>	<b>58,308,006</b>	<b>59,449,644</b>

The above statement should be read in conjunction with the accompanying notes.



Screen Australia

## Cash Flow Statement

For the year ended 30 June 2012

	2012	2011
Notes	\$	\$
<b>OPERATING ACTIVITIES</b>		
<b>CASH RECEIVED</b>		
Receipts from Government	91,878,000	89,522,766
Film investment profits received	186,284	314,045
Goods and services	1,793,547	1,841,751
Interest	4,037,146	3,647,213
Net GST received	8,761,877	6,664,998
Other	1,467,331	6,404,366
<b>TOTAL CASH RECEIVED</b>	<b>108,124,185</b>	<b>108,395,139</b>
<b>CASH USED</b>		
Employees	14,372,572	15,162,288
Suppliers	10,434,483	11,955,803
Grants	18,672,251	14,029,797
Finance costs	112,613	188,619
Other	6,945,842	9,792,819
<b>TOTAL CASH USED</b>	<b>50,537,761</b>	<b>51,129,326</b>
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>57,586,424</b>	<b>57,265,813</b>
<b>INVESTING ACTIVITIES</b>		
<b>CASH RECEIVED</b>		
Recoupment of loans – film industry assistance	2,525,100	2,004,845
Recoupment of investments – film industry assistance	7,313,913	19,818,990
Proceeds from sales of property, plant and equipment	54,800	–
Proceeds from sale of investments (term deposits under s18 of the CAC Act)	234,040,493	208,353,177
<b>TOTAL CASH RECEIVED</b>	<b>243,934,306</b>	<b>230,177,012</b>
<b>CASH USED</b>		
Loans – film industry assistance	2,325,489	4,621,059
Investments – film industry assistance	59,419,676	57,648,302
Purchase of property, plant and equipment and intangibles	463,587	1,012,459
Purchase of investments (term deposits under s18 of the CAC Act)	241,245,828	225,845,888
<b>TOTAL CASH USED</b>	<b>303,454,580</b>	<b>289,127,708</b>
<b>NET CASH (USED BY) INVESTING ACTIVITIES</b>	<b>(59,520,274)</b>	<b>(58,950,696)</b>
Repayment of finance lease liability	220,574	58,606
Repayment of amount borrowed under lease incentive arrangement	246,719	200,970
<b>TOTAL CASH USED</b>	<b>467,293</b>	<b>259,576</b>
<b>NET CASH (USED BY) FINANCING ACTIVITIES</b>	<b>(467,293)</b>	<b>(259,576)</b>
<b>NET DECREASE IN CASH HELD</b>	<b>(2,401,143)</b>	<b>(1,944,459)</b>
<b>CASH AT THE BEGINNING OF THE REPORTING PERIOD</b>	<b>13,780,013</b>	<b>15,724,472</b>
<b>CASH AT THE END OF THE REPORTING PERIOD</b>	6a <b>11,378,870</b>	<b>13,780,013</b>

The above statement should be read in conjunction with the accompanying notes.

Screen Australia

## Schedule of Commitments

As at 30 June 2012

	2012	2011
	\$	\$
<b>BY TYPE</b>		
<b>COMMITMENTS RECEIVABLE</b>		
Sublease rental	(304,543)	(308,215)
GST recoverable on commitments	(1,740,554)	(2,389,204)
<b>TOTAL COMMITMENTS RECEIVABLE</b>	<b>(2,045,097)</b>	<b>(2,697,419)</b>
<b>COMMITMENTS PAYABLE</b>		
Software purchase	113,826	-
<b>TOTAL CAPITAL COMMITMENTS</b>	<b>113,826</b>	<b>-</b>
<b>OTHER COMMITMENTS</b>		
Operating leases <sup>1</sup>	2,968,278	5,242,483
Project commitments <sup>2</sup>	16,482,364	21,346,984
<b>TOTAL OTHER COMMITMENTS</b>	<b>19,450,642</b>	<b>26,589,467</b>
<b>NET COMMITMENTS BY TYPE</b>	<b>17,519,371</b>	<b>23,892,048</b>
<b>BY MATURITY</b>		
<b>COMMITMENTS RECEIVABLE</b>		
One year or less	(1,734,754)	(2,219,878)
From one to five years	(267,007)	(420,593)
Over five years	(43,336)	(56,948)
<b>TOTAL COMMITMENTS RECEIVABLE</b>	<b>(2,045,097)</b>	<b>(2,697,419)</b>
<b>COMMITMENTS PAYABLE</b>		
Capital commitments		
One year or less	113,826	-
<b>TOTAL CAPITAL COMMITMENTS</b>	<b>113,826</b>	<b>-</b>
<b>OTHER (OPERATING LEASE) COMMITMENTS</b>		
One year or less	1,460,825	1,849,614
From one to five years	1,030,755	2,766,437
Over five years	476,698	626,432
<b>TOTAL OPERATING LEASE COMMITMENTS</b>	<b>2,968,278</b>	<b>5,242,483</b>
<b>OTHER (PROJECT) COMMITMENTS</b>		
One year or less	15,455,514	19,592,119
From one to five years	1,026,850	1,754,865
<b>TOTAL OTHER COMMITMENTS</b>	<b>16,482,364</b>	<b>21,346,984</b>
<b>NET COMMITMENTS BY MATURITY</b>	<b>17,519,371</b>	<b>23,892,048</b>

NB: Commitments are GST inclusive where relevant.

- Operating lease commitments are effectively non-cancellable and primarily comprise leases for office accommodation.
- Project commitments comprise approvals to provide film industry assistance in the form of investments, loans or grants. The recipients are yet to either perform the services required or meet eligibility conditions.

This schedule should be read in conjunction with the accompanying notes.

Screen Australia

## **Schedule of Contingencies**

As at 30 June 2012

There were no contingent assets or contingent liabilities as at 30 June 2012 (2010–11 \$nil).

The above schedule should be read in conjunction with the accompanying notes.

Screen Australia

## Notes to and Forming Part of the Financial Statements

For the year ended 30 June 2012

Note	Description
1.	Summary of Significant Accounting Policies
2.	Events After the Reporting Period
3.	Operating Expenses
4.	Finance Costs
5.	Income
6.	Financial Assets
7.	Non-Financial Assets
8.	Payables
9.	Leases
10.	Provisions
11.	Cash Flow Reconciliation
12.	Directors' Remuneration
13.	Related Party Disclosures
14.	Senior Executive Remuneration
15.	Remuneration of Auditors
16.	Disbursement Administration Service
17.	Financial Instruments
18.	Reporting of Outcomes
19.	Restructuring
20.	Financial Assets Reconciliation
21.	Compensation and Debt Relief

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### 1.1 Objective of Screen Australia

Screen Australia is an Australian Government controlled entity which is structured to meet one outcome and output as follows :

- Enhancement to Australia's screen culture, nationally and internationally, by supporting the development of the Australian screen production industry and by developing, producing, promoting and providing access to diverse Australian programs.

The continued existence of Screen Australia in its present form and with its present programs is dependant on Government policy and on continuing appropriations by Parliament for Screen Australia's administration and programs.

#### 1.2 Basis of Preparation of the Financial Report

The financial statements are general purpose financial statements and are required by clause 1(b) of Schedule 1 of the *Commonwealth Authorities and Companies Act 1997* (CAC Act).

The financial statements have been prepared in accordance with:

- Finance Minister's Orders (FMOs) for reporting periods ending on or after 1 July 2011; and
- Australian Accounting Standards and interpretations issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period.

The financial statements have been prepared on an accrual basis and are in accordance with the historical cost convention, except for certain assets, which are measured at fair value. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position.

The financial statements are presented in Australian dollars and values are rounded to the nearest dollar unless otherwise specified.

Unless alternative treatment is specifically required by an Accounting Standard or the FMOs, assets and liabilities are recognised in the balance sheet when and only when it is probable that future economic benefits will flow to the entity and the amounts of the assets or liabilities can be reliably measured. However, assets and liabilities arising under executory contracts are not recognised unless required by an accounting standard. Liabilities and assets that are unrecognised are reported in the Schedule of Contingencies.

Unless alternative treatment is specifically required by an Accounting Standard, income and expenses are recognised in the Statement of Comprehensive Income when and only when the flow, consumption or loss of economic benefits has occurred and can be reliably measured.

### **1.3 Significant Accounting Judgements and Estimates**

Significant accounting estimates are made in assessing the impairment losses and as a result the carrying values of Screen Australia's film loans (see Notes 1.5 and 1.9). These estimates have a significant impact on Screen Australia's asset values and the operating result. These same estimates have been identified as having a significant risk of causing a material adjustment to the carrying values of assets and the operating result within the next accounting period.

### **1.4 New Accounting Standards**

#### **• Adoption of new Accounting Standards**

No accounting standard has been adopted earlier than the application date as stated in the standard. No new standards or amendments to existing standards and interpretations issued by the Australian Accounting Standards Board that are applicable to the current period, had a material financial impact on Screen Australia.

#### **• Future Australian Accounting Standard requirements**

New standards, revised standards, amendments to standards, and interpretations that were issued prior to the sign-off date and are applicable to the future reporting period are not expected to have a future financial impact on the entity.

### **1.5 Film Investments and Loans, Allowance for Impairment and Write-offs**

Screen Australia provides financial assistance to film developers and producers for the purposes of fostering and developing an Australian film, television and interactive media production industry in Australia. It also finances and co-finances film and television production in Australia. This financial assistance and financing is provided in the form of film investments and loans in respect of individual film development projects and film production projects.

Film investments give Screen Australia an equity interest in the film copyright and the right to participate in any income from the film project.

Film loans are initially recognised at cost being the fair value of the consideration given. After initial recognition, loans are recorded at cost less impairment as loans are only carried forward from year to year to the extent that recoupment is likely.

Due to the financial risk profile of film investments and loans, Screen Australia has historically made substantial losses on its film investments and loans and, for this reason, they are written down to a nil carrying value at the time of recognition. The exception to this policy is where repayment is reasonably assured. Such assets are valued at the recoverable amount.

If, in a subsequent year, the amount of the impairment decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, such as loan repayments, the previously recognised impairment will be recorded as revenue. This amount is recognised in the Statement of Comprehensive Income.

A provision for onerous contracts is recognised for the unpaid portion of investment and loan contracts, calculated as the expected loss on that class of investment or loan.

### **1.6 Acquisition of Assets**

Assets are recorded at cost on acquisition except as stated below. The cost of acquisition includes the fair value of assets transferred in exchange and liabilities undertaken. Financial assets are initially measured at their fair value plus transaction costs where appropriate.

Assets acquired at no cost, or for nominal consideration, are initially recognised as assets and revenues at their fair value at the date of acquisition, unless acquired as a consequence of restructuring of administrative arrangements. In the latter case, assets are initially recognised as contributions by owners at the amounts at which they were recognised in the transferor's accounts immediately prior to the restructuring.

### **1.7 Property (Land, Buildings and Leasehold Improvements) and Plant and Equipment**

#### **• Asset Recognition Threshold**

Purchases of property, plant and equipment are recognised initially at cost in the Balance Sheet, except for purchases costing less than \$2,000, which are expensed in the year of acquisition, other than where they form part of a group of similar items which are significant in total. Property, plant and equipment acquired free or for a nominal charge are recognised initially at fair value.

The initial cost of an asset includes an estimate of the cost of dismantling and removing the item and restoring the site on which it is located. A corresponding provision for the "make good" is taken up.

• **Revaluations**

Following initial recognition at cost, land, buildings and plant and equipment are carried at fair value less subsequent accumulated depreciation and accumulated impairment losses. Valuations are conducted with sufficient frequency to ensure that the carrying amounts of assets do not differ materially from the assets' fair values as at the reporting date.

The regularity of independent valuations depends upon the volatility of movements in market values for the relevant assets.

• **Fair values for each class of assets are determined as shown below.**

<b>Asset Class</b>	<b>Fair Value Measured at:</b>
Buildings	Market appraisal
Land	Market appraisal
Leasehold improvements	Amortised cost
Plant and equipment	Amortised cost

Formal valuations are carried out by an independent qualified valuer. Aon Valuation Services completed a revaluation of Screen Australia's Lindfield buildings and land as at 4 May 2011 and land as at 30 June 2012. Screen Australia has determined that the fair value of the building as at 30 June 2012 is not materially different from the carrying amount.

Revaluation adjustments are made on an asset class basis. Any revaluation increment is credited to equity under the heading of asset revaluation reserve except to the extent that it reverses a previous revaluation decrement of the same asset class that was previously recognised through the Statement of Comprehensive Income. Revaluation decrements for a class of assets are recognised directly through the Statement of Comprehensive Income except to the extent that they reverse a previous revaluation increment for that class.

Any accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the asset restated to the revalued amount.

Assets which are surplus to requirement are measured at their net realisable value.

**1.8 Depreciation and Amortisation**

Depreciable property, plant and equipment are written off to their estimated residual values over their estimated useful lives to Screen Australia using, in all cases, the straight-line method of depreciation. Leasehold improvements are amortised on a straight-line basis over the lesser of the estimated useful life of the improvements or the unexpired period of the lease.

Depreciation/amortisation rates (useful lives), residual values and methods are reviewed at each balance date and necessary adjustments are recognised in current, or current and future reporting periods, as appropriate.

Depreciation and amortisation rates applying to each class of depreciable assets are based on the following useful lives:

	<b>2012</b>	<b>2011</b>
Buildings and leasehold improvements	<b>Lower of 10 years or lease term</b>	<b>Lower of 10 years or lease term</b>
Furniture and fittings	<b>10 years</b>	<b>10 years</b>
Computer equipment	<b>3 to 4 years</b>	<b>3 to 4 years</b>
Office machines	<b>5 years</b>	<b>5 years</b>
Plant	<b>10 years</b>	<b>10 years</b>

The aggregate amount of depreciation allocated for each class of asset during the reporting period is disclosed in Note 3d.

**1.9 Impairment**

All assets were assessed for impairment at 30 June 2012. Where indications of impairment exist, the asset's recoverable amount is estimated and an impairment adjustment made if the asset's recoverable amount is less than its carrying amount.

The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use. Value in use is the present value of the future cash flows expected to be derived from the asset. Where the future economic benefit

of an asset is not primarily dependent on the asset's ability to generate future cash flows, and the asset would be replaced if Screen Australia were deprived of the asset, its value in use is taken to be its depreciated replacement cost.

### 1.10 Intangibles

Intangibles, comprising purchased computer software and internally developed software, are carried at cost less accumulated amortisation and accumulated impairment losses.

These assets, which are not held to generate net cash inflows, have been assessed for indications of impairment at the reporting date. Where indications of impairment exist, the asset is written down to the higher of its net selling price and, if Screen Australia would replace the asset's service potential, its depreciated replacement cost. No assets were found to be impaired.

Software assets are amortised on a straight-line basis over their anticipated useful lives. The useful lives are :

	2012	2011
Purchased software	3 to 5 years	3 to 5 years
Internally developed software	3 to 5 years	3 to 5 years

Any upgrades to existing software are amortised over the remaining life of the software asset.

### 1.11 Inventories

All inventories were part of the Library and Sales function that Screen Australia transferred to the National Film and Sound Archives Australia (NFSA) on 1 July 2011 (Note 2). No inventories were held at 30 June 2012.

### 1.12 Employee Benefits

#### • *Benefits*

Liabilities for services rendered by employees are recognised at the reporting date to the extent that they have not been settled.

Liabilities for 'short-term employee benefits' (as defined in AASB 119) such as liabilities for salaries and wages, annual leave and termination benefits due within 12 months are measured at their nominal amounts. Other employee benefits expected to be settled within 12 months of the reporting date are also measured at their nominal amounts.

Nominal amounts are calculated with regard to the rates expected to be paid on settlement of the liability.

All other employee benefit liabilities are measured at the present value of the estimated future cash outflows to be made in respect of services provided by employees up to the reporting date.

#### • *Leave*

The liability for employee benefits includes provision for annual leave and long service leave. No provision has been made for sick leave as all sick leave is non-vesting and the average sick leave taken in future years by employees of Screen Australia is estimated to be less than the annual entitlement for sick leave.

The leave liabilities are calculated on the basis of employees' remuneration, including the employer superannuation contribution rates to the extent that the leave is likely to be taken during employment rather than paid out on termination.

Employee benefit liabilities that are expected to be settled more than 12 months after the reporting date are recognised and measured at the present value of the estimated future cash flows to be made by Screen Australia in respect of all the services provided by employees up to 30 June 2012 at rates at which the liabilities are expected to be settled.

The liability for long service leave has been determined by reference to the work of an actuary as at 30 June 2012. The estimate of the present value of the liability takes into account attrition rates and pay increases through promotion and inflation.

#### • *Separation and Redundancy*

Provision is made for separation and redundancy benefit payments. Screen Australia recognises a provision for termination when it has developed a detailed formal plan for the terminations and has informed those employees affected that it will carry out the terminations.

#### • *Superannuation*

The majority of employees contribute to the Commonwealth Superannuation Scheme (CSS), the Public Sector Superannuation Scheme (PSS) or the PSS accumulation plan (PSSap).

The CSS and PSS are defined benefit schemes for the Commonwealth whereas the PSSap is a defined contribution scheme.

Screen Australia makes employer contributions to the Commonwealth at rates determined by the actuary to be sufficient to meet the cost to the Commonwealth of the superannuation entitlements of Screen Australia's employees. Details of superannuation payments made by Screen Australia are disclosed in Note 3a.

The liability for the defined benefits is recognised in the financial statements of the Australian Government and is settled by the Australian Government in due course. This liability is reported by the Department of Finance and Deregulation as an administered item.

The liability for superannuation recognised as at 30 June represents outstanding contributions for the final fortnight of the financial year.

### **1.13 Leases**

A distinction is made between finance leases and operating leases. Finance leases effectively transfer from the lessor to the lessee substantially all the risks and rewards incidental to ownership of leased non-current assets. All other leases are classified as operating leases. Under operating leases, the lessor effectively retains substantially all such risks and benefits.

Where a non-current asset is acquired by means of a finance lease, the asset is capitalised at either the fair value of the lease property or, if lower, the present value of minimum lease payments at the inception of the contract and a liability recognised at the same time and for the same amount.

The discount rate used is the interest rate implicit in the lease. Leased assets are amortised over the period of the lease.

Lease payments are allocated between the principal component and the interest expense.

Operating lease payments are expensed on a straight-line basis over the term of the lease, unless another pattern is more representative of the pattern of benefits derived from the lease.

Where a lease incentive is included in an operating lease in the form of free leasehold improvements or rent-free periods, the net value of the minimum lease payments is expensed on a straight-line basis over the term of the lease.

### **1.14 Taxation**

Screen Australia is exempt from taxation except fringe benefits tax (FBT) and the goods and services tax (GST). Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

### **1.15 Foreign Currency**

Foreign currency transactions are converted to Australian currency at the rates of exchange ruling at the dates of the transactions. Amounts receivable and payable in foreign currencies are translated at the rates of exchange ruling at balance date. Exchange differences relating to amounts payable and receivable in foreign currencies are brought to account in the Statement of Comprehensive Income and are not material.

### **1.16 Cash**

Cash is recognised at its nominal amount. Cash and cash equivalents include cash on hand, deposits held at call with banks and investments in term deposits maturing within 90 days or less. Cash is recognised at its nominal amount.

### **1.17 Insurance**

Screen Australia covers its general insurance needs including Directors' and Officers' liability through the Commonwealth insurable risk managed fund, 'Comcover'. Workers' compensation is insured through Comcare Australia.

### **1.18 Financial Assets**

Screen Australia classifies its financial assets in the following categories:

- held-to-maturity investments (term deposits);
- loans and receivables (film investments and loans).

The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

Financial assets are recognised and derecognised upon trade date.

#### **• Held-to-Maturity Investments**

Non-derivative financial assets with fixed or determinable payments and fixed maturity dates that the entity has the positive intent and ability to hold to maturity are classified as held-to-maturity investments. Held-to-maturity investments are recorded at nominal cost less impairment, with revenue recognised on an effective yield basis.



### • **Loans and Receivables**

Trade receivables, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. They are included in current assets, except for maturities greater than 12 months after the balance sheet date. These are classified as non-current assets. Loans and receivables are measured at nominal cost using the effective interest method less impairment.

### • **Impairment of Financial Assets**

Financial assets are assessed for impairment at each balance date. The carrying amount is reduced by way of an allowance account.

The loss is recognised in the Statement of Comprehensive Income.

### **1.19 Financial Liabilities**

Supplier and other payables are recognised at Fair Value. Liabilities are recognised to the extent that the goods or services have been received, irrespective of having been invoiced. Financial liabilities are recognised and derecognised upon trade date.

### **1.20 Contingent Liabilities and Contingent Assets**

Contingent liabilities and contingent assets are not recognised in the balance sheet but are reported in the relevant schedules and notes. They may arise from uncertainty as to the existence of a liability or asset or represent an asset or liability in respect of which the amount cannot be reliably measured. Contingent assets are disclosed when settlement is probable but not virtually certain and contingent liabilities are disclosed when settlement is greater than remote.

Screen Australia had no contingent liabilities or contingent assets at 30 June 2012.

### **1.21 Revenue**

Revenue generated from the sale of goods is recognised when:

- the risks and rewards of ownership have been transferred to the buyer;
- the seller retains no managerial involvement nor effective control over the goods;
- the revenue and transaction costs incurred can be reliably measured; and
- it is probable that the economic benefits associated with the transaction will flow to Screen Australia.

Revenue generated from the rendering of services is recognised by reference to the stage of completion of contracts at the reporting date. The revenue is recognised when the:

- amount of revenue, stage of completion and transaction costs incurred can be reliably measured; and
- probable economic benefits associated with the transaction will flow to Screen Australia.

The stage of completion of contracts at the reporting date is determined according to the proportion that costs incurred to date bear to the estimated total costs of the transaction.

Receivables for goods and services are recognised at the nominal amounts due less any impairment allowance account.

Collectability of debts is reviewed at balance date. Allowances are made when collection of the debt is no longer probable.

### • **Revenues from Government**

Funding received or receivable from agencies (appropriated to the agency as a CAC Act body payment item for payment to this entity) is recognised as Revenue from Government unless they are in the nature of an equity injection or a loan.

### **1.22 Gains**

#### • **Resources Received Free of Charge**

Resources received free of charge are recognised as revenue when, and only when, a fair value can be reliably determined and the services would have been purchased if they had not been donated. Use of those resources is recognised as an expense. Resources received free of charge are recorded as either revenue or gains depending on their nature.

#### • **Sale of Assets**

Gains from disposal of non-current assets are recognised when control of the asset has passed to the buyer. The gain on disposal is calculated as the difference between the carrying amount of the non-current asset at the time of disposal and the net proceeds on disposal.

### **1.23 Transactions with the Government as Owner**

#### **• Equity Injections**

Amounts that are designated as equity injections for a year are recognised directly in contributed equity in that year.

#### **• Restructuring of Administrative Arrangements**

Net assets received from or relinquished to another Australian Government agency or authority under a restructuring of administrative arrangements are adjusted at their book value directly against contributed equity.

### **1.24 Grants Expense**

Screen Australia provides grants to film developers and producers for the purposes of fostering and developing an Australian film, television and interactive media production industry in Australia. An expense is recognised by Screen Australia on approval of each grant funding application.

### **1.25 Film and Stills Library**

As at 30 June 2011 Screen Australia managed film, video and sound materials in which the Commonwealth owns copyright. This collection was not attributed a value for the purposes of financial statements disclosure, as it is not possible, with any certainty, to assess its commercial worth. This function was transferred to the NFSA on 1 July 2011 at zero cost. Refer to Note 19 for restructuring details.

### **1.26 Rounding**

Amounts have been rounded to the nearest dollar.

## **2. EVENTS AFTER THE REPORTING PERIOD**

Screen Australia is not aware of any significant events that have occurred since balance sheet date that warrant disclosure in these financial statements.

	2012 \$	2011 \$
<b>3. OPERATING EXPENSES</b>		
<b>3a EMPLOYEE BENEFITS</b>		
Wages and salaries	10,778,125	11,641,078
Superannuation		
Defined contribution plans	1,370,135	1,437,914
Defined benefit plans	279,610	343,506
Leave and other entitlements	1,442,021	1,461,243
Separation and redundancy	241,080	182,995
Other employee benefits	159,537	182,351
<b>TOTAL EMPLOYEE EXPENSES</b>	<b>14,270,508</b>	<b>15,249,087</b>
<b>3b SUPPLIERS</b>		
Goods and services		
Consultants	1,952,764	2,098,952
Other property and utilities	908,943	958,573
Screenings and hospitality	805,963	943,802
Travel and accommodation	975,562	1,127,756
Office and communications	1,065,246	1,225,260
IT consulting, other contractors and professional services	594,287	987,559
Assessor fees	387,399	466,183
Other	1,614,745	1,693,428
<b>TOTAL GOODS AND SERVICES</b>	<b>8,304,909</b>	<b>9,501,513</b>
Goods from external entities	1,348,158	1,473,691
Services from related entities	227,824	249,599
Services from external entities	6,728,927	7,778,223
<b>TOTAL GOODS AND SERVICES</b>	<b>8,304,909</b>	<b>9,501,513</b>
Operating lease rentals – external parties		
Minimum lease payments	965,055	1,005,391
Workers compensation expenses	109,163	105,511
<b>TOTAL OTHER SUPPLIER EXPENSES</b>	<b>1,074,218</b>	<b>1,110,902</b>
<b>TOTAL SUPPLIER EXPENSES</b>	<b>9,379,127</b>	<b>10,612,415</b>
Supplier expenses include special industry assistance expenditure which comprises market expansion support for international film markets and festivals, industry collaboration, research and information.		
<b>3c GRANTS</b>		
Public Sector		
Australian Government entities (related entities)	17,500	–
State and Territory Governments	473,649	205,000
Private Sector		
Non-government organisations	19,669,754	14,598,169
<b>TOTAL GRANTS EXPENSE</b>	<b>20,160,903</b>	<b>14,803,169</b>

	2012 \$	2011 \$
<b>3d DEPRECIATION AND AMORTISATION</b>		
Depreciation of buildings	405,763	200,333
Depreciation of plant and equipment*	253,864	379,304
Amortisation of software	121,479	95,263
Amortisation of leased assets	348,399	336,596
<b>TOTAL DEPRECIATION AND AMORTISATION</b>	<b>1,129,505</b>	<b>1,011,496</b>

\* Depreciation expenses for finance leases are included in 'Depreciation of plant and equipment' above. The carrying amount of equipment under finance lease arrangements is \$549,572 (2011: \$630,640).

<b>3e WRITE-DOWN AND IMPAIRMENT OF ASSETS</b>		
Bad and doubtful debts expense		
Receivables for goods and services	122,006	180
Impairment losses on film investments and loans	64,103,463	61,359,740
Impairment of plant and equipment	–	7,362
<b>TOTAL WRITE-DOWN AND IMPAIRMENT OF ASSETS</b>	<b>64,225,469</b>	<b>61,367,282</b>

<b>3f NET FOREIGN EXCHANGE LOSS</b>		
Non-speculative	870	36
<b>TOTAL FOREIGN EXCHANGE LOSS</b>	<b>870</b>	<b>36</b>

<b>3g LOSSES FROM ASSET SALES</b>		
Property, plant and equipment:		
Proceeds from sale	(54,800)	–
Carrying value of assets sold	54,829	–
Intangibles		
Carrying value of assets sold	66,934	–
<b>NET LOSS FROM SALE OF ASSETS</b>	<b>66,963</b>	<b>–</b>

<b>4. FINANCE COSTS</b>		
Finance leases	69,294	16,422
Other interest payments	14,981	14,238
Unwinding of discount on make good and lease incentives and finance costs on onerous leases	16,155	41,692
<b>TOTAL FINANCE COSTS EXPENSE</b>	<b>100,430</b>	<b>72,352</b>

## 5. INCOME

<b>5a REVENUE FROM GOVERNMENT</b>		
Government funding	71,987,000	71,987,000
Department of the Prime Minister & Cabinet / Department of Regional Australia, Local Government, Arts & Sport		
CAC Act body payment item	19,781,000	17,411,000
Other*	17,682	–
<b>TOTAL REVENUES FROM GOVERNMENT</b>	<b>91,785,682</b>	<b>89,398,000</b>

\* The entity received \$17,682 (2011: \$nil) under the Paid Parental Leave Scheme.

	2012 \$	2011 \$
<b>OWN-SOURCE REVENUE</b>		
<b>5b SALE OF GOODS AND RENDERING OF SERVICES</b>		
Goods – external parties	481,938	856,929
Services – external parties	1,166,303	1,167,800
<b>TOTAL SALE OF GOODS AND RENDERING OF SERVICES</b>	<b>1,648,241</b>	<b>2,024,729</b>
<b>5c INTEREST</b>		
Cash deposits	4,015,016	3,971,891
<b>TOTAL INTEREST REVENUE</b>	<b>4,015,016</b>	<b>3,971,891</b>
<b>5d RENTAL INCOME</b>		
Operating Lease	732,892	703,248
Other	329,255	285,518
<b>TOTAL RENTAL REVENUE</b>	<b>1,062,147</b>	<b>988,766</b>
<b>5e OTHER REVENUE</b>		
Total profit on equity film production investments	7,242,217	7,023,283
Total recoveries on equity film development investments and loans	547,718	1,261,204
Revenue for externally funded projects	17,000	113,224
Other	654,116	237,037
<b>TOTAL OTHER REVENUE</b>	<b>8,461,051</b>	<b>8,634,748</b>
<b>6. FINANCIAL ASSETS</b>		
<b>6a CASH AND CASH EQUIVALENTS</b>		
Cash on hand or on deposit	11,378,870	13,780,013
<b>TOTAL CASH AND CASH EQUIVALENTS</b>	<b>11,378,870</b>	<b>13,780,013</b>
<b>6b TRADE AND OTHER RECEIVABLES</b>		
Film loans	–	1,121,210
Other	825,827	1,649,535
<b>TOTAL RECEIVABLES (NET)</b>	<b>825,827</b>	<b>2,770,745</b>
<i>Film loans</i>		
Principal and interest brought forward from previous year	6,610,772	4,897,911
Add: loans made during the year	2,325,489	4,621,059
	<b>8,936,261</b>	<b>9,518,970</b>
Less: repayments during the year	(2,525,100)	(2,908,198)
	<b>6,411,161</b>	<b>6,610,772</b>
Less: allowance for impairment	(6,411,161)	(5,489,562)
<b>TOTAL LOANS RECEIVABLE</b>	<b>–</b>	<b>1,121,210</b>

Industry assistance loans are secured against the future earnings of the particular film and as such do not have a specific repayment date. See Note 11.5. They are classified as being receivable in more than 12 months.

	2012 \$	2011 \$
<i>Movements in allowances for impairment loss</i>		
Allowance for impairment loss at beginning of year	(5,489,562)	(3,775,413)
Add: transfer to allowance from Provision for onerous contracts on payment of drawdowns	(1,409,352)	(3,363,057)
Deduct: recoveries	547,718	1,261,204
Deduct: reclassification of allowance for impairment loans to investments	-	479,794
Add: write-down of loans	-	(92,090)
Add: allowance for impairment from prior year	(59,965)	-
<b>ALLOWANCE FOR IMPAIRMENT LOSS AT END OF YEAR</b>	<b>(6,411,161)</b>	<b>(5,489,562)</b>

*Other*

Trade Receivables	235,651	412,427
Less: allowance for doubtful debts	(146,949)	(32,821)
	<b>88,702</b>	<b>379,606</b>
GST receivable from ATO	382,914	892,979
Accrued income	353,420	375,550
Other	791	1,400
<b>TOTAL OTHER RECEIVABLES</b>	<b>825,827</b>	<b>1,649,535</b>

Trade receivables (gross) are aged as follows:

Current	36,842	149,455
Overdue by:		
Less than 30 days	30,044	67,362
31 to 60 days	22,147	44,142
61 to 90 days	7,379	22,522
More than 90 days	139,239	128,946
<b>TOTAL TRADE RECEIVABLES (GROSS)</b>	<b>235,651</b>	<b>412,427</b>

The impairment allowance is aged as follows:

Overdue by:		
31 to 60 days	(2,050)	-
61 to 90 days	(6,209)	(11,880)
More than 90 days	(138,690)	(20,941)
<b>TOTAL IMPAIRMENT ALLOWANCE</b>	<b>(146,949)</b>	<b>(32,821)</b>

**Reconciliation of the impairment allowance account:**

Opening balance	(32,821)	(33,012)
Amounts written off	7,878	191
Increase/decrease recognised in net loss	(122,006)	-
<b>CLOSING BALANCE</b>	<b>(146,949)</b>	<b>(32,821)</b>

	2012 \$	2011 \$
<b>6c FILM EQUITY INVESTMENTS</b>		
Film investments brought forward from the previous year	<b>230,036,327</b>	184,105,052
Add: film investments during the year	<b>62,390,143</b>	59,242,562
	<b>292,426,470</b>	243,347,614
Less: repayments during the year	<b>(2,629,755)</b>	(13,311,287)
	<b>289,796,715</b>	230,036,327
Less: allowance for impairment	<b>(289,796,715)</b>	(228,699,910)
<b>TOTAL FILM INVESTMENTS</b>	<b>-</b>	<b>1,336,417</b>

Film investments are categorised as follows:

More than 12 months	-	1,336,417
<b>TOTAL FILM INVESTMENTS</b>	<b>-</b>	<b>1,336,417</b>

#### Movements in allowances for impairment loss

Allowance for impairment loss at beginning of year – investments	<b>(228,699,910)</b>	(169,530,851)
Add: transfer to allowance from Provision for onerous contracts on payment of drawdowns	<b>(62,351,755)</b>	(58,729,522)
Add: reclassification of allowance for impairment loans to investments	-	(479,794)
Add: write-down of investments	<b>(163,198)</b>	(941,831)
Deduct: development investments transferred to production during the year	<b>1,358,402</b>	919,077
Deduct: charged to profit and loss	<b>59,746</b>	63,011
<b>ALLOWANCE FOR IMPAIRMENT LOSS AT END OF YEAR</b>	<b>(289,796,715)</b>	<b>(228,699,910)</b>

Total allowances for impairment loss comprise:

Allowance for impairment loss – film loans	<b>(6,411,161)</b>	(5,489,562)
Allowance for impairment loss – equity film investments	<b>(289,796,715)</b>	(228,699,910)
<b>TOTAL ALLOWANCE FOR IMPAIRMENT AT END OF YEAR</b>	<b>(296,207,876)</b>	<b>(234,189,472)</b>

#### 6d INVESTMENTS UNDER S.18 OF THE CAC ACT

Term deposits – less than 12 months	<b>52,352,501</b>	45,147,166
<b>TOTAL TERM DEPOSITS</b>	<b>52,352,501</b>	<b>45,147,166</b>

	2012 \$	2011 \$
<b>7. NON-FINANCIAL ASSETS</b>		
<b>7a LAND AND BUILDINGS</b>		
<b>Land</b>		
Fair value	13,700,000	12,480,000
<b>TOTAL LAND</b>	<b>13,700,000</b>	<b>12,480,000</b>
<b>Buildings</b>		
Fair value	23,744,913	23,744,913
Accumulated depreciation	(14,298,674)	(13,892,911)
<b>TOTAL BUILDINGS</b>	<b>9,446,239</b>	<b>9,852,002</b>
<b>Leasehold improvements</b>		
Gross carrying value (at amortised cost)	2,763,354	2,763,354
Accumulated depreciation	(1,243,941)	(895,542)
<b>Total leasehold improvements</b>	<b>1,519,413</b>	<b>1,867,812</b>
<b>TOTAL LAND AND BUILDINGS</b>	<b>24,665,652</b>	<b>24,199,814</b>

No indicators of impairment were found for land and buildings. Screen Australia is currently in the process of applying to re-zone its Lindfield land assets in preparation for the eventual disposal of the property. However, it is not expected the property will be sold or disposed of within the next 12 months.

#### 7b PLANT AND EQUIPMENT

Gross carrying value (at amortised cost)	1,333,991	1,988,097
Accumulated depreciation	(666,052)	(1,087,934)
<b>TOTAL PLANT AND EQUIPMENT</b>	<b>667,939</b>	<b>900,163</b>

No indicators of impairment were found for plant and equipment. No property, plant or equipment is expected to be sold or disposed of within the next 12 months.

#### 7c INTANGIBLES

Computer software at cost:		
Internally developed – in progress	405,064	52,488
Internally developed – in use	127,450	127,450
Purchased – in use	463,372	456,593
Accumulated amortisation	(288,744)	(194,063)
<b>TOTAL INTANGIBLES</b>	<b>707,142</b>	<b>442,468</b>

No indicators of impairment were found for intangibles. No intangibles are expected to be sold or disposed of within the next 12 months.



2012  
\$

2011  
\$

**7d ANALYSIS OF PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLES**

Table A

Reconciliation of the opening and closing balances of property, plant and equipment (2011–12)

	Land \$	Buildings \$	Leasehold improvements \$	Total land and buildings \$	Plant and equipment \$	Total \$
As at 1 July 2011						
Gross book value	12,480,000	23,744,913	2,763,354	<b>38,988,267</b>	1,988,097	<b>40,976,364</b>
Accumulated depreciation/amortisation and impairment	–	(13,892,911)	(895,542)	<b>(14,788,453)</b>	(1,087,934)	<b>(15,876,387)</b>
<b>NET BOOK VALUE 1 JULY 2011</b>	<b>12,480,000</b>	<b>9,852,002</b>	<b>1,867,812</b>	<b>24,199,814</b>	<b>900,163</b>	<b>25,099,977</b>
Additions:						
by purchase	–	–	–	–	10,500	<b>10,500</b>
by finance lease	–	–	–	–	65,969	<b>65,969</b>
Revaluations recognised in other comprehensive income	1,220,000	–	–	<b>1,220,000</b>	–	<b>1,220,000</b>
Depreciation/amortisation expense	–	(405,763)	(348,399)	<b>(754,162)</b>	(253,864)	<b>(1,008,026)</b>
Disposals	–	–	–	–	(54,829)	<b>(54,829)</b>
<b>NET BOOK VALUE 30 JUNE 2012</b>	<b>13,700,000</b>	<b>9,446,238</b>	<b>1,519,414</b>	<b>24,665,652</b>	<b>667,939</b>	<b>25,333,591</b>

Net book value as at 30 June 2012 represented by:

Gross book value	13,700,000	23,744,913	2,763,354	<b>40,208,267</b>	1,333,991	<b>41,542,258</b>
Accumulated depreciation/amortisation and impairment	–	(14,298,674)	(1,243,941)	<b>(15,542,615)</b>	(666,052)	<b>(16,208,667)</b>
<b>NET BOOK VALUE 30 JUNE 2012</b>	<b>13,700,000</b>	<b>9,446,239</b>	<b>1,519,413</b>	<b>24,665,652</b>	<b>667,939</b>	<b>25,333,591</b>

	Land \$	Buildings \$	Leasehold improvements \$	Total land and buildings \$	Plant and equipment \$	Total \$
As at 1 July 2010						
Gross book value	9,000,000	7,624,578	2,896,556	<b>19,521,134</b>	1,218,429	<b>20,739,563</b>
Accumulated depreciation/amortisation and impairment	–	(154,866)	(1,160,423)	<b>(1,315,289)</b>	(747,367)	<b>(2,062,656)</b>
<b>NET BOOK VALUE 1 JULY 2010</b>	<b>9,000,000</b>	<b>7,469,712</b>	<b>1,736,133</b>	<b>18,205,845</b>	<b>471,062</b>	<b>18,676,907</b>
Additions:						
by purchase	–	–	468,275	<b>468,275</b>	129,635	<b>597,910</b>
by finance lease	–	–	–	–	678,831	<b>678,831</b>
Revaluations	3,480,000	2,582,623	–	<b>6,062,623</b>	–	<b>6,062,623</b>
Depreciation/amortisation expense	–	(200,333)	(336,596)	<b>(536,929)</b>	(379,304)	<b>(916,233)</b>
Disposal	–	–	–	–	(61)	<b>(61)</b>
<b>NET BOOK VALUE 30 JUNE 2011</b>	<b>12,480,000</b>	<b>9,852,002</b>	<b>1,867,812</b>	<b>24,199,814</b>	<b>900,163</b>	<b>25,099,977</b>

Net book value as at 30 June 2011 represented by:

Gross book value	12,480,000	23,744,913	2,763,354	<b>38,988,267</b>	1,988,097	<b>40,976,364</b>
Accumulated depreciation/amortisation and impairment	–	(13,892,911)	(895,542)	<b>(14,788,453)</b>	(1,087,934)	<b>(15,876,387)</b>
<b>NET BOOK VALUE 30 JUNE 2011</b>	<b>12,480,000</b>	<b>9,852,002</b>	<b>1,867,812</b>	<b>24,199,814</b>	<b>900,163</b>	<b>25,099,977</b>

Table B

Reconciliation of the opening and closing balances of intangibles (2011–12)

	Computer software internally developed \$	Computer software purchased \$	Total \$
As at 1 July 2011			
Gross book value	127,450	509,081	<b>636,531</b>
Accumulated depreciation/amortisation and impairment	(88,048)	(106,015)	<b>(194,063)</b>
<b>NET BOOK VALUE 1 JULY 2011</b>	<b>39,402</b>	<b>403,066</b>	<b>442,468</b>
Additions:			
by purchase or internally developed		453,087	<b>453,087</b>
Amortisation	(25,490)	(95,989)	<b>(121,479)</b>
Disposals		(66,934)	<b>(66,934)</b>
<b>NET BOOK VALUE 30 JUNE 2012</b>	<b>13,912</b>	<b>693,230</b>	<b>707,142</b>
Net book value as at 30 June 2012 represented by:			
Gross book value	127,450	868,436	<b>995,886</b>
Accumulated depreciation/amortisation and impairment	<b>(113,538)</b>	<b>(175,206)</b>	<b>(288,744)</b>
<b>NET BOOK VALUE 30 JUNE 2012</b>	<b>13,912</b>	<b>693,230</b>	<b>707,142</b>

Reconciliation of the opening and closing balances of intangibles (2010–11)

	Computer software internally developed \$	Computer software purchased \$	Total \$
As at 1 July 2010			
Gross book value	143,785	124,791	<b>268,576</b>
Accumulated depreciation/amortisation and impairment	(62,558)	(75,533)	<b>(138,091)</b>
<b>NET BOOK VALUE 1 JULY 2010</b>	<b>81,227</b>	<b>49,258</b>	<b>130,485</b>
Additions:			
by purchase or internally developed	–	414,547	<b>414,547</b>
Amortisation	(25,490)	(69,773)	<b>(95,263)</b>
Disposals	–	(7,301)	<b>(7,301)</b>
Other movements	(16,335)	16,335	–
<b>NET BOOK VALUE 30 JUNE 2011</b>	<b>39,402</b>	<b>403,066</b>	<b>442,468</b>
Net book value as at 30 June 2011 represented by:			
Gross book value	127,450	509,081	<b>636,531</b>
Accumulated depreciation/amortisation and impairment	(88,048)	(106,015)	<b>(194,063)</b>
<b>NET BOOK VALUE 30 JUNE 2011</b>	<b>39,402</b>	<b>403,066</b>	<b>442,468</b>

2012  
\$

2011  
\$

**7e INVENTORIES**

Inventories held for sale\*

Finished goods	–	34,248
<b>TOTAL INVENTORIES HELD FOR SALE</b>	<b>–</b>	<b>34,248</b>

\*All inventory was transferred to the NFSA on 1 July 2011

**7f OTHER NON-FINANCIAL ASSETS**

Prepayments	<b>363,519</b>	196,008
<b>TOTAL OTHER NON-FINANCIAL ASSETS</b>	<b>363,519</b>	<b>196,008</b>

All other non-financial assets are expected to be recovered within 12 months.  
No indicators of impairment were found for other non-financial assets.

	2012 \$	2011 \$
<b>8. PAYABLES</b>		
<b>8a SUPPLIER PAYABLES</b>		
Trade creditors	<b>601,302</b>	331,122
<b>TOTAL SUPPLIER PAYABLES</b>	<b>601,302</b>	331,122

Supplier payables expected to be settled within 12 months.

Related entities	<b>414,730</b>	76,046
External entities	<b>186,572</b>	225,076
<b>TOTAL</b>	<b>601,302</b>	301,122

Settlement was usually made within 30 days.

<b>8b OTHER PAYABLES</b>		
Property lease incentive	<b>504,907</b>	852,959
Deferred revenue	<b>83,000</b>	111,552
Salaries and wages	<b>246,183</b>	276,721
Separations and redundancies	<b>13,119</b>	71,290
Superannuation	<b>52,602</b>	39,170
Other employee benefits	<b>44,989</b>	23,440
Other	<b>66</b>	377,043
<b>TOTAL OTHER PAYABLES</b>	<b>944,866</b>	1,752,175

Other payables are categorised as follows:

No more than 12 months	<b>439,959</b>	1,185,342
More than 12 months	<b>504,907</b>	566,833
<b>TOTAL OTHER PAYABLES</b>	<b>944,866</b>	1,752,175

Deferred revenue represents amounts received for a specific program that will be matched against future year expenditure.

## 9. INTEREST BEARING LIABILITIES

### LEASES

Finance leases	<b>549,572</b>	659,355
<b>TOTAL FINANCE LEASES</b>	<b>549,572</b>	659,355

Payable:

#### **Within 1 year**

Minimum lease payments	<b>266,027</b>	237,346
Deduct: future finance charges	<b>(56,573)</b>	(69,287)

#### **In 1 to 5 years**

Minimum lease payments	<b>371,863</b>	563,674
Deduct: future finance charges	<b>(31,745)</b>	(72,378)
<b>FINANCE LEASES RECOGNISED ON THE BALANCE SHEET</b>	<b>549,572</b>	659,355

Finance leases were entered into during 2011 and 2012 in relation to certain IT assets. The leases for storage and server components are for 4-year terms and the leases for desktop and portable computers are for a 3-year term. There is no extension option on these leases. The interest rate implicit in the leases averaged 12.0% (2011: 12.1%).

2012  
\$

2011  
\$

## 10. PROVISIONS

### 10a EMPLOYEE PROVISIONS

Annual leave	1,109,318	1,200,665
Long service leave	1,833,045	1,726,619
<b>TOTAL EMPLOYEE PROVISIONS</b>	<b>2,942,363</b>	<b>2,927,284</b>

Employee Provisions are categorised as follows:

No more than 12 months	1,533,070	1,650,368
More than 12 months	1,409,293	1,276,916
<b>TOTAL EMPLOYEE PROVISIONS</b>	<b>2,942,363</b>	<b>2,927,284</b>

### 10b OTHER PROVISIONS

Provision for make good	302,174	462,194
Provision for onerous contracts	27,313,167	23,225,268
<b>TOTAL OTHER PROVISIONS</b>	<b>27,615,341</b>	<b>23,687,462</b>

	Make good	Onerous film contracts	Onerous lease contracts	Total onerous contracts	Total other provisions
	\$	\$	\$	\$	\$
Carrying amount 1 July 2011	462,194	22,621,315	603,953	23,225,268	23,687,462
Additional provisions made	14,980	84,385,386	-	84,385,386	84,400,366
Amounts used	-	(79,584,194)	(505,968)	(80,090,162)	(80,090,162)
Amounts reversed	(175,000)	(109,340)	(97,985)	(207,325)	(382,325)
<b>Closing balance 30 June 2012</b>	<b>302,174</b>	<b>27,313,167</b>	<b>-</b>	<b>27,313,167</b>	<b>27,615,341</b>

	Make good 2012	Onerous film contracts 2012	Onerous lease contracts 2012	Total onerous contracts 2012	Total other provisions 2012	Total other provisions 2011
	\$	\$	\$	\$	\$	\$
Other provisions are classified as follows:						
No more than 12 months	-	23,415,102	-	23,415,102	23,415,102	20,259,225
More than 12 months	302,174	3,898,065	-	3,898,065	4,200,239	3,428,237
<b>Total</b>	<b>302,174</b>	<b>27,313,167</b>	<b>-</b>	<b>27,313,167</b>	<b>27,615,341</b>	<b>23,687,462</b>

2012  
\$

2011  
\$

## 11. CASH FLOW RECONCILIATION

### 11a RECONCILIATION OF OPERATING RESULT TO NET CASH FROM OPERATING ACTIVITIES

<b>Operating surplus</b>	<b>(2,361,638)</b>	1,902,297
<b>Non-cash items</b>		
Depreciation and amortisation	<b>1,129,505</b>	1,011,496
Write-down of property, plant and equipment and intangibles	<b>66,963</b>	(1,838)
Write-down of receivables for goods and services	<b>114,128</b>	180
Write-down and allowance for impairment on film investments and loans receivable	<b>65,441,242</b>	61,226,656
Recoupment exceeding net carrying value of film investments and loans	<b>(6,042,560)</b>	(6,536,841)
<b>Changes in assets and liabilities</b>		
(Increase)/decrease in receivables	<b>(3,924,000)</b>	4,928,338
(Increase)/decrease in inventories	<b>34,248</b>	1,165
(Increase)/decrease in prepayments	<b>(167,511)</b>	(285,071)
Increase/(decrease) in supplier payables	<b>270,180</b>	106,553
Increase/(decrease) in employee provisions	<b>15,079</b>	411,010
Increase/(decrease) in other provisions	<b>3,927,880</b>	(176,960)
Increase/(decrease) in other payables	<b>(917,092)</b>	(5,321,172)
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>57,586,424</b>	57,265,813

### 11b RECONCILIATION OF CASH

Cash balance comprises:

Cash at bank and on hand

<b>TOTAL CASH</b>	<b>11,378,870</b>	13,780,013
<b>BALANCE OF CASH AS AT 30 JUNE SHOWN IN THE CASH FLOW STATEMENT</b>	<b>11,378,870</b>	13,780,013

## 12. DIRECTORS' REMUNERATION

The number of non-executive directors of Screen Australia included in these figures are shown below in the relevant remuneration bands:

<b>\$ Bands</b>	<b>2012</b>	2011
	<b>Number</b>	Number
Nil – \$29,999	<b>3</b>	5
\$30,000 – \$59,999	<b>6</b>	4
<b>TOTAL NUMBER OF DIRECTORS</b>	<b>9</b>	9
	<b>2012</b>	2011
	<b>\$</b>	\$
<b>TOTAL REMUNERATION RECEIVED OR DUE AND RECEIVABLE BY DIRECTORS OF SCREEN AUSTRALIA</b>	<b>313,585</b>	302,827

Remuneration of executive directors is included in Note 14: Senior Executive Remuneration.

### 13. RELATED PARTY DISCLOSURES

The Board Members during 2012 were:

Glen Boreham (Chair)  
Ian Robertson (Deputy Chair)  
Cherrie Bottger  
Robert Connolly  
Ross Entwistle  
Matthew Liebmann  
Rachel Perkins  
Greg Smith  
Deanne Weir

The aggregate remuneration of Board Members is disclosed in Note 12.

During 2012, no Board Member has received or has become entitled to receive any benefit (other than a benefit included in Note 12 or the fixed salary of a full-time employee) by reason of a contract made between Screen Australia and the Board Member, a relative of a Board Member, or with a firm in which the Board Member is also a member or has a substantial financial interest, other than in respect of :

- 13.1 In the ordinary course of business a Production Investment for \$1,260,623 for *The Turning* was approved for Arenamedia Pty Ltd. Robert Connolly is owner of this company.
- 13.2 In the ordinary course of business a Development Investment payment of \$11,000 for *The Turning* was made to Arenamedia Pty Ltd. Robert Connolly is owner of the company.
- 13.3 In the ordinary course of business a Development Investment for \$27,500 for *Paper Planes* was approved for Arenamedia Pty Ltd. Payments totalling \$22,000 were made in 2011–12. Robert Connolly is owner of the company.
- 13.4 In the ordinary course of business an Development Investment for \$22,000 for *The Athletes* was approved for Arenamedia Pty Ltd. Payments totalling \$17,600 were made in 2011–12. Robert Connolly is owner of the company.
- 13.5 In the ordinary course of business Innovative Production Investment payments totalling \$22,550 for *Warco* were made to Arenamedia Pty Ltd. Robert Connolly is owner of the company.
- 13.6 In the ordinary course of business royalty payments totalling \$69 for various projects was made to Liz Mullinar Casting. Robert Connolly has a close family member who is an employee of Liz Mullinar Casting.
- 13.7 In the ordinary course of business Practitioner Development grant payments of \$1,320 for Craig Irvin Internship were made to The Slap Productions Pty Ltd. Robert Connolly is director of this film production.
- 13.8 In the ordinary course of business a Development Investment of \$16,500 for *The Riders* was approved for Whale Beach Ltd. Payments totalling \$12,000 were made in 2011–12. Robert Connolly is director of this film production.
- 13.9 In the ordinary course of business Royalty payments of \$4,119 for *Blood Brothers* were made to Blackfella Films Pty Ltd. Rachel Perkins is a company director of the production company.
- 13.10 In the ordinary course of business a Practioner Development Grant of \$139,136 for Producer Internship was approved for Blackfella Films Pty Ltd. Rachel Perkins is a company director of the production company.
- 13.11 In the ordinary course of business a Development Grant of \$121,275 for Blackfella Film Presents National Tour was approved for Blackfella Films Pty Ltd. Rachel Perkins is a company director of the production company.
- 13.12 In the ordinary course of business Production Investment payments totalling \$1,167,986 for *Redfern Now* were made to 2016 Films Pty Ltd. Rachel Perkins is a company director of the production company.
- 13.13 In the ordinary course of business Development Investment payments totalling \$135,828 for *Redfern Now Series 2* were made to Blackfella Films Pty Ltd. Rachel Perkins is a company director of the production company.
- 13.14 In the ordinary course of business Enterprise Loan payments totalling \$41,875 were made to Blackfella Films Pty Ltd. Rachel Perkins is a company director of the production company.

- 13.15 In the ordinary course of business Enterprise Development Grant payments totalling \$138,188 were made to Blackfella Films Pty Ltd. Rachel Perkins is a company director of the production company.
- 13.16 In the ordinary course of business an International Festivals Materials Grant of \$32,361 for *The Tall Man* was approved for Blackfella Films Pty Ltd. Payments totalling \$29,125 were made in 2011–12. Rachel Perkins is a company director of the production company.
- 13.17 In the ordinary course of business Production Investment payments totalling \$9,350 for *Black Panther Woman* were made to Blackfella Films Pty Ltd. Rachel Perkins is a company director of the production company.
- 13.18 In the ordinary course of business Production Investment payments totalling \$5,500 for *The Tall Man* were made to Pier 4 Productions Pty Ltd. Rachel Perkins is a company director of the production company.
- 13.19 In the ordinary course of business a Practitioner Development Grant payment of \$7,700 for Australian Writers' Guild Script Assessment Workshop was made to Australian Writers' Guild Ltd. Robert Connolly is a member of this Guild.
- 13.20 In the ordinary course of business a Screen Guild Grant of \$198,000 for Australian Writers' Guild 2012–14 was approved for the Australian Writers' Guild Ltd. Payments totalling \$66,000 were made in 2011–12. Robert Connolly is a member of this Guild.
- 13.21 In the ordinary course of business a Screen Guild Grant payment of \$66,000 for Australian Directors Guild was made to Australian Directors Guild Ltd. Robert Connolly and Rachel Perkins are members of this Guild.
- 13.22 In the ordinary course of business a Production Investment of \$550,000 for *The Strange Calls* was approved for Hoodlum Active Pty Ltd. Payments totalling \$544,500 were made in 2011–12. Deanne Weir provides pro-bono services to the production company.
- 13.23 In the ordinary course of business Production Grant payments totalling \$82,500 for *Soap Star* were made to Hoodlum Active Pty Ltd. Deanne Weir provides pro-bono services to the production company.
- 13.24 In the ordinary course of business Enterprise Development Grant payments totalling \$278,438 were made to Hoodlum Active Pty Ltd. Deanne Weir provides pro-bono services to the production company.
- 13.25 In the ordinary course of business Enterprise Loan payments totalling \$84,375 were made to Hoodlum Active Pty Ltd. Deanne Weir provides pro-bono services to the production company.
- 13.26 In the ordinary course of business a payment of \$1,122 for venue hire was made to University of Melbourne. Deanne Weir sits on the Advisory Board.
- 13.27 In the ordinary course of business payments totalling \$109,344 for Information Technology products including software maintenance and support was made to Data#3 Ltd. Glen Boreham is non-executive Director of the supplier company.
- 13.28 In the ordinary course of business a Practitioner Development Grant of \$44,000 for Evolution Masterclass 11/12 was approved for Screen Queensland. Payments totalling \$35,200 were made in 2011–12. Cherrie Bottger is a Board Member.
- 13.29 In the ordinary course of business an Australian Festivals Grant payment of \$66,000 was made for Brisbane International Film Festival for Screen Queensland. Cherrie Bottger is a Board Member.
- 13.30 In the ordinary course business a return of Production Investment and accrued interest funds held in trust payment of \$43,687 was made for *I Love a Sunburnt Country* for Screen Queensland. Cherrie Bottger is a Board Member.
- 13.31 In the ordinary course of business royalty payments totalling \$3,318 for various projects were made to Screen Queensland. Cherrie Bottger is a Board Member.
- 13.32 In the ordinary course of business a Producer Equity Production Grant of \$56,332 for *Best Aussie Christmas Street* was approved for Beyond Screen Productions Pty Ltd. Payments totalling \$56,332 were made in 2011–12. Ian Robertson is a Director of Beyond International Limited, which is the holding company of the production company.
- 13.33 In the ordinary course of business a Development Investment of \$33,000 for *Kingdom Come* was approved for Beyond Screen Productions Pty Ltd. Payments totalling \$33,000 were made in 2011–12. Ian Robertson is a Director of Beyond International Limited, which is the holding company of the production company.
- 13.34 In the ordinary course of business a Development Investment of \$16,500 for *Darlinghurst Nights* was approved for Beyond Screen Productions Pty Ltd. Payments totalling \$13,200 were made in 2011–12. Ian Robertson is a Director of Beyond International Limited, which is the holding company of the production company.
- 13.35 In the ordinary course of business Production Investment payments totalling \$418,985 for *Australia Between the Wars* were made to Beyond Screen Productions Pty Ltd. Ian Robertson is a Director of Beyond International Limited, which is the holding company of the production company.

- 13.36 In the ordinary course of business a Production Investment payment of \$4,125 for *Outback Kids* was made to Beyond Screen Productions Pty Ltd. Ian Robertson is a Director of Beyond International Limited, which is the holding company of the production company.
- 13.37 In the ordinary course of business a Practioner Grant payment of \$6,600 for Genre and Genre Hybrids Workshop was made to Film Victoria. Ian Robertson is President.
- 13.38 In the ordinary course of business royalty payments totalling \$10,847 for various projects were made to Film Victoria. Ian Robertson is President.
- 13.39 In the ordinary course of business a payment of \$935 for venue hire was made to Hoyts Corporation Pty Ltd. Matthew Liebmann is an executive of the supplier company.
- 13.40 In the ordinary course of business Development Investment payments totalling \$22,704 for *Redfern Now* was made to Blackfella Films Pty Ltd. Rachel Perkins is a company director of the production company.

The Board Members involved took no part in the approval process and the approvals were reported to the Board in the usual way.

There were no other loans made to Board Members or related entities during the reporting period.

There were no other transactions with Board Members or related entities during the reporting period.

There were no transactions with other related parties during the reporting period.

All amounts include GST where applicable.

	2012 \$	2011 \$
<b>14. SENIOR EXECUTIVE REMUNERATION</b>		
<b>14a TOTAL EXPENSE RECOGNISED IN RELATION TO SENIOR EXECUTIVE EMPLOYMENT</b>		
Short-term employee benefits:		
Salary	1,621,585	1,551,946
Annual leave accrued	135,297	140,692
Performance bonus	38,934	38,162
Other	45,561	56,364
<b>TOTAL SHORT-TERM EMPLOYEE BENEFITS</b>	<b>1,841,377</b>	<b>1,787,164</b>
Superannuation (post-employment benefits)	251,613	229,848
Long service leave (other long-term benefits)	55,160	33,769
The aggregate amount of separation and redundancy/termination benefit payments during the year to executives shown above.	-	-
<b>TOTAL</b>	<b>2,148,150</b>	<b>2,050,781</b>

Notes:

- Note 14A is prepared on an accrual basis (therefore the performance bonus expenses disclosed above may differ from the cash 'Bonus paid' in Note 17B).
- Note 14A excludes acting arrangements and part-year service where total remuneration expenses for a senior executive were less than \$150,000.



## 14b SALARY PACKAGES FOR SENIOR EXECUTIVES

Average Annual Reportable Remuneration Paid to Substantive Senior Executives During the Reporting Period

As at 30 June 2012						
Fixed Elements and Bonus Paid <sup>1</sup> :	Staff No.	Reportable salary <sup>2</sup> \$	Contributed superannuation <sup>3</sup> \$	Reportable allowances <sup>4</sup> \$	Bonus paid <sup>5</sup> \$	Total \$
<b>Total remuneration (including part-time arrangements):</b>						
less than \$150,000*	-	-	-	-	-	-
\$150,000 to \$179,999	-	-	-	-	-	-
\$180,000 to \$209,999	2	175,696	26,319	-	-	202,015
\$210,000 to \$239,999	2	190,235	23,122	4,500	-	217,857
\$240,000 to \$269,999	2	212,730	41,733	2,250	-	256,713
\$270,000 to \$299,999	1	258,769	39,787	-	-	298,556
\$300,000 to \$329,999	-	-	-	-	-	-
\$330,000 to \$359,999	-	-	-	-	-	-
\$360,000 to \$389,999	1	290,764	50,409	-	38,934	380,107
<b>TOTAL</b>	<b>8</b>					

As at 30 June 2011						
Fixed Elements and Bonus Paid <sup>1</sup> :	Staff No.	Reportable salary <sup>2</sup> \$	Contributed superannuation <sup>3</sup> \$	Reportable allowances <sup>4</sup> \$	Bonus paid <sup>5</sup> \$	Total \$
<b>Total remuneration (including part-time arrangements):</b>						
less than \$150,000*	1	124,605	19,504	-	-	144,109
\$150,000 to \$179,999	1	154,023	21,685	-	-	175,708
\$180,000 to \$209,999	1	178,726	26,690	-	-	205,416
\$210,000 to \$239,999	1	185,000	16,650	9,000	-	210,650
\$240,000 to \$269,999	2	205,688	42,062	2,250	-	250,000
\$270,000 to \$299,999	1	251,211	39,770	-	-	290,981
\$300,000 to \$329,999	-	-	-	-	-	-
\$330,000 to \$359,999	-	-	-	-	-	-
\$360,000 to \$389,999	1	274,194	50,052	-	38,162	362,408
<b>TOTAL</b>	<b>8</b>					

- This table reports substantive senior executives who received remuneration during the reporting period. Each row is an averaged figure based on headcount for individuals in the band.
- Reportable salary<sup>1</sup> includes the following:
  - gross payments (less any bonuses paid, which are separated out and disclosed in the 'bonus paid' column);
  - reportable fringe benefits (at the net amount prior to 'grossing up' to account for tax benefits); and
  - exempt foreign employment income.
- The 'contributed superannuation' amount is the average actual superannuation contributions paid to senior executives in that reportable remuneration band during the reporting period, including any salary sacrificed amounts, as per the individuals' payslips.
- Reportable allowances<sup>4</sup> are the average actual allowances paid as per the 'total allowances' line on individuals' payment summaries.
- Bonus paid<sup>5</sup> represents average actual bonuses paid during the reporting period in that reportable remuneration band. The 'bonus paid' within a particular band may vary between financial years due to various factors such as individuals commencing with or leaving the entity during the financial year.

Various salary sacrifice arrangements were available to senior executives including superannuation, motor vehicle and expense payment fringe benefits. Salary sacrifice benefits are reported in the 'reportable salary' column, excluding salary sacrificed superannuation, which is reported in the 'contributed superannuation' column.

14c OTHER HIGHLY PAID STAFF

As at 30 June 2012						
Fixed Elements and Bonus Paid <sup>1</sup> :	Staff No.	Reportable salary <sup>2</sup> \$	Contributed superannuation <sup>3</sup> \$	Reportable allowances <sup>4</sup> \$	Bonus paid <sup>5</sup> \$	Total \$
<b>Total remuneration (including part-time arrangements):</b>						
\$150,000 to \$179,999	1	143,061	24,573	–	–	167,634
\$180,000 to \$209,999	2	145,622	43,696	–	–	189,318
\$300,000 to \$329,999	1	308,038	17,817	–	–	325,855
<b>TOTAL</b>	<b>4</b>					

As at 30 June 2011						
Fixed Elements and Bonus Paid <sup>1</sup> :	Staff No.	Reportable salary <sup>2</sup> \$	Contributed superannuation <sup>3</sup> \$	Reportable allowances <sup>4</sup> \$	Bonus paid <sup>5</sup> \$	Total \$
<b>Total remuneration (including part-time arrangements):</b>	No	\$	\$	\$	\$	\$
\$150,000 to \$179,999	4	137,936	31,689	–	–	169,625
\$180,000 to \$209,999	1	147,789	45,526	–	–	193,315
<b>TOTAL</b>	<b>5</b>					

Notes:

1. This table reports staff:

- a) who were employed by the entity during the reporting period;
- b) whose reportable remuneration (including leave benefits paid on termination) was \$150,000 or more for the financial period; and
- c) were not required to be disclosed in Tables A, B or director disclosures.

Each row is an averaged figure based on headcount for individuals in the band.

2. 'Reportable salary' includes the following:

- a) gross payments (less any bonuses paid, which are separated out and disclosed in the 'bonus paid' column);
- b) reportable fringe benefits (at the net amount prior to 'grossing up' to account for tax benefits); and
- c) exempt foreign employment income.

3. The 'contributed superannuation' amount is the average actual superannuation contributions paid to senior executives in that reportable remuneration band during the reporting period, including any salary sacrificed amounts, as per the individuals' payslips.

4. 'Reportable allowances' are the average actual allowances paid as per the 'total allowances' line on individuals' payment summaries.

5. 'Bonus paid' represents average actual bonuses paid during the reporting period in that reportable remuneration band. The 'bonus paid' within a particular band may vary between financial years due to various factors such as individuals commencing with or leaving the entity during the financial year.

Various salary sacrifice arrangements were available to other highly paid staff including superannuation, motor vehicle and expense payment fringe benefits. Salary sacrifice benefits are reported in the 'reportable salary' column, excluding salary sacrificed superannuation, which is reported in the 'contributed superannuation' column.

	2012 \$	2011 \$
<b>15. REMUNERATION OF AUDITORS</b>		
Remuneration to the Auditor-General for auditing the financial statements for the reporting period	<b>85,000</b>	107,300
<b>TOTAL</b>	<b>85,000</b>	107,300

No other services were provided by the Auditor-General during the reporting period.

#### 16. DISBURSEMENT ADMINISTRATION SERVICE

Screen Australia provides assistance to producers and investors of various films by handling the receipt and disbursement of returns. The funds received are held in separate bank accounts and the accounting records for the disbursement service are maintained on a cash receipts and payments basis.

In certain cases, Screen Australia charges a set up fee and a service fee for providing this facility. The fees earned in 2011-12 were \$64,456 (2010-11: \$13,652).

Screen Australia is entitled to retain the interest earned on the bank accounts and the net interest earned in 2011-12 was \$14,408 (2010-11: \$8,998).

Details of the disbursement administration service are set out below.

	2012 \$	2011 \$
<b>SCREEN AUSTRALIA DISBURSEMENT ADMINISTRATION SERVICE</b>		
<b>STATEMENT OF RECEIPTS AND PAYMENTS FOR YEAR ENDED 30 JUNE, 2012</b>		
Balance 1 July, 2011	<b>517,333</b>	520,474
Plus: receipts	<b>6,907,680</b>	3,815,484
Funds available for disbursement	<b>7,425,013</b>	4,335,958
Less: payments	<b>(6,231,652)</b>	(3,818,625)
<b>BALANCE 30 JUNE, 2012</b>	<b>1,193,362</b>	517,333

#### **SCREEN AUSTRALIA DISBURSEMENT ADMINISTRATION SERVICE** **STATEMENT OF ASSETS AND LIABILITIES AS AT 30 JUNE, 2012**

##### **Assets:**

Cash at bank (held in trust)	<b>1,193,362</b>	517,333
<b>TOTAL ASSETS</b>	<b>1,193,362</b>	517,333

##### **Liabilities:**

Amounts held pending disbursement	<b>1,193,362</b>	515,474
Other including unclaimed disbursements and unidentified receipts	-	1,859
<b>TOTAL LIABILITIES</b>	<b>1,193,362</b>	517,333

2012                      2011  
\$                                      \$

**17. FINANCIAL INSTRUMENTS**

**17a CATEGORIES OF FINANCIAL INSTRUMENTS**

Financial assets		
Held-to-maturity financial assets		
Investments – term deposits	<b>52,352,501</b>	45,147,166
<b>TOTAL</b>	<b>52,352,501</b>	45,147,166

Loans and receivables financial assets		
Cash	<b>11,378,870</b>	13,780,013
Film loans	–	1,121,210
Equity film investments	–	1,336,417
Receivables for goods and services	<b>89,493</b>	381,006
Other accrued income	<b>353,420</b>	375,550
<b>TOTAL</b>	<b>11,821,783</b>	16,994,196

<b>CARRYING AMOUNT OF FINANCIAL ASSETS</b>	<b>64,174,284</b>	62,141,362
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Financial liabilities		
At nominal cost		
Trade creditors	<b>601,302</b>	331,122
<b>TOTAL</b>	<b>601,302</b>	331,122

<b>CARRYING AMOUNT OF FINANCIAL LIABILITIES</b>	<b>601,302</b>	331,122
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**17b NET INCOME AND EXPENSE FROM FINANCIAL ASSETS**

Held-to-maturity		
Interest revenue	<b>3,463,247</b>	3,341,607
<b>NET GAIN/(LOSS) HELD-TO-MATURITY</b>	<b>3,463,247</b>	3,341,607

Loans and receivables		
Interest revenue	<b>551,769</b>	630,283
Exchange gains/(loss)	<b>(870)</b>	(36)
Impairment	<b>(64,103,463)</b>	(61,359,740)
<b>NET GAIN/(LOSS) LOANS AND RECEIVABLES</b>	<b>(63,552,564)</b>	(60,729,493)

<b>NET GAIN/(LOSS) FROM FINANCIAL ASSETS</b>	<b>(60,089,317)</b>	(57,387,886)
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**17c NET INCOME AND EXPENSE FROM FINANCIAL LIABILITIES**

Financial liabilities – at nominal cost		
Interest expense	<b>(100,430)</b>	(72,352)
<b>(LOSS) GAIN FINANCIAL LIABILITIES – AT NOMINAL COST</b>	<b>(100,430)</b>	(72,352)

<b>NET (LOSS) GAIN FROM FINANCIAL LIABILITIES</b>	<b>(100,430)</b>	(72,352)
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## 17d FAIR VALUE OF FINANCIAL INSTRUMENTS

Net fair values of financial assets and liabilities are determined by Screen Australia on the following bases:

The net fair values of film investment-loans and equity film investments are determined in accordance with the statement of accounting policies Note 1 at amounts not exceeding recoverable amounts. These amounts have not been discounted to present values. The carrying amounts of all remaining financial assets and financial liabilities approximate fair value.

## 17e CREDIT RISK

Credit risk represents the loss that would be recognised if counterparties failed to perform as contracted. The maximum exposure to credit risk on financial assets (equity film investments and loans) is the carrying amount net of allowances for impairment loss. Repayment of equity film investments and loans is dependent on financial performance of each project.

Screen Australia minimises concentration of credit risk by undertaking transactions with a number of counterparties and with limits on investment amounts in projects and with any one producer and corporate group in a financial year. Risk is concentrated in the film and television industry in Australia.

The maximum exposure to credit risk for trade receivables is the risk that arises from potential default of a debtor. Screen Australia manages its credit risk by assessing debtors prior to allowing a debtor relationship and through policies and procedures that guide employees in debt management and recovery.

Screen Australia holds no collateral to mitigate against credit risk.

Credit risk of financial instruments not past due or individually determined as impaired:

	Not past due nor impaired 2012 \$	Past due or impaired 2012 \$	Not past due nor impaired 2011 \$	Past due or impaired 2011 \$
Trade receivables	36,842	51,860	149,455	230,151
Film loans	-	-	-	1,121,210
Equity film investments	-	-	1,336,417	-
<b>TOTAL</b>	<b>36,842</b>	<b>51,860</b>	<b>1,485,872</b>	<b>1,351,361</b>

Ageing of financial assets that are past due but not impaired for 2012:

	0 to 30 days \$	31 to 60 days \$	61 to 90 days \$	90+ days \$	Total \$
Trade receivables	30,044	20,097	1,170	549	51,860
<b>TOTAL</b>	<b>30,044</b>	<b>20,097</b>	<b>1,170</b>	<b>549</b>	<b>51,860</b>

Ageing of financial assets that are past due but not impaired for 2011:

	0 to 30 days \$	31 to 60 days \$	61 to 90 days \$	90+ days \$	Total \$
Trade receivables	67,362	44,142	22,522	96,125	230,151
<b>TOTAL</b>	<b>67,362</b>	<b>44,142</b>	<b>22,522</b>	<b>96,125</b>	<b>230,151</b>

All receivables past due have been individually assessed for impairment and an allowance raised where recovery is considered unlikely.

## 17f LIQUIDITY RISK

Screen Australia's financial liabilities comprise of payables. The exposure to liquidity risk is negligible for Screen Australia because it does not have any borrowings. It is also highly unlikely that Screen Australia will encounter difficulty in meeting its obligations. This is because annual funding is provided to Screen Australia from the Australian Government and other funding mechanisms are available to Screen Australia such as the Advance to the Finance Minister.

Internal policies and procedures have also been put in place to ensure Screen Australia has appropriate resources available to meet its financial obligations.

In regard to non-financial liabilities, where Screen Australia was contractually committed to provide funds to film makers at year end, provision is made for the excess of the funds to be provided over the amounts expected to be recouped from the related portion of each film investment in the future. As the funds to be provided are covered by monies already received from the Australian Government prior to year end and held in cash at bank and term deposits, there is no liquidity risk.

The following table illustrates the maturities for financial liabilities for 2011–12:

	On demand 2012	within 1 year 2012	1 to 5 years 2012	> 5 years 2012	Total 2012
	\$	\$	\$	\$	\$
Finance leases	–	209,454	340,118	–	549,572
Trade creditors	–	601,302	–	–	601,302
Property lease incentive	–	–	403,377	101,530	504,907
Deferred revenue	–	83,000	–	–	83,000
<b>TOTAL</b>	<b>–</b>	<b>893,756</b>	<b>743,495</b>	<b>101,530</b>	<b>1,738,781</b>

The following table illustrates the maturities for financial liabilities for 2010–11:

	On demand 2011	within 1 year 2011	1 to 5 years 2011	> 5 years 2011	Total 2011
	\$	\$	\$	\$	\$
Finance leases	–	168,059	491,296	–	659,355
Trade creditors	–	331,122	–	–	331,122
Property lease incentive	–	286,126	566,833	–	852,959
Deferred revenue	–	111,552	–	–	111,552
<b>TOTAL</b>	<b>–</b>	<b>896,859</b>	<b>1,058,129</b>	<b>–</b>	<b>1,954,988</b>

## 17g MARKET RISK

Screen Australia's investment activities expose it to financial risk. Due to the inherent risk of film investment and the historic performance generally of Australian films, losses on film investments are expected to occur. Allowance for impairment loss is made for film investments based on the likely amount that will not be recouped. As a result of the nature of the Screen Australia's business, internal policies have been put in place to deal with the management of financial risk, that is, Screen Australia's exposure to market, credit, liquidity and cash flow and fair value interest rate risk.

Screen Australia does not enter into trade financial instruments for speculative purposes. Market risk is low because the entity has only a small foreign currency balance. The bank term deposit at a fixed interest rate has a corresponding liability at the same interest rate (refer distribution guarantee).

Screen Australia retains a copyright interest in all development investments and production investments. Development investments are repaid only where the film goes into production. Production investments are only recouped when the film project generates revenue. An interest is retained in the profits of production investments after the recoupment of Screen Australia's investment. There is no interest in development investments after they have been recouped in full.

Screen Australia's business is to invest and lend amounts for film development and production, which, by its nature, has a high probability of being unprofitable. Accordingly, as there is no security provided against these film equity investments and loans, it is expected that Screen Australia will incur significant losses.

Screen Australia holds only a small amount of cash and no other assets overseas. A small number of payments are made in overseas currencies. The amount does not open Screen Australia to significant currency risk.

Screen Australia holds term deposits and loans receivable with fixed interest rates. Cash holdings have a variable interest rate.

#### Sensitivity analysis for financial year ended 30 June 2012

	Risk variable	Change in risk variable %	Effect on Profit and loss \$	Effect on Equity \$
Interest rate risk	Interest	0.75	556,765	556,765

#### Sensitivity analysis for financial year ended 30 June 2011

	Risk variable	Change in risk variable %	Effect on Profit and loss \$	Effect on Equity \$
Interest rate risk	Interest	0.75	636,789	636,789

## 18. REPORTING OF OUTCOMES

### 18a OUTCOME OF SCREEN AUSTRALIA

Screen Australia is structured to meet one outcome and output as follows:

Enhancement to Australia's screen culture, nationally and internationally, by supporting the development of the Australian screen production industry and by developing, producing, promoting and providing access to diverse Australian programs.

### 18b NET COST OF OUTCOME DELIVERY

	Outcome 1 2012 \$	Outcome 1 2011 \$
<b>TOTAL EXPENSES</b>	<b>109,333,775</b>	103,115,837
<b>TOTAL OWN-SOURCE INCOME</b>	<b>15,186,455</b>	15,620,134
<b>NET COST OF OUTCOME DELIVERY</b>	<b>94,147,320</b>	87,495,703

**18c MAJOR CLASSES OF DEPARTMENTAL REVENUES AND EXPENSES BY OUTPUT**

	<b>Outcome 1 2012 \$</b>	Outcome 1 2011 \$
<b>OPERATING EXPENSES</b>		
Employee benefits	<b>14,270,508</b>	15,249,087
Suppliers	<b>9,379,127</b>	10,612,415
Grants	<b>20,160,903</b>	14,803,169
Depreciation and amortisation	<b>1,129,505</b>	1,011,496
Finance costs	<b>100,430</b>	72,352
Write-down and impairment of assets	<b>64,225,469</b>	61,367,282
Net foreign exchange loss	<b>870</b>	36
Losses from asset sales	<b>66,963</b>	–
<b>TOTAL OPERATING EXPENSES</b>	<b>109,333,775</b>	103,115,837
<b>OPERATING REVENUES</b>		
Revenues from Government	<b>91,785,682</b>	89,398,000
Sale of goods and services	<b>1,648,241</b>	2,024,729
Interest	<b>4,015,016</b>	3,971,891
Rental income	<b>1,062,147</b>	988,766
Other revenue	<b>8,461,051</b>	8,634,748
<b>TOTAL OPERATING REVENUES</b>	<b>106,972,137</b>	105,018,134

**18d MAJOR CLASSES OF DEPARTMENTAL ASSETS AND LIABILITIES BY OUTCOME**

	<b>Outcome 1 2012 \$</b>	Outcome 1 2011 \$
<b>DEPARTMENTAL ASSETS</b>		
Cash and cash equivalents	<b>11,378,870</b>	13,780,013
Trade and other receivables	<b>825,827</b>	2,770,745
Investments – film industry assistance	–	1,336,417
Investments – term deposits	<b>52,352,501</b>	45,147,166
Land and buildings	<b>24,665,652</b>	24,199,814
Plant and equipment	<b>667,939</b>	900,163
Intangibles	<b>707,142</b>	442,468
Inventories	–	34,248
Other non-financial assets	<b>363,519</b>	196,008
<b>TOTAL DEPARTMENTAL ASSETS</b>	<b>90,961,450</b>	88,807,042
<b>DEPARTMENTAL LIABILITIES</b>		
Suppliers	<b>601,302</b>	331,122
Other payables	<b>944,866</b>	1,752,175
Leases	<b>549,572</b>	659,355
Employee provisions	<b>2,942,363</b>	2,927,284
Other provisions	<b>27,615,341</b>	23,687,462
<b>TOTAL DEPARTMENTAL LIABILITIES</b>	<b>32,653,444</b>	29,357,398



## 19. RESTRUCTURING

As a result of a restructuring of administrative arrangements, Screen Australia relinquished to the NFSA, responsibility for the following functions:

\* Film Library, Sales and Distribution on 1 July 2011.

In respect of functions assumed, the net book values of assets and liabilities transferred to Screen Australia and recognised as at the date of transfer were:

	2012
	\$
Screen Australia	
<b>ASSETS RECOGNISED</b>	
Cash at bank and on hand	975
<b>TOTAL ASSETS RECOGNISED</b>	<b>975</b>
<b>LIABILITIES RECOGNISED</b>	
Trade creditors	–
<b>TOTAL LIABILITIES RECOGNISED</b>	–
<b>NET ASSETS/(LIABILITIES) ASSUMED</b>	<b>975</b>
<b>NET ASSETS/(LIABILITIES) ASSUMED FROM NFSA</b>	<b>975</b>

In respect of functions relinquished, the following assets and liabilities were transferred to the NFSA:

### SCREEN AUSTRALIA

#### ASSETS RELINQUISHED

Trade debtors	44,691
Less provision for doubtful debts	(3,341)
Plant & equipment	54,800
Inventory	34,248
<b>TOTAL ASSETS RELINQUISHED</b>	<b>130,398</b>
<b>LIABILITIES RELINQUISHED</b>	
Employee Provisions	(129,424)
<b>TOTAL LIABILITIES RELINQUISHED</b>	<b>(129,424)</b>
<b>NET ASSETS/(LIABILITIES) RELINQUISHED</b>	<b>975</b>
<b>NET ASSETS/(LIABILITIES) RELINQUISHED FROM SCREEN AUSTRALIA</b>	<b>975</b>

<b>NET ASSETS TRANSFERRED TO NFSA</b>	–	
	2012	2011
	\$	\$

## 20. FINANCIAL ASSETS RECONCILIATION

<b>TOTAL FINANCIAL ASSETS AS PER BALANCE SHEET</b>	<b>64,557,198</b>	63,034,341
Less: non-financial instrument components		
Other receivables	6b <b>382,914</b>	892,979
Total non-financial instrument components	<b>382,914</b>	892,979
<b>TOTAL FINANCIAL ASSETS AS PER FINANCIAL INSTRUMENTS NOTE</b>	<b>64,174,284</b>	62,141,362

## 21. COMPENSATION AND DEBT RELIEF

Screen Australia made no compensation or debt relief payments during 2011–12 and 2010–11.

# Abbreviations and acronyms

AACTA	Australian Academy of Cinema and Television Arts
AAT	Administrative Appeals Tribunal
ABC	Australian Broadcasting Corporation
ACE	Ateliers du Cinéma Européen
ACEC	Australian Cinema Exhibitors Coalition
ADG	Australian Directors Guild
AFC	Australian Film Commission
AFI	Australian Film Institute
AFTRS	Australian Film Television and Radio School
AIDC	Australian International Documentary Conference
AIMC	Australian International Movie Convention
ANAO	Australian National Audit Office
ARC	Australian Research Council
ATO	Australian Taxation Office
ATOM	Australian Teachers of Media
AWG	Australian Writers' Guild
AWGIE	Australian Writers' Guild Award
BBC	British Broadcasting Corporation
CAAMA	Central Australian Aboriginal Media Association
CAC Act	<i>Commonwealth Authorities and Companies Act 1997</i>
DFAT	Department of Foreign Affairs and Trade
DoFD	Department of Finance and Deregulation
DPM&C	Department of the Prime Minister and Cabinet
DRALGAS's OFTA	Department of Regional Australia, Local Government, Arts and Sport's Office for the Arts
EPK	Electronic press kit
FFC	Film Finance Corporation Australia
FICCI	Federation of Indian Chambers of Commerce and Industry
FMS	Funding Management System
FOI Act	<i>Freedom of Information Act 1982</i>
FTI	Film & Television Institute
GST	Goods and Services Tax
HR	Human Resources
IDFA	International Documentary Festival Amsterdam

IF Awards	<i>Inside Film Awards</i>
IFP	Independent Filmmaker Project
IMTS	Information Management and Technology Services
KPI	Key performance indicator
LPC	Letter of Preliminary Compliance
Media RING	Media Reconciliation Industry Network Group
MIFF	Melbourne International Film Festival
MOU	Memorandum of Understanding
MPDAA	Motion Picture Distributors Association of Australia
MRC	Media Resource Centre
NDP	National Documentary Program
NFSA	National Film and Sound Archive of Australia
NIDF	National Indigenous Documentary Fund
NSW FTO	New South Wales Film and Television Office (now Screen NSW)
NTFO	Northern Territory Film Office
NZFC	New Zealand Film Commission
P&A	Prints and Advertising
PDV	Post, digital and visual effects
PEP	Producer Equity Program
QAPE	Qualifying Australian Production Expenditure
RMS	Recoupment Management System
SAFC	South Australian Film Corporation
SBS	Special Broadcasting Service
SRO	Screen Resource Organisation
SPAA	Screen Producers Association of Australia
TIFF	Toronto International Film Festival
VOD	Video on Demand
WCSFP	World Congress of Science and Factual Producers

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