

VICSSCREEN

A NEW ERA FOR SCREEN



ANNUAL REPORT
2022/23

VicScreen acknowledges the Traditional Owners of Country throughout Victoria, their ongoing connection to this land and water, and we pay our respects to their culture and their Elders – past and present.

We acknowledge that First Peoples self-determination is a human right as enshrined in the United Nations Declaration on the Rights of Indigenous Peoples. Building on this, we are committed to developing strong and enduring partnerships with First Peoples that will contribute to growing a prosperous, thriving and strong Victorian First Peoples community.

Responsible Body's Declaration

In accordance with the *Financial Management Act 1994*, I am pleased to present Film Victoria's (trading as VicScreen) Annual Report for the year ending 30 June 2023.

Financial Management Compliance Attestation Statement

I, George Lekakis AO, on behalf of the Responsible Body, certify that Film Victoria (trading as VicScreen) has no Material Compliance Deficiency with respect to the applicable Standing Directions under the *Financial Management Act 1994* and Instructions.



George Lekakis AO
President
VicScreen
24 August 2023

ABOUT VICSCREEN	2
PRESIDENT'S REPORT	6
CEO'S REPORT	8
VICTORIA'S SCREEN INDUSTRY STRATEGY	12
PERFORMANCE	14
GOVERNANCE & REPORT OF OPERATIONS	48
FINANCIAL STATEMENTS	64

VicScreen is the Victorian Government's creative and economic screen development agency.

It is focused on boosting Victoria's standing as a global screen powerhouse, enriching the lives of all Victorians.

The organisation leads the screen industry through investing in compelling Victorian content and intellectual property (IP), driving industry growth and jobs, developing skills and talent, and building market and audience engagement.

In a rapidly changing environment, VicScreen works closely with screen businesses, individuals and organisations across Australia and priority international territories to anticipate and respond to shifting market dynamics. VicScreen supports the state's screen industry to achieve sustained creative, cultural and economic success.



Of An Age

ABOUT VICSCREEN

Origins

Initially constituted as the Victorian Film Corporation in 1976 under an Act of Parliament, the Corporation became Film Victoria in 1982 by virtue of the *Film Victoria Act 1981*.

In 1997 the functions of Film Victoria were amalgamated with those of the State Film Centre of Victoria to form Cinemedia Corporation, under the *Cinemedia Act 1997*.

In 2001 Cinemedia Corporation was dissolved, and Film Victoria and the Australian Centre for the Moving Image (ACMI) were constituted as separate entities under the *Film Act 2001*.

In 2022 Film Victoria changed its trading name to VicScreen, to more accurately reflect the diversity of screen activity that the agency supports, from film and television to online content, virtual reality, augmented reality and digital games.

Film Act 2001

The Film Act 2001 requires Film Victoria, trading as VicScreen, to provide “strategic leadership and assistance to the film, television and multimedia industry of Victoria to encourage innovation and the creation of new projects of high quality that are of economic or cultural benefit to Victoria”.

The Act prescribes eight functions for VicScreen:

- (a) Provide financial and other assistance to the film, television and multimedia industry in Victoria
- (b) Promote, whether in Victoria or elsewhere, the use of locations or services in Victoria for the production of any film, television or multimedia project
- (c) Provide financial assistance, whether in Victoria or elsewhere, to organisations, events or activities including festivals, conferences, publications or exhibitions, where film or other screen-based programs are made, seen or discussed
- (d) Establish and facilitate, whether in Victoria or elsewhere, relationships for the development of film, television or multimedia programs
- (e) Provide leadership to the film, television and multimedia industry in Victoria
- (f) Develop strategic plans for the development and improvement of the film, television and multimedia industry in Victoria
- (g) Advise the Minister on matters relating to the film, television and multimedia industry in Victoria
- (h) Develop relationships or enter into partnerships with other organisations, including government bodies, whether in Victoria or elsewhere, to improve the film, television and multimedia industry in Victoria.

VicScreen contributes to the delivery of the Victorian Government’s creative industries strategy, *Creative State 2025* and *VICSCREEN: Victorian Government’s Screen Industry Strategy 2021–2025* (VICSCREEN strategy).

VicScreen supports the principles and objectives enshrined in the *Creative Victoria Act 2017*, especially those that recognise that creative industries have an intrinsic value and contribute significantly to Victoria’s wealth and prosperity.

PRESIDENT'S REPORT



In a landmark year that has fortified the Victorian screen industry, 2022/23 has seen the industry stabilise with a steady and impressive production pipeline. This was highlighted by a record \$421 million being injected into the local economy by VicScreen-supported projects, demonstrating the valuable role the agency continues to play.

Contributing to this success were a number of highly anticipated international productions choosing Victoria as their home. From crime thriller *Sleeping Dogs* starring Russell Crowe, to Academy award-winning Peter Farrelly's rollicking comedy *Ricky Stanicky* starring Zac Efron and John Cena, and the second season of the US smash hit, *La Brea*.

Both local and international productions combined to create an outstanding 11,071 job opportunities which amount to 3,231 direct full-time equivalent (FTE) jobs. VicScreen's spend on projects delivered a return on investment (ROI) of 1:13 – for every one dollar invested by VicScreen, 13 dollars were delivered back to Victoria in direct economic expenditure.

This ROI result is testament to our local industry – with Victorian-led projects prospering. 47 film, television and online projects supported through the Victorian Production Fund commenced production in 2022/23, generating \$172.8 million in Victorian expenditure. VicScreen support assisted a slew of compelling local content, such as Sundance Audience Award-winning film *Shayda*, teenage favourite *Turn Up The Volume*, and critically acclaimed miniseries *Safe Home*.

Shayda has since been nominated for Melbourne International Film Festival's (MIFF) Bright Horizons Award 2023. VicScreen is proud to back the landmark \$140,000 Award, which was officially launched at last year's festival, propelling MIFF into the league of the foremost global film competitions.

VicScreen also continued to champion the evolving digital games sector, with 14 local games commencing production this financial year with the support of the Victorian Production Fund.

From *Cult of the Lamb* to the highly sought after *Stray Gods: The Roleplaying Musical*, Victoria solidified its reputation as the nation's home of digital games. Last year, this was reinforced at the Australian Game Developer Awards, where Victorian-made games dominated, winning 10 out of 13 developer awards.

In recognition of Victoria's highly skilled digital games, post-production and animation workforce, the Victorian Government announced a \$10 million fund to establish the Victorian Digital Screen Rebate, designed to attract new global and interstate projects to the state, leveraging the international screen boom by supporting opportunities for our local creatives. I'd like to thank the Minister for Creative Industries, Steve Dimopoulos, for this vital contribution to fostering growth in our games sector.

This thriving screen sector was also recognised by the Federal Government, with the much-anticipated announcement of the Digital Games Tax Offset (DGTO). The DGTO legislation came into effect in June 2023, enabling eligible game developers to receive a highly competitive 30 per cent refundable tax offset for qualifying expenditure.

VicScreen welcomed the Federal Government's announcement of increasing the Federal Location Offset to 30 per cent – an outcome for which the agency strongly advocated – and VicScreen looks forward to seeing the incentive boost career opportunities for the local industry. VicScreen has also championed the upcoming implementation of Australian domestic production quotas for all streaming services. This decision recognises the power and importance of seeing Australian stories on screen and nourishing the local talent pool.

In a move that required an initial financial outlay, but that will deliver cost savings over time, VicScreen relocated offices from 55 Collins Street to 563 Bourke Street in April this year. Maximising a smaller, yet more flexible footprint than the Collins St office, spaces have been designed to enable greater creative collaboration with the screen industry.

2022/23's achievements and formidable results showcase the potential of the local screen industry, as we reach the halfway point of actioning the visionary VICSCREEN strategy.

I thank the Victorian Government for its commitment and support. In particular, I acknowledge the Minister for Creative Industries, Steve Dimopoulos, for his tremendous support.

I also thank outgoing President David Hanna for his invaluable leadership over the past few years as he guided the organisation through the COVID-19 pandemic. Additionally, I'd like to thank my fellow VicScreen Board Members for their expertise throughout the year.

My thanks also to VicScreen CEO Caroline Pitcher and her Executive Leadership Team and staff, who are the driving force behind this year's outstanding performance.

I also acknowledge our colleagues at Docklands Studios Melbourne, Creative Victoria and ACMI, who I thank for their assistance and support.

Collectively, we will continue to action the VICSCREEN strategy, growing the success of the Victorian screen industry as we continue to solidify our state's reputation as a global screen powerhouse.

George Lekakis AO
President
VicScreen

VicScreen spend delivered a return on investment (ROI) of 1:13 – for every one dollar invested by VicScreen, 13 were delivered back to Victoria in direct economic expenditure.

CEO'S REPORT



2022/23 marks the halfway point of the ambitious VICSCREEN strategy. It's been a momentous year with several standout opportunities being realised.

Homegrown talent is the superstar of 2022/23. VicScreen proudly redoubled its focus on children's content. From *Turn Up The Volume* to *Surviving Summer Season 2*, *Little J and Big Cuz*, *The Spooky Files* and *The Strange Chores*, Victoria is re-affirming its position as Australia's centre for creating children's screen content.

Victoria's factual sector is also flourishing, with a plethora of critically acclaimed documentaries being supported by VicScreen, including *The Defenders*, *Franklin*, *Clean* and *Ablaze*. This was highlighted at the 2022 AACTA Awards, with four out of six nominated documentaries supported by VicScreen. VicScreen also supported the feature documentary *John Farnham: Finding the Voice* which

smashed box office records, to become Australia's highest grossing feature documentary ever.

Digital games have also seen growth and success, with six projects supported through the Victorian Screen Incentive commencing production in 2023/23, delivering \$31.2 million of direct economic expenditure to the state. Local games delivered impressive results, with a total of 14 VicScreen-supported games generating \$14 million for the local economy. These local games were on display at the 2022 Melbourne International Games Week, where nearly 86,000 patrons attended in-person events, with over one million participants from across the globe taking part in online events.

Another heightened focus for VicScreen is the prioritisation of diversity, equity, and inclusion across all programs. From the Victorian Games Development Internships (now in its second year) to the suite of Originate initiatives, VicScreen is championing new voices in games, factual, features and television series.

Acting on the opportunity to be at the forefront of new screen technology, two NantStudios virtual production stages were built at Docklands Studios Melbourne, making Melbourne home to the largest LED volume stage in the world. A staple of the screen industry's future, this technology generates photorealistic 3D environments and visual effects on set, in real time, delivering an unparalleled level of creative flexibility. This infrastructure propels Victoria's screen industry forward, enhancing the state's capacity to meet local and global industry demand.

With new technology comes a demand for upskilling, and VicScreen has been working with industry and education sectors to ensure the delivery of comprehensive, on-the-job training. Professional development opportunities for industry, creating job-ready graduates and employing emerging practitioners in areas of crew shortages remains a key focus. VicScreen has supported a variety of training avenues including Media Mentors' Set Educated initiative and the *Neighbours* Training Program.

VicScreen took the opportunity to showcase Victoria's new infrastructure on the global stage at this year's South by Southwest (SXSW) festival in Austin, Texas, with an industry panel on the infinite frontier of virtual production. The agency also exhibited Victoria's dynamic animation and games sectors at the festival, with the chart-topping *Cult of the Lamb* installation attracting thousands of patrons, alongside a themed industry event celebrating Princess Bento's surreal and spectacular adult animation, *Koala Man*.

2022/23 has been a year of tremendous growth and significant milestones for the industry; particularly as the agency worked to deliver on key milestones of the VICSCREEN strategy. The ambition of the strategy necessitated the recruitment of staff with different capabilities and for the organisation to grow its capability and capacity. This investment in an expanded and more highly skilled workforce will propel the organisation to maximise performance outcomes for the industry.

I would like to thank VicScreen President George Lekakis, outgoing President David Hanna and all Board members for their support and expert leadership.

I thank the Victorian Government and Creative Victoria for its unwavering support to ensure Victoria's screen industry continues to be a valuable contributor to the state's economic growth, prosperity, and cultural vibrancy.

None of these extraordinary outcomes would have been possible without the remarkable talent, creativity, and perseverance of Victoria's local industry. On behalf of VicScreen, I thank the state's screen professionals for their vision, determination, and extraordinary work. We are exceedingly proud to have such a highly regarded local workforce.

My thanks also to VicScreen's staff, whose outstanding efforts have helped deliver another year of strong results.

As we look to next year, we look forward to actioning the remaining priorities of the VICSCREEN strategy.

Caroline Pitcher
Chief Executive Officer
VicScreen

VicScreen is proud to have redoubled its focus on children's content this year. From *Turn Up The Volume* to *Surviving Summer Season 2*, *Little J and Big Cuz*, *The Spooky Files* and *The Strange Chores*, Victoria is re-affirming the state as Australia's centre for creating children's screen content.

LOOKING AHEAD

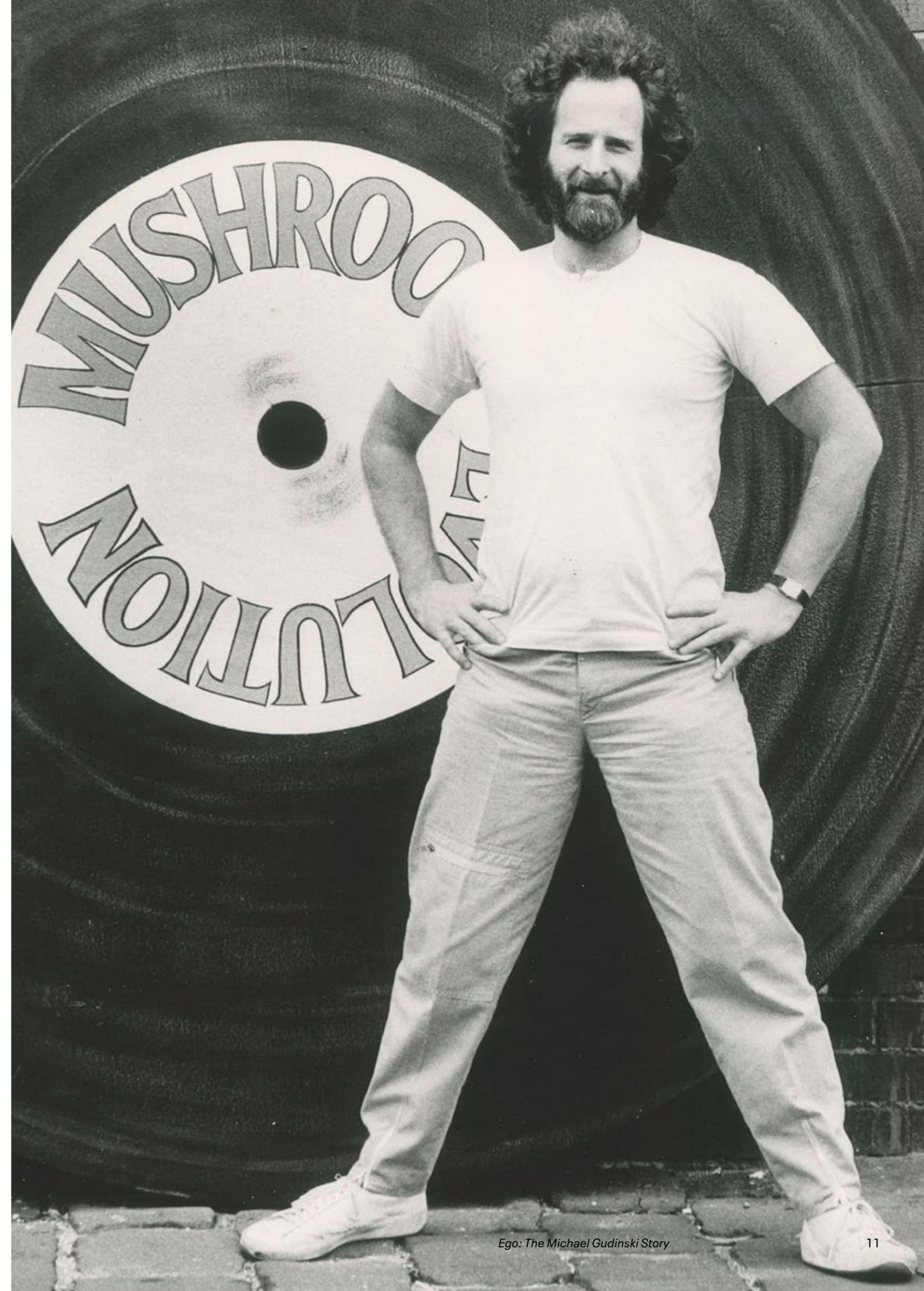
As VicScreen looks forward to the new financial year, the agency is monitoring several conditions affecting film and television production globally. The most significant being the current industrial action in the United States, particularly the Screen Actors Guild – American Federation of Television and Radio Artists (SAG-AFTRA) and the Writers Guild of America (WGA) strikes.

The impact of this industrial action, compounded by growing global economic instability and inflation, is resulting in industry-wide disruption to the production pipeline and increased production costs.

In an increasingly unpredictable and competitive landscape, streamers and studios are resetting revenue and subscriber retention strategies. In future years, Virtual Production, Augmented Reality and Virtual Reality technologies are expected to gain traction as content creators explore new ways to adopt this technology. There are risks and benefits associated with this transition and VicScreen expects the industry will be further influenced by these technological changes.

Victoria's local and international production pipeline has not been immune to the conditions affecting the wider industry, facing challenges including the cancellation of a major international television series and productions experiencing scheduling delays.

In response to this, 2023/24 VicScreen will sharpen its focus on securing a healthy pipeline of both local and international screen productions to drive the creation of compelling content, economic activity and jobs. Additionally, it will continue its support of industry skills and talent development to expand the capability and capacity of Victoria's screen workforce.





VICSCREEN: VICTORIA'S SCREEN INDUSTRY STRATEGY 2021-25

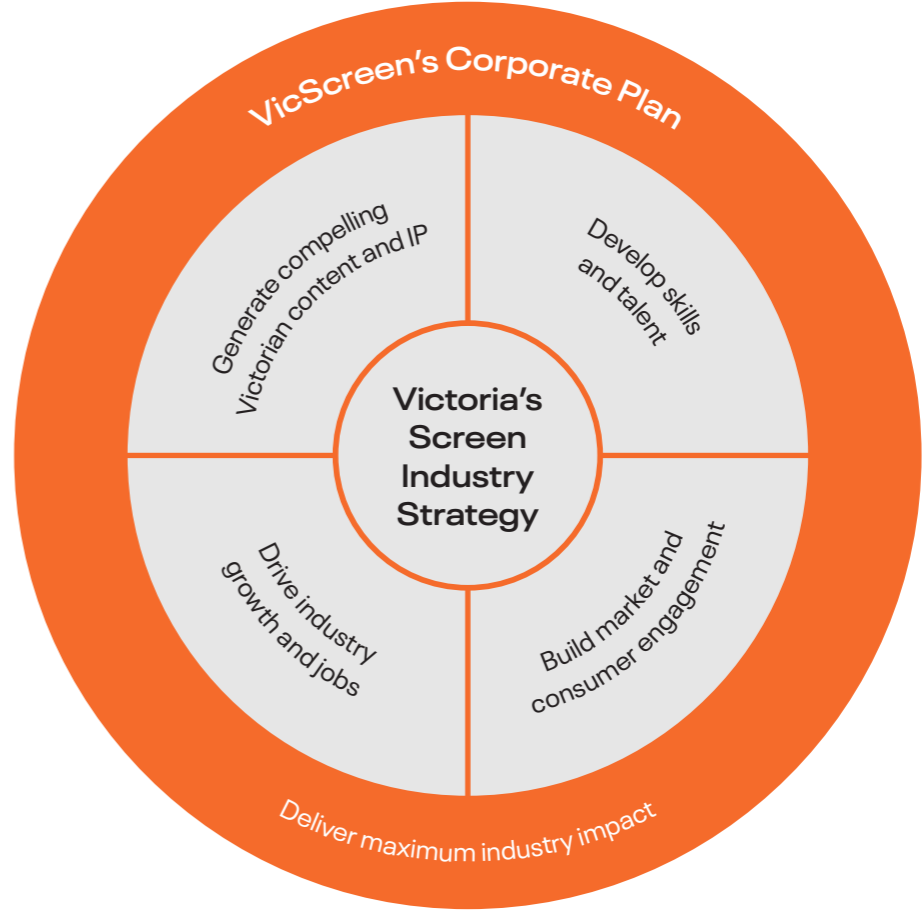
VISION

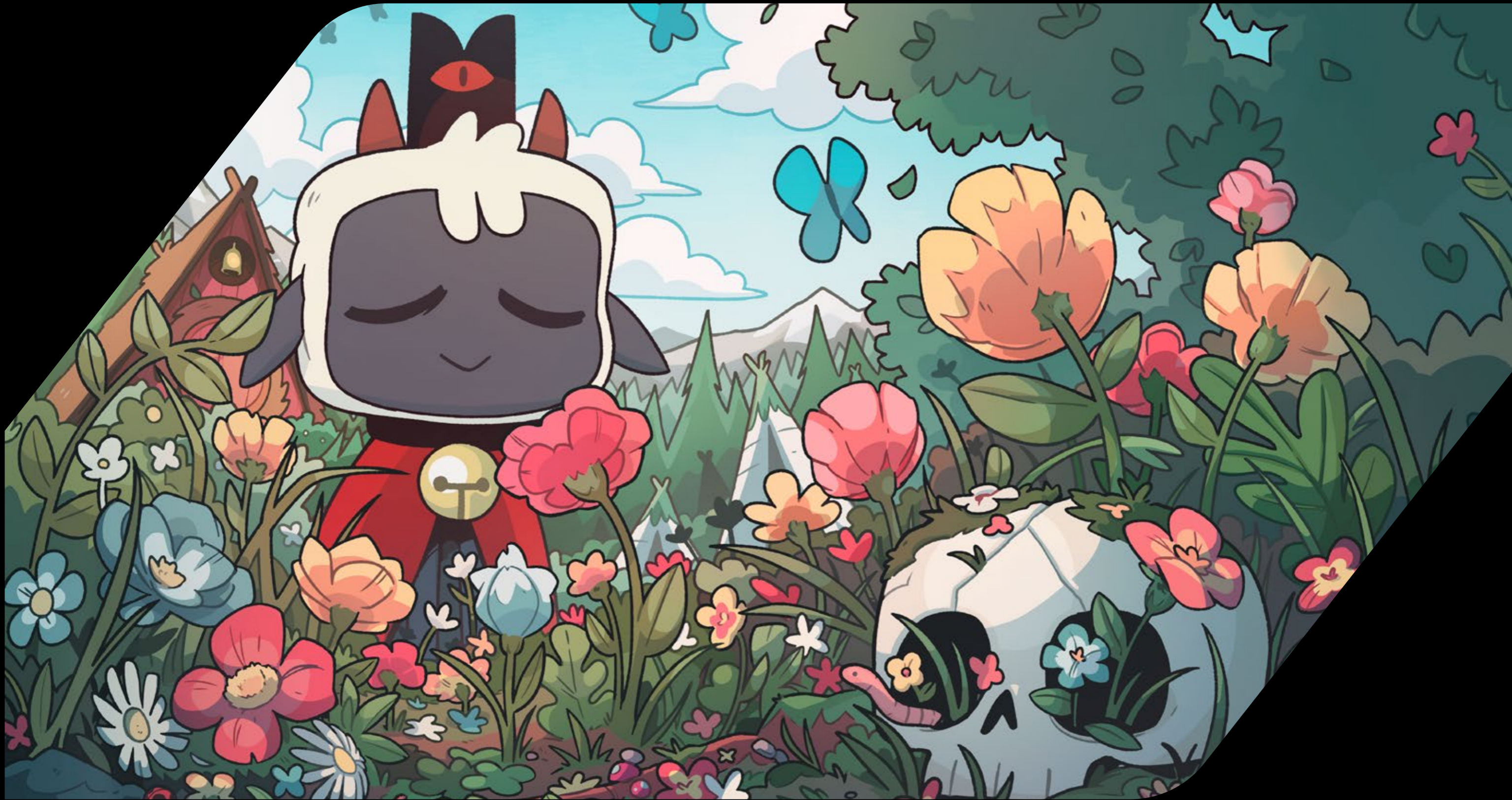
Victoria is a global powerhouse for screen – enriching the lives of all Victorians.

STRATEGIC PRIORITIES

In addition to the four priorities in VICSCREEN: Victoria's Screen Industry Strategy 2021-2025, VicScreen's Corporate Plan includes a priority relating to the strategy's successful delivery.

VICSCREEN: Victoria's Screen Industry Strategy 2021-2025





PERFORMANCE

Throughout this report:

- Economic impact and employment figures include estimates, as some projects have not yet concluded reporting.
- Amounts for previous years have been updated with acquitted results and may differ from results reported in previous annual reports which included estimates.



2022/23 YEAR IN REVIEW

This year, VicScreen's support:

GENERATED

\$420.9m

in direct Victorian expenditure
(2021/22: \$406.4 million)

DELIVERED A ROI OF

\$1:\$13

for every one dollar invested by VicScreen,
13 were delivered back to Victoria in direct
economic expenditure (2021/22: 1:12)

ENABLED

86

film, television and digital game projects to commence
production in Victoria (2021/22: 111 projects)

CREATED

11,071

local job opportunities, equating to 3,231 direct FTE jobs
(2021/22: 11,360 job opportunities, 3,092 FTE)

PRODUCED

279

hours of film, television and online content
(2021/22: 239 hours)

This year, through VicScreen:

22

feature films commenced production or post-
production in Victoria, delivering \$116.5 million
in direct Victorian expenditure

44

television, online series and one-off projects
commenced production in Victoria, delivering
\$259.2 million in direct Victorian expenditure

36

film, television and online projects received funding
through the Victorian Production Fund, generating
\$174.2 million in direct Victorian expenditure

14

Victorian-led games projects commenced in FY23,
delivering \$14 million of direct Victorian expenditure

6

games projects were supported through the
Victorian Screen Incentive, delivering
\$31.2 million of direct Victorian expenditure

64

film, television, digital games and online projects
received \$3 million in development funding

\$4.4m

was invested in industry and skills development
programs and initiatives

GENERATE COMPELLING VICTORIAN CONTENT AND IP

Generating world-class IP is vital to the future success and growth of Victoria's screen industry. This strategic priority focuses on developing high-quality, wide-reaching, and diverse screened entertainment in Victoria.

VicScreen continues to support Victorian creators and screen businesses to develop world-class commercially and critically acclaimed screen projects.

Telling vital stories

The gripping four-part series *Safe Home* interrogates the assumptions and expectations that inform our understanding of Australia's complex domestic and family violence epidemic. This SBS drama offers a powerful – and timely – depiction of the cultural, linguistic, and socio-economic diversity of victim-survivors, interwoven with heartfelt tales of friendship and love. *Safe Home* was created by screenwriter Anna Barnes (*The Strange Chores*, *Retrograde*) and is the first series from Imogen Banks' (*Offspring*, *The Beautiful Lie*) new production company, Kindling Pictures.

"I am so proud to see the incredible work of community legal centres at the forefront of *Safe Home* and I hope the show can help spark some of those difficult conversations that we need to have in order to address some of the myths around family violence that further isolate victim-survivors."

Anna Barnes, Writer-creator, *Safe Home*



STRATEGIC PRIORITY 1 GENERATE COMPELLING VICTORIAN CONTENT AND IP

Accelerating new voices to the screen

Originate Features

VicScreen's new multi-stage initiative, Originate Features, is the largest of its kind in Australia, unearthing and supporting exceptional talent from traditionally underrepresented backgrounds in the screen industry.

Launched in 2021, and delivered in partnership with SBS Australia, Arenamedia and Screen Australia, Originate Features has supported the development of four projects from early concept to pre-production.

Four feature films have been fully financed and greenlit through the Originate Features initiative including:

1. *Into the Blue* by Writer/Director Katie Found and Writer Markella Kavenagh. *Into the Blue* centres on 80-year-old Iris, who enlists the help of her teenage granddaughter, Poppy, to help her fake her own death to avoid going into a nursing home after a dementia diagnosis.

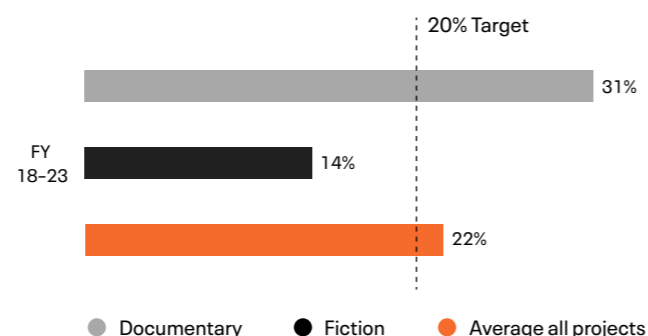
2. *Leviticus* by Writer/Director Adrian Chiarella and Producer Hannah Ngo. *Leviticus* tells the story of two queer teenagers, cursed by a supernatural being, who are forced to confront their desires.

3. *Pasa Faho* by Writer/Director Kalu Oji and Producers Mimo Mukii and Ivy Mutuku. *Pasa Faho* follows Azubuike, a struggling shoe shop owner, who attempts to reconnect with his 10-year-old son, Obinna.

4. *Sweet Milk Lake* by Writer/Director Harvey Zielinski and Producer Rosie Lourde. *Sweet Milk Lake* is about a softly spoken trans man who, after being mistaken for his alpha, cis twin brother by his estranged and dying dad, relishes the opportunity to be "one of the boys."

Originate Features finalists were supported in development by the Community Support Fund through the Victorian Government's Department of Treasury and Finance via the Department of Jobs, Skills, Industry and Regions.

Average conversion rate of VicScreen-supported development projects FY18-23



The six-year average conversion rate of projects which were supported with development funding and have since progressed into production is currently 22 per cent, exceeding VicScreen's average target of 20 per cent. With a higher number of fiction projects supported in development, the conversion rate for fiction projects is lower than documentary.



STRATEGIC PRIORITY 1 GENERATE COMPELLING VICTORIAN CONTENT AND IP

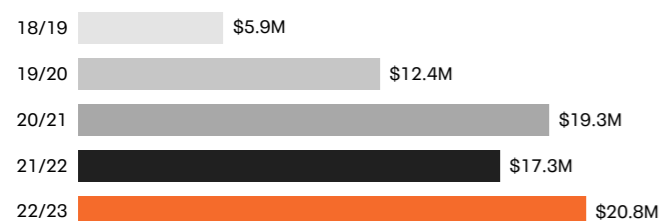
Focus on factual

In 2022/23, VicScreen invested \$1.5 million in factual content, backing 38 factual projects across development and production. This funding supports Victoria to continue to deliver premium factual content.

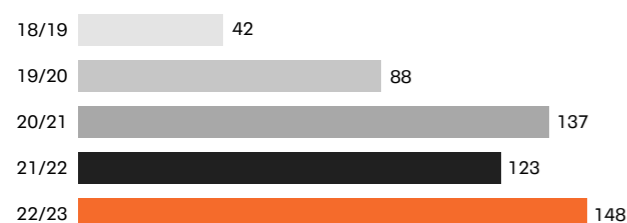
A slate of VicScreen-supported documentaries received critical acclaim in the past year including *Queerstralia*, *The Lost City of Melbourne*, *John Farnham: Finding the Voice*, *The Defenders*, *The Dark Emu Story*, *Clean*, and *Franklin*. *John Farnham: Finding the Voice* has since broken box office records to become the highest-selling theatrical release of an Australian documentary.

Victorian Spend and FTE jobs generated by VicScreen funding provided to documentaries that commenced production from FY19-23

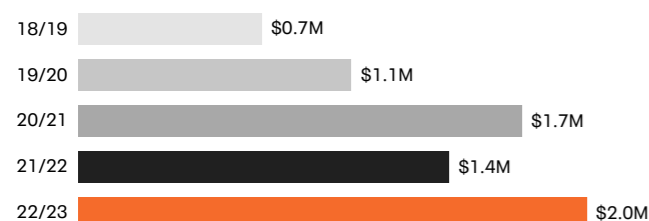
Victorian Spend



FTE jobs



VicScreen Funding



Backing Victorian game developers to embrace new ideas

Victorian digital game developers and studios continue to showcase their world-leading capability, creativity and skills, with an exceptional slate of Victorian content released this year.

One of the most successful games this year globally, *Cult of the Lamb*, was created by Victorian independent developer Massive Monster and published by Devolver Digital, with early development support from VicScreen. *Cult of the Lamb* casts players in the role of a possessed lamb saved from annihilation by an ominous stranger. The lamb must repay the debt of its salvation by building a loyal following of woodland worshippers in its name.

Released in August 2022, *Cult of the Lamb* reached Steam's coveted number one spot and sold over a million copies across PlayStation, Nintendo, Xbox, GOG and Steam on debut.

"Early funding from VicScreen helped secure a quality level that would take Massive Monster to the next level when pitching, resulting in a deal with Devolver, our dream publisher and a significant development budget. As soon as we announced the game, we got a lot of attention for it...it was very surreal. Putting up a trailer, getting half a million views and having people be really hyped for the game gave us the energy to make it the kind of game it deserved to be."

Julian Wilton, Creative Director, Massive Monster

SHAYDA

ORIGMA 45

Production

Writer and Director Noora Niasari's debut feature film, *Shayda*, has won hearts both overseas and at home in Australia. Starring Zar Amir Ebrahimi and executive produced by Cate Blanchett, *Shayda* received critical acclaim and recognition upon its world premiere at the 2023 Sundance Film Festival.

Inspired by real life events, the film was set and shot in and around Doncaster, the home of Melbourne's Persian community.

Noora developed the script for *Shayda* in 2018 with development funding from VicScreen. Noora then worked with Script Editor Lynne Vincent McCarthy to refine the second draft and find the distance between her lived experience and the dramatic potential of her characters. In 2022, *Shayda* received production funding through VicScreen's Victorian Production Fund and the project commenced production.

"I'm very grateful that VicScreen and Screen Australia have championed me and believed in this story from the beginning," Noora said.

[Click here to read more: Finding Freedom \(Azadi\)](#)

Funding

VicScreen invested in *Shayda* through development funding as well as production funding through the Victorian Production Fund. The film was minority co-financed through the MIFF Premiere Fund, which is supported by VicScreen. VicScreen provided financial support for Noora to attend the film's world premiere at the Sundance Film Festival in Utah through the International Travel - Festival program.

Outcome

Shayda premiered on opening night of the World Dramatic Competition at the 2023 Sundance Film Festival and quickly received critical acclaim. Variety Magazine announced it as a powerful debut feature shining a timely light on an Iranian woman's resilient spirit, stating: "Niasari nimbly and steadily deepens *Shayda* with a filmmaking style that carries traces of a documentarian's off-the-cuff alertness, braiding it with qualities akin to a thriller". The Hollywood Reporter described *Shayda* as displaying "rebellion, love and resilience in perfect harmony".

After receiving the coveted Audience Award at Sundance, *Shayda* was sold to Sony Pictures Classics, who acquired all media rights in North America, Latin America, Benelux, Eastern Europe, Portugal, the Middle East, and Türkiye. Metropolitan secured the rights as distributor in France, and Madman Entertainment is handling distribution in Australia and New Zealand.

Impact

\$2.9m

Production Expenditure in Victoria

526

Local employment opportunities generated

21

Direct full-time equivalent (FTE) jobs generated

2

Skills development opportunities: Specialist Placement (Line Producer) and Professional Attachment (Art Director)

DRIVE INDUSTRY GROWTH AND JOBS

This strategic priority is focused on expanding Victoria's screen production pipeline; creating more jobs, generating economic impact, and enhancing our local screen infrastructure to meet global and local demand.

In 2022/23, VicScreen-supported projects spent a record \$420.9 million in Victoria – a 3.6 per cent increase on the previous year. These screen projects generated 3,231 FTE jobs, another record in Victoria, and a 4.5 per cent increase on 2021/22.

New infrastructure to drive jobs of the future

In April 2023, working with NantStudios, Universal Content Productions (UCP), Matchbox Pictures and Docklands Studios Melbourne, VicScreen helped launch the world's largest permanent LED volume screen at Docklands Studios Melbourne. This innovative technology is pioneering a new frontier in virtual production, creating a multitude of possibilities for both local and international productions and allowing the most ambitious and imaginative stories to be brought to life in Melbourne.

"The marriage of the creative juggernaut of UCP's projects and the novel technology NantStudios has implemented in Melbourne is a dream partnership. We are braced to redraw the frontiers of virtual production once again and we look forward to bringing this technology and services to all productions shooting in the region."

Gary Marshall, Vice President of Virtual Production, NantStudios



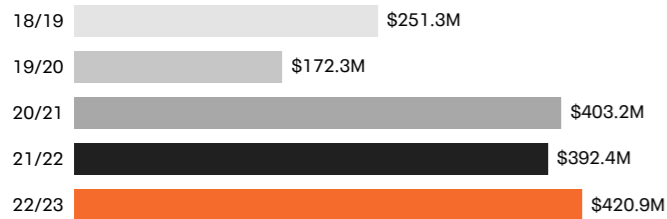
STRATEGIC PRIORITY 2

DRIVE INDUSTRY GROWTH AND JOBS

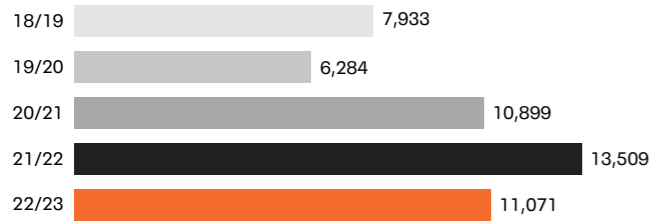
Growing a Victorian-led screen economy

2022/23 was a record year for expenditure and FTE jobs generated by VicScreen-supported projects in Victoria. The overall number of local job opportunities decreased in comparison to the previous year, however, these roles lasted longer resulting in a more stabilised workforce.

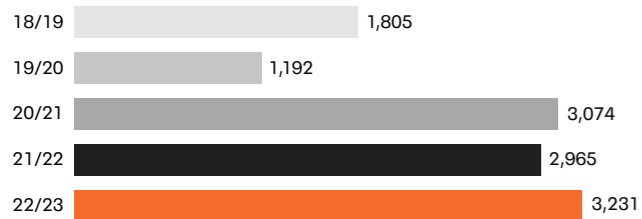
Victorian expenditure generated by VicScreen supported projects by year of production commencement FY19-23



Job opportunities generated by VicScreen supported projects that commenced production from FY19-23



FTE generated by VicScreen supported projects that commenced production from FY19-23

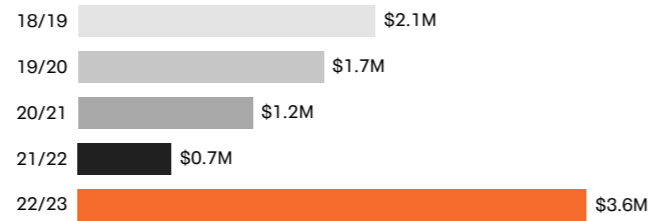


Supporting Victorian-made children's content

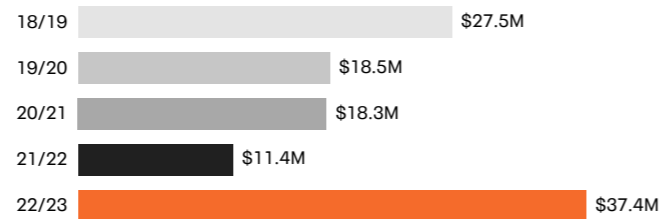
In 2022/23, six children and young adult live action and animation series went into production. These projects, *Turn Up The Volume*, *The Strange Chores*, *Surviving Summer Season 2*, *The Spooky Files*, *Little J and Big Cuz S4* and *F.A.N.G. (From A Nearby Galaxy)*, generated more than \$37 million in Victorian production expenditure, delivering a 1:10 ROI and creating 841 job opportunities (266 FTE).

The hugely popular Werner Film Productions' series, *Surviving Summer*, returned to shoot its second season along Victoria's famed Great Ocean Road, generating an estimated \$10 million in Victorian expenditure and employing 250 (71 FTE) screen practitioners.

VicScreen funding provided to children's projects that commenced production from FY19-23



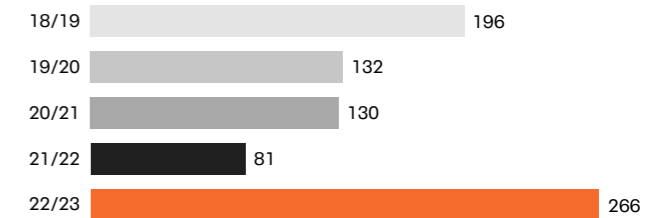
Victorian expenditure generated by VicScreen supported children's projects that commenced production from FY19-23



Job opportunities generated by VicScreen supported children's projects that commenced production from FY19-23



FTE generated by VicScreen supported children's projects that commenced production from FY19-23



STRATEGIC PRIORITY 2 DRIVE INDUSTRY GROWTH AND JOBS



Cameras rolling in regional Victoria

In 2022/23, 12 VicScreen-supported projects filmed in regional Victoria, five of which received support from VicScreen's Regional Location Assistance Fund (RLAF). The map below shows where these productions set up unit bases. These projects created unique local job opportunities and resulted in an economic boost for rural and regional Victorian communities.

Throughout the combined 289 shooting days in regional Victoria, 12 productions employed 518 local residents and spent \$5 million.

Crime series, *Scrublands*, spent seven weeks shooting in Gisborne, Newstead, Maldon, Baringhup, Castlemaine, Nyah West, Little River and Truganina. The production generated an estimated expenditure in Victoria of \$6 million and 250 jobs (43 FTE).

Regional Victoria Productions

1. *After The Smoke* – Morwell and LaTrobe Valley
2. *Bromley: Light After Dark* – Daylesford
3. *Flunk S5* – Lilydale and Yarra Ranges
4. *Gold Diggers* – Porcupine Village and Maldon
5. *High Country* – Mt Buller, Mansfield and Jamieson
6. *Jewish Singles In The Snow* – Mt Buller
7. *Out Of The City* – Maryborough
8. *Scrublands* – Gisborne, Newstead, Maldon, Baringhup, Castlemaine, Nyah West, Little River and Truganina
9. *Surviving Summer Season 2* – Great Ocean Road including Anglesea, Fairhaven, Lorne - Cumberland River, Torquay and Aireys Inlet
10. *The Rooster* – Castlemaine
11. *This Is Going To Be Big* – Mount Macedon
12. *Videoland* – Moe

STRATEGIC PRIORITY 2

DRIVE INDUSTRY GROWTH AND JOBS

Supporting filming on location in the city and beyond

Locations can define the visual language and tone of film and television projects. VicScreen understands this and plays a crucial role in providing locations and production services support for projects filming in Victoria. This support includes logistics advice and facilitating negotiations with local councils, communities, and authorities such as Parks Victoria, VicRoads and Victoria Police.

This year, VicScreen's location and production services team supported more than 25 productions to film on location in metropolitan Melbourne. These included *Sleeping Dogs*, starring Russell Crowe, which was provided with location suggestions so Melbourne could double for the USA, *The Bachelor Season 11* which was supported with location suggestions and a comprehensive overview of filming in Victoria and *Ricky Stanicky*, starring Zac Efron and John Cena, which VicScreen supported with logistical assistance and guidance regarding working with local councils.

VicScreen also supported projects shooting in regional Victoria with location scouting to unearth the perfect country town for *Scrublands* and facilitating discussions with state government land managers, departments and production companies for the television series, *High Country*, and feature film, *Force of Nature*.

Blockbuster comedy supporting local screen jobs

VicScreen supported the highly anticipated comedy by Academy Award winning director Peter Farrelly, *Ricky Stanicky*, through the Victorian Screen Incentive. Large international productions attracted to the state generate employment opportunities and deliver economic benefits. *Ricky Stanicky* was no exception generating an estimated 980 job opportunities (220 FTE jobs) and injecting an estimated \$31m into the state's economy.

Five emerging Victorian practitioners were also afforded skills and development opportunities through the project including one sound attachment, three director placements and a production placement.

Victorian producer, Paul Curry (*Hacksaw Ridge*) one of the producers on the project noted:

"Ricky Stanicky gives our local cast and crew another fantastic opportunity to showcase their incredible skills and talents working with world class director, Peter Farrelly, who has a history of making some of the most iconic comedies of all time."

Innovative VFX in global blockbuster: *Thor: Love and Thunder*

Globally renowned creative visual effects studio Luma Pictures worked with 60 Victorians to visualise the creature design in Marvel Studio's 2023 blockbuster, *Thor: Love and Thunder*.

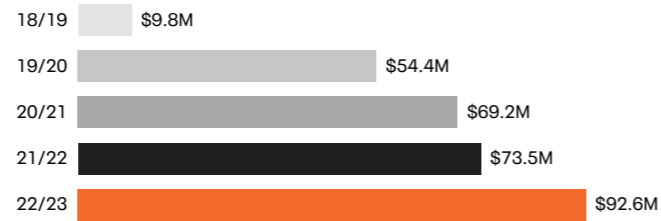
Under the guidance of VFX supervisor Andrew Zink, Luma Pictures undertook the challenge of manifesting a series of children's illustrations for the big screen. Zink and his team meticulously crafted these shadow creatures, which appear as both lifelike background shots and in defining moments of heroes in action in the film. Beyond the shadow creatures, Luma Pictures made substantial contributions to the portrayal of the mighty Thor, even creating a viral hero reveal. The highly skilled Melbourne team also developed the new power of Thor's hammer, Mjölfnir, as it splits apart and soars through the air like high-velocity bullets.

"Luma Pictures embraced the challenge of crafting visually stunning and otherworldly shadow creatures for *Thor: Love and Thunder*. Our team poured their expertise and dedication into bringing the children's imaginative concepts to the big screen, resulting in creatures that truly captivated audiences. This work was made possible with the support of VicScreen."

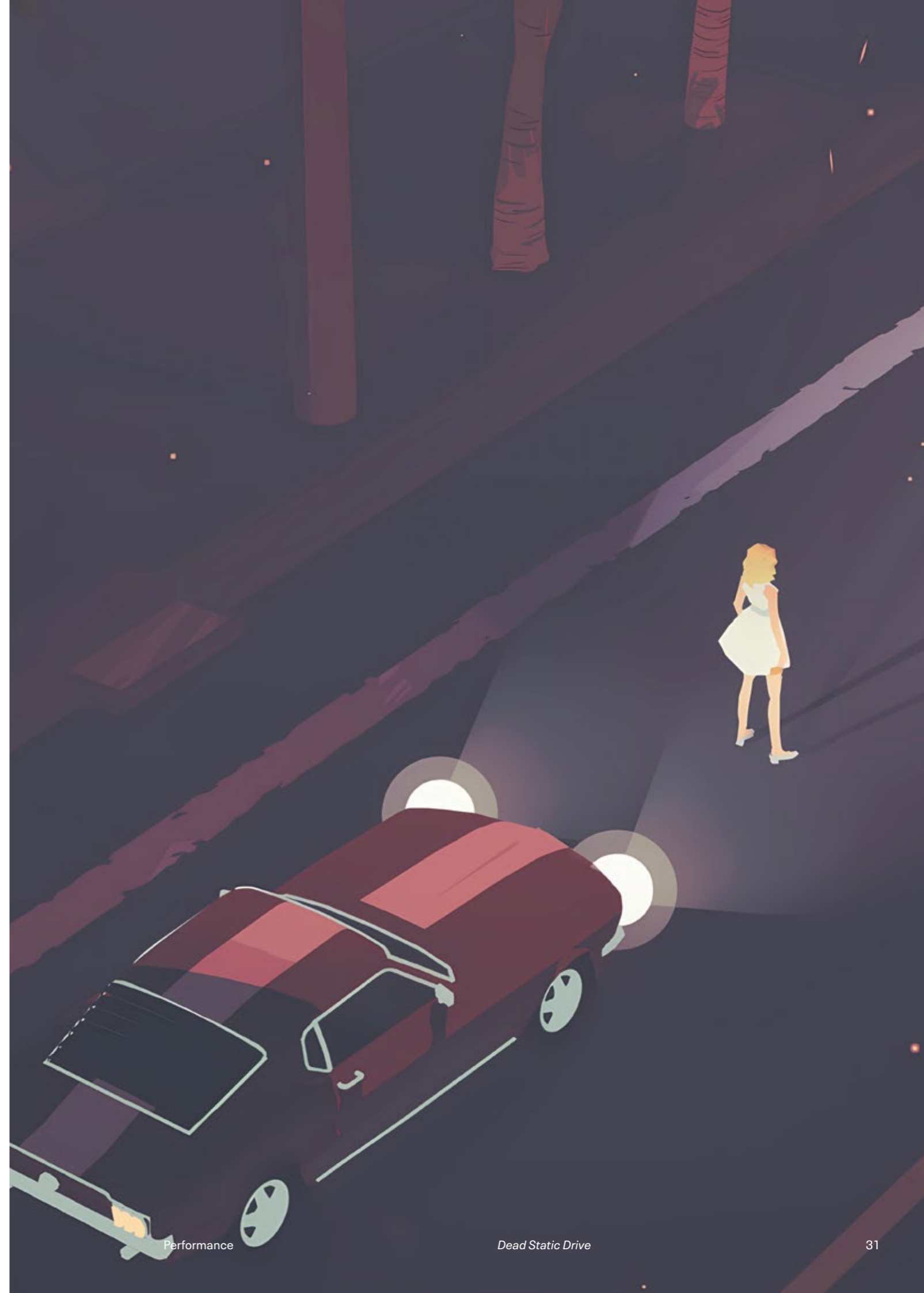
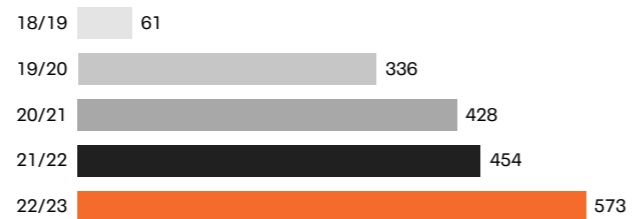
Andrew Zink, VFX Supervisor, Luma

Victorian expenditure and FTE jobs generated by VicScreen supported Post, Digital and Visual Effects (PDV) projects by financial year of commencement FY19-23

Victorian Spend



FTE jobs



STRATEGIC PRIORITY 2

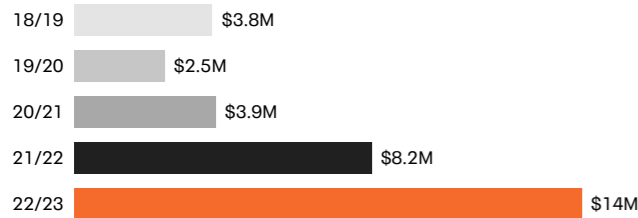
DRIVE INDUSTRY GROWTH AND JOBS

Victoria continues to be a centre for digital games

VicScreen's investment in digital games builds on an almost 30-year legacy of supporting globally successful and award-winning games. This year VicScreen continued its commitment to digital games by backing eagerly anticipated Victorian-led games like *Pixel Starships 2*, *Dead Static Drive* and *Jumplight Odyssey* through the Victorian Production Fund and attracting major work on international titles such as *Call of Duty: 2023* and *The Sims: Freeplay* to the state through the Victorian Screen Incentive (VSI).

This year, Victorian-led digital games generated a record \$14 million and saw a ROI of 1:8, a 167 per cent increase on ROI from the previous financial year.

Victorian expenditure from Assigned Production Investment (API) and Victorian Production Fund (VPF) Games by year of production commencement FY19-23.



ROI from API and VPF Games by year of production commencement FY19-23



The VSI Games program continues to attract games activity to Victoria. Since its introduction in 2020/21, the program has generated \$92 million in production spend in Victoria and has consistently returned over \$10 in direct expenditure for every dollar invested by VicScreen.

It was expected that the Federal Government would have implemented the Digital Games Tax Offset (DGTO) within the financial year, however, this did not occur, flattening economic impact in the Australian territory. It is expected that Victoria will see incremental growth in the new financial year as a result of the DGTO and the Victorian Government's introduction of a digital screen rebate.

Victorian Spend from VSI Games by year of production commencement FY21-23



ROI from VSI Games by year of production commencement FY21-23



HIGH COUNTRY

"The opportunity to act and work alongside the talented creative team and my amazing co-stars is incredible. I can't wait to go to work in the Victorian Alps delving into scripts with adventurous and thrilling storylines. I look forward to bringing this first-class new series to local and international audiences where Country and Australian-ness are central to the story."

Leah Purcell AM, Lead Actor and Executive Producer, High Country

Production

High Country is an eight-part mystery thriller that centres around detective Andie Whitford, played by Leah Purcell (*The Drover's Wife: The Legend of Molly Johnson*, *Wentworth*).

Creators Marcia Gardner and John Ridley wrote the series around the protagonist, Andie, who is thrust into some baffling detective work involving five missing people. Murder, deceit, and revenge are central themes in this new original drama for Foxtel/Binge.

Set in Victoria's Alpine region, the series is inspired by the cultures, identities, and landscapes of Victoria's indomitable high country – an ancient and wild landscape that has rarely been captured on screen.

Alongside Purcell, *High Country* stars Aaron Pedersen (*Mystery Road*, *Jack Irish*), Sara Wiseman (*Kingdom of the Planet of the Apes*, *A Place to Call Home*) and Ian McElhinney (*Game of Thrones*, *Derry Girls*).

Funding

High Country received funding through VicScreen's Victorian Production Fund, Regional Location Assistance Fund, and On Demand Fiction development programs.

Outcome

High Country is estimated to have injected more than \$14 million into Victoria's economy and employed 250 cast and crew (100 FTE jobs). VicScreen also supported five Professional Attachments (two Art Department Attachments, an Assistant Director Attachment, a Camera Attachment and a Costume Department Attachment), as well as a Key Talent Director Placement on the production of *High Country*.

Kalu Oji – a VicScreen Originate Features finalist – was selected as the Director Placement, completing 10 weeks on set under the tutelage of seasoned director Kevin Carlin. Throughout his Director Placement, Kalu attended cast rehearsals, participated in production meetings, attended edits, and honed his skills, all of which will support him direct his debut feature film, *Pasa Faho*.

Impact

\$14m

Production Expenditure in Victoria

750

Local employment opportunities generated

100

Direct full-time equivalent (FTE) jobs generated

6

Skills development opportunities

DEVELOP SKILLS AND TALENT

This strategic priority recognises that diverse, talented screen practitioners are at the core of Victoria's screen industry. VicScreen is focused on supporting skills and talent pathways to help bolster a highly skilled workforce and grow a pool of world-class talent that supports a strong production pipeline.

Backing Victoria's brightest game developers

In 2023, VicScreen teamed up with Robot Circus and Sledgehammer Games to deliver the second year of the Victorian Games Development Internship, announcing Phoebe Watson and Memia Lin as the successful recipients.

Phoebe and Memia started their paid internships with a six-month placement at VicScreen in January 2023 before moving to Robot Circus and Sledgehammer Games. Designed to overcome traditional barriers to entering the digital games sector, the internships support emerging developers to fast-track their careers.

"The Games Internship is such an awesome opportunity to gain experience in the many different environments of the industry. I'm eager to shadow some of the talented creatives in games and bring a unique First Nations perspective to the various projects that I'll get to be part of and, hopefully, begin to pave a culturally safe path for other Indigenous creatives."

Phoebe Watson, 2023 Victorian Games Development Intern

"New voices and ideas lift games to exciting, unexplored territory, so we're thrilled to have Memia and Phoebe work with us."

The Robot Circus team



STRATEGIC PRIORITY 3 DEVELOP SKILLS AND TALENT

In the past year...

\$2.3m

VicScreen committed towards skills development opportunities

49

Professional Attachments

2

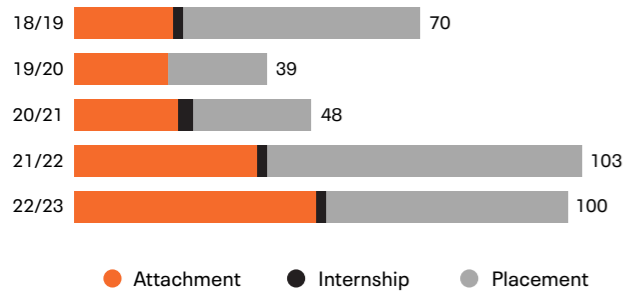
Internships

49

Specialist Placements across projects made in Victoria

In the past year, VicScreen committed \$2.3 million towards skills development opportunities. This included 49 Professional Attachments, two internships and 49 Specialist Placements across projects made in Victoria.

Number of Placements, Internships and Attachments supported by year of financial commitment FY19-23



VicScreen's Key Talent Placements and Specialist Placements programs are supported by the Community Support Fund through the Victorian Government's Department of Treasury and Finance via the Department of Jobs, Skills, Industry and Regions.

Supporting the next generation of screen talent

In July 2022, Gina Song and Madeleine Ruskin were announced as the successful recipients of the highly coveted Victorian Screen Development Internships (VSDI). Gina and Maddie's 12-month internship included four-month stints at VicScreen, Paramount Australia and New Zealand, Blackfella Films and Fremantle Australia. This internship program is designed to overcome traditional barriers to entering the screen industry, as well as supporting emerging screen creatives to accelerate their careers in screen.

"I can't speak highly enough about the team at VicScreen," Gina Song told Inside Film at the end of her placement at VicScreen. "They're so incredibly supportive, generous, and knowledgeable about the industry...I've learned everything from how to provide effective script notes to understanding a project's finance plan."

During her VSDI placement at VicScreen, Gina was selected as one of six participants in the Screen Australia and Australians in Film's Untapped initiative. She also won the 2022 Sir Peter Ustinov Television Scriptwriting Award for her project *Miss Underworld*, which was presented by the International Academy of Television Arts and Sciences Foundation, at the International Emmy® Awards.

"Going into the internship, I knew there were gaps in my knowledge, especially regarding the financial/business side of the industry, and I really appreciate how much the VicScreen team has mentored me through the process. My goal is to be a TV writer and producer, so the experience has been so valuable from both a creative and production standpoint," Gina said.

"The Victorian Screen Development Internship is an invaluable training ground for the next generation of creative professionals. We jumped at the opportunity to host the wonderfully talented Gina Song at Blackfella Films, where she made a tangible impact to our scripted development slate and earned her first production credits on *Total Control Season 3*."

Erin Bretherton, Head of Scripted Development, Blackfella Films



SONJA MILOVAC

POST-PRODUCTION ASSISTANT PLACEMENT ON *IRREVERENT* AND *TURN UP THE VOLUME*

Opportunity

Sonja Milovac was freelancing as a digital designer when she saw a call out requesting new applicants to join VicScreen's Professional Attachments Register. Sonja's application was successful, and when Post-Production Supervisor Peter McBain called VicScreen seeking an assistant, Sonja was put forward as a possible candidate.

Sonja then received a call from Peter, who was working on *Irreverent* at the time. "Peter is one of the top Post-Production Supervisors and he was looking for an assistant," Sonja said. "Working with Peter was amazing. He was an incredible mentor, and suddenly, I thought, 'I think I've found my people.' You stay on a project for quite a long time. It's not quite as fast-paced as shooting on set. It's still very fast-paced but in a different way and I really liked it."

While the post-production crew were wrapping up their work on *Irreverent*, the team started prepping for the ABC ME series *Turn Up The Volume* and asked Sonja if she would like to come on board as an employee in the role of Post-Production Supervisor.

Turn Up The Volume is a series about a group of young female and gender non-conforming teenagers attending a weekly music camp, who decide to form a band. "I loved the idea of working on this show, and I was super excited, but I was also so scared. I thought there was too much responsibility,

and I wasn't ready...but the whole experience was amazing. I learned so much. The producers, Philippa Campey, Rachel Davis, and Amanda Higgs were incredible," said Sonja.

Through VicScreen's Specialist Placement support, Post-Production Supervisor Maryjeanne Watt mentored Sonja on *Turn Up The Volume* to instill the kind of confidence she needed to succeed. "Maryjeanne is an amazing woman and an amazing Post-Production Supervisor, with so much experience, love, and a very supportive, nurturing nature. She cares so much about the industry and the next generation working in post."

Funding

VicScreen supported Sonja's placement on *Turn Up The Volume* through its Specialist Placement Program.

Outcome

These training opportunities have since led to Sonja securing roles on Werner Productions' Netflix smash hit *Surviving Summer Season 2* as a Post-Production Supervisor.

"VicScreen's Professional Attachments Register is an amazing opportunity to get noticed and to get your foot in the door," said Sonja.

[Click here to read more: Fix it in post](#)

STRATEGIC PRIORITY 3 DEVELOP SKILLS AND TALENT

Upskilling on the set of *Neighbours*

In 2023, Fremantle and VicScreen partnered on a major on-the-ground paid training initiative to be delivered on the set of iconic TV series *Neighbours*. With the series returning to production in April 2023, the *Neighbours* Training Program provides paid training for early career Victorian writers, directors and crew members in roles such as post-production, camera, lighting, and sound. With the full endorsement of *Neighbours*' new commissioners Amazon Freevee, Prime Video, and local broadcaster for 37 years Network Ten, the scheme continues *Neighbours*' decades long commitment to nurturing new talent behind the camera.

"I am thrilled that *Neighbours* is back and again partnering with VicScreen to provide further training for the next generation of talent on the show. *Neighbours* has been the optimal training ground in our local industry for decades for talent both in front of, and behind, the camera. Every opportunity I've had has been a direct result of my training at *Neighbours*. I am currently working on a block of episodes with Director Placement Lara Kose, and it feels like a full-circle moment for me."

Tenika Smith, Director, *Neighbours*

Inspiring Victorians to transition into the screen industry

The Victorian screen industry has generated more than 3,000 FTE jobs as a direct result of VicScreen's investment over the past year. In 2022/23, VicScreen supported Media Mentors to deliver Set Educated, a pilot program aiming to help participants from a wide variety of industries, including early career screen practitioners, enter and succeed in high-demand roles in Victoria's growing screen industry. Set Educated was delivered to 317 participants through in-person and online sessions in Melbourne and Geelong. Each event featured industry speakers, roundtables, and networking opportunities.

Cracking a new career in games

"Having the opportunity to support emerging talent right here in Melbourne is so important to us as we build our studio and team with a view to the future. Without VicScreen, Summerfall Studios wouldn't exist, and the skills development program affords amazing opportunities for us to train the next generation of leaders."

Liam Esler, Co-Founder and Managing Director, Summerfall Studios

VicScreen's industry and skills development programs are designed to assist creators to forge a career in Victoria's screen industry while contributing to the state's talent pool of highly experienced screen workers.

Summerfall Studios received financial support to hire three emerging games practitioners in 2023 through VicScreen's Specialist Placement program.

Alissa Vovers, Chantel Eagle and Karly Taylor joined the studio team as Junior Programmer, Junior Producer and Junior Narrative Designer respectively to help deliver Summerfall Studios' highly anticipated debut game, *Stray Gods: The Roleplaying Musical* to completion. *Stray Gods* also received development and production funding from VicScreen.

"This placement has given me the ability to begin working in an industry that I previously believed would be impossible to get into. It's allowed me to accelerate a career in a field I can genuinely say I love."

Karly Taylor, Narrative Designer and VicScreen Specialist Placement, Summerfall Studios



BUILD MARKET AND CONSUMER ENGAGEMENT

This strategic priority aims to empower local communities to access, celebrate and engage with diverse screen content. Building Melbourne's reputation to deliver major, world-class screen events and attract audiences across Melbourne and regional Victoria to attend first-rate film festivals is at the centre of this strategic priority.

Victoria's only Indigenous-led Film Festival: Birrarangga Film Festival

Birrarangga Film Festival, now in its third iteration, continues to grow and attract new audiences and features Indigenous films from Australia, Canada, USA, New Zealand, Mexico, Russia, Norway, Finland, Hawaii, Sweden and Greenland.

In 2023, Birrarangga Film Festival used groundbreaking new cinema technology to attract new audiences to ÁRRAN 360°, a collection of shorts from Sami filmmakers presented on a 360-degree cinema screen.

"Birrarangga Film Festival is the only Indigenous-led film festival in Victoria, Australia and celebrates Indigenous made films from across the globe. Presented to audiences biennially across Naarm, our festival showcases award-winning feature films to inspiring documentaries, captivating short films, unique 360-degree films, Indigenous VR, and enthralling discussion panels. With VicScreen's support we take audiences to worlds they have never seen on screen before and share the lived experience of First Nations people so they can connect on a deep level to other cultures in a unique way."

Damienne Pradier, Producer, Birrarangga Film Festival



STRATEGIC PRIORITY 4 BUILD MARKET AND CONSUMER ENGAGEMENT

Screen event highlights

More than 300,000 people attended VicScreen-supported online and in-person film festivals and screen events this financial year.

Major events

Melbourne International Film Festival – approx. 140,000 Victorians took part in the online and in-person festival, featuring 16 VicScreen-supported films and 76 Victorian-made titles.

Indian Film Festival of Melbourne – approx. 162,000 people around Australia viewed more than 120 of the best films from the Indian subcontinent at venues across Melbourne and online.

Iconic Melbourne festivals

Melbourne Queer Film Festival (MQFF) – approx. 11,500 people watched one or more of the 149 LGBTQIA+ themed films on offer.

St Kilda Film Festival – approx. 8,200 people came together to watch a selection of Australia's best short films at venues around St Kilda, including the new rooftop pop-up cinema at the Victorian Pride Centre.

Melbourne Women in Film Festival (MWFF) – approx. 1,600 people chose to view bold and socially relevant films from women and gender diverse screen practitioners.

Human Rights Arts and Film Festival (HRAFF) – approx. 1,200 people attended the 26 screenings on offer, with 80 per cent of films directed or co-directed by women/gender diverse people, and 70 per cent of films directed or co-directed by people from culturally and linguistically diverse backgrounds.

Regional screenings

Peninsula Film Festival (PFF) – approx. 1,300 Mornington Peninsula locals and Melburnians gathered at the Village Green in Rosebud to watch 22 short films, 11 of which were made by Victorian filmmakers.

Benalla Short Film Festival – approx. 100 people from Benalla and surrounds came together to watch eight films, half of which were made by Victorians.

Castlemaine Documentary Film Festival – nearly 3,000 Victorians took part in the festival, including almost 400 Melburnians who travelled to Castlemaine for this event.

Championing queer stories

VicScreen supported the 32nd Melbourne Queer Film Festival (MQFF) this year, featuring 149 LGBTQIA+ themed feature, documentary, and short films, as well as seven panel events presented over twelve days in person and online.

MQFF is one of the largest LGBTQIA+ film festivals in the world, showcasing an intersectional program of queer stories to Victorian audiences, and connecting thousands of LGBTQIA+ community members from across the state with the opportunity to see themselves represented on screen.

This year MQFF established an outdoor cinema venue in collaboration with the Victorian Pride Centre on the Centre's rooftop in St Kilda. The festival also held a variety of free public programs including panel discussions on decolonising Australian comedy, bisexual representation in television from the 1970s to 1990s, discussions with trans activist and archivist, Julie Peters and a panel conversation led by trans and gender-diverse youth. MQFF also provided 250 free tickets to community organisations including Minus18, Switchboard, Transgender Victoria and the Asylum Seeker Resource Centre.

Celebrating Victorian talent

Victoria's screen talent was celebrated at the 2022 AACTA Awards, with VicScreen-supported projects collecting some of the most coveted awards. *Elvis* won the AACTA for Best VFX or Animation, featuring the work of Victorian VFX studios Framestore and Luma Pictures, *Savage River* won the award for Original Score in Television, by Victorian composer Bryony Marks, and *We Were Once Kids* collected the award for Best Editing in a Documentary, by Victorian editor Shannon Swan.

VicScreen also supported AACTA ScreenFest, a hybrid program of screen events featuring exclusive industry insights and behind-the-scenes showcases from major Australian productions, hosting a panel about creating premium screen content for kids. Acclaimed producers Joanna Werner, Philippa Campey, Andrea Denholm* and Colin South joined the panel for a vital conversation about the opportunities and challenges regarding making children's content in Victoria.

VicScreen-supported projects played at major international film festivals over the past year, including *Run Rabbit Run* and *Shayda*, which premiered at Sundance; and *Bad Behaviour* and *Sweet As*, which screened at Berlinale 2023. *Sweet As* also screened at the Toronto International Film Festival in September 2022, where it won the coveted NETPAC Award for Best Feature Film from the Asia-Pacific Region and at MIFF where it won MIFF Awards' inaugural Blackmagic Design Australian Innovation Award. *Late Night with the Devil* premiered at SXSW 2023 in Austin, Texas and *The Defenders* premiered at Sydney Film Festival 2023.

*Andrea Denholm is a member of the VicScreen Board

INDIAN FILM FESTIVAL OF MELBOURNE 2022



Event

The Indian Film Festival of Melbourne (IFFM) is the largest celebration of Indian cinema in the Southern Hemisphere. IFFM films reached their largest audience in 2022, with approximately 162,000 visitors across the online and in-person festival program, a 3.4 per cent increase on the previous year.

IFFM also hosted a suite of cultural events and activities, including the Bollywood Dance Competition, Independence Day Flag Raising ceremony, IFFM Chats, IFFM Awards and a diverse in-person and online festival program. This year marked the thirteenth IFFM program, which presented a distinct selection of films encapsulating the best new work in Indian cinema.

Funding

IFFM is funded through VicScreen's Audience Engagement – Partnerships.

Outcome

This year saw a return of the festival to cinemas, but IFFM also continued to give audiences across Australia the opportunity to view films online via IFFM365, the festival's permanent online viewing platform.

The festival program included 106 films, across 120 screenings in 29 different languages. Over half of these films were extended beyond the official end of the festival, with 59 films available to stream online.

The IFFM Awards Ceremony was held at St Kilda's Palais Theatre and attended by Her Excellency the Honourable Linda Dessau AO, Governor of Victoria, Ambassador Manpreet Vohra, High Commissioner of India to Australia and Cr Sally Capp, Lord Mayor of Melbourne.

IFFM also expanded its festival program this year to include Kapil Dev and Kabir Khan in conversation with Rajeev Masand, an event integrating sport and cinema, held at the MCG. The occasion featured Indian cricketing legend Kapil Dev, who captained the 1983 Indian Cricket Team, and Kabir Khan, the director of festival film '83, which tells the story of India's 1983 World Cup victory, in conversation with The Age newspaper's Sports Editor, Chloe Saltau, and Indian film critic, Rajeev Masand.

*Mitu Bhowmick Lange, the Founder and Director of IFFM, is a VicScreen Board member

Impact

24,760

Festival in-person attendees, including 19,000 participants at ancillary/free events

128,300

Plays on IFFM's online platform

8,800

Online year-round program

161,900

Total views

120

Screenings held in person

29

Number of languages represented in the program

DELIVER MAXIMUM INDUSTRY IMPACT



VicScreen is committed to delivering maximum industry impact and successfully executing VICSCREEN: Victoria's Screen Industry Strategy 2021–2025, on behalf of the Victorian Government. This fifth strategic priority forms part of VicScreen's Corporate Plan and is in place to support the successful implementation of the VICSCREEN strategy.

VicScreen at SXSW

Victoria's creativity and capability in screen was on display at Australia House at SXSW, Austin, Texas in February 2023. Presented in partnership with Massive Monster, Princess Bento, NantStudios and Epic Games, VicScreen launched an international campaign to promote the capability and creative talent in Victoria's screen industry. The announcement of two new LED in-camera VFX stages at Docklands Studios Melbourne, one of which is the world's largest LED volume, solidifies Melbourne's position as a global hub for innovation and virtual production.

VicScreen CEO Caroline Pitcher hosted an all-female panel discussion about the infinite possibilities of virtual production technology in film and television with NantStudios' Virtual Production Supervisor Jennifer McSpadden (*Black Panther*, *The Mandalorian*), Epic Games' Associate Producer Lara Cawsey, and Virtual Production Supervisor Kathryn Brillhart (*Black Adam*, *Rebel Moon*, *Fallout*).

STRATEGIC PRIORITY 5

DELIVER MAXIMUM INDUSTRY IMPACT

Championing diversity, equity and inclusion

Key actions were taken across VicScreen this year to further progress diversity, equity and inclusion (DEI) in the organisation and in Victoria's screen industry.

In October 2022, the Everyone Project — where cast and crew working on productions (including those supported by the Victorian Production Fund) provide demographic data — released their first report. Formed by the Screen Diversity and Inclusion Network (SDIN), The Everyone Project helps Australian screen businesses and organisations track, boost and foster diversity in their screen productions. More than 40 per cent of cast and crew on registered productions completed the voluntary demographic survey. The information will help Australia's TV and film industry work towards benchmarking representation and better understanding areas needing improvement.

“We hope these figures will spark conversation that can lead to meaningful action, so cast and crew in the screen sector will increasingly represent all Australians, including people who have traditionally been under-represented in the media.”

Michelle Cheng, Former SDIN Co-Chair and SBS Content Industry Diversity Manager

This year VicScreen undertook an assessment of its privacy, risk, and data collection, storage and retention obligations, and implemented changes to capture better data on diversity beyond the Victorian Production Fund program. These changes, which include adding demographic questions to skills programs application forms from July 2023, will support VicScreen to identify and prioritise people from diverse and marginalised backgrounds, growing the diversity of Victoria's screen workforce.

VicScreen has progressed the development of its Diversity Equity and Inclusion (DEI) strategy and action plan for year one, following the Board's approval of its draft DEI commitment and strategic priorities.

VicScreen office relocation

In April 2023, VicScreen relocated to new premises at 563 Bourke Street Melbourne. The expiry of the lease at 55 Collins Street presented an opportunity for VicScreen to relocate to a property more suitable for the organisation's future and realise long-term cost savings.

The project successfully delivered its five key objectives, which were established through consultation with VicScreen staff and Board members.

Quantitative objective:

Maximise value for money – the project realised ongoing cost savings through reducing the overall footprint by 29 per cent, achieving a 23.3 per cent reduction in the cost per square metre. The new office fit out has delivered a more efficient use of space through an increased number of multi-function workstations, meeting, and collaboration spaces.

Qualitative objectives:

Create a destination for networking, connection and working – the new office better accommodates industry engagement and collaboration opportunities through well designed and flexible meeting spaces and is fully compliant with the requirements of the Disability Discrimination Act (DDA).

Elevate the perception and experience – the new location is easily accessible and has street-front exposure for public visibility. The office is welcoming and engaging with access to shared outdoor area with a larger variation of gathering and meeting spaces.

Ensure brand alignment – the premises has more inviting spaces and better reflects VicScreen's ethos and values.

Empower employees – the new space enables staff to work remotely from their homes, as well as hosting a variety of bookable, comfortable, and collaborative spaces at the office.

An increased workforce at VicScreen

Informed by the VICSCREEN strategy, which states the strategy will be led and delivered by a “rebranded and expanded Film Victoria”, and following meaningful discussion and consultation, a new workforce structure was implemented at VicScreen over the past year to increase capability and capacity, taking the total number of employees to 59.2 full time equivalent jobs.

The investment in the growth and diversification of the agency's skill set, and aligned with VicScreen's increased focus on client service has allowed the organisation to adopt a more proactive approach to industry needs, be more responsive to changes in the screen landscape and work more effectively to successfully deliver the VICSCREEN strategy – all of which contribute to growing and strengthening Victoria's screen industry.



A client-centric approach

This year VicScreen continued efforts to improve and take a holistic approach to client service.

A number of organisational projects that commenced this year were designed to positively impact clients' experiences when interacting with VicScreen. One of these was to monitor and improve client service delivery and programs, with VicScreen enhancing its formal measurement process, so the organisation can learn from and respond to client feedback.

Using reporting forms and surveys, VicScreen measured and analysed customer feedback from program participants, gaining knowledge and using it for future improvements.

The first iteration of this measurement was conducted from April to June 2023 when more than 300 feedback reports collected since 2019 were collated, analysed, and synthesised. Each program delivery unit received a report with improvement suggestions, and each unit nominated concrete action plans to introduce improvements in the coming financial year.

This process is reflective of VicScreen's commitment to providing customer service excellence.

Measuring our impact and preparing strategies for the future

As VicScreen enters the last two years of the VICSCREEN strategy, the agency has committed to evaluating its funding programs to ensure they are delivering maximum industry benefit and being administered efficiently. In FY23, VicScreen commenced independent evaluations of the Melbourne International Film Festival and its industry programs, the Industry Development program, the Impact Australia initiative, and the Audience Engagement program. These evaluations not only guide VicScreen to improve our program delivery but will also assist in demonstrating the benefits of expanded screen industry support. Work on two key strategies also commenced in FY23 – VicScreen's Diversity, Equity and Inclusion Strategy and a Screen Culture Strategy. Both Strategies aim to propel the Victorian screen industry to new heights.



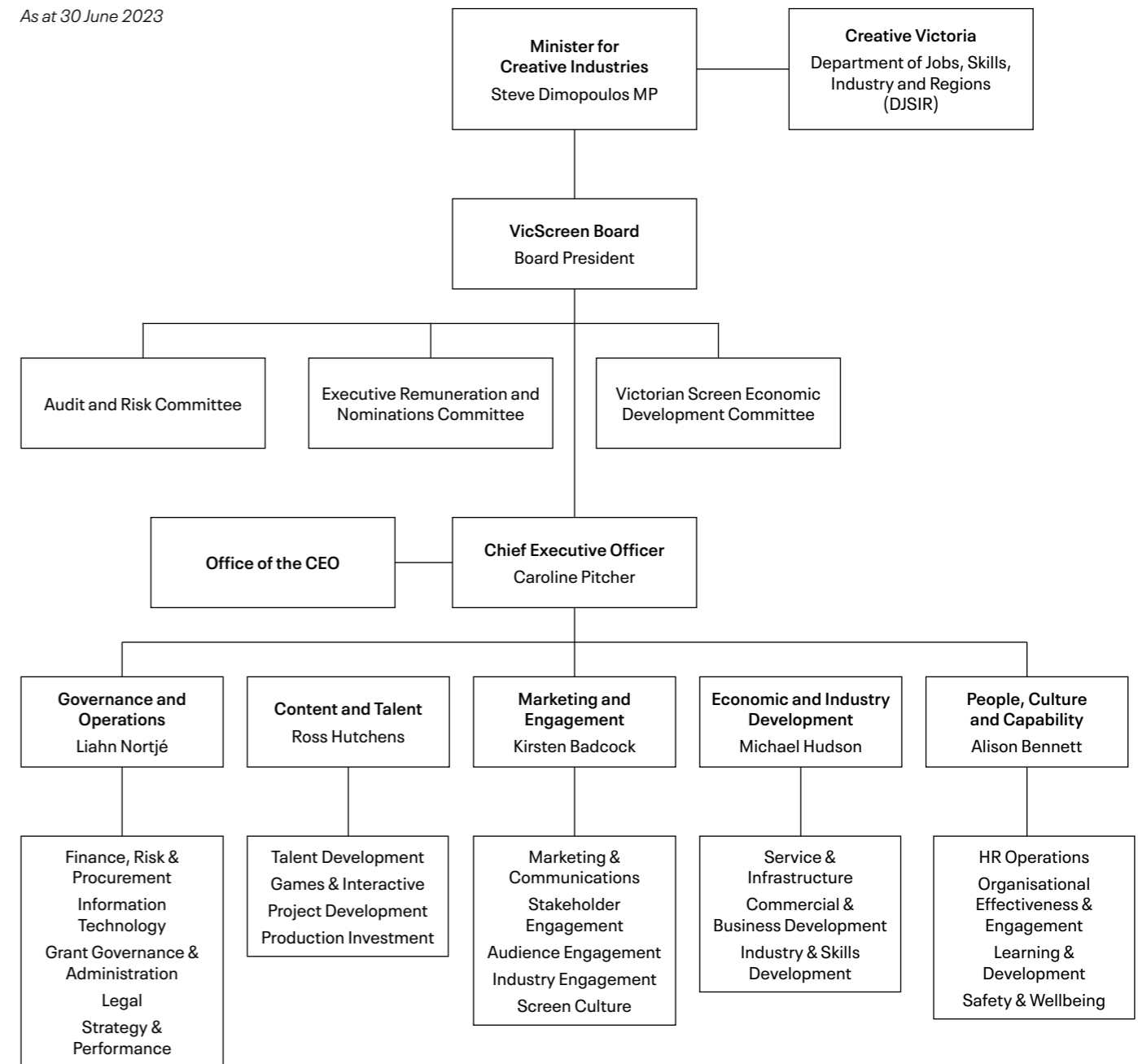
GOVERNANCE & REPORT OF OPERATIONS



GOVERNANCE AND ORGANISATIONAL STRUCTURE

During the reporting period, the responsible Minister was Steve Dimopoulos MP, Minister for Creative Industries.

As at 30 June 2023



VICSCREEN BOARD

As per the *Film Act 2001* Board members are appointed by the Governor in Council on the recommendation of the Minister. The majority of members are to be chosen from persons who, in the opinion of the Minister, are experienced in the film, television or multimedia industry; and the remaining members are to be chosen from persons who are experienced in business administration or another field appropriate to the functions of Film Victoria.



George Lekakis AO
President
Since October 2022

George has worked in the not-for-profit community services sector and government. An experienced industry leader, he has spent much of his 40-year social work career in leadership roles.

George was the longest serving chairperson of the Victorian Multicultural Commission (having held the role from September 2001 to January 2011). He also served as the Chief Executive Officer of the New Hope Foundation and Fronditha Care and an Executive Director of the Victorian Department of Business and Innovation.

Most recently George chaired the board of the Victorian Interpreting and Translation service, and Multicultural Arts Victoria.

George has also been a member of many other government and non-government boards and committees in executive roles.



Mitu Bhowmick Lange AM
Since July 2018

Mitu is the Director of Mind Blowing Films (MBF), a film production and distribution company specialising in the distribution of Indian films in Australia, New Zealand and Fiji. The company also provides local production support to Indian films shot in Australia. MBF's sister company, Mind Blowing World, specialises in the distribution of quality local content to Australian, New Zealand and Fijian audiences.

Mitu is the Founder and Director of the Indian Film Festival of Melbourne and also curates Australian films for various international film festivals in India. Mitu was recently appointed to the inaugural Advisory Board of the Centre for Australia India Relations to foster closer ties with India.

Retired members

David Hanna
September 2020
to October 2022

Chris Oliver-Taylor
September 2019
to March 2023

Board observers

Olli Wynyard Gonfond
Since February 2023

Gulandam Khan
February 2022 to
December 2022



Louisa Coppel
Since September 2020

A business and communications strategist, Louisa is passionate about working on the things that make a difference for people, organisations and the wider community. She founded The Big Picture Strategic Services after 20 years of working in the arts, international development and public sector. Louisa is now called in by organisations to help with sensemaking – to set a new strategic direction or when there is a need to turn challenging content into something the world can easily understand.

She is a former head of the Melbourne Film Office, Film Victoria and was Secretary of the Association of Film Commissioners International for several years. She is a former board member of Chunky Move, Strange Fruit and Camp Cooida Inc.



Andrea Denholm
Since July 2018

An experienced creative producer and skilled collaborator, Andrea is Executive Producer and Head of Development for Tony Ayres Productions. Her credits as producer, executive producer and story producer span over 100 hours of drama, comedy and documentary content including multi-award winning drama series *Fires*, ABC/BBC children's live action comedy, *Spooky Files*, International Emmy® nominated *Wrong Kind of Black*, innovative screen opera *The Divorce*, multiple seasons of popular comedy series *How to Stay Married* and *It's A Date*, groundbreaking Indigenous comedy *8MMM Aboriginal Radio*, and landmark documentary series *Sporting Nation* with John Clarke.

Andrea's other credits include *Tripping Over*, *SeaChange* (1998-2000), *After the Deluge*, *CrashBurn*, *Worst Best Friends* and *Outland*. She was also co-creator and writer on *Tripping Over* and a co-writer of several episodes of *SeaChange*.

Andrea began her career as a corporate and finance lawyer and has been a principal and a senior executive in leading independent local and international production companies. Andrea is Deputy Chair of the Australian Children's Television Foundation.



Liz Grainger
Since September 2019

A chartered accountant and a graduate member of the Australian Institute of Company Directors, Liz provides consultancy and advisory services to a wide range of organisations in the areas of strategy, governance, business case development, and financial management.

Liz has held executive roles at Deloitte in London and in the federal and Victorian public sectors. She is a former Board member of Craft Victoria and Arena Theatre Company, and is currently a director of the Melbourne Recital Centre, The Mission to Seafarers Victoria Inc. and Geografia. Liz has also been an external member on the Audit and Risk Committees of Victoria Police, Southern Metropolitan Cemeteries Trust and currently serves in this capacity on the Audit and Risk Committee of Energy Safe Victoria.



Greg McLean
Since September 2018

After training as a fine artist before working as a director in theatre and opera, Australian writer, director, and producer Greg McLean's filmmaking career began when he wrote and directed the horror smash hit *Wolf Creek*. The film played at the Sundance and Cannes Film festivals before going on to worldwide 'cult film' status.

After this success, Greg established Emu Creek Pictures, a production company based in Melbourne. He then wrote, directed, and produced the thrillers *Rogue* and *Wolf Creek 2*, before directing, *The Darkness*, *The Belko Experiment*, and the survival thriller *Jungle*. Greg executive produced and directed episodes on two seasons of the *Wolf Creek* TV series and followed this by directing episodes for series including, *The Gloaming*, *Bloom*, *Jack Irish*, *La Brea* and *The Twelve*. Greg was series director for *Scrublands* in 2023.

Recently he and fellow director Patrick Hughes, along with screenwriter James Beaufort, announced Huge Film, a production company focused on producing big budget action and genre film and television projects locally for the global marketplace.



Blake Mizzi
Since September 2017

Blake is a director and co-founder of Melbourne-based game studio, League of Geeks (LoG), as well as being a VicScreen Board member and the Chair of the Audit and Risk Committee.

League of Geeks is best known for its debut title *Armello* (2015) and now has two parallel projects in development, *Solium Infernum* and *Jumplight Odyssey*. The studio has won many awards, such as multiple studio of the year awards and a Victorian Export award (2016), and was the host studio for the international Independent Games Festival awards in 2020.

Blake was a serving Board member of the former Game Developers Association of Australia (GDAA) which operated The Arcade, Australia's premier games co-working hub, shepherding their merger with the Interactive Games and Entertainment Association (IGEA) in 2020. Prior to League of Geeks, Blake worked in various design roles across a number of industries since 2004.



Leonie Morgan AM FAICD
Since September 2016

Leonie works across the private sector, government and the not-for-profit sector in Australia and the Asia Pacific.

An experienced non-executive Board director and consultant, Leonie's particular skills are in Board governance, strategic human resources, workforce planning and mentoring. She is committed to driving greater diversity and inclusion. Leonie is recognised through the Victorian Women's Honour Roll and nationally through her Membership of the Order of Australia for significant services to women.

Leonie holds a Masters of Education, is a Fellow of the Australian Institute of Company Directors and is a former non-executive director of Holmesglen TAFE Institute and of SYN Media.



Tiriki Onus
Since October 2022

Tiriki Onus is a Yorta Yorta and Dja Dja Wurrung artist, academic and Head of the Wilin Centre for Indigenous Arts and Cultural Development at the University of Melbourne and co-director of the university's Research Unit in Indigenous Arts and Culture.

He is a successful visual artist, curator, performance artist and opera singer. His first operatic role was in the premiere of Deborah Cheetham's *Pecan Summer* in October 2010. He received the Dame Nellie Melba Opera Trust's Harold Blair Opera Scholarship in 2012 and 2013.

In 2014 Tiriki was awarded the inaugural Hutchinson Indigenous Fellowship at the University of Melbourne, working with numerous Indigenous communities to revitalise traditional technologies of Biganga (possum skin cloak) creation.

Most recently, Tiriki co-directed the feature documentary *Ablaze* which premiered at the 2021 Melbourne International Film Festival to great acclaim. The documentary uncovers a film made 70 years ago by Tiriki's grandfather, William Bill Onus, an important leader in the Aboriginal rights movement.



Jenny Taing (Sheehy) OAM
Since June 2023

Jenny is Special Counsel at Hive Legal advising in financial services law. Prior to Hive Legal, Jenny worked for Vanguard and the Australian Securities and Investments Commission (ASIC).

Passionate about community, Jenny sits on the Boards of AHPRA and AFL Victoria, is Deputy Chair of the Western Bulldogs Football Club Community Foundation and a member of the club's Ethics and Integrity Committee.

Jenny served on the Boards of Screen Australia, Channel 31 and The Royal Victorian Eye and Ear Hospital, and was Vice President of the University of Melbourne Alumni Council and Commissioner of the Victorian Multicultural Commission.

Jenny has a Bachelor of Arts/Bachelor of Laws (Honours) from the University of Melbourne, attended Harvard Business School as the Hugh D.T. Williamson Scholar, appeared in the AFR 100 Women of Influence list and received the Medal of the Order of Australia (OAM) for service to the financial and investment sectors, and to the community.

COMMITTEES AND ASSESSMENT PANELS

VicScreen does not make public the details of individual titles that receive funding or support until their first public announcement (determined with the broadcaster, distributor or publisher). At the end of the financial year, details of payments made for a project, for the full year, are made public and can be viewed on VicScreen's website.

Board committees

The VicScreen Board has committees that review and assist agency performance and assess funding applications. Committees are comprised of Board members and external members (where noted).

Executive Remuneration and Nominations Committee

The Executive Remuneration and Nominations Committee's role is to review, endorse or approve, or recommend for Board approval matters relating to the appointment, remuneration, and performance of the CEO and other executive officers of VicScreen.

The committee ensures that all executive officer employment terms and conditions are compliant with the requirements of the *Public Administration Act 2004*, the Victorian Independent Remuneration Tribunal (VIRT), and the Public Entity Executive Remuneration (PEER) Policy. In addition, the committee reviews Board membership and operation.

The members are David Hanna (Chair – up to October 2022), George Lekakis AO (Chair – from November 2022), Andrea Denholm and Leonie Morgan AM.

The committee met four times in 2022/23.

Office Relocation Committee

The Office Relocation Committee was established by the Board in May 2022. The committee's purpose was to make key decisions regarding the office relocation project and provide support and guidance in the management and execution of the project. Key decisions included the approval of a lease heads of agreement and final lease, approval of project costs within delegated authority, and engagement of service providers for design, project management, construction management, building works and fit-out. The Office Relocation Committee updated the Board on progress and key decisions.

The members were David Hanna (Chair – up to October 2022), George Lekakis AO (Chair – from November 2022), Liz Grainger, Chris Oliver-Taylor (up to March 2023) and Caroline Pitcher.

The committee met on eight occasions in 2022/23. After finalising the new office fit-out, and taking occupation in May 2023, the Office Relocation Committee was dissolved on 22 June 2023.

Victorian Screen Economic Development Committee

The Victorian Screen Economic Development Committee considers applications to the Victorian Screen Incentive (VSI) and Regional Location Assistance Fund (RLAF) programs.

The members are David Hanna (Chair – up to October 2022), George Lekakis AO (Chair – from November 2022), Louisa Coppel, Leonie Morgan AM, Debra Allanson (external member) and Sarah Coughlan (external member).

The committee met on nine occasions in 2022/23 and assessed a total of 33 applications, of which 29 were supported.

Audit and Risk Committee

The Audit and Risk Committee's purpose is to assist VicScreen to achieve its strategic objectives in an efficient and effective manner. The committee achieves this through independently reviewing and assessing the effectiveness of VicScreen's systems and controls for financial management, performance, sustainability, risk management and any other matters referred to it by the Board. The committee also oversees and reviews the internal and external audit functions, including considering recommendations made by these functions and monitoring the implementation of remedial actions.

The members are Blake Mizzi (Chair), Liz Grainger, Mitu Bhowmick Lange AM (up to March 2023) and Peter Hourihan (external member). All are independent.

The committee met on five occasions in 2022/23.

External Assessor Pool

VicScreen engages screen industry experts for a three-year period to assess certain funding applications for development and production and make recommendations for funding to its heads of division, CEO or Board for final approval (subject to delegated financial approvals).

Board members Greg McLean and Blake Mizzi participate as assessors in VPF – Film, TV & Online and VPF Games meetings respectively. External assessors who participated in assessment meetings for development and production programs in 2022/23 were:

George Adams	Liam Esler	Kelly Lefever
Ranald Allan	Lexa Francis	Stuart Menzies
Britt Arthur	Beth Frey	Ally McLean
Kodie Bedford	Clea Frost	Joe Park
Erin Bretherton	David Hannam	Rhiannon Poley
Corrie Chen	Amanda Higgs	Cherie Simon
Beck Cole	Kim Ho	Michele Turnure-
Laura Crawford	John Hughes	Salleo
Cherie Davidson	Jason Imms	Brian Udovich
Isaac Elliot	Rae Johnston	Tim Williams

Staff members who participated in the assessment and/or approval of applications across all funding programs in 2022/23 were:

Chief Executive Officer, **Caroline Pitcher**
 Director Governance and Operations, **Liahn Nortjé**
 Director Marketing and Engagement, **Kirsten Badcock**
 Director Content and Talent, **Ross Hutchens**
 Director Economic and Industry Development, **Michael Hudson**
 Head of Incentives and Production Support, **Joe Brinkmann**
 Head of Content Investment, **Alicia Brown**
 Production Executive (Children's Lead), **Ariel Waymouth**
 Production Executive (First Peoples Lead), **Davey Thompson**
 Production Executive (Factual Lead), **Samantha Dinning**
 Manager Development, **Mackenzie Lush**
 Development Coordinator, **Sarah Pratt**
 Head of Games and Interactive, **Paul Callaghan**
 Games and Interactive Coordinator, **Lise Leitner**
 Manager Industry and Skills Development, **Jana Blair**
 Industry and Skills Development Coordinator, **Chris Barker**
 Industry and Skills Development Coordinator, **Kate Darrigan**
 Manager Screen Culture, **Jacqueline Hanlin**
 Manager Partnerships, **Matthew Phoenix**

Board attendance

	Eligible to attend	Attended
Mitu Bhowmick Lange	8	6
Louisa Coppel	8	8
Andrea Denholm	8	7
Liz Grainger	8	8
Greg McLean	8	3
Blake Mizzi	8	6
Leonie Morgan	8	8
Chris Oliver Taylor	6	5
George Lekakis	5	5
David Hanna	3	3
Tiriki Onus	6	6
Jenny Taing	1	1

Applications assessed and approved

Program	Received	Supported
Audience Engagement – Programs	9	9
Industry Development – Programs	44	40
International Travel – Festivals	23	14
Key Talent Company Placements	6	5
Key Talent Placements Register (new applicants)	69	37
Key Talent Production Placements (excluding <i>Neighbours</i> and Emerging Writers' Incubator)	20	19
On Demand Documentary	24	16
On Demand Fiction	63	21
Originate – Diverse Visions On Film (Final Stage Production – Deadline 1)	4	1^
Originate – Factual	40	^^^
Originate – Games	38	5
Slate Development	11	8
Professional Attachments Register (new applicants)	165	145
Professional Attachments	38	38
RLAF	6	5
Specialist Placements – Host Company	23	18
Specialist Placements – Register	44	21^
Victorian Screen Development Internships – Games	39	2^^
VPF Film, TV & Online	50	31
VPF Games	57	16^
VSI Games	8	6
VSI PDV	11	10
VSI Production	8	6

Initiative	Received	Supported
AIDC – Indigenous Creators Pass	10	8
AIDC – Leading Lights Passes	10	10
CinefestOz Broome – First Nations Writers Lab	4	4
Content London	9	8
Emerging Writers' Incubator	53	*
Environment and Climate Solutions Short Form Initiatives	3	3
Games Developers Conference	16	10
Gamescom 2023	12	*
<i>Neighbours</i> – Professional Attachments	90	*
<i>Neighbours</i> – Writer and Director Placements	173	*
Screen Forever Passes	4	4

[^]Some applications are yet to be assessed

^{*}Yet to be approved

^{^^}Applications are capped by number

OVERVIEW OF FINANCIAL PERFORMANCE & POSITION DURING 2022/23

Five-Year Financial Summary

	Note	30-Jun-23 \$'000	30-Jun-22 \$'000	30-Jun-21 \$'000	30-Jun-20 \$'000	30-Jun-19 \$'000
Comprehensive result - surplus / (deficit)	1	20,247	9,653	22,974	1,341	(850)
<i>Comprising:</i>						
Income from the Victorian Government	1	67,215	46,228	46,335	31,598	29,474
Other income	2	4,110	718	605	527	935
<i>Less:</i>						
Program costs	3	(40,120)	(28,526)	(16,532)	(23,298)	(24,075)
Operating expenses	4	(10,965)	(8,750)	(7,475)	(7,477)	(7,166)
Other economic flows	6	(17)	(17)	41	(9)	(18)
Commitments	5	113,199	108,535	55,741	30,572	40,062
Total assets		80,774	58,117	48,981	26,653	23,814
Total liabilities		(4,083)	(1,673)	(2,190)	(2,837)	(1,339)
Net worth	6	76,691	56,444	46,791	23,816	22,475
Net cash inflow / (outflow)	7	17,903	9,270	22,915	1,732	(500)

1. Comprehensive result

VicScreen's comprehensive result tends to vary year on year, reflecting timing differences between when income from the Victorian Government is recognised in the financial statements, and when the related expenditure on programs is accounted for. The former is recognised when received, as required under Australian Accounting Standards, whereas program costs are only brought to account once contracted milestones are reached, or other grant conditions are met. This can be two years after the relevant income is received.

For the year ended 30 June 2023, the reported surplus of \$20.2 million reflects Government funding received in advance of the relevant expenditure with respect to the Victorian Screen Incentive Program; the construction of LED volume stages at Docklands Studios Melbourne; and the delivery of the VICSCREEN strategy.

2. Other Income

Other income includes interest earned on cash deposits held with the State Centralised Banking System and program income received from sources other than the Victorian Government. The increase in interest in the year ended 30 June 2023 reflects the comparatively higher levels of cash held, and general increases in interest rates. Additionally, program income included funds received for the construction of the volume stages at Docklands Studios Melbourne.

3. Program costs

Program costs are payments made under VicScreen's grant agreements and are only recognised as an expense in the Comprehensive operating statement once contracted milestones are reached, or other grant conditions are met. For larger productions this can often be up to two years after funds have been committed. The increase in program costs in the year ended 30 June 2023 reflects both the application of increased Government funding to support the delivery of the VICSCREEN strategy and the flow on impact of COVID-19-related production delays in prior years.

4. Operating expenses

Staff costs make up the majority of VicScreen's operating expenses. Annual increases are driven by agreed CPI and progression payments under the *Film Victoria Enterprise Agreement 2020*. In the year ended 30 June 2023, and as described in the CEO's Report, VicScreen made a significant investment in new skills and capability to support the delivery of the Government's objectives under the VICSCREEN strategy.

The year-ended 30 June 2023 also includes some non-recurring expenses with respect to the relocation of VicScreen's premises.

5. Commitments

Commitments largely relate to contracted program costs which are not yet due at the year-end and are, therefore, not recognised in the Balance Sheet as liabilities. Project commitments are only recognised as a liability once all obligations under the funding agreements are met. As described above, this can be some time after the initial commitment.

All commitments are either fully funded by existing cash holdings, or by confirmed future Government income. Further details of commitments are provided in Note 6.2 of the Financial statements.

6. Net worth

Total assets mainly comprise cash and cash equivalents, the majority of which are allocated to funding existing program commitments, as explained above.

During the year, VicScreen relocated its offices, entering into a new seven-year lease and investing in the associated fit out of the premises.

Total liabilities include provisions for benefits accruing to employees, including annual and long service leave, and liabilities in respect of the office lease.

7. Net cash flow

Cash flows are primarily affected by the timing of program costs and the receipt of Government income. The cash inflow for the year ended 30 June 2023 reflects the reported surplus.

8. Subsequent events

Industrial action in the US from the Writers Guild of America and the Screen Actors Guild - American Federation of Television and Radio Artists has impacted on production schedules globally. The consequences of this combined action could potentially adversely affect VicScreen supported/attracted projects, resulting in a reduction in value of commitments. VicScreen continue to monitor the situation closely, however given the project-specific nature of these commitments and the ongoing nature of the industrial action, the impact cannot be estimated.

VicScreen is not aware of any other events after the Balance sheet date which would materially affect the financial statements for the year ended 30 June 2023.

EMPLOYMENT-RELATED DISCLOSURES

Health, safety and wellbeing

VicScreen's Health, Safety and Wellbeing policy outlines its commitment to providing and maintaining a work environment that is, so far as is reasonably practicable, safe and free of risks to staff member and visitor health, safety and wellbeing. An OH&S framework comprising health and safety representatives, building wardens and first aid officers is part of a system of safe work and is critical to VicScreen meeting its responsibilities under the *Occupational Health and Safety Act 2004*. The OH&S Committee, with management and staff representation, met regularly throughout the year. Scheduled workplace inspections were conducted by employee health and safety representatives with results reviewed by the OH&S Committee.

Incident management

VicScreen continued to maintain a workplace with a low rate of accidents, incidents and hazards. There were four incident reports received in 2022/23, all of which were investigated. There were no notifiable incidents for this period.

Measure	KPI	2022/23	2021/22	2020/21
Incidents	Number of reported incidents	4	1	2
	Rate per 100 FTE	6.76	2.15	4.76
Fatalities	Number of fatality claims	-	-	-
Consultation and participation	Evidence of agreed OH&S structure, health and safety representatives and issue resolution procedures	Yes	Yes	Yes
Policy currency	OH&S policy current	Yes	Yes	Yes
Risk management	Number of committee meetings	4	3	4
	Percentage of internal audits/inspections conducted as planned	100%	100%	100%
	Percentage of reported incidents investigated	100%	100%	100%
	Number of Improvement Notices issued by a WorkSafe Inspector	-	-	-
	Percentage of issues identified and actioned arising from:			
	— Internal OH&S audits	100%	100%	100%
	— HSR provisional improvement notices	-	-	-
	— WorkSafe notices	-	-	-

Note: In the interests of confidentiality, details relating to claims received, their cost and status have not been disclosed due to the low baseline number of employees at VicScreen.

Employment and conduct principles

VicScreen is committed to applying merit and equity principles when appointing staff. The selection processes ensure applicants are assessed and evaluated fairly and equitably based on key selection criteria and other accountabilities without discrimination.

The Public Administration Act 2004 established the Victorian Public Sector Commission (VPSC). The VPSC's role is to strengthen public sector efficiency, effectiveness and capability, and advocate for public sector professionalism and integrity. The VicScreen enterprise agreement (*Film Victoria Enterprise Agreement 2020*), and its policies and practices, are consistent with the VPSC's employment standards and provide for fair treatment, career opportunities and the early resolution of workplace issues. All employees are advised on how to avoid conflicts of interest, how to respond to offers of gifts, and how VicScreen deals with misconduct. *The Film Act 2001* also provides guidance for the Board, its executive and other staff on conflict of interest issues.

VicScreen's induction program educates new staff on appropriate workplace behaviours and procedures to ensure understanding of equal opportunity, harassment and discrimination and the dispute resolution process.

A program of online learning supports this by providing information on topics such as workplace bullying, equal opportunity and discrimination.

Industrial disputes

VicScreen works cooperatively with the Community and Public Sector Union (CPSU) and employee representatives.

No days were lost in the year due to industrial dispute.

Workforce data

The VICSCREEN strategy will be led and delivered by a "rebranded and expanded Film Victoria". Following significant consultation and communication, a proposed workforce structure was implemented. This structure was informed by strategy, grounded in clear design principles, and within budget. This has resulted in an increase to staffing levels.

All employees have been correctly classified in workforce data. Table 1 discloses the FTE staff trends for VicScreen for the period 2019 to 2023.

Table 1: FTE staff at reporting date

2023	2022	2021	2020	2019
59.2 ^{^^^}	46.5 ^{**}	42 ^{^^}	38.6 [*]	36.5 [^]

^{^^^}Includes three industry interns (fixed term)

^{**}Includes two industry interns (fixed term)

^{^^}Includes two industry interns and two part-time vocational interns (fixed term)

^{*}Includes two industry interns and three part-time vocational interns (fixed term)

[^]Includes two part-time vocational interns (fixed term)

Table 2: Details of employment levels in June 2023 and June 2022

		June 2023						
		All employees		Ongoing			Fixed term and casual	
		Headcount	FTE	Full-time (headcount)	Part-time (headcount)	FTE	Headcount	FTE
Demographic	Gender							
	Female	40	38.2	27	5	30.2	8	8
	Male	20	20	17	0	17	3	3
	Self-described	1	1	0	0	0	1	1
	Age							
	15-24	1	1	-	-	-	1	1
	25-34	17	16.8	11	1	11.8	5	5
	35-44	22	21.5	18	1	18.5	3	3
45-54	20	18.9	14	3	15.9	3	3	
55-64	-	-	-	-	-	-	-	
65+	1	1	1	-	1	-	-	
Classification	Grade							
	VPS 2	3	3	-	-	-	3	3
	VPS 3	12	11.5	11	1	11.5	-	-
	VPS 4	19	18.3	15	2	16.3	2	2
	VPS 5	12	11.8	6	1	6.8	5	5
	VPS 6	10	9.6	7	1	7.6	2	2
	Executives	5	5	5	-	5	-	-
Total employees	61	59.2	44	5	47.2	12	12	

		June 2022						
All employees		Ongoing			Fixed term and casual			
		Headcount	FTE	Full-time (headcount)	Part-time (headcount)	FTE	Headcount	FTE
Demographic	Gender							
	Female	31	29.9	19	3	21.1	9	8.8
	Male	16	15.6	11	-	11	5	4.6
	Self-described	1	1	-	-	-	1	1
	Age							
	15-24	1	1	1	-	1	-	-
	25-34	15	15	13	-	13	2	2
	35-44	16	15.4	8	-	8	8	7.4
	45-54	15	14.1	7	3	9.1	5	5
	55-64	-	-	-	-	-	-	-
	65+	1	1	1	-	1	-	-
Classification	Grade							
	VPS 2	2	1.6	-	-	-	2	1.6
	VPS 3	11	10.5	8	1	8.5	2	2
	VPS 4	14	13.8	10	-	10	4	3.8
	VPS 5	8	7.8	2	1	2.8	5	5
	VPS 6	9	8.8	6	1	6.8	2	2
	Executives	4	4	4	-	4	-	-
Total employees		48	46.5	30	3	32.1	15	14.4

Table 2 discloses the headcount and FTE staff numbers for all active employees of VicScreen employed in the last full pay period in June of the current and corresponding previous reporting year.

Executive data

For VicScreen, a member of the Senior Executive Service (SES) is defined as a person employed as an executive under Part 3 of the *Public Administration Act 2004*. All figures reflect employment levels at the last full pay period in June of the current reporting year.

Table 3: Total number of SES for VicScreen in June 2023, by gender and reflecting variations between the current and previous reporting periods

Classification	All		Women		Men		Self-described	
	Number	Variance	Number	Variance	Number	Variance	Number	Variance
SES-3	0	0	0	0	0	0	0	0
SES-2	1	0	1	0	0	0	0	0
SES-1	4	1	1	0	3	1	0	0
Total	5	1	2	0	3	1	0	0

Table 4: Reconciliation of executive numbers

	2022/23	2021/22
Executives (Financial statements Note 8.2)	4	3
Accountable Officer (CEO)	1	1
Total	5	4

OTHER DISCLOSURES

Performance against output performance measures

VicScreen reports to Government on three budgetary and performance outputs with associated targets. Results for the 2022/23 reporting period are below.

Performance indicator	2022/23	2022/23	2022/23	2021/22	Results
	Actual	Target	Variance	Actual	
Value of film, television and digital media production supported by VicScreen	\$421m	\$350m	20%	\$406m	✓
Additional employment from production supported by VicScreen	11,071	10,400	6%	11,360	✓
Direct FTE roles from production supported by VicScreen	3,231	2,355	38%	3,092	✓

Note: Several high value productions commencing in this financial year have exceeded standard ROI expectations. This explains why all targets have been exceeded.

✓ Performance target achieved or exceeded.

Consultancies over \$10,000

In 2022/23 there were five consultancies where the total fees payable to the consultant were \$10,000 or greater. The total expenditure incurred during 2022/23 in relation to these consultancies was \$282,100 (excluding GST).

Consultant	Purpose of consultancy	Start date	End date	Total approved project fee (\$)	Expenditure 2022/23 (\$)	Future expenditure (\$)
Whereto Research Based Consulting Pty Ltd	Strategic and governance review of a screen festival	Jan-23	Aug-23	\$200,000	\$180,000	\$20,000
First Point Consulting Pty Ltd	Evaluation of Industry Development Programs	Mar-23	Aug-23	\$59,400	\$54,600	\$4,800
First Person Consulting Pty Ltd	Evaluation of Audience Engagement Program	May-23	Sep-23	\$46,950	\$15,000	\$31,950
Gemba Group Pty Ltd	Screen culture strategy	Jun-23	Sep-23	\$49,665	\$5,000	\$44,665
Mind Tribes Pty Ltd	Diversity, Equity and Inclusion Strategy	Oct-22	Dec-22	\$27,500	\$27,500	-

Consultancies under \$10,000

In 2022/23 VicScreen did not engage any consultancies where the total fees payable to the consultants were less than \$10,000.

Government advertising expenditure

VicScreen's expenditure on government advertising in the 2022/23 reporting period did not exceed \$100,000.

ICT expenditure 2022/23

ICT expenditure refers to VicScreen's costs in providing business-enabling ICT services within the current reporting period. It comprises business as usual (BAU) and non-business as usual (non-BAU) ICT expenditure. Non-BAU ICT expenditure relates to extending or enhancing VicScreen's current ICT capabilities. BAU ICT expenditure is all remaining ICT expenditure, which primarily relates to ongoing activities to operate and maintain the current ICT capability. For the 2022-23 reporting period, VicScreen had a total ICT expenditure of \$1,380,000, with details shown in the table below.

ICT expenditure 2022/23	Expenditure (\$)
Operational expenditure	
Business as usual	790,000
Non-business as usual	320,000
Total ICT operating expenditure	1,110,000
Capital expenditure	
Business as usual	60,000
Non-business as usual	210,000
Total ICT capital expenditure	270,000

Local Jobs First policy

The *Local Jobs First Act 2003* introduced in August 2018 brings together the Victorian Industry Participation Policy (VIIP) and the Major Project Skills Guarantee (MPSG), which were previously administered separately.

Departments and public sector bodies are required to apply the Local Jobs First policy in all projects valued at \$3 million or more in metropolitan Melbourne or for state-wide projects, or \$1 million or more for projects in regional Victoria.

VicScreen was provided with an exemption from the *Local Jobs First Act 2003* in October 2020, which is limited exclusively to grants provided to private industry. This exemption recognises that grants to support screen production in Victoria also support the purchase of Victorian goods and services and create local jobs in line with Local Jobs First policy objectives.

Emergency procurement

VicScreen's Emergency Procurement protocols were not activated in 2022/23, resulting in nil spend on emergency procurement.

Office-based environmental impacts

VicScreen endeavours to reduce its environmental impact where possible, noting it has limited control over some impacts as a tenant of a shared office building. For instance, VicScreen encourages recycling using a three-bin system, uses recycled or carbon neutral paper and most office spaces are equipped with timers to automatically switch off lights and heating/cooling during evenings and weekends. All electricity is purchased.

Indicator	2022/23	2021/22
Total units of copy paper purchased (reams)	5	15
Percentage of purchased reams that were either 100% recycled content or carbon neutral	100	100
Average daily energy usage (kWh)	140.3	139.3
Average quarterly greenhouse gas emissions (tonnes)	13.8	13.8
Percentage of electricity matched by renewable sources	100	100

Competitive Neutrality policy

Competitive neutrality requires government businesses to ensure where services compete, or potentially compete with the private sector, any advantage arising solely from their government ownership be removed if it is not in the public interest. Government businesses are required to cost and price these services as if they were privately owned.

The Competitive Neutrality policy supports fair competition between public and private businesses and provides government businesses with a tool to enhance decisions on resource allocation. This policy does not override other policy objectives of government and focuses on efficiency in the provision of service.

VicScreen continues to apply the Competitive Neutrality policy principles in its business undertakings.

Building Act 1993

VicScreen does not own or control any government buildings and consequently is exempt from notifying its compliance with the building and maintenance provisions of the *Building Act 1993*.

Freedom of Information Act 1982

Under the *Freedom of Information Act 1982* (Vic), everyone has a right to request access to documents held by Victorian public sector agencies, including VicScreen. This comprises documents both created by VicScreen or information supplied to VicScreen by an external party.

The Act allows VicScreen to refuse access, in full or in part, to certain documents – including cabinet documents, some internal working documents, documents covered by legal professional privilege (such as legal advice), personal information about other people, and information provided to VicScreen in confidence.

Under the Act, the processing time for FOI requests is 30 days. However, when external consultation is required under ss29, 29A, 31, 31A, 33, 34 or 35, the processing time is 45 days. Processing time may also be extended by periods of 30 days in consultation with the applicant. With the applicant's agreement this may occur any number of times. However, obtaining an applicant's agreement for an extension cannot occur after the expiry of the timeframe for deciding a request.

If an applicant is not satisfied by a decision made by VicScreen, under section 49A of the Act they have the right to seek a review by the Office of the Victorian Information Commissioner (OVIC) within 28 days of receiving a decision letter.

Making an FOI request

As detailed in section 17 of the *Freedom of Information Act*, access to documents in the possession of VicScreen may be obtained through a written request to VicScreen's FOI Officer – by email foi@vicscreen.vic.gov.au or sent via mail to:

Freedom of Information Officer, VicScreen
563 Bourke Street
Melbourne Victoria 3000

Applicants should make sure FOI requests are in writing, clearly identify what types of material/documents are being sought, and are accompanied by the statutory application fee.

An application fee of \$31.80 applies. Access charges may also be payable if the document pool is large and the search for material is time consuming.

FOI applications

VicScreen received three FOI requests in 2022/23 and has made a decision on all of these requests. All decisions were made within the statutory time periods including extensions allowable under the Act agreed with applicant(s), and, in all cases, access was granted to documents in full or in part. One request was subject to a review by OVIC at the request of the applicant. OVIC supported VicScreen's original decision.

Further information

Further information regarding the operation and scope of FOI can be obtained from the Act, regulations made under the Act and ovic.vic.gov.au.

Public Interest Disclosures Act 2012

The *Public Interest Disclosures Act 2012* encourages and assists people in making disclosures of improper conduct or detrimental action by public officers and public bodies. The Act provides protections to people who make disclosures in accordance with the Act and establishes a system for the matters disclosed to be investigated and for rectifying action to be taken.

VicScreen condemns improper conduct and detrimental action taken in reprisal for a public interest disclosure.

VicScreen is committed to ensuring transparency and accountability in its administrative and management practices, and supports the making of disclosures that reveal improper conduct and/or detrimental conduct.

VicScreen is committed to the protection of people making public interest disclosures and to protect the welfare of people who have cooperated or intend to cooperate with an investigation of a public interest disclosure, including members of the public who may be clients or users of VicScreen's services. As an employer, VicScreen has legislative and administrative obligations to ensure the health and wellbeing of staff members.

Reporting procedures

The responsible authority for receiving disclosures of improper conduct or detrimental action by VicScreen or its employees is the Independent Broad-based Anti-Corruption Commission Victoria (IBAC). Contact details for IBAC are:

Level 1, North Tower 459 Collins Street
Melbourne Victoria 3000
Phone: 1 300 735 135
Mail: IBAC, GPO Box 24234, Melbourne Victoria 3001
ibac.vic.gov.au

Further information

VicScreen has a policy for the protection of persons from detrimental action in reprisal for making a protected disclosure about VicScreen or its employees. This policy can be obtained on request from VicScreen.

Additional information available on request

In compliance with the requirements of the Standing Directions 2018 under the *Financial Management Act 1994*, details in respect of the items listed below have been retained by VicScreen and are available on request, subject to the provisions of the *Freedom of Information Act 1982*.

In compliance with best practice disclosure policies and where relevant, details about some of the following matters have been disclosed in this Annual Report:

- A statement that declarations of pecuniary interests have been duly completed by all relevant officers
- Details of shares held by a senior officer as nominee or held beneficially in a statutory authority or subsidiary
- Details of publications produced by VicScreen about its activities and how they can be obtained
- Details of changes in prices, fees, charges, rates and levies charged by VicScreen
- Details of major external reviews carried out in respect of the operation of VicScreen
- Details of major research and development activities undertaken by VicScreen
- Details of overseas visits undertaken including a summary of the objectives and outcomes of each visit
- Details of major promotional, public relations and marketing activities undertaken to develop community awareness of VicScreen and its services
- Details of assessments and measures undertaken to improve the occupational health and safety of employees
- A general statement on industrial relations within the organisation and details of time lost through industrial accidents and disputes
- A list of major committees sponsored by VicScreen, the purposes of each committee, and the extent to which the purposes have been achieved
- Details of all consultancies and contractors including:
 - Consultants/contractors engaged
 - Services provided
 - Expenditure committed to each engagement.

This information is available on request from:

Chief Operating Officer
VicScreen
563 Bourke Street
Melbourne Victoria 3000



FINANCIAL STATEMENTS

DECLARATION IN THE FINANCIAL STATEMENTS

The attached Financial statements for Film Victoria, trading as VicScreen, have been prepared in accordance with Direction 5.2 of the Standing Directions 2018 under the *Financial Management Act 1994*, applicable Financial Reporting Directions, Australian Accounting Standards including interpretations, and other mandatory professional reporting requirements.

We further state that, in our opinion, the information set out in the Comprehensive operating statement, Balance sheet, Statement of changes in equity, Cash flow statement and the accompanying notes, presents fairly the financial transactions during the year ended 30 June 2023 and financial position of VicScreen at 30 June 2023.

At the time of signing, we are not aware of any circumstance which would render any particulars included in the Financial statements to be misleading or inaccurate. We authorise the attached Financial statements for issue on 24 August 2023.



George Lekakis AO
President
VicScreen
24 August 2023



Caroline Pitcher
Chief Executive Officer
VicScreen
24 August 2023



Liahn Nortjé CPA ACMA
Chief Financial Officer
VicScreen
24 August 2023

Comprehensive operating statement

For the financial year ended 30 June 2023

	Notes	2022/23 (\$)	2021/22 (\$)
CONTINUING OPERATIONS			
Income from transactions	2.1		
Income from the Victorian Government		67,215,904	46,228,087
Interest		2,017,458	189,903
Other income		2,092,984	528,270
Total income from transactions		71,326,346	46,946,260
Expenses from transactions	3.1		
Program costs		40,120,194	28,526,145
Employee expenses		7,792,271	6,186,068
Depreciation		786,137	757,014
Lease liability interest expense		37,870	24,389
Other operating expenses		2,348,612	1,782,335
Total expenses from transactions		51,085,084	37,275,951
Net result from transactions - net operating balance		20,241,262	9,670,309
Other economic flows included in net result	8.4		
Items that may be reclassified subsequently to net results			
Net gains/ (losses) on disposal of property plant and equipment		(162)	-
Net gains/ (losses) from revaluation of long service leave liability		6,042	(17,011)
Total other economic flows included in net result		5,880	(17,011)
Net result from continuing operations		20,247,142	9,653,298
COMPREHENSIVE RESULT		20,247,142	9,653,298

Balance sheet

As at 30 June 2023

	Notes	2023 (\$)	2022 (\$)
ASSETS			
Financial assets			
Cash and cash equivalents	6.1	74,504,879	56,601,716
Receivables	5.1	2,092,212	660,269
Total financial assets		76,597,091	57,261,985
Non-financial assets			
Property, plant and equipment	4.1	3,951,540	642,891
Prepayments		225,622	212,382
Total non-financial assets		4,177,162	855,273
Total assets		80,774,253	58,117,258
LIABILITIES			
Payables	5.2	329,913	196,450
Employee related provisions	3.3.2	987,990	760,776
Other provisions	5.3	260,000	338,638
Lease liabilities	5.4	2,505,196	377,382
Total liabilities		4,083,099	1,673,246
Net assets		76,691,154	56,444,012
EQUITY			
Accumulated surplus/ (deficit)		48,943,180	28,696,038
Contributed capital		27,747,974	27,747,974
NET WORTH		76,691,154	56,444,012

Cash flow statement

For the financial year ended 30 June 2023

	Notes	2022/23 (\$)	2021/22 (\$)
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
Receipts from the Victorian Government		67,135,204	46,532,496
Receipts from other entities		2,218,745	533,700
Interest received		2,017,458	189,903
Goods and services tax received from the ATO (net receipts)		3,987,282	2,180,052
Total receipts		75,358,689	49,436,151
Payments			
Payments to industry applicants		(44,028,146)	(31,256,856)
Payments to suppliers and employees		(10,446,221)	(8,101,539)
Lease liability interest paid		(37,870)	(24,389)
Total payments		(54,512,237)	(39,382,784)
Net cash flows from operating activities	6.1	20,846,452	10,053,367
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of non-financial assets		(2,350,200)	(105,761)
Sales of non-financial assets		1,812	-
Net cash flows used in investing activities		(2,348,388)	(105,761)
CASH FLOWS FROM FINANCING ACTIVITIES			
Payment of lease liabilities		(594,901)	(677,151)
Net cash flows used in financing activities		(594,901)	(677,151)
Net increase/(decrease) in cash and cash equivalents		17,903,163	9,270,455
Cash and cash equivalents at beginning of the year		56,601,716	47,331,261
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	6.1	74,504,879	56,601,716

Statement of changes in equity

For the financial year ended 30 June 2023

	Accumulated surplus/(deficit) (\$)	Contributions by owner (\$)	Total (\$)
Balance at 30 June 2021	19,042,740	27,747,974	46,790,714
Net result for the year	9,653,298	-	9,653,298
Balance at 30 June 2022	28,696,038	27,747,974	56,444,012
Net result for the year	20,247,142	-	20,247,142
Balance at 30 June 2023	48,943,180	27,747,974	76,691,154

The accompanying notes form part of these Financial statements.

NOTES TO THE FINANCIAL STATEMENTS

	Page
Note 1. About this report	70
1.1 Basis of preparation	70
1.2 Compliance information	70
1.3 Style conventions	70
Note 2. Funding the delivery of services	71
2.1 Summary of income that funds the delivery of services	71
2.2 Interest	71
Note 3. How costs are incurred	72
3.1 Summary of expenses incurred in the delivery of services	72
3.2 Program costs	72
3.3 Employee expenses	72-73
3.4 Other operating expenses	74
Note 4. Property, plant and equipment (PPE)	75
4.1 Total PPE	75-76
4.2 Impairment	76
Note 5. Other assets and liabilities	77
5.1 Receivables	77
5.2 Payables	77
5.3 Other provisions	77
5.4 Lease liabilities	78
Note 6. Financing VicScreen's operations	79
6.1 Cash and cash equivalents	79
6.2 Commitments for expenditure	80
Note 7. Financial risks, contingencies and fair value	81
7.1 Financial instruments specific disclosures	81
7.2 Financial risk management objectives and policies	81-82
7.3 Contingent assets and liabilities	82
7.4 Fair value determination	82
Note 8. Other disclosures	83
8.1 Responsible persons	83
8.2 Remuneration of executives	84
8.3 Related parties	84-85
8.4 Other economic flows included in net result	86
8.5 Remuneration of auditors	86
8.6 Subsequent events	86
8.7 AASs issued that are not yet effective	86

Note 1. About this report

Film Victoria (trading as VicScreen) is the State Government agency that provides strategic leadership and assistance to the Victorian screen industry. A description of the nature of its operations and its principal activities is included in the Report of Operations, which does not form part of these Financial statements. Film Victoria was established under the *Film Act 2001*. Its principal address is 563 Bourke Street, Melbourne, Victoria 3000.

1.1 Basis of preparation

These Financial statements cover VicScreen as an individual reporting entity.

These Financial statements are in Australian dollars and the historical cost convention is used unless a different measurement basis is specifically disclosed in the note associated with the item measured on a different basis.

The accrual basis of accounting has been applied, whereby assets, liabilities, equity, income and expenses are recognised in the reporting period to which they relate, regardless of when cash is received or paid.

Judgements, estimates and assumptions are required to be made about financial information being presented. Any significant judgements made in the preparation of these Financial statements are disclosed in the notes where amounts affected by those judgements are disclosed. Estimates and assumptions are based on professional judgements derived from historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

Revisions to accounting estimates are recognised in the period in which the estimate is revised and also in future periods that are affected by the revision.

Consistent with the requirements of AASB 1004 *Contributions*, contributions by owners (that is, contributed capital and its repayment) are treated as equity transactions and do not form part of the income and expenses of VicScreen.

Additions to net assets that have been designated as contributions by owners are recognised as contributed capital. Other transfers that are in the nature of contributions to or distributions by owners have also been designated as contributions by owners.

Any foreign currency transactions during the financial year are brought to account using the exchange rate in effect at the date of the transaction. VicScreen does not have any foreign monetary balances at the end of the reporting period.

1.2 Compliance information

These general purpose Financial statements have been prepared in accordance with the *Financial Management Act 1994* (FMA) and applicable Australian Accounting Standards (AASs) which include Interpretations, issued by the Australian Accounting Standards Board (AASB). In particular, they are presented in a manner consistent with the requirements of AASB 1049 *Whole of Government and General Government Sector Financial Reporting*.

Where appropriate, those AASs paragraphs applicable to not-for-profit entities have been applied. Accounting policies selected and applied in these Financial statements ensure that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

1.3 Style conventions

Figures in the tables and in the text have been rounded to the nearest dollar. Discrepancies in tables between totals and sums of components reflect rounding.

The notation used in the tables is as follows:

Zero, or rounded to zero	-
Calendar year	202x
Financial year	202x/2x

Note 2. Funding the delivery of services

VicScreen's objective is to provide the Victorian screen industry with strategic leadership and support to achieve sustained creative, cultural and economic success. The organisation is predominantly funded by the Victorian Government. Other income sources include interest earned on cash and cash equivalents, development investment repayments and program funding received from sources other than the Victorian Government.

2.1 Summary of income that funds the delivery of services

	Notes	2022/23 (\$)	2021/22 (\$)
Income from the Victorian Government			
Recurrent funding		12,726,723	12,948,000
Non-discretionary funding		54,489,181	33,280,087
Total income from the Victorian Government		67,215,904	46,228,087
Interest			
	2.2		
Interest on cash and cash equivalents		2,017,458	189,903
Total interest		2,017,458	189,903
Other income			
Other Income		2,092,984	528,270
Total other income		2,092,984	528,270
TOTAL INCOME FROM TRANSACTIONS		71,326,346	46,946,260

Income that funds the delivery of VicScreen's services is accounted for in accordance with the requirements of the relevant accounting standards disclosed in the following notes.

VicScreen's **recurrent funding** from the Victorian Government is appropriated to the Department of Jobs, Skills, Industry and Regions (DJSIR) annually. This funding is to supplement VicScreen's core programs and the day-to-day operational expenses. **Non-discretionary funding** for major screen events, programs and other initiatives is granted by DJSIR and Creative Victoria for specific purposes, usually for a set period of one to four years.

VicScreen recognises income from the Victorian Government in accordance with AASB 1058 *Income of Not-for-Profit Entities*, except when there are enforceable and sufficiently specific performance obligations. In this case, revenue is accounted as contracts with customers in accordance with AASB 15 *Revenue from Contracts with Customers*.

Income from the Victorian Government without any sufficiently specific performance obligations, or with obligations that are not enforceable, is recognised when VicScreen has an unconditional right to receive cash which usually coincides with the receipt of cash. No income was deemed to have sufficiently specific performance obligations with respect to the year ended 30 June 2023 (2021/22: nil).

The increase in non-discretionary funding from 2021/22 reflects in almost equal parts the Government's contribution to the funding of the construction of the virtual production LED volume stages at Docklands Studios Melbourne and a \$10m forward advance of funding for *Victoria's Screen Industry Strategy 2021-2025*.

2.2 Interest

Interest income comprises interest earned on cash and cash equivalents. Interest income is recognised using the effective interest method which allocates the interest over the relevant period in which the interest accrued.

Note 3. How costs are incurred

The most significant cost for VicScreen relates to the cost of funding and supporting programs for screen productions, cultural events and development initiatives. VicScreen also incurs day-to-day running costs in the management and delivery of its services, the majority of which are employee related.

3.1 Summary of expenses incurred in the delivery of services

	Notes	2022/23 (\$)	2021/22 (\$)
Program costs	3.2	40,120,194	28,526,145
Employee expenses	3.3	7,792,271	6,186,068
Depreciation	4.1	786,137	757,014
Lease liability interest expense		37,870	24,389
Other operating expenses	3.4	2,348,612	1,782,335
TOTAL EXPENSES FROM TRANSACTIONS		51,085,084	37,275,951

Expenses from transactions are recognised as they are incurred and reported in the financial year to which they relate.

3.2 Program costs

VicScreen provides funding to support the development and production of feature film, television, online, virtual reality and games projects. In addition, funding is provided to support Victorian practitioners and businesses in other ways through VicScreen's various programs and initiatives. VicScreen also supports a variety of cultural events delivered by industry organisations or other businesses with the aim of connecting audiences with local and international screen content and culture. Program costs are payments made to approved funding recipients of VicScreen's programs. Program costs are recognised when commitments become payable, i.e. when contracts are executed and recipients satisfy contracted conditions. Commitments which are not yet payable are detailed in Note 6.2.

The increase in program costs from 2021/22 is due to an increase in Government funding (in support of *Victoria's Screen Industry Strategy 2021-2025*) and the flow on impact of COVID-19-related production delays in prior years. It is expected that program costs will remain at a high level in future years as a result of the increased funding.

3.3 Employee expenses

3.3.1 Employee expenses in the Comprehensive operating statement

	Notes	2022/23 (\$)	2021/22 (\$)
Wages, salaries and leave entitlements		7,120,366	5,663,053
Defined contribution superannuation expense	3.3.3	671,905	523,015
TOTAL EMPLOYEE EXPENSES		7,792,271	6,186,068

Employee expenses include all costs directly related to employment including wages and salaries, superannuation, fringe benefits tax, leave entitlements, termination payments, payroll tax, allowances and WorkCover premiums.

3.3.2 Employee benefits in the Balance sheet

Provision is made for benefits accruing to employees in respect of annual leave and long service leave for services rendered up to the reporting date and is recorded as an expense during the period the services are delivered.

	2022/23 (\$)	2021/22 (\$)
CURRENT PROVISIONS		
Annual leave		
Unconditional and expected to settle within 12 months	423,355	330,610
Unconditional and expected to settle after 12 months	32,496	35,685
Long service leave		
Unconditional and expected to settle within 12 months	46,694	19,900
Unconditional and expected to settle after 12 months	202,325	134,830
On-costs		
Unconditional and expected to settle within 12 months	25,148	18,753
Unconditional and expected to settle after 12 months	12,551	9,113
Total current provisions for employee benefits	742,569	548,891
NON-CURRENT PROVISIONS		
Long service leave	232,958	201,125
On-costs	12,463	10,760
Total non-current provisions for employee benefits	245,421	211,885
TOTAL EMPLOYEE RELATED PROVISIONS	987,990	760,776

Annual leave

The annual leave provision is classified as a current provision, and measured at the amount which is expected to be paid. VicScreen does not have an unconditional right to defer settlement of the liability for more than 12 months after the end of the reporting period.

Long service leave

Unconditional long service leave is disclosed as a current liability even where VicScreen does not expect to settle the liability within 12 months, because it does not have the unconditional right to defer the settlement of the entitlement should an employee take leave within 12 months. The components of this current long service leave liability are measured at undiscounted value if VicScreen expects to wholly settle within 12 months, or present value if VicScreen does not expect to wholly settle within 12 months. Conditional long service leave is disclosed as a non-current liability. VicScreen has the right to defer the settlement of the entitlement until the employee has completed the requisite years of service. This non-current long service leave is measured at its present value.

Any gain or loss following revaluation of the present value of non-current long service leave liability is recognised as a transaction, except to the extent that a gain or loss arises due to changes in bond interest rates for which it is then recognised as an 'other economic flows included in net result'.

On-costs

Employment on-costs such as payroll tax and workers compensation are not employee benefits. They are disclosed separately as a component of the provision for employee benefits.

3.3.3 Defined contribution superannuation expense

Employees of VicScreen are entitled to receive superannuation benefits. The amount recognised in the Comprehensive operating statement in relation to superannuation is the employer contribution for members of defined contribution superannuation plans, paid or payable during the reporting period.

3.4 Other operating expenses

Other operating expenses generally represent the day-to-day running costs incurred in normal operations.

	Notes	2022/23 (\$)	2021/22 (\$)
Information and technology management		653,760	474,797
Consulting & professional services		550,420	585,596
Other organisational expenses		506,788	303,885
Marketing, events and communications		359,289	412,918
Lease make good costs		270,000	-
Operating leases	6.2	8,355	5,139
TOTAL OTHER OPERATING EXPENSES		2,348,612	1,782,335

Other organisational costs include property occupancy costs, insurances, travel and other related costs.

Note 4. Property, plant and equipment (PPE)

VicScreen controls physical assets that are utilised in fulfilling its objectives and conducting its activities. These comprise of right-of-use assets, leasehold improvements, computer equipment and office equipment.

4.1 Total PPE

	Gross carrying amount (\$)	Accumulated depreciation (\$)	Net carrying amount (\$)
2022/23			
Right-of-use assets	2,864,312	(102,297)	2,762,015
Leasehold improvements	590,791	(14,236)	576,555
Computer equipment	696,244	(336,493)	359,751
Office equipment	268,308	(15,089)	253,219
TOTAL AT 30 JUNE 2023	4,419,655	(468,115)	3,951,540
2021/22			
Right-of-use assets	1,847,676	(1,511,735)	335,941
Leasehold improvements	1,646,136	(1,533,194)	112,942
Computer equipment	600,156	(410,023)	190,133
Office equipment	157,060	(153,185)	3,875
TOTAL AT 30 JUNE 2022	4,251,028	(3,608,137)	642,891

Where the assets included in this section are carried at fair value, additional information is disclosed in Note 7.4 in connection with how those fair values were determined.

Initial recognition – Right-of-use asset

VicScreen recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost which comprises the initial amount of the lease liability adjusted for:

- any lease payments made at or before the commencement date, plus
- any initial direct costs incurred, and
- an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

Initial recognition – All other PPE

Items of PPE are initially measured at cost. Where an asset is acquired for no or nominal cost, the cost is its fair value at the date of acquisition. The cost of leasehold improvements is capitalised and depreciated over the shorter of the remaining term of the lease or their estimated useful lives. PPE with a cost in excess of \$500 are capitalised.

Subsequent measurement – Right-of-use asset

VicScreen depreciates right-of-use assets on a straight line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. Right-of-use assets are also subject to revaluation.

Right-of-use assets are periodically reduced by impairment losses, if any and adjusted for certain remeasurements of the lease liability.

Subsequent measurement – All other PPE

PPE are subsequently measured at fair value less accumulated depreciation and any allowance for impairment. Depreciated historical cost is generally a reasonable proxy for fair value because of the short useful lives of the assets concerned.

Reconciliation of movements in carrying amount of PPE

	Right-of-use assets (\$)	Leasehold improvements (\$)	Computer equipment (\$)	Office equipment (\$)	Total (\$)
Estimated useful life (years)	<7*	<7*	3-5	3-7	
Balance at 30 June 2021	839,852	285,902	131,337	7,494	1,264,585
Additions	-	-	135,320	-	135,320
Depreciation	(503,911)	(172,960)	(76,524)	(3,619)	(757,014)
Balance at 30 June 2022	335,941	112,942	190,133	3,875	642,891
Additions	2,979,267	590,791	265,571	261,130	4,096,759
Disposals	-	-	(42)	(1,931)	(1,973)
Depreciation	(553,193)	(127,178)	(95,911)	(9,855)	(786,137)
Balance at 30 June 2023	2,762,015	576,555	359,751	253,219	3,951,540

* Shorter of the useful life and the remaining lease term.

Depreciation on PPE is generally calculated on a straight-line basis, at rates that allocate the asset's value, less any estimated residual value, over its estimated useful life. Typical estimated useful lives for the different assets classes are included in the table above.

The estimated useful lives, residual values and depreciation methods are reviewed at the end of each annual reporting period, and adjustments made where appropriate.

4.2 Impairment

All PPE assets are held for their current service potential rather than to generate net cash inflows. The recoverable amount of primarily non-cash-generating assets of not-for-profit entities, which are typically held for continuing use of their service capacity, is expected to be materially the same as fair value determined under AASB 13 *Fair Value Measurement*, with the consequence that AASB 136 *Impairment of Assets* does not apply to such assets that are regularly revalued.

Note 5. Other assets and liabilities

This section describes those assets and liabilities that arise from VicScreen's controlled operations, including receivables and payables that are short-term in nature and provisions associated with the lease for office accommodation.

5.1 Receivables

	2022/23 (\$)	2021/22 (\$)
Contractual receivables	1,704,643	192,911
Net statutory receivables	387,569	467,358
TOTAL RECEIVABLES	2,092,212	660,269

All receivables as at the reporting date for 2022/23 and 2021/22 are current receivables (expected to settle in less than 12 months) and not past due.

Contractual receivables are classified as financial instruments and categorised as 'financial assets at amortised cost'. They are initially recognised at fair value plus any directly attributable transaction costs. Subsequent to initial measurement they are measured at amortised cost using the effective interest method, less any impairment.

Statutory receivables do not arise from contracts and are recognised and measured similarly to contractual receivables, but are not classified as financial instruments.

5.2 Payables

	2022/23 (\$)	2021/22 (\$)
Contractual payables	302,113	196,450
Statutory payables	27,800	-
TOTAL PAYABLES	329,913	196,450

All payables as at the reporting date for 2022/23 and 2021/22 are current payables, expected to be settled within 12 months.

Contractual payables are classified as financial instruments and measured at amortised cost. It represents liabilities for goods and services provided to VicScreen prior to the end of the financial year that are unpaid. Payables have an average credit period of seven days.

Statutory payables are recognised and measured similarly to contractual payables but are not classified as financial instruments and are not included in the category of financial liabilities at amortised cost, because they do not arise from contracts.

5.3 Other provisions

	2022/23 (\$)	2021/22 (\$)
Current		
Lease incentive	-	58,638
Make good provision (lease)	-	280,000
Non-current		
Make good provision (lease)	260,000	-
TOTAL OTHER PROVISIONS	260,000	338,638

Reconciliation of movements in other provisions

	Lease incentive (\$)	Make good (\$)	Total (\$)
Opening balance 2022	148,065	280,000	428,065
Provision written back	(89,427)	-	(89,427)
Opening balance 2023	58,638	280,000	338,638
Additional provision recognised	-	260,000	260,000
Provision written back	(58,638)	(280,000)	(338,638)
CLOSING BALANCE	-	260,000	260,000

The lease incentive provision is in respect of the expired lease for office accommodation at Level 3, 55 Collins Street, Melbourne. Lease incentives were utilised as a reduction of rental expense over the lease term on a straight-line basis.

A make good provision is recognised for the leasehold property at 563 Bourke Street, Melbourne (2021/22: Level 3, 55 Collins Street, Melbourne). In accordance with the lease agreement, VicScreen must remove any leasehold improvements from the leased property and restore the premises to its original condition at the end of the lease term, unless the lease is renewed.

5.4 Lease liabilities

	2022/23 (\$)	2021/22 (\$)
Current lease liabilities	279,935	377,382
Non-current lease liabilities	2,225,261	-
TOTAL LEASE LIABILITIES	2,505,196	377,382

Lease liabilities include leases for office space and office equipment.

During 2022/23 VicScreen entered into a seven year lease for new offices at 563 Bourke Street in Melbourne, replacing its previous lease at 55 Collins Street in Melbourne. The new lease expires on 31 March 2030 and provides for an option to renew for three additional years thereafter.

Office equipment comprises items of low value. VicScreen has elected not to recognise right-of-use assets and lease liabilities for these leases.

Right-of-use assets are presented in Note 4.1.

Lease liability interest expenses are presented in Note 3.1.

Expenses relating to leases of low-value assets are presented in Note 3.4.

Cash outflows for leases are presented in the Cash flow statement.

Lease liability – initial measurement

The lease liability is initially measured at the present value of the unpaid lease payments at the commencement date, discounted using the interest rate implicit in the lease if that rate is readily determinable or VicScreen's incremental borrowing rate. Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments (including in-substance fixed payments), and
- variable payments based on an index or rate, initially measured using the index or rate as at the commencement date.

Lease liability – subsequent measurement

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or to reflect revised in-substance fixed lease payments. When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or the Comprehensive operating statement if the right of use asset is already reduced to zero.

Note 6. Financing VicScreen's operations

This section includes disclosures of financial assets (cash and cash equivalents) that are used in financing VicScreen's operations. This section also includes commitments for expenditure arising from contractual agreements relating to program funding and low value leases. Note 7.1 provides additional financial instrument disclosures.

6.1 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and cash at bank.

VicScreen invests its funds in accordance with the requirements of the Standing Directions 2018 under the FMA and all funds are held in the State Centralised Banking System.

	2022/23 (\$)	2021/22 (\$)
Cash on hand	-	1,000
Cash at bank	74,504,879	56,600,716
TOTAL CASH AND CASH EQUIVALENTS	74,504,879	56,601,716

Reconciliation of net result for the period to cash flow from operating activities

	2022/23 (\$)	2021/22 (\$)
Net result from continuing operations	20,247,142	9,653,298
Non-cash movements		
Loss/(gain) on sale or disposal of non-current assets	162	-
Depreciation and amortisation of non-current assets	786,137	757,014
Movements in assets and liabilities		
Decrease/(increase) in receivables	(235,677)	(495,266)
Decrease/(increase) in prepayments	(36,310)	63,168
Increase/(decrease) in payables	137,784	39,523
Increase/(decrease) in provisions	(52,786)	35,630
NET CASH FLOWS FROM OPERATING ACTIVITIES	20,846,452	10,053,367

6.2 Commitments for expenditure

Commitments for future expenditure are operating commitments arising from contracts that are not yet recognised as a liability in the Balance sheet. These commitments are recorded below at their nominal value. These future expenditures cease to be disclosed as commitments once the related liabilities are recognised in the Balance sheet.

	< 1 year (\$)	1 - 5 years (\$)	Total (\$)
2022/23			
Program commitments	70,773,107	53,724,759	124,497,866
Operating lease commitments	5,267	14,923	20,190
Total commitments (incl. GST)	70,778,374	53,739,682	124,518,056
Less: GST recoverable	(6,433,580)	(4,885,426)	(11,319,006)
TOTAL COMMITMENTS (EXCL. GST)	64,344,794	48,854,256	113,199,050
2021/22			
Program commitments	61,515,236	57,868,811	119,384,047
Operating lease commitments	4,886	-	4,886
Total commitments (incl. GST)	61,520,122	57,868,811	119,388,933
Less: GST recoverable	(5,592,738)	(5,260,801)	(10,853,539)
TOTAL COMMITMENTS (EXCL. GST)	55,927,384	52,608,010	108,535,394

Program commitments are contracted program payments that remain undisbursed and unrecognised as a liability at the end of the financial year. These commitments are recognised as a liability when funding contracts are executed and recipients satisfy contracted conditions. Payment of program commitments are expected within five years of the balance sheet date.

Operating lease commitments relate to office equipment. The contracts do not allow VicScreen to purchase the equipment after the lease ends.

Total commitments of \$113,199,050 (excl GST) as at 30 June 2023 comprise \$64,902,102 committed against cash reserves of \$74,504,879 and \$48,296,948 committed against confirmed future income from the State Government.

Note 7. Financial risks, contingencies and fair value

VicScreen's operations, assets and liabilities are exposed to various risks. Uncertainty may also inhibit the quantification of certain assets and liabilities until certain future events occur. This section provides more information on VicScreen's risks, contingencies and fair value judgements.

7.1 Financial instruments specific disclosures

Financial instruments arise out of contractual agreements that give rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Due to the nature of VicScreen's activities, certain financial assets and financial liabilities arise under statute rather than a contract (for example, taxes), these assets and liabilities do not meet the definition of financial instruments.

7.1.1 Financial assets

	Notes	2022/23 (\$)	2021/22 (\$)
Cash and cash equivalents	6.1	74,504,879	56,601,716
Contractual receivables	5.1	1,704,643	192,911
TOTAL CONTRACTUAL FINANCIAL ASSETS		76,209,522	56,794,627
<i>Net holding gain/(loss):</i>			
<i>Interest income</i>		<i>2,017,458</i>	<i>189,903</i>

VicScreen's financial assets predominately consist of cash at bank, held in the State Government Central Banking System (a collection of Government transactional bank accounts, held with a panel bank through the Banking and Financial Services State Purchase Contract).

7.1.2 Financial liabilities

	Notes	2022/23 (\$)	2021/22 (\$)
Contractual payables	5.2	302,113	196,450
Lease liabilities	5.4	2,505,196	377,382
TOTAL CONTRACTUAL FINANCIAL LIABILITIES		2,807,309	573,832

VicScreen's financial liabilities predominately consist of lease liabilities associated with office space. Recognition and measurement of these liabilities are described in Note 5.4.

7.2 Financial risk management objectives and policies

VicScreen's main financial risks include credit risk, liquidity risk and interest rate risk and it aims to manage these risks and the associated volatility of its financial performance in accordance with its *Risk Management Policy and Framework*.

7.2.1 Credit risk

Credit risk refers to the possibility that a borrower will default on its financial obligations as and when they fall due.

Cash and cash equivalents, contractual and statutory receivables are considered to have low credit risk, taking into account the counterparty's credit rating, risk of default and capacity to meet contractual cash flow obligations in the near term. No loss allowance was recognised in 2022/23 or 2021/22.

Cash at bank (Note 6.1) is held in the State Government Central Banking System with a financial institution with a credit rating of AA.

7.2.2 Liquidity risk

Liquidity risk arises from being unable to meet financial obligations as they fall due. VicScreen's maximum exposure to liquidity risk is the carrying amounts of financial liabilities as disclosed on the face of the Balance sheet and the amounts related to net commitments disclosed in Note 6.2. VicScreen manages its liquidity risk by:

- maintaining an adequate level of uncommitted funds to meet short-term obligations
- careful monitoring of commitments payable and receivable
- careful maturity planning of program payments based on forecasts of future cash flows, and
- budget management and controls, including only committing against received or confirmed funding.

7.2.3 Interest rate risk

VicScreen's exposure to market risk relates primarily to interest rate risk.

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. VicScreen has minimal exposure to cash flow interest rate risks through cash at bank. VicScreen manages this risk by monitoring the movement in interest rates and undertaking sensitivity analysis.

Cash at bank (note 6.1) is subject to a variable interest rate, with a weighted rate of 4.35% for 2022/23 (2021/22: 1.1%)

Sensitivity disclosure

Market risk is determined based on an observed range of actual historical data for preceding periods. VicScreen cannot be expected to predict movements in market rates. The sensitivity analysis shown is for illustrative purposes only.

A movement of 100 basis points up (or down) in interest rates equals an increase (or decrease) in net result of \$745,049 for 2022/23 (2021/22: \$566,007).

7.3 Contingent assets and liabilities

Contingent assets and contingent liabilities are not recognised in the Balance sheet but are disclosed and, if quantifiable, are measured at nominal value. There are no reportable contingent assets or liabilities at Balance sheet date (2021/22: nil).

7.4 Fair value determination

Fair value determination requires judgement and the use of assumptions. This section discloses the most significant assumptions used in determining fair values. Changes to assumptions could have a material impact on VicScreen's results and financial position.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

VicScreen determines the policies and procedures for determining fair values for both financial and non-financial assets and liabilities as required.

In addition, the fair values of other assets and liabilities which are carried at amortised cost, also need to be determined for disclosure purposes. VicScreen has only short-term financial instruments such as cash at bank, trade receivables and payables and their carrying amount is a reasonable approximation of fair value. As such, a fair value disclosure on financial instruments is not required.

In determining fair values a number of inputs are used.

To increase consistency and comparability in the Financial statements, these inputs are categorised into three levels, also known as the *fair value hierarchy*. The levels are as follows:

Level One – quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level Two – valuation techniques where the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level Three – valuation techniques where the lowest level input that is significant to the fair value measurement is unobservable.

VicScreen determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair value determination: PPE

All PPE assets, except right-of-use assets, are classified as Level Three in the fair value hierarchy. Right-of-use assets are non-specialised and are valued using the market approach (Level Two). There have been no transfers between levels during the reporting period. When PPE is specialised in use, such that it is rarely sold other than as part of a going concern (i.e. leasehold improvements), fair value is determined using the current replacement cost method. For all assets measured at fair value, the current use is considered the highest and best use. Assets are held primarily for their current service potential rather than to generate net cash inflows.

There were no changes in valuation techniques throughout the reporting periods.

Description of significant unobservable inputs to Level Three valuations

	Leasehold improvements	Other PPE
Valuation technique	Current replacement cost	Current replacement cost
Significant unobservable inputs	Useful life of the improvement	Useful life of the asset class and cost per unit

Significant unobservable inputs have remained unchanged during the reporting period.

Note 8. Other disclosures

This section provides other information and disclosures required by accounting standards or otherwise, to assist in the understanding of these Financial statements. These disclosures include responsible persons' remuneration, related parties and significant events occurring after the reporting date.

8.1 Responsible persons

In accordance with the Standing Directions 2018 under the FMA, the following disclosures are made regarding responsible persons for the reporting period.

Members of the VicScreen Board were remunerated. Remuneration was based on the Victorian Public Sector Commission's Appointment and Remuneration Guidelines for remunerating board members of non-department entities in Victoria.

The compensation detailed below excludes the salary and benefits received by the Minister for Creative Industries. The Minister's remuneration and allowances are set by the *Parliamentary Salaries and Superannuation Act 1968* and are reported within the State's Annual Financial Report.

	2022/23 (\$)	2021/22 (\$)
MINISTER FOR CREATIVE INDUSTRIES		
The Hon. Steve Dimopoulos MP (from 27/06/2022)	n/a	n/a
The Hon. Danny Pearson MP (to 26/06/2022)	n/a	n/a
BOARD PRESIDENT		
George Lekakis AO (from 28/10/2022)	20,000 - 29,999	nil
David Hanna (to 27/10/2022)	10,000 - 19,999	30,000 - 39,999
BOARD MEMBERS		
Mitu Bhowmick Lange AM	10,000 - 19,999	10,000 - 19,999
Louisa Coppel	10,000 - 19,999	10,000 - 19,999
Andrea Denholm	10,000 - 19,999	10,000 - 19,999
Liz Grainger	10,000 - 19,999	10,000 - 19,999
Kelly Lefever (to 31/08/2021)	nil	up to 9,999
Greg McLean (excluding 01/09/2021 to 28/02/2022)	10,000 - 19,999	up to 9,999
Blake Mizzi	10,000 - 19,999	10,000 - 19,999
Leonie Morgan AM	10,000 - 19,999	10,000 - 19,999
Chris Oliver-Taylor (to 10/03/2023)	10,000 - 19,999	10,000 - 19,999
Tiriki Onus (from 30 August 2022)	10,000 - 19,999	nil
Jenny Taing OAM (from 14/06/2023)	up to 9,999	nil
CHIEF EXECUTIVE AND ACCOUNTABLE OFFICER (CEO)		
Caroline Pitcher	380,000 - 389,999	340,000 - 349,999

Remuneration amounts disclosed in the table above includes all employee benefits (as defined in AASB 119 *Employee Benefits*), which are all forms of consideration paid, payable or provided by VicScreen, in exchange for services rendered. Accordingly, remuneration is determined on an accrual basis and includes short-term, other long-term and post-employment benefits, consistent with the disclosure in Note 8.2.

8.2 Remuneration of executives

The number of Executive Officers, other than the CEO, and their total remuneration during the reporting period are shown in the table below. Remuneration comprises employee benefits in all forms of consideration paid, payable or provided by the entity, or on behalf of the entity, in exchange for services rendered.

Short-term employee benefits include wages, salaries, annual leave or sick leave that are usually paid or payable on a regular basis, as well as non-monetary benefits such as allowances and free or subsidised goods or services.

Post-employment benefits include pensions and other retirement benefits paid or payable on a discrete basis when employment has ceased.

Other long-term benefits include long service leave, other long service benefits or deferred compensation.

No termination benefits were paid for 2022/23 and 2021/22.

	2022/23 (\$)	2021/22 (\$)
Short-term benefits	776,687	544,336
Post-employment benefits	79,875	55,651
Other long-term benefits	29,962	14,180
TOTAL EXECUTIVE REMUNERATION	886,524	614,167
<i>Total number of executives</i>	<i>4</i>	<i>3</i>
<i>Total full-time equivalent (FTE)</i>	<i>4</i>	<i>3</i>

The total number of Executive Officers includes persons who meet the definition of key management personnel (KMP) of the entity under AASB 124 *Related Party Disclosures* and are also reported within the related parties note disclosure (Note 8.3). FTE is based on the time fraction worked as at reporting date.

8.3 Related parties

Related parties of VicScreen include:

- all KMP, their close family members and personal business interests (entities that KMP have significant influence over)
- all cabinet ministers and their close family members, and
- all departments and public sector entities that are controlled and consolidated into the whole of state consolidated Financial statements.

Remuneration of KMP

KMP of VicScreen include the Minister for Creative Industries, the CEO of VicScreen, members of the VicScreen Board and the Executive Officers of VicScreen. Note that KMP remuneration is also included in the disclosure of responsible persons (Note 8.1) and executive officers (Note 8.2).

The compensation detailed below excludes the salaries and benefits the Minister receives.

	2022/23 (\$)	2021/22 (\$)
Short-term benefits	1,292,228	1,000,263
Post-employment benefits	122,456	94,051
Other long-term benefits	43,714	25,700
TOTAL KMP REMUNERATION	1,458,398	1,120,014

Transactions with KMP

Given the breadth and depth of State Government activities, related parties transact with the Victorian public sector in a manner consistent with other members of the public e.g. stamp duty and other government fees and charges. Transactions within the Victorian public sector occur on terms and conditions consistent with the *Public Administration Act 2004* and *Codes of Conduct and Standards* issued by the Victorian Public Sector Commission. Procurement processes occur on terms and conditions consistent with the Victorian Government Procurement Board requirements.

Transactions with KMP and their related parties, as detailed in the following table, cover payments and receipts relating to VicScreen programs for production investment and attraction, content development and professional development as well as participation in committees. Program payments are disclosed net of development and professional attachment deductions. Members of VicScreen's Board, committees, its CEO and staff are bound by the conflict of interest provisions of the *Film Act 2007* (Vic.) (s. 39-42), VicScreen's Conflict of Interest and Private Interests Policy and Procedures and the Code of Conduct for the Victorian Public Sector (s. 34-37). Anyone who has a conflict of interest in a matter must not be present during any deliberations on the matter, unless the President directs otherwise, and is not entitled to vote on the matter.

All such transactions are carried out at arm's length with the entities involved and receive the same amount of scrutiny that applies to all applicants to the VicScreen programs. Transactions are only disclosed for the period during which an individual was a KMP of VicScreen.

	KMP	2022/23 (\$)	2021/22 (\$)
PAYMENTS			
Australian Children's Television Foundation	Andrea Denholm	150,000	135,000
Fires Productions Pty Ltd	Andrea Denholm	-	1,269,600
Spooky Files Productions Pty Ltd	Andrea Denholm	664,019	-
Tony Ayres Productions Pty Ltd	Andrea Denholm	15,000	22,000
League of Geeks Pty Ltd	Blake Mizzi	153,225	58,425
Ausfilm International Incorporated (from 01/07/2022)	Caroline Pitcher	19,500	-
Australian Film, Television & Radio School	Chris Oliver-Taylor	3,300	74,900
Fremantlemedia Australia Pty Ltd (to 28/02/2022)	Chris Oliver-Taylor	-	540,500
Docklands Studios Melbourne Pty Ltd	David Hanna	-	25,000
Emu Creek Pictures Pty Ltd	Greg McLean	20,625	1,500
Near Life Productions Pty Ltd	Kelly Lefever	-	1,000
Mind Blowing Films Pty Ltd	Mitu Bhowmick Lange	650,000	200,000
My Melbourne Film Pty Ltd	Mitu Bhowmick Lange	400,000	-
RECEIPTS			
Docklands Studios Melbourne Pty Ltd	David Hanna	1,481,000	-
COMMITMENTS OUTSTANDING AT REPORTING DATE			
Australian Children's Television Foundation	Andrea Denholm	330,000	30,000
Spooky Files Productions Pty Ltd	Andrea Denholm	200,559	-
Tony Ayres Productions Pty Ltd	Andrea Denholm	-	15,000
League of Geeks Pty Ltd	Blake Mizzi	659,400	511,490
Emu Creek Pictures Pty Ltd	Greg McLean	7,500	-
Mind Blowing Films Pty Ltd	Mitu Bhowmick Lange	850,000	-
My Melbourne Film Pty Ltd	Mitu Bhowmick Lange	300,000	-

Significant transactions with government-related entities

	2022/23 (\$)	2021/22 (\$)
AUSTRALIAN CENTRE FOR THE MOVING IMAGE		
Payment for Series Mania	-	(39,494)
DOCKLANDS STUDIOS MELBOURNE PTY LTD		
Project funding	1,481,000	(25,000)
Department of Jobs, Precincts and Regions (DJPR)/ Department of Job, Skills, Industry and Regions (DJSIR)		
Recurrent funding	12,726,723	12,948,000
Non-discretionary funding	54,489,181	32,650,087
DEPARTMENT OF TREASURY AND FINANCE		
Production incentive funding	-	630,000

As at 30 June 2023, \$429,000 was outstanding from government-related entities (At 30 June 2022: \$130,000).

8.4 Other economic flows included in net result

Other economic flows are changes in the volume or value of an asset or liability that do not result from transactions. This includes net gains/(losses) from the revaluation of the present value of the long service leave liability due to changes in bond interest rates and net gains/(losses) on disposal of PPE.

8.5 Remuneration of auditors

	2022/23 (\$)	2021/22 (\$)
Victorian Auditor-General's Office		
Audit of the Financial statements	35,000	29,500
TOTAL REMUNERATION OF AUDITORS	35,000	29,500

8.6 Subsequent events

Industrial action in the US from the Writers Guild of America and the Screen Actors Guild – American Federation of Television and Radio Artists has impacted on production schedules globally. The consequences of this combined action could potentially adversely affect VicScreen supported/attracted projects, resulting in a reduction in value of commitments disclosed in these financial statements. VicScreen continue to monitor the situation closely, however given the project-specific nature of these commitments and the ongoing nature of the industrial action, the impact cannot be estimated.

VicScreen is not aware of any other events after the Balance sheet date which would materially affect these Financial statements.

8.7 AASs issued that are not yet effective

Certain new and revised accounting standards have been issued but are not effective for the 2022/23 reporting period. These accounting standards have not been applied to these Financial statements. VicScreen is reviewing its existing policies and assessing the potential implications of these accounting standards. However, they are not anticipated to have a material impact.

AUDITOR-GENERAL'S REPORT



Independent Auditor's Report

To the Board of Film Victoria

Opinion I have audited the financial report of Film Victoria (the entity) which comprises the:

- balance sheet as at 30 June 2023
- comprehensive operating statement for the year then ended
- statement of changes in equity for the year then ended
- cash flow statement for the year then ended
- notes to the financial statements, including significant accounting policies
- declaration in the financial statements.

In my opinion the financial report presents fairly, in all material respects, the financial position of the entity as at 30 June 2023 and its financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 7 of the *Financial Management Act 1994* and applicable Australian Accounting Standards.

Basis for Opinion I have conducted my audit in accordance with the *Audit Act 1994* which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report.

My independence is established by the *Constitution Act 1975*. My staff and I are independent of the entity in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the financial report in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Boards responsibilities for the financial report The Board members of the entity are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the *Financial Management Act 1994*, and for such internal control as the Board members determine is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Board members are responsible for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.

DISCLOSURE INDEX

VicScreen's Annual Report is prepared in accordance with all relevant Victorian legislations and pronouncements. This index has been prepared to facilitate identification of VicScreen's compliance with statutory disclosure requirements.

Legislation	Requirement	Page reference
Ministerial Directions and Financial Reporting Directions (FRDs)		
Report of operations		
FRD 22	Manner of establishment and the relevant Ministers	5, 51
FRD 22	Purpose, functions, powers and duties	5
FRD 22	Key initiatives and projects	18-47
FRD 22	Nature and range of services provided	18-47
Management and structure		
FRD 22	Organisational structure	51
Financial and other information		
FRD 8	Performance against output performance measures	61
FRD 10	Disclosure index	89-90
FRD 15	Executive Officer disclosures	60
FRD 22	Employment and conduct principles	59
FRD 22	Occupational health and safety policy	58
FRD 22	Summary of the financial results for the year	56
FRD 22	Significant changes in financial position during the year	57
FRD 22	Major changes or factors affecting performance	57
FRD 22	Subsequent events	57
FRD 22	Application and operation of <i>Freedom of Information Act 1982</i>	62
FRD 22	Compliance with building and maintenance provisions of <i>Building Act 1993</i>	62
FRD 22	Statement on Competitive Neutrality Policy	62
FRD 22	Application and operation of the <i>Public Interest Disclosures Act 2012</i>	63
FRD 22	Details of consultancies over \$10,000	61
FRD 22	Details of consultancies under \$10,000	61
FRD 22	Disclosure of government advertising expenditure	61
FRD 22	Disclosure of ICT expenditure	61
FRD 22	Statement of availability of other information	63
FRD 24	Reporting of office-based environmental impacts	62
FRD 25	Local Jobs First policy disclosure	62
FRD 29	Workforce data disclosures	59-60
SD 5.2	Specific requirements under Standing Direction 5.2	66
Compliance attestation and declaration		
SD 5.1.4	Attestation for compliance with Ministerial Standing Direction	Inside front cover
SD 5.2.3	Declaration in report of operations	66

Auditor's responsibilities for the audit of the financial report


As required by the *Audit Act 1994*, my responsibility is to express an opinion on the financial report based on the audit. My objectives for the audit are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit 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 the entity's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board
- conclude on the appropriateness of the Boards use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

MELBOURNE
25 August 2023


Simone Bohan
as delegate for the Auditor-General of Victoria



You are free to re-use this work under a Creative Commons Attribution — No Derivatives 4.0 International Licence provided you credit VicScreen as author, indicate if changes were made and comply with the other licence terms. The licence does not apply to any images, photographs or branding, including the VicScreen logo and Victorian Government logo.

Annual Report Design Sweet Creative

This report is printed on FSC Mix certified paper.

Legislation	Requirement	Page reference
FINANCIAL STATEMENTS		
Declaration		
SD 5.2.2	Declaration in Financial statements	66
Other requirements under Standing Directions 5.2		
SD 5.2.1 (a)	Compliance with Australian Accounting Standards and other authoritative pronouncements	70
SD 5.2.1 (a)	Compliance with Ministerial Directions	66
Other disclosures as required by FRDs in notes to the Financial statements*		
FRD 11	Disclosure of ex-gratia expenses	n/a
FRD 21	Disclosures of responsible persons, Executive Officers and other personnel (contractors with significant management responsibilities) in the financial report	83-86
FRD 103	Non-financial physical assets	68
FRD 110	Cash flow statements	68

*Note: References to FRDs have been removed from the Disclosure Index if the specific FRDs do not contain requirements that are of the nature of disclosure.

Legislation	Page reference
<i>Freedom of Information Act 1982</i>	62
<i>Building Act 1993</i>	62
<i>Public Interest Disclosures Act 2012</i>	63
<i>Local Jobs First Act 2003</i>	62
<i>Financial Management Act 1994</i>	66
<i>Film Act 2001</i>	5

Cover

Mira Russo, Ayiana Ncube, Riya Mandrawa, Elaine King, Erza James in *Turn Up The Volume*, Matchbox Pictures.
Photo Jane Zhang.

P3

Hattie Hook, Thom Green and Elias Anton in *Of An Age*, Causeway Films.
Photo Ben King.

P4

Hakeem Al-Arabi in *The Defenders*, Sweetshop & Green.
Photo Ben King.

P6

Photo Daniel Mahon.

P8

Caroline Pitcher, Minister for Creative Industries Steve Dimopoulos, Denise Eriksen, Esther Coleman-Hawkins and Andrew Campbell.
Photo Daniel Mahon.

P11

Michael Gudinski. Image courtesy of Mushroom Group Archives.

P12

Bob Morley and Bojana Novakovic in *Love Me Season 2*, Warner Bros. International Television Australia; Aquarius Films.
Photo Ben King.

P14

Cult of the Lamb, Massive Monster.

P16

Antonia Desplat in *Shantaram*, Apple TV+

P18

Aisha Dee and Arka Das, *Safe Home*, Kindling Pictures.
Photo Narelle Portanier.

P21

Kalu Oji, Adrian Chiarella, Katie Found and Harvey Zielinski.
Photo Sarah Chavdaroska.

P23

Zarha Amir Ebrahimi in *Shayda*, Origma 45.
Photo Jane Zhang.

P24

Photo courtesy of NantStudios.

P27

Max Turner, Nina Gallas and Uma Dumais on the set of *F.A.N.G. (From A Nearby Galaxy)*, Princess Pictures.
Photo Heath McKinley.

P28

Danielle Walker and Claire Lovering on the set of *Gold Diggers*, The Alliance - Kojo Studios x Stampede Ventures. Photo Jane Zhang
Phoenix Raei and Hugo Weaving in *The Rooster*, Don't Crow!
Photo Sarah Enticknap.
Sky Katz and Kai Lewins, *Surviving Summer Season 2*, Werner Film Productions. Photo Ben Saunders.

P29

Marden Dean, Cara Hurley and Greg McLean on the set of *Scrublands*, Easy Tiger Productions.
Photo Sarah Enticknap.
Josh Ben-Moshe and Sara Yael in *Jewish Singles in the Snow*.
Photo courtesy of Bellaria Pictures.

P31

Dead Static Drive, Team Fanclub.

P33

Aaron Pedersen, Leah Purcell and Sara Wiseman.
Photo Narelle Portanier.

P34

Phoebe Watson and Memia Lin.
Photo Sarah Chavdaroska.

P37

Sonja Milovac.
Photo courtesy of Sonja Milovac.

P39

Chantel Eagle, Liam Esler, Karly Taylor and Alissa Vovers.
Photo Sarah Chavdaroska.

P40

Photo TJ Garvie.

P43

Sona Mohapatra, Tamannaah Bhatia and Maria Thattil.
Photo NickMickPics.

P44

Caroline Pitcher, Lara Cawsey, Kathryn Brillhart and Jennifer McSpadden.
Photo courtesy of American Australian Association.

P47

Zachary Ruane, Michelle Brasier, Broden Kelly and Mark Samuel Bonanno in *Aunty Donna's Coffee Café*.
Photo courtesy of Haven't you Done Well Productions.

P48

Stray Gods: The Roleplaying Musical, Summerfall Studios.

P50

Tahlee Fereday and Brooke Satchwell on the set of *Triple Oh!*
Photo Poppy Stockell.

P66

Thor: Love and Thunder, Marvel Studios, Visual effects by Luma Pictures.



VICSCREEN

VicScreen
ABN 30 214 952 770
hello@vicscreen.vic.gov.au
vicscreen.vic.gov.au