

# Annual Report 2019/20



#### RESPONSIBLE BODY'S DECLARATION

In accordance with the *Financial Management Act 1994*,  
I am pleased to present Film Victoria's Annual Report for  
the year ending 30 June 2020.

A handwritten signature in black ink, reading "Ian Robertson". The signature is fluid and cursive, with a long horizontal stroke extending from the end of the name.

Ian Robertson AO  
President  
Film Victoria

August 2020

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# Role

Film Victoria is the State Government agency that provides strategic leadership and assistance to the film, television and digital media sectors of Victoria.

Film Victoria invests in projects, businesses and people, and promotes Victoria as a world-class production destination nationally and internationally.

The agency works closely with industry and government to position Victoria as a leading centre for technology and innovation through the growth and development of the Victorian screen industry.

# Vision

A Victorian screen industry that is creatively and financially successful, producing high quality, diverse and engaging content for Australian and international audiences.





# A Message from Film Victoria's President



The impact of coronavirus (COVID-19) on screen production meant that 2019/20 was a challenging year for the Victorian screen industry. Prior to the coronavirus effect, the industry was on track for another record year of production. It is nevertheless pleasing that, despite the production hiatus caused by the pandemic, 2019/20 was still quite a strong year for screen production with a total of 67 projects commencing production with Film Victoria's support.

These projects generated an estimated \$157 million in direct production expenditure and 4,140 local employment opportunities, and represented a return on investment of \$14.40 for every dollar invested by Film Victoria, a 12 per cent increase on 2018/19.

The eight months prior to coronavirus (COVID-19) saw Victorian projects become local and global success stories, including the release of box-office hit *Ride Like a Girl*, BAFTA Award-winning *Untitled Goose Game* and AACTA Award-winning *The Australian Dream*.

The Victorian Government has made significant announcements this year which will enable Victoria to capitalise on the strong global demand for screen content, including the construction of a sixth sound stage at Docklands Studios Melbourne which will increase the capacity of the complex by 60 per cent. The Victorian Government also announced that Dick Cook Studios will establish its Asia-Pacific headquarters in Melbourne, reinforcing Victoria's reputation as a centre of international screen excellence.

In addition, the announcement of the attraction of Victoria's first Netflix Originals series *Clickbait* and the major television production *Shantaram* cemented Victoria's position as the television drama capital of Australia.

In 2019/20, with additional support from the Victorian Government, Film Victoria invested a record level of funds into visual effects (VFX) and animation projects through our Production Incentive Attraction Fund - Post-Production, Digital and Visual Effects (PIAF PDV) program, which are expected to generate \$62.4 million in direct Victorian expenditure. It was encouraging to see that the VFX, animation and games sectors were resilient in the face of the pandemic and were able to quickly transition to working remotely.

This year also delivered strong results for digital games in a rapidly expanding international market. Investment by Film Victoria supported games developers to attract additional investment and reinforced Victoria's reputation as a world leading digital games hub following the success of *Untitled Goose Game* and *Moving Out*, in particular.

My third and final three-year term as Film Victoria's President ends on 31 August 2020. It has been a privilege and an honour

to serve Film Victoria and the Victorian screen industry for the past nine years. There have been a considerable number of achievements during this period, including the record levels of screen production achieved with our support.

Film Victoria's decision to simplify our terms of trade with the screen industry and provide fairer and more beneficial funding arrangements for producers was well received by the industry and proved to be a precedent for other screen agencies to follow.

Film Victoria's success relies on the support and contribution of many. I sincerely thank the Premier of Victoria, the Hon Daniel Andrews MP, Minister for Creative Industries, the Hon Martin Foley MP, and Treasurer and Minister for Economic Development, the Hon Tim Pallas MP, for their ongoing support of Film Victoria and the Victorian screen industry.

Film Victoria has had a number of detailed discussions with the Victorian Government in the past year about future priorities and strategy for the Victorian screen industry. We have also discussed the importance of the industry in contributing to the state's post-COVID-19 economic recovery and growth.

I am very optimistic that, with carefully targeted government policies and financial support, the screen industry in Victoria will continue to grow and Victoria will maintain its position as a leading Australian centre of screen production.

I thank Film Victoria's Board members past and present for their service. I have been fortunate to work closely with two hard-working and talented CEOs - Jenni Tosi from 2011 to 2017, and Caroline Pitcher since 2017. I thank them and their teams for delivering Film Victoria's programs, initiatives and partnerships that have attracted and generated record levels of screen production and developed the capabilities of the sector and continue to do so. I also wish to thank the Hon Louise Asher who was the Minister responsible for Film Victoria and the screen industry in the Baillieu and Napthine Governments and was a strong and effective supporter of screen production in Victoria.

Finally, I congratulate everyone in Victoria's screen industry for your hard work, creativity, talent and innovation. It is because of you that the screen sector continues to grow, makes a valuable contribution to the Victorian economy, and creates stories and games that are enjoyed by millions of people around the world.

A handwritten signature in black ink, reading "Ian Robertson". The signature is stylized with a large, sweeping flourish at the end.

**Ian Robertson AO**  
President

# A Message from Film Victoria's CEO



This year presented some extraordinary achievements and unprecedented challenges for the Victorian screen industry. While we have celebrated major announcements, the outcomes of which will set Victoria up to further capitalise on global export and inward investment opportunities, the impact of coronavirus (COVID-19) has resulted in significant challenges for screen production.

The impact of the global pandemic resulted in seven Film Victoria supported productions going into hiatus from March 2020, placing at risk 2,666 jobs and \$128 million in Victorian expenditure. Following the release of the Australian Screen Production Industry COVID-Safe Guidelines developed by the Australian Screen Sector Task Force, of which Film Victoria is a part, three productions recommenced, with 900 jobs and \$53 million returning to the Victorian economy by 30 June 2020.

Film Victoria adapted quickly to the new restrictions and challenges that resulted from coronavirus (COVID-19). A Pandemic Planning Team was established on 2 March 2020, and all employees had transitioned to working remotely by late March. As a result, Film Victoria has been able to operate without interruption, while also enhancing the level of service delivered to the industry, given significantly changed conditions.

Through our response to the crisis we have delivered bespoke support to affected productions through advance drawdowns, location services and troubleshooting. We have changed to on-demand funding rounds and assessment turnaround times have been significantly reduced to deliver support more quickly. Some productions have also received additional funding to ensure they could be sustained.

We continue to invest in people, businesses and projects in the Victorian screen industry and have established strong partnerships to create new opportunities for the sector, including with Australian streamer Stan and Ron Howard and Brian Grazer's Imagine Impact.

Screen is an important part of the cultural fabric of our creative state, bringing people and communities together and encouraging social cohesion through the telling of unique and inspiring stories. Film Victoria continues to work hard to discover and amplify diverse and emerging voices and we maintain our dedication to ensuring that our programs, businesses and people reflect the diversity within our communities and our audiences.

In 2019/20, in addition to existing purpose-designed initiatives to make a greater positive impact in this area, we updated our terms of trade to reflect our commitment to ethical considerations when assessing projects submitted for funding. This year women made up 79 per cent of our supported film

and television placements and we completed the development of our Diversity and Inclusion Strategy, which I look forward to launching in 2020.

Film Victoria is a member of MediaRING, the reconciliation industry networking group developing and enhancing career opportunities for Indigenous Australians in the media. I am proud to serve on the Board of this important organisation and, as a member, Film Victoria is contributing to delivering real outcomes for Aboriginal and Torres Strait Islander peoples in our industry.

Research and analytics remain embedded at the core of our decision-making and strategy development. This year we engaged Olsberg SPI to evaluate the economic impact of Film Victoria's support across the industry. Through this important work we have been able to deepen our knowledge of the opportunity and growth potential of the state's screen industry and better understand the impact Film Victoria is making on the economy.

Many people have contributed to growing the reach, scope and impact of Film Victoria's work and the support of the Victorian Government through the Minister for Creative Industries, the Hon Martin Foley MP, and Creative Victoria has been critical to Film Victoria delivering skilled jobs and economic growth, both of which are vital to the state's economic recovery.

I sincerely thank Film Victoria's President, Ian Robertson AO, for his leadership and dedication to serving the Film Victoria Board over the past nine years. Through his guidance, Film Victoria has been able to support the strong growth of the sector.

I thank the Board for their commitment to leading the organisation's strategic direction, and the staff of Film Victoria who have demonstrated professionalism and resilience as they continue serving the industry on behalf of all Victorians.

Finally, I thank the full spectrum of Victoria's screen industry who, while facing extraordinary challenges, continue to work innovatively and creatively to reinforce Victoria's reputation for screen excellence internationally.

**Caroline Pitcher**  
CEO





Performance



# Year in Review

67

Film, television and games projects supported through production investment and incentives funding programs commenced production in 2019/20

\$157.2m

The estimated amount of direct expenditure in Victoria generated by projects that commenced production, equating to a return of \$14.40 for every dollar invested

4,140

Employment opportunities generated for Victorians by these projects, equating to 1,270 full time equivalent jobs

20

Feature films commenced production or post-production in Victoria, leveraging \$50.1 million in direct expenditure

26

Television, online and virtual reality (VR) projects commenced production in Victoria, leveraging \$104.3 million in direct expenditure

21

Games projects moved into production in Victoria, leveraging \$2.7 million in direct expenditure

\$8.3m

Committed to 42 projects through production investment

\$864,119

Committed in development support to 54 projects through development programs and initiatives

\$2.4m

Invested into industry and skills development programs and initiatives

413,712

People attended events and festivals supported by Film Victoria in Melbourne and regional Victoria

119.7m

Australian views generated on free-to-air, on pay television or at the cinema through film and television projects supported by Film Victoria

## Notes:

*The production expenditure and employment figures are estimates, as some projects have not yet concluded reporting. The funding commitment for some projects that commenced production in 2019/20 was made in previous years. Not all projects funded in 2019/20 commenced production this year.*







# Strategic Priority One

## Position the Victorian screen industry to create high quality, diverse and engaging content

This strategic priority reflects a stronger emphasis on skills and talent development and international engagement to ensure Victorian screen practitioners and businesses are well placed to capitalise on opportunities now and into the future.

### STRATEGIES

- Support Victorian talent and businesses to develop and produce new screen content
- Attract interstate and international screen production to Victoria
- Support the growth of Victorian screen businesses
- Support career progression of highly talented early- to mid-career Victorian screen practitioners
- Strengthen the skills of a diverse range of Victorian screen practitioners and businesses.

# Fiction Features

## \$1.4m

Committed in total to the development and production of 15 fiction features

## \$1.2m

Committed in production funding to seven fiction features

## \$153k

Committed in development funding to eight fiction features

### OVERVIEW

The global demand for content has never been greater. As audiences embrace new ways of consuming great storytelling, the fiction feature film continues to find its place, whether it is in cinemas or on streaming platforms, and Film Victoria continues to support compelling stories for development and production.

### TELLING INDIGENOUS NARRATIVES

Victorian writer and director Beck Cole (*Here I Am, Wentworth*) and emerging writer Sam Paynter (*Little J & Big Cuz*) are collaborating on a chapter for groundbreaking feature film, *Cook Ngā Pouwhenua*. The film brings together eight teams from Australia, New Zealand and the Pacific to create an interwoven narrative on love, death, good versus evil, justice and kinship, told through the lens of Indigenous filmmakers. Film Victoria supported Beck and Sam, as well as writer and director Tracey Rigney (*The Warriors, A Chance Affair*), to develop concepts for the project, which was initiated by Screen Australia and the New Zealand Film Commission.

### SUPPORTING RISING VOICES

This year Film Victoria supported the development of the second feature from writer and director Natalie Erika James, whose debut film *Relic* was one of the most applauded films of the 2020 Sundance Film Festival and was picked up by Stan to premiere in Australia at the same time as the US. Natalie has re-teamed with her *Relic* producers Carver Films and co-writer Christian White on *Drum Wave*, a folk horror feature inspired by her 2017 short film of the same name.

### DEVELOPMENT HIGHLIGHTS

*Vesna* – a beautifully nuanced debut on the nature of family from writer and director Sara Kern and producer Gal Greenspan of Green Productions. The story follows 10-year-old Nika who, after her mother's sudden death, becomes the unexpected grown-up of her fragmented family, trying to bring her troubled older sister and distant father together.

*Memoir of a Snail* – a new stop-motion feature film from Victorian Academy Award®-winning writer and director Adam Elliot and producer Liz Kearney about a bittersweet remembrance of a melancholic woman addicted to sausage rolls and romance novels.

### PRODUCTION HIGHLIGHTS

Projects which were funded or commenced production this year included:

*Blueback* – based on a short novel by best-selling Australian author Tim Winton, this is a timely tale about the ocean, a beautiful marine creature and a young girl's power to change the world from writer and director Robert Connolly and production company Arenamedia.

*You Won't Be Alone* – a supernatural debut feature from writer and director Goran Stolevski and produced by Causeway Films. The film tells the story of a young witch in 19th century Macedonia whose deep-seated curiosity to experience life inside the body of others is ignited when she accidentally kills a peasant in the village.

*Nude Tuesday* – a co-production between GoodThing Productions, the producers behind award-winning documentaries *2040* and *The Australian Dream*, and New Zealand's Firefly Films, this absurd comedy/drama is about a suburban couple who spends a week at a new-age retreat in a bid to save their marriage.



# Case Study

## Ride Like a Girl

100 TO 1 FILMS

*"It has been a rare privilege to bring Michelle Payne's story to the big screen. It's a uniquely Victorian story of a family whose courage, perseverance and good humour is an amazing inspiration, and the support and passion of the Victorian Government and Film Victoria elevated our film to the next level. Our Victorian crew and mostly local cast were superb to work with, in what was an extremely tough shoot. There is nothing easy about horse racing and adding filming multiplies the complexity 10 times over."*

Richard Keddie, Producer

### THE PRODUCTION

The acclaimed feature *Ride Like a Girl* follows the inspirational true story of Michelle Payne, who overcame catastrophic injury, a male-dominated industry, seemingly impossible odds of 100 to one and her own inner demons to become the first female jockey to win the Melbourne Cup.

Helmed by Rachel Griffiths in her feature directorial debut, *Ride Like a Girl* stars Teresa Palmer as Michelle, alongside Sam Neill as Paddy, the patriarch of the Payne racing family, with Michelle's loyal brother Stevie playing himself (and stealing the screen). They are supported by a strong Victorian cast including Magda Szubanski, Sullivan Stapleton and Mick Molloy.

A quintessentially Victorian story, *Ride Like a Girl* was crafted by a team of talented Victorian key creatives and crew, with award-winning writers Andrew Knight and Elise McCredie penning the script, costume design by Cappi Ireland and a score composed by David Hirschfelder.

Acclaimed editor Jill Bilcock and the Melbourne-based team from Soundfirm provided their expertise during post-production.

The production showcases stunning Victorian locations, with filming taking place around Melbourne and regional Victoria, including at Ballarat and Hanging Rock Racecourse, over nine weeks from April 2018.

### THE FUNDING

Film Victoria supported *Ride Like a Girl* through its Assigned Production Investment - Film and Television program.

### THE OUTCOME

After an impressive opening weekend in September 2019, *Ride Like a Girl* took top honours at the Australian box office for the year, generating \$11.8 million, and was a triple-nominee at the 2019 AACTA Awards.

### THE IMPACT

Production expenditure in Victoria	\$12.9m
Employment opportunities generated	600
Direct full-time equivalent (FTE) jobs generated	89
Skills development	
– Art department attachment	1
– Costume department attachment	1

# Fiction Series

## \$6.3m

Committed in total to the development and production of 38 television and online series

## \$5.8m

Committed in production funding to 17 fiction series, of which 15 were for television and two were for online release

## \$477k

Committed in development funding to 21 fiction series, one of which is VR

### OVERVIEW

Victoria is Australia's capital of high-end television production, and this year homegrown series with global appeal dominated the production landscape. Film Victoria supported 10 returning fiction television series building on their success from previous seasons, from dramas *Wentworth*, *Bloom*, *Five Bedrooms*, *Ms Fisher's Modern Murder Mysteries* and *Neighbours*, to comedy *How to Stay Married* and animated children's series *The Strange Chores*, *Little J & Big Cuz* and *Kitty is Not a Cat*.

### CELEBRATING MILESTONES WITH NEIGHBOURS

In 2020 Australia's longest running and most successful drama, *Neighbours*, celebrated 35 years on the air. In addition to providing a training ground for the next generation of screen talent and being one of the country's most successful media exports, the series plays an important role in addressing social issues. In 2018 *Neighbours* featured Australian television's first same-sex wedding, while this year the production worked on a storyline about foster care and adoption with advocate Deborra-Lee Furness.

### PARTNERING WITH BROADCASTERS

Film Victoria and SBS launched Pitch to Pilot, a drama development initiative designed to bring compelling stories from diverse voices to our screens. From a strong field of applications, four series, including two book adaptations, were successful in moving into development. Both the stories and creative teams behind each of the projects are female-led, with emerging Victorian screen talent partnering with experienced local practitioners.

2019/20 marked the second year of the Stan and Film Victoria Development Fund, with focus this year turning towards finding the next local comedy series. An extraordinary 224 applications were received, with the four successful projects to move into development in 2020/21.

### TELLING TIMELY STORIES

Alongside the ABC, Screen Australia and Screen Queensland, Film Victoria supported the fast-tracked development and production of a six-part narrative comedy, *Retrograde*. Filmed remotely in Melbourne, the series follows the lives of a group of friends in their 30s whose plans are thrown into disarray with the arrival of a global pandemic. Developed, produced and post-produced entirely under COVID-Safe Guidelines, the series premiered on the ABC in July 2020.

### DEVELOPMENT HIGHLIGHTS

**Caper'ble** – this comedy series follows a group of housemates who all use their skills and disabilities to pull off a heist. The all-Victorian team of producers Steve Kearney and Lee Matthews, writer Alistair Baldwin and story consultant Eliza Hull held a two-day workshop at Arts Access Victoria to allow Alistair and Eliza to develop the script with people who share their lived experience of disability.

**Remembrance** – an interactive VR experience that explores post-traumatic stress disorder through the memories of a shell-shocked WWI veteran. Writer and director Lester Francois from StudioBento, the filmmaker behind award-winning interactive VR documentary *Rone*, was invited to pitch the project at the XR Development Showcase during the online Cannes Film Market in June 2020.

### PRODUCTION HIGHLIGHTS

Projects which were funded or commenced production this year included:

**New Gold Mountain** – a new drama series from Goalpost Television for SBS that tells the untold true story of the gold rush in Victoria from the perspective of Chinese miners.

**Why Are You Like This** – a group of talented, emerging creators, including Victorian producer Sarah Freeman, created this six-part comedy series for ABC and Netflix that follows two best friends as they navigate their 20s. Filming in Melbourne was postponed due to coronavirus (COVID-19) but resumed in July 2020.





## Case Study

# Mustangs FC Series 3

MATCHBOX PICTURES

*"It was fundamental to the aspiration of the show to have young women writing and directing a series about young women. We've always maintained Geena Davis' mantra, 'If she can see it, she can be it'. Visibility is key, as is championing the storytellers of the future."*

Amanda Higgs and Rachel Davis, Producers

### THE PRODUCTION

Matchbox Pictures' *Mustangs FC*, a comedy/drama that follows an all-girls soccer team, leads the way when it comes to starting important conversations and putting diversity and inclusion front and centre in television.

Over its three series, the production has championed storylines that address contemporary issues experienced today by girls aged from nine to 13 years old, such as mental health, body image, blended families, sexual orientation, disability and gender equality.

Producers Amanda Higgs and Rachel Davis developed the series with a shared desire to create stories for girls that reflect their real lives and experiences. On a show with young women in the lead, it was also important for them to see women in charge behind the camera and to have visible pathways to leadership across all roles.

The cast and crew of *Mustangs FC* was more than 60 per cent female, with the

young leading cast representing a wide range of backgrounds including First Peoples, Vietnamese, Sri Lankan, Indian, Lebanese and Sudanese.

To maintain a pipeline of female practitioners, the production actively developed new talent across the three series. They teamed up with Film Victoria and the Australian Directors Guild to offer placements and attachments across departments, creating opportunities for emerging creatives – including directors Corrie Chen and Amie Batalibasi, producer Sarah Freeman and writers Alice Jones and Marisa Nathar – to gain television credits.

*Mustangs FC* is distributed internationally by NBCU International Distribution, screening on CBBC in the UK and Universal Kids in North America.

### THE FUNDING

Film Victoria supported series three of *Mustangs FC* through its Development on Demand and Assigned Production Investment - Film and Television programs.

### THE OUTCOME

*Mustangs FC* Series 3 was released on ABC ME on 31 December 2019 to a rapturous response from audiences.

### THE IMPACT

Production expenditure in Victoria	\$6.4m
Employment opportunities generated	395
Direct full-time equivalent (FTE) jobs generated	44
Skills development	
– Camera attachment	1

# Documentary

**\$1.4m**

Committed in total to the development and production of 42 documentary projects, up from \$910,825 in 2018/19

**\$1.2m**

Committed in production funding to 18 documentary projects

**18**

Projects funded through production investment, of which seven were features, four were television series, two were VR and five were one-offs for TV and online

**\$214k**

Committed in development funding to 24 documentary projects

## OVERVIEW

2019/20 again saw a growing number of feature-length documentaries made for cinema and an increased interest in development, particularly through Film Victoria's Project Development funding program, which does not require applicants to have screen credits. Film Victoria supported 12 documentaries through this program, up from seven projects in 2018/19.

## DOCUMENTARY FILMMAKING DURING A PANDEMIC

Several projects funded by Film Victoria this year were able to continue filming during the coronavirus (COVID-19) pandemic due to the agility of documentary filmmaking and the ability to work with smaller crews. WTFN Entertainment continued to shoot behind-the-scenes footage across Zoos Victoria's three sites for its series, *Mega Zoo*. For *New Start*, a three-part series which follows a group of Australians and their families as they confront addiction head on, Blackfella Films producer Jacob Hickey conducted interviews remotely, with one crew member assisting the subject to set up lighting and sound.

## FOCUS ON VIRTUAL REALITY

VR is a growing platform in the storytelling space, particularly in documentary filmmaking, where it enables audiences to gain a fresh perspective on critical issues. Film Victoria supported two inspiring VR projects this year: *ecosphere*, a three-part series that journeys across some of nature's most fragile and diverse ecosystems, that is available free on Oculus Quest and Oculus Go; and *Gondwana*, an interactive VR installation from writer and director Ben Andrews that maps the projected impacts of climate breakdown on the world's oldest rainforest, the Daintree.

## SOCIAL IMPACT

This year saw the release of several powerful documentaries that demonstrate how screen stories can connect people to global issues, ignite conversations and drive change. These projects included *The Show Must Go On*, actor Ben Steel's picture of mental health in the entertainment industry, which has been touring Australia as part of a national Wellness Roadshow and is now being delivered virtually. Film Victoria also funded *Ablaze*, the story of Yorta Yorta/Wiradjuri man and political

activist William Onus, who is believed to be the first Indigenous filmmaker and who recorded the birth of the Aboriginal civil rights movement in 1946.

## PRODUCTION HIGHLIGHTS

Projects which were funded or commenced production this year included:

***Brazen Hussies*** – interweaving freshly uncovered archival footage, personal photographs and lively personal accounts from activists all around Australia, this feature-length film from Victorian production company Film Camp shows the moment the fuse was lit on the women's movement in Australia.

***Chef Antonio's Recipes for Revolution*** – an observational-style feature documentary from writer and director Trevor Graham and producer Lisa Wang that tells the story of an inspirational Italian chef whose apprentices are aspiring chefs with Down syndrome. The team managed to shoot their final frames and return to Australia before Italy entered lockdown due to the pandemic.

***The Hunt: In Search of Australia's Big Cats*** – from Victorian production companies Robot Army and Ruby Entertainment, this captivating documentary about the quest to prove the existence of a living population of big cats in the Australian bush premiered on Foxtel's Discovery Channel in May 2020. Writer, director and cinematographer Stu Ross spent months filming in remote bushland, including Victoria's Great Otway National Park.

***Can Art Stop a Bullet: William Kelly's Big Picture*** – with contributions from over 20 artists, thinkers and activists, this documentary from writer and director Mark Street and producer Fiona Cochrane explores the relationship between artistic expression and conflict. It screened online during the Melbourne Documentary Film Festival 2020, with a global cinematic release set for later in 2020.



## Case Study

# The Australian Dream

GOODTHING PRODUCTIONS

*"We hope that the film offers the opportunity for people to develop a deeper understanding of the issues and history that need to be addressed if we are to make real and lasting change. With that understanding comes an opportunity for a broader, more rounded context to have conversations in Australia that haven't been properly had to date."*

Nick Batzias, Producer

### THE PRODUCTION

Written by prominent journalist Stan Grant and produced by Melbourne-based GoodThing Productions (2040), in partnership with the UK's Passion Pictures, *The Australian Dream* is a powerful and resonant feature documentary that opened up timely and important conversations about race in Australia.

The film examines the racial abuse suffered by legendary Australian Rules footballer Adam Goodes during his final years in professional football, and the impact of this on Adam and the wider Indigenous community. After a long absence from the media, Goodes shares his experience and speaks frankly and openly about the toll those years took on him personally and professionally, ultimately leading to his retirement from football.

*The Australian Dream* features a wide range of Indigenous voices including Stan himself, Adam's brother Brett and fellow sportspeople Nova Peris, Gilbert McAdam

and Michael O'Loughlin, while allowing Goodes' voice to shine.

### THE FUNDING

Film Victoria supported *The Australian Dream* through its Assigned Production Investment - Film and Television program, and supported producer Virginia Whitwell to represent the film at the BFI London Film Festival 2019 through the International Travel - Festivals program.

### THE OUTCOME

*The Australian Dream* was selected as the opening night film for the 2019 Melbourne International Film Festival, winning the People's Choice Award for Best Documentary, and went on to have its international premiere at the prestigious Telluride Film Festival before screening at the BFI London Film Festival and Toronto International Film Festival in 2019.

The production won the top documentary award at the AACTA Awards, the Australian Film Critics Association

Awards, the Walkley Awards and the Screen Producers Australia Awards in 2019, and continues to ignite important conversations in Australia and around the world about racism and social injustice in sport and the wider community.

### THE IMPACT

Production expenditure in Victoria	\$729,583
Employment opportunities generated	20
Direct full-time equivalent (FTE) jobs generated	5



# Games

**\$1.5m**

Committed in total to 32 games titles through production investment and Games Release programs

**\$1.1m**

Committed to 21 games through production investment

**\$327k**

Committed to 11 games through Games Release funding

**21**

Games funded through production investment, of which 10 were for multiple platforms, seven for desktop, three for VR and one for mobile

## OVERVIEW

2019/20 was a defining year for the Victorian digital games industry, with the global success of new release *Untitled Goose Game* and an increased focus on accessibility and diversity within games and the teams creating them. The sector also demonstrated its resilience during the coronavirus (COVID-19) pandemic, with its talented creators continuing to work remotely.

The industry experienced a surge in popularity during the pandemic, with more than 1.2 million Australians turning to digital games for entertainment and social connection.

The Interactive Games & Entertainment Association (IGEA), which this year merged with the Game Developers Association of Australia (GDAA), reported that 91 per cent of Australian households have a device that plays video games, in an industry widely predicted to be worth almost \$250 billion globally in 2020, or nearly ten times the size of the global music industry.

## ENABLING GAMES TO SUCCEED

Film Victoria's investment in a digital game is increasingly being viewed as a stamp of quality, helping developers gain greater visibility for their projects and access investment from publishers, or, as in the case of Summerfall Studios' *Chorus*, through a crowdfunding campaign. As a result, this year Film Victoria has seen increased publisher interest in supported projects, leading to Victorian developers confidently promoting their projects to publishers around the world.

## THE GAMES CAPITAL OF AUSTRALIA

Melbourne cemented its place as one of the world's leading digital games hubs, gaining the attention of the international games industry following the launch of House of House's *Untitled Goose Game* and SMG's *Moving Out*.

Melbourne is home to more than half of all Australian studios and this number continues to grow. Global powerhouse Sledgehammer Games (*Call of Duty*) opened an Asia-Pacific outpost in the city this year, recruiting from the pool of world-class tech talent in Melbourne, while Victorian Liam Esler and Canadian games industry legend David Gaider chose the city as the home of their new company, Summerfall Studios.

## SUPPORTING TRAVEL, CONFERENCES AND EVENTS

Film Victoria supported 10 games practitioners to travel to festivals and events, including assisting a developer from DragonBear Studios to attend the Games Devs of Color Expo in New York City. Film Victoria also funded six developers to attend Gamescom in Cologne, an annual event attended by over 350,000 games enthusiasts from around the world, before its International Travel program was suspended due to coronavirus (COVID-19) travel restrictions.

Melbourne International Games Week continues to be Australia's leading annual games celebration for players, creators and enthusiasts. Once again Film Victoria supported its drawcard events, the Games Connect Asia Pacific (GCAP) conference and PAX Australia. At the Australian Game Developer Awards 2019, held during GCAP, Film Victoria Games Manager Liam Routt was honoured for his outstanding long-time contribution to the Australian games industry.

## PROJECT HIGHLIGHTS

Projects which were funded or commenced production this year included:

**Heavenly Bodies** – a physics-based game that explores comical delights as cosmonauts perform zero-gravity manoeuvres in space, from 2pt Interactive. The project won the Rising Star Award at Gamescom 2019, attracting the attention of multiple publishing partners, and was selected by Sony to be developed for release on the upcoming PlayStation 5 console.

**Moving Out** – from the newly-established Melbourne office of Australian developers SMG, and released with UK indie games publishers Team 17, this family-friendly game set a new bar for accessibility and representation, with players able to customise their character to represent themselves across different abilities and cultures, including the option to wear a hijab or be in a wheelchair.





## Case Study

# Untitled Goose Game

HOUSE HOUSE

*"There's something about being the goose that seems to be very appealing to people. I think lots of people like to play pretty much every game by trying to break everything and make a big mess, and they see our goose and recognise part of themselves."*

Nico Disseldorp, Developer

### THE PROJECT

With a simple concept and one horrible goose, *Untitled Goose Game* from Melbourne studio House House became the global breakout hit in digital games in 2019.

Using comedy and character as the main drivers for the action, *Untitled Goose Game's* easy to pick up, hard to put down gameplay allows players to mess up and interact with the world in their own way, while also completing their assigned 'to-do list' tasks.

Loved for its visual and sonic landscape - the score by local composer Dan Golding of arrangements by Debussy is considered one of the highlights - *Untitled Goose Game* is a unique and highly enjoyable gaming experience.

### THE FUNDING

Film Victoria supported *Untitled Goose Game* through its Assigned Production Investment - Games program for early

development in 2017 and for project completion in 2018. The development funding allowed the team to hone the player experience and negotiate with potential partners. The completion funding enabled them to bring on local developers, including Cherie Davidson who focused on the accessibility features, and refine the game ahead of release.

### THE OUTCOME

Initially released on Nintendo Switch, Mac and PC in September 2019 (and then on PlayStation 4 and Xbox in December 2019), gamers and non-gamers alike quickly took notice of *Untitled Goose Game* and it amassed a global cult following. As the players grew so did the celebrity fans, major media, memes and awards.

After scoring two nominations at the Game Awards in December, *Untitled Goose Game* was awarded Achievement in Character and Achievement for an Independent Game as well as taking out the top honour, Game of the Year at

the prestigious Academy of Interactive Arts & Sciences DICE Awards. Awards for Game of the Year at the Australian Game Developer's Awards in 2019 and the international Game Developers Association Awards, and the BAFTA Award for Best Family Game in 2020, followed.

### THE IMPACT

For House House, the success of *Untitled Goose Game* means they are now in a position to make games without having to secure external funding. For the local games industry, their success meant all eyes turned to Melbourne, which has led to increased interest in the Victorian games industry.

# Production Attraction and Regional Assistance

**\$148.6m<sup>#</sup>**

The amount expected to be spent in Victoria by the 22 PIAF, PIAF PDV and Regional Location Assistance Fund (RLAF) projects\* supported by Film Victoria\*\*

**14**

Projects attracted to Victoria through PIAF PDV, which will generate an estimated \$62.4 million for the Victorian economy

**\$3.1m**

The amount expected to be spent in regional Victoria by the six RLAF projects supported by Film Victoria, a 66% increase on 2018/19\*\*

**207**

Days spent filming nine film and television productions in regional Victoria\*\*

## OVERVIEW

Victoria is the production destination of choice for filmmakers seeking world-class studios and a diversity of locations close to a major city, as well as home to globally renowned talent, crew, and post-production, animation and VFX studios.

## GROWING VFX AND ANIMATION

This year marked Film Victoria's largest investment in VFX, with 11 VFX projects attracted to Victoria through its Production Incentive Attraction Fund - Post, Digital and Visual Effects (PIAF PDV), a 120 per cent growth in the number of projects over the past five years. Additionally, for the first time since the introduction of the fund, two international animation projects were supported to be created in Victoria, giving the state's animation studios the ability to scale up their businesses and employ more local talent. Both the VFX and animation sectors demonstrated their resilience during the coronavirus (COVID-19) pandemic, with their highly skilled creatives working remotely to continue delivering world-class content.

## HOLLYWOOD STUDIO CHOOSES MELBOURNE FOR ASIA-PACIFIC BASE

International production company Dick Cook Studios announced it will establish its Asia-Pacific headquarters at Docklands Studios Melbourne. Founded by former Walt Disney Studios chairman Dick Cook in 2015, the company has a pipeline of major family-focused projects in development. Each project is set to inject more than \$100 million into Victoria's economy and employ more than 1,500 Victorians in roles ranging from crew to construction, security and transport services.

## PROMOTING VICTORIA'S ASSETS

Film Victoria works closely with filmmakers and location managers to source locations for productions, and this year it increased the number of private homes and properties on its locations register through a dedicated city-wide campaign. Victoria has a diverse range of architectural styles and landscapes that can mimic cities and towns from around the world, which is one of the many reasons the state is an attractive filming destination for both local and international productions.

## PROJECT HIGHLIGHTS

Projects which were funded or commenced production this year included:

**Clickbait** - the first Netflix Originals project to film in Victoria. *Clickbait* is co-created by Victorians Tony Ayres and Christian White and produced by Melbourne-based Matchbox Pictures and Tony Ayres Productions with UK production company Heyday Television for Netflix and NBCUniversal. Filming at Docklands Studios Melbourne and on location around the city was well underway when production on the eight-episode thriller was suspended due to coronavirus (COVID-19).

**Feng Shen Trilogy (Part 1)** - based on the well-known Chinese fantasy novels, *Feng Shen* is a trilogy of Mandarin-language films being produced by Bill Kong (*The Whistleblower*, *Crouching Tiger Hidden Dragon*) and Du Yang (*Man of Tai Chi*). Local VFX house Method Studios has a global reputation for creature animation, and Film Victoria supported the studio to secure a package of VFX work on the feature film, which will employ and upskill 60 artists over eight months.

**Falling for Figaro** - Victorian-born, Los Angeles-based director-producers Ben Lewin and Judi Levine (*The Sessions*) chose Melbourne's Soundfirm for the VFX and picture and sound post-production on their Australian-UK co-production, *Falling for Figaro*, which filmed in Scotland with actor Joanna Lumley.

<sup>#</sup>This figure includes the entire production expenditure in Victoria for *New Gold Mountain* and *The Hunt: In Search of Australia's Big Cats*, which was also leveraged through API.

\*Road to Boston received both PIAF and RLAF.

\*\*These are estimated figures as some projects have not yet concluded reporting.





# Case Study

## Halifax: Retribution

BEYOND LONEHAND

“From the Minister down to the Board and CEO, and its staff in every division, from investment to locations, Film Victoria sets the benchmark for everyone else to follow. When you make a show in Victoria, you know they have your back.”

Louisa Kors and Roger Simpson, Producers

### THE PRODUCTION

*Halifax: Retribution* marks the long-awaited return of one of Melbourne’s most iconic crime thriller mini-series and sees acclaimed actor Rebecca Gibney reprise her popular role as forensic psychiatrist Jane Halifax, alongside Hollywood-based Anthony LaPaglia (*Without a Trace*).

In this eight-part series commissioned by the Nine Network, Jane is lured back into the field to help the police task force find a serial sniper who is terrorising Melbourne and save a city paralysed with fear.

Original creator and writer Roger Simpson (*Stingers*) returned as writer and producer on the series, alongside executive producer Mikael Borglund, producer Louisa Kors and writers Mac Gudgeon (*Killing Time*), Peter Gawler (*Underbelly*) and the Academy Award®-nominated Jan Sardi (*Shine*).

Like the original series, which ran for six seasons on Nine from 1994, *Halifax: Retribution* is set in Melbourne. Over nine

months of pre-production and filming, the creators made the most of Melbourne’s gritty streetscapes and iconic architecture to tell the next chapter in this renowned local franchise.

With support through Film Victoria’s skills development programs, five women were given an opportunity to boost their screen careers on *Halifax: Retribution*. Three emerging directors, a script coordinator and a camera operator gained invaluable experience working alongside the creatives and crew on set.

### THE FUNDING

Film Victoria supported *Halifax: Retribution* through its Production Incentive Attraction Fund (PIAF) and provided location and production services.

### THE OUTCOME

*Halifax: Retribution* will premiere on Nine in August 2020, showcasing Melbourne city locations and Victorian talent to fans across Australia.

### THE IMPACT

Production expenditure in Victoria	\$12.8m
Employment opportunities generated	595
Direct full-time equivalent (FTE) jobs generated	88
Skills development	
– Director placement	3
– Script Coordinator attachment	1
– Camera operator attachment	1





# Case Study

## Road to Boston

BIG PICTURE/BA ENTERTAINMENT

*“We had an excellent Victorian line producer coupled with the best location managers in town; their knowledge and relationships within the local industry made the shoot possible. With their collaboration on both the production and creative sides, they opened doors at the local communities and saved us when there were last minute location changes.”*

Aria Binna Kim, Producer

### THE PRODUCTION

The first Korean feature to film in Victoria, *Road to Boston* tells the story of 1947 Boston Marathon winner Suh Yun-bok, the first Korean to win an international sporting event following his nation’s independence from Japan in 1945.

Helmed by acclaimed director Je-Kyu Kang, whose films have been seen by more than 10 million people across Korea, *Road to Boston* stars Ha Jung-woo, one of the highest grossing actors in South Korea with films that have generated over \$100 million at the box office.

To bring this inspiring true story to the big screen, the filmmakers were looking for period streetscapes that could stand in for Boston in the 1940s. While scouting regional Victoria in 2019, they saw the well-maintained period architecture in Ballarat, Clunes, Bendigo and Geelong and knew they had found the key locations they needed.

Out of seven weeks of pre-production and filming in Victoria, *Road to Boston* spent three weeks filming the climactic marathon scenes in the four towns, all of which are located between one and two hours’ drive from Melbourne. At each location, the 40 cast members, 174 crew and hundreds of extras engaged with local businesses including accommodation, hospitality and retail.

To film the marathon scenes, the production enlisted the services of Melbourne-based aerial filming company XM2, who are world-renowned for their drone camera work, including on blockbusters such as *Star Wars: The Rise of Skywalker* and the latest installment in the James Bond franchise, *No Time to Die*.

### THE FUNDING

Film Victoria supported *Road to Boston* through its Production Incentive Attraction Fund (PIAF) and Regional Location Assistance Fund (RLAF), and assisted with location and production services.

### THE OUTCOME

*Road to Boston* will be released on more than 1,000 screens in Korea, China, Indonesia and Vietnam, showcasing Victorian talent and regional locations to audiences across these countries.

### THE IMPACT

Production expenditure in Victoria	\$4.6m
Employment opportunities generated	292
Direct full-time equivalent (FTE) jobs generated	32
Production expenditure in regional Victoria	\$1m
Employment opportunities generated in regional Victoria	105
Number of extras from regional Victoria	381
Businesses utilised in regional Victoria	120



# Developing Skills and Accelerating Career Pathways

**\$2.4m**

Committed in total to skills and industry development programs for screen practitioners

**\$1.9m**

Committed to supporting 21 conferences, programs and other activities for screen practitioners through industry development programs and initiatives\*

**\$553,361**

Committed to supporting skills development programs\*

**7,324**

Screen practitioners and professionals attended 29 industry events supported or held by Film Victoria

## OVERVIEW

Nurturing home-grown talent through skills development and connecting them to the global industry is vital for the future of the Victorian screen industry.

## PROVIDING A CAREER-CHANGING OPPORTUNITY FOR VICTORIAN SCREENWRITERS

Film Victoria, in partnership with Screen Australia, City of Melbourne and fellow state screen agencies, attracted the Imagine Impact accelerator program to Melbourne, giving 14 Australian screenwriters, including seven Victorians, the opportunity to create dynamic screen stories under the guidance of a world-renowned mentor. Impact Australia is the first venture outside the US for the story development program created by industry powerhouses Brian Grazer, Ron Howard and Tyler Mitchell.

Though the eight-week workshop program is being held online due to coronavirus (COVID-19) travel restrictions, it is hoped that the Pitch Day, where the writers pitch their project to international buyers, producers and showrunners, will be held in Melbourne in 2021.

## SUPPORTING SCREEN CONFERENCES, WORKSHOPS AND EVENTS

### Series Mania Melbourne

Presented by Film Victoria in partnership with ACMI, the third iteration of Series Mania Melbourne drew 100 local and international television writers, producers, executives and commissioners to Melbourne for a full-day industry program. Melissa Rosenberg (*Jessica Jones*, *Dexter*, *Red Widow*) spoke with author and screenwriter Benjamin Law while David Mandel (*Veep*, *Seinfeld*, *Curb Your Enthusiasm*) joined live from Los Angeles. Rounding out the day were discussions covering fiction trends and financing short form, as well as an exclusive first look at Blackfella Films' *Total Control* and Melbourne-filmed SBS series *Hungry Ghosts*.

### Melbourne International Film Festival (MIFF)

Each year, with the support of principal partner Film Victoria, MIFF runs an extensive program of industry-focused events in parallel with the popular film festival including the long-standing

and hugely successful 37<sup>th</sup> South Market and Accelerator Lab, a series of skills and craft development workshops for new Australian directing talent. This year Film Victoria supported three Victorian creatives from diverse backgrounds to participate in Accelerator Express, an initiative designed to place the short films of Australia's hottest directing talent of tomorrow in front of key local and international financiers and producers through workshops and networking.

### Screen Forever

Screen Producers Australia's annual conference brings the country's best content makers together with a stellar line-up of guests from around the world for three days of panels, roundtables, workshops and pitching. This year a record 915 screen industry professionals gathered in Melbourne to explore the theme of 'Storytelling in a time of evolution' and hear *Ride Like a Girl* producer and director Rachel Griffiths give an unforgettable Hector Crawford Memorial Lecture.

As principal partner of Screen Forever, Film Victoria facilitated meetings between local producers and commissioning editors from Netflix and provided passes to 17 Victorian early-career producers to enable them to benefit from the networking and professional development opportunities at the conference.

### Australian International Documentary Conference (AIDC)

At the opening of AIDC 2020, Film Victoria CEO Caroline Pitcher announced that Australia's premier event for documentary, factual and unscripted screen content would remain in Victoria for a further three years. The conference has seen a 91 per cent increase in attendance since it moved to Melbourne in 2016. In 2020, a record 789 local and international documentary and factual industry delegates, including 10 early-career delegates supported by Film Victoria, came together for four days of knowledge sharing, networking and deal-making.

AIDC shares Film Victoria's commitment to growing diversity in the screen sector. This year 37 emerging, Indigenous and culturally and linguistically diverse practitioners were introduced to the sector, and 55 people participated in the Indigenous Creators Program, designed to provide information and skills around pitching, storytelling, funding, legal and distribution.

28

Practitioners were supported to undertake attachments or placements on a film or television production

6

Emerging VFX artists were supported to undertake a placement at world-renowned Melbourne studios Luma Pictures or Method Studios

30

Practitioners were supported to attend Melbourne-held industry conferences, events and workshops

10

Emerging Victorian practitioners were supported to access Charlie's in Los Angeles, a co-working space managed by Australians in Film

## GROWING NEXT-GEN DIGITAL CREATORS

In partnership with the Department of Jobs, Precincts and Regions, Creative Victoria and the Victorian Music Development Office, Film Victoria supported the extension of Victoria's Digital Creator Program. Delivered by Changer Studios in partnership with YouTube, 850 creators attended 13 workshops across the state in 2019. In 2020, the program switched to online delivery and included an Accelerator stream for 12 Victorian creators who have 100,000+ YouTube subscribers. Almost mid-way through the 2020 program, close to 300 people had attended six workshops on topics including building subscribers and how to earn revenue on YouTube.

## SUPPORTING EARLY- TO MID-CAREER SKILLS DEVELOPMENT

### Training Programs and Workshops

This year Film Victoria funded a range of initiatives for emerging creators. These included Australian Film Television and Radio School's (AFTRS) Make-It, a one-day conference at which 113 early-career practitioners gained practical advice for surviving and thriving in the screen industry from more than 75 local creatives; and Plot Twist, which saw 11 writers attend a two-day Writing for Narrative Games workshop and 10 writers attend a two-day Introduction to VR Production workshop. Film Victoria also funded Running Free Live, a series of online events with screen industry experts discussing topical issues and sharing knowledge and advice, delivered by Media Mentors in partnership with ACMI.

### Placements and Attachments

Film Victoria's Key Talent Placements and Professional Attachments programs offer targeted, paid opportunities for early- to mid-career screen practitioners.

The Key Talent Placements program supports skills development for producers, writers and directors, while the Professional Attachments program supports film and television practitioners in technical, below the line roles across a range of departments such as camera, animation, wardrobe and production office. Both programs give the practitioners significant hands-on learning opportunities alongside experienced creatives and crew on a production or in a business.

In 2019/20 Film Victoria supported 45 people to undertake an attachment, placement or internship on productions or with a company, across games, film and television. The number of opportunities available this year was reduced as productions were postponed due to coronavirus (COVID-19).

Two Indigenous games practitioners undertook placements at DragonBear, the indie studio behind Film Victoria-supported game *Innchanted*. Animator Aiden Cassidy was able to join BES Animation for a seven-week virtual animation attachment as the Melbourne studio continued work on the third season of its popular children's series *Kitty is Not a Cat* during the pandemic, by switching their workforce to working remotely.

### Supporting Attendance at Festivals and Events

Film Victoria supported 48 film, television and games practitioners to attend international events, festivals and conferences and present their work on the world stage, before the program was suspended due to coronavirus (COVID-19) travel restrictions.

Natalie Erika James presented her feature directorial debut *Relic* at its world premiere at the Sundance Film Festival, while two of the short documentaries funded by Film Victoria through the Treaty initiative screened at the world's largest Indigenous Film Festival, ImagineNATIVE, in Toronto, with Paul Gorrie, Daniel King, Damienne Pradier and Tarneen Onus Williams supported by Film Victoria to attend.



## Case Study

### Sarah Freeman

LUCKYCHAP ENTERTAINMENT  
PRODUCER PLACEMENT

*"During my time in Los Angeles, at the centre of the film and television industry and with the incredible work and reputation of LuckyChap, I gained what I had hoped for with this placement: a wealth of knowledge, connections and future possibilities for projects and employment. This opportunity was an incredible next step in the development of my career as a creative producer."*

Sarah Freeman

#### THE OPPORTUNITY

Talented young Victorian producer Sarah Freeman received a career-boosting opportunity with the support of Film Victoria and award-winning production company LuckyChap Entertainment.

LuckyChap Entertainment was founded in 2014 by Margot Robbie, Tom Ackerley, Sophia Kerr and Josey McNamara, with a mandate to tell women's stories on screen and support women creators behind the scenes. Their first release was the award-winning feature *I, Tonya*, starring Robbie as Tonya Harding. In late 2017, the company expanded its business with a television division and currently has an impressive slate of projects in various stages of development and a first look production deal with Warner Bros. Studios.

A graduate of Swinburne's Film and Television School in Melbourne, Sarah started her career in television commercial production while also producing short form content. A move to Matchbox

Pictures to work alongside executive producer Tony Ayres (*The Slap*, *Nowhere Boys*) led to roles as an associate producer on the first two series of *Mustangs FC*.

Sarah began her six-month placement at LuckyChap Entertainment in Los Angeles in February 2019, reading script submissions and drafts of projects on their slate and giving script notes and feedback, as well as contributing to the development of their Australian projects and connecting them to filmmakers back home.

She also compiled director, writer and cast lists for consideration, coordinated with agents and managers, and attended pitch sessions, all while gaining invaluable insights into the US film industry and a greater knowledge of how to finance and pitch series and films.

#### THE FUNDING

Film Victoria supported Sarah's placement at LuckyChap Entertainment through its Key Talent Company Placements program.

#### THE IMPACT

Sarah's career goal is to continue producing television and film, internationally and locally, working to grow her slate and teaming up with talented people to create meaningful and inclusive stories. Following her return from Los Angeles, she is independently producing her own comedy series, *Why Are You Like This*, for ABC and Netflix.

# Fostering and Strengthening Diversity

52%

Of producers, 44% of directors and 51% of writers on film, television and documentary projects supported by Film Victoria identified as women

79%

Of placements and 74 per cent of attachments on film and television productions were undertaken by practitioners who identify as women

22%

Of creatives working on Film Victoria-supported games projects identify as women, up from the baseline of 2% in 2014-2016

## OVERVIEW

Film Victoria is committed to promoting, supporting and championing equality, diversity and inclusiveness within the screen sector and through its own programs.

Film Victoria has consulted with industry members and organisations to develop a Diversity and Inclusion Strategy which will be released in 2020/21. The strategy builds on Film Victoria's progress in addressing gender imbalance to deliver measurable improvements in diversity across decision-making roles within the screen industry. It also expands on the existing work that has seen Film Victoria's commitment to diversity incorporated into all assessment criteria and the removal of traditional barriers, including screen credit requirements, from the general development program.

## INCREASING GENDER EQUALITY

### Supporting Women in Film and Television

This year 50 per cent of the writers, directors and producers on film, television and documentary projects supported by Film Victoria's development and production investment identified as women.

This figure is an increase from Film Victoria's baseline of 36 per cent (which represents averages from 2014-2016) and meets the organisation's target of 50 per cent by 2020. Encouragingly, 52 per cent of producers and 51 per cent of writers on Film Victoria-supported projects identify as women, while the number of female directors has significantly increased, from 27 per cent in 2014-2016 to 44 per cent in 2019/20.

### Fostering Female Leadership in the Screen Industry

In recognition of the need to see more women in leadership positions in the screen industry, Film Victoria supported the Brilliant Careers Leadership Forum. Presented by the Natalie Miller Fellowship, the one-day forum brought close to 200 women from across the screen industry together to hear from Richmond Football Club President Peggy O'Neal AO, attend sessions on navigating leadership and forge new connections within the industry.

## Championing Inclusion in the Games Sector

Over 150 games developers attended Film Victoria's Game for Change lunch during Melbourne International Games Week. The event was attended by many participants from the Film Victoria-supported Girl Geek Academy Games Career Incubator, a mentoring, networking and practical training initiative designed to address the unique challenges women and non-binary games practitioners face as they move through the early stages of their careers in games.

## CREATING PATHWAYS FOR DIVERSE TALENT

Davey Thompson and Nikki Tran embarked on a career-changing 12 months as the recipients of the inaugural Victorian Screen Development Internships, which are designed to fast-track the careers of creatives from diverse and traditionally under-represented backgrounds in the screen industry. Davey and Nikki are well into their year-long internships during which they will follow the full lifecycle of developing content at Film Victoria, the ABC, Princess Pictures and Matchbox Pictures.

This year 34 emerging filmmakers from Melbourne's west participated in Behind the Screens at the Footscray Community Arts Centre. Supported by Film Victoria, the program works to create tangible access to pathways and opportunities for diverse voices through a day of workshops and activities, plus access to a year-long mentoring network.

Film Victoria has partnered with Screen Australia on No Ordinary Black, a short film development and production initiative designed to bring thought-provoking First Nations stories, authored and crafted by First Nations peoples, to the screen in 2020.

Victorian Sam Paynter, whose writing credits include children's series *Little J & Big Cuz*, was selected as one of 10 participants in Screen Australia's Indigenous Producer Program, supported by Film Victoria, which aims to develop emerging Indigenous creative producers within the industry.





## Case Study

### Little J & Big Cuz Series 3

NED LANDER MEDIA

*"To create a story-world that will resonate for Aboriginal kids and engage a broader audience, talented Indigenous writers from all over Australia have, for the first time, turned their hand to children's animation. The result is a series that offers a proud and positive view of Aboriginal Australia, and the opportunities for learning within it."*

Ned Lander, Producer

#### THE PRODUCTION

Upon the release of the first series on NITV in 2017, *Little J & Big Cuz* broke new ground as the first animated children's show to feature Indigenous characters and stories. Series 3 saw the production continue to grow and reach new audiences through SBS as well as NITV.

Developed by Ned Lander Media, a production company which promotes diversity as at the core of their business, *Little J & Big Cuz* highlights diversity both on the screen and behind the camera.

Film Victoria supported an 11-week animation attachment for Indigenous animator Jordyn Nolan on series 2 through its Professional Attachments program, and she is now employed as an animator on series 3.

The story focuses on two Indigenous Australian cousins living with their Nanna and Old Dog exploring culture, community and country, and features

the vocal talents of Deborah Mailman, Miranda Tapsell and Aaron Fa'aoso.

The strength of the production lies in its ability to appeal to children all across Australia through a world that is crafted and created by Indigenous talent, writers and animators.

#### THE FUNDING

Film Victoria supported series 3 of *Little J & Big Cuz* from development to production through its Fiction Development On Demand and Assigned Production Investment - Film and Television programs.

#### THE OUTCOME

*Little J & Big Cuz* demonstrates that diverse, original stories can lead to the creation of outstanding content and highlights the importance of seeing Indigenous stories on Australian screens.

The production has been widely recognised, receiving the inaugural Screen Diversity and Inclusion Network (SDIN) Award and a Logie Award for Most Outstanding Children's Program in 2019.

Episodes have now been produced in local Indigenous languages for communities across Australia.

#### THE IMPACT

Production expenditure in Victoria	\$2m
Employment opportunities generated	39
Direct full-time equivalent (FTE) jobs generated	14

*Note: These are estimated figures as the project has not yet concluded reporting.*





# Strategic Priority Two

## Promote screen culture

This strategic priority allows Victorian, Australian and international audiences to access and engage with the quality screen content that is produced in Victoria. It also enables local audiences to engage with culturally diverse screen content from around the world.

### STRATEGIES

- Strengthen Victoria's reputation as a vibrant hub for screen activity and culture.



# Promoting Screen Culture

**\$2.6m**

Committed in total to supporting 15 festivals and screening programs

**701,256**

People participated in festivals and screening programs supported by Film Victoria

**413,712**

People attended festivals supported by Film Victoria

**9,357**

People attended a regional film festival supported by Film Victoria

## OVERVIEW

Film Victoria continues to deliver on its commitment to enhance Victoria's reputation as a vibrant hub for screen activity and culture by providing opportunities for audiences across the state to experience both locally made content and culturally diverse stories from around the globe.

In 2019/20 many Film Victoria-supported festivals were impacted by coronavirus (COVID-19) and adeptly switched to online formats or were postponed in anticipation of being able to stage the festival at a later date.

## KEY FESTIVALS

**Melbourne International Film Festival (MIFF)** - over 191,000 people enjoyed a program of over 370 films from 78 countries in 64 languages, including Film Victoria-supported projects *The Australian Dream*, which was met by a standing ovation on opening night from the 2,000 strong audience, *Buoyancy*, *Measure for Measure*, *Suzi Q* and *The Leunig Fragments*.

**Indian Film Festival of Melbourne (IFFM)** - this year IFFM brought over 45,000 people together for a 12-day celebration of film, dance, community and culture, and reached 269 million people worldwide via social media thanks to India's biggest film star and special guest of the festival, Shah Rukh Khan. At the 2020 Awards Night, Film Victoria CEO Caroline Pitcher presented filmmaker Onir with the Diversity Award, in recognition of his work championing diversity and inclusion in cinema.

**Series Mania Melbourne** - this festival of the latest local and international television attracted 685 fans who were able to watch exclusive Australian and international television premieres including the world premiere of *The Hunting*, starring Asher Keddie and Richard Roxburgh.

**Melbourne Women in Film Festival (MWFF)** - MWFF's theme of 'Stories in Colour' showcased a strong program of stories by female filmmakers of colour with highlights including panel discussions on current representation on- and off-screen.

**Melbourne Queer Film Festival (MQFF)** - celebrating its landmark 30th anniversary, MQFF was only a few days into its biggest ever program of queer cinema from around the globe when it was postponed due to coronavirus (COVID-19). The festival adapted quickly, launching initiatives such as the Couch Critic Competition to engage and connect their loyal community, with a continuation of the festival to be held online in late 2020.

**Humankind** - the Human Rights Arts and Film Festival reimaged their program for 2020 to produce an online festival. Renamed Humankind, the festival screened seven features over seven days, including the Film Victoria-supported documentary *No Time for Quiet*.

## REACHING REGIONAL AUDIENCES

Film Victoria supported five regional film festivals in 2019/20. Due to inclement weather, the Peninsula Film Festival, Victoria's largest outdoor film festival, had to move indoors. With the help of local businesses and sponsors, the festival screened a revised program to 700 guests in the Peninsula Cinema in Rosebud.

Due to the impact of coronavirus (COVID-19), Shepparton Short Film Festival switched to an online screening program, with 250 people watching an exclusive preview of a locally-made feature as well as a selection of short films from previous festivals, while the Benalla Short Film Festival moved its dates from April to November 2020 in anticipation of being able to stage a cinema-based festival. The Castlemaine Documentary Film Festival was held online in July 2020 with a shorter program of high-quality documentaries and talks.

Film lovers from across regional Victoria were also treated to travelling showcases from two of Victoria's largest film festivals. The St Kilda Film Festival toured to 20 locations throughout regional Victoria, screening a selection of short films to 1,456 people. The 2019 MIFF Travelling Showcase visited eight regional locations, attracting 1,609 audience members.





## Case Study

# St Kilda Film Festival

*"It's a competitive industry. Filmmakers need to avail themselves of every opportunity to get that advantage, to move forward, to be assertive in the marketplace and to be assertive in the industry, to continue to develop their skills and to have their voices heard. The St Kilda Film Festival provides that platform."*

Richard Sowada, Festival Director

### THE FESTIVAL

Presented and produced by the City of Port Phillip, St Kilda Film Festival (SKFF) is Australia's longest running celebration of short film.

Due to coronavirus (COVID-19), the 2020 festival moved entirely online and over nine days screened a strong program including Australia's Top Short Film Competition, 22 curated sessions of Australian short films, including seven Victorian films, and 19 industry development online sessions.

This year, after the impacts of the bushfire season and the cancellation of the physical festival, SKFF introduced the Your Place competition to reinforce their commitment to regional Victorians. The competition encouraged regional filmmakers to get creative while they stayed at home, with 63 short films submitted by filmmakers from across Victoria and 15 selected to screen in the festival.

### THE FUNDING

SKFF received funding as part of Film Victoria's support for screen culture.

### THE OUTCOME

The festival attracted more than 63,600 viewers across nine days, with over 8,500 viewers tuning in for the live opening night celebration, which featured a welcome by Minister for Creative Industries, Martin Foley MP, and the premiere screening of Film Victoria-supported *Fun Times*.

The digital format of the festival allowed viewers from across all of Australia to experience and appreciate the quality and diversity of this year's festival and successfully attracted both new and returning audiences.

On closing night, Film Victoria CEO Caroline Pitcher virtually presented the Film Victoria Regional Award to Michael Jones and Caitlin Farrugia for *Fish and Chips* and the Film Victoria Craft Award to Victorians Michael Shanks, Nicholas

Colla and Chris Hocking for *Rebooted*, which was also awarded Best Animation and Best Achievement in Editing. The award for Best Achievement in Indigenous Filmmaking went to Film Victoria-supported *Out of Range*.

### THE IMPACT

SKFF provides a vital springboard for local filmmakers, giving them the opportunity to tell their own stories and develop their skills. The festival offers a pathway to the global market, with award-winning films from the festival eligible for consideration in the Academy Award® Short Film and Documentary Short Awards. By holding the festival online in 2020, SKFF ensured these opportunities were not lost for Australian filmmakers this year.





# Strategic Priority Three

## Provide effective and efficient services

This third strategic priority underpins the delivery of strategic priorities one and two. Providing effective and efficient services remains a key focus of Film Victoria and reinforces the commitment to maximise the funds available to support the Victorian screen industry.

### STRATEGIES

- Embed continual process and system improvement
- Deliver responsive and relevant programs and services that meet the needs of the Victorian screen industry
- Adhere to government frameworks, policies and processes
- Support staff to perform at their best
- Deliver customised and relevant information to stakeholders.

# Providing Effective and Efficient Services

97%

Of employees said they were proud to work for Film Victoria

41

Productions looking to shoot in Victoria received locations packages and advice from Film Victoria and six inbound visits were hosted

62,745

Film Victoria followers across social media

190,893

Visitors to Film Victoria's website from 192 countries

## OVERVIEW

Film Victoria continues to improve how it delivers its programs to stakeholders to ensure the organisation is maximising its value and impact on the Victorian screen industry, while providing staff with efficiency-enabling technologies and processes and a collaborative and supportive culture.

## BUILDING INFORMATION TECHNOLOGY CAPABILITY

Technology is foremost in enabling Film Victoria to deliver the support it provides to the industry efficiently and effectively. A strategic roadmap has been developed with projects underway across application, infrastructure, integration and delivery of technology services capabilities to support Film Victoria's ongoing business needs.

## STAFF SUPPORT AND PROCESS IMPROVEMENTS

Creating alignment between organisational initiatives and staff contribution is a focus for Film Victoria. Through a new employee performance and development review process introduced in 2019/20, greater meaning for staff has been created with 97 per cent of employees reporting that they understood how their work contributes to the goals of the organisation.

Following the outbreak of coronavirus (COVID-19), and consistent with the advice of the Victorian Government, all Film Victoria employees were directed to work from home in late March 2020. Film Victoria's systems and technology enabled the entire workforce to transition seamlessly to an online workspace based from home, without negative impacts on the services offered or the employment of staff.

## DEFINING THE GROWTH POTENTIAL OF THE VICTORIAN SCREEN INDUSTRY

Film Victoria engaged Olsberg SPI to evaluate the economic impact of Film Victoria's support for the Victorian screen industry across film, television and games over a five-year period. This identified optimal metrics and methods for ongoing measurement of the screen industry's economic impact on Victoria and highlighted the relationship between that economic impact and Film Victoria's initial investment in production. The report also defined the state's screen industry growth potential, with consideration of the factors required to service production activity.

## FOSTERING A FILM-FRIENDLY STATE

This year Film Victoria continued working to foster a film-friendly state and highlight Victoria as a preeminent filming destination to local and international decision-makers. This included over 30 meetings with local councils and agencies, as well as hosting events and set visits with these key stakeholders.

Extensive production liaison assistance was provided to productions, councils and location providers to manage the effects of restrictions on filming due to coronavirus (COVID-19), while a survey of VFX and post-production houses was undertaken to understand the specific impacts on this sector to assist with advocacy.

## SHARING INFORMATION WITH STAKEHOLDERS

Film Victoria creates and shares content about the Victorian screen industry's people, projects and businesses through media and its digital channels. This connects and engages industry and audiences as well as highlighting Film Victoria's funding programs and the outcomes of its support.

This year Film Victoria implemented a robust content strategy, elevating the quality of its content to meaningfully engage online audiences and amplify the achievements and stories of Victoria's screen sector. This strategy has seen the implementation of *Press Play*, a content series profiling Victorian-made content, and *Industry Insider*, an interview series shining a spotlight on screen industry practitioners and their achievements.

Film Victoria has also created a number of short videos to showcase productions and initiatives including the Melbourne locations that doubled for 1920s London in feature film *Miss Fisher and the Crypt of Tears*. The videos garnered over 100,000 views across Film Victoria's digital channels and the channels of Miss Fisher Official, National Trust of Victoria, Visit Werribee and Yarraville's Sun Theatre.









*The Show Must Go On, Film Art Media and Ben Steel Films. Photographer Vicki Jones.*

# Governance and Report of Operations



# Establishment and Function

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

## **Film Act 2001**

The *Film Act 2001* requires Film Victoria 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'.

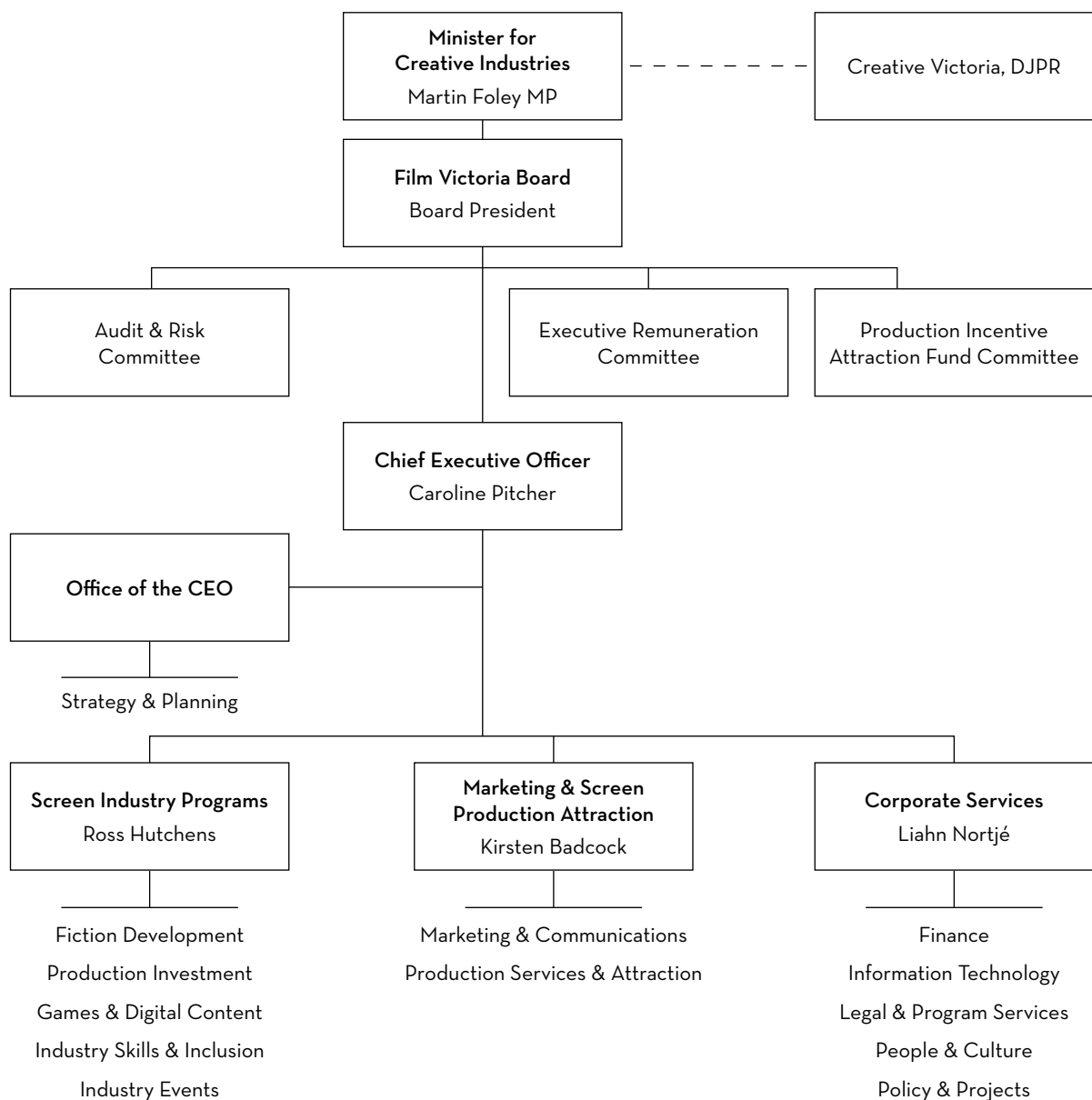
The Act prescribes eight functions for Film Victoria:

- 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.

Film Victoria contributes to the delivery of the Victorian Government's creative industries strategy, Creative State. Film Victoria 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.

# Governance and Organisational Structure

In 2019/20 Film Victoria reported to the Minister for Creative Industries, Martin Foley MP, and worked closely with Creative Victoria in the Department of Jobs, Precincts and Regions (DJPR).



Note: as at 30 June 2020.

# Film Victoria's Board



## Ian Robertson AO President

*Since September 2011*

Ian is a corporate, regulatory and media lawyer and the National Managing Partner of national law firm Holding Redlich. Ian has worked in and for the media and entertainment industries for most of his career, including in the 1980s as in-house counsel for David Syme & Co Limited, publisher of The Age newspaper in Melbourne, and as a senior executive of the video, post-production and facilities company, AAV Australia in South Melbourne. He became a partner of Holding Redlich in Melbourne in 1990 and established the firm's Sydney office in 1994. He is also a director of the ASX-listed production and distribution company, Beyond International Limited. Ian's former appointments include Deputy Chair of the Australian Government screen agency Screen Australia, Board member of the Australian Broadcasting Authority, Director and Chair of Ausfilm, Director and Deputy Chair of Film Australia Limited, and Director of the predecessor agency to Film Victoria, Cinemedia. Ian is also a Fellow of the Australian Institute of Company Directors. He was appointed as an Officer in the General Division of the Order of Australia on 26 January 2018 for distinguished service to the arts, particularly the Australian film industry and screen production sector, and to the law.



## Mitu Bhowmick Lange

*Since July 2018*

Mitu is Director of Mind Blowing Films, a film production and distribution company that specialises in the distribution of Indian films in Australia, New Zealand and Fiji. It provides local production support to Indian films shot in Australia and New Zealand. Mitu is also Director of Mind Blowing World, an independent film distribution company that specialises in the distribution of quality local content to Australian, New Zealand and Fijian audiences.



## Liz Grainger

*Since September 2019*

A chartered accountant and a graduate member of the Australian Institute of Company Directors, Liz provides independent consultancy services to a wide range of public and not-for-profit organisations in the areas of strategy, governance, and financial management. She has held executive roles at Deloitte in London and in the Federal and Victorian public sectors, including as General Manager Operations/CFO of the National Gallery of Victoria. Liz is a former Board member of Craft Victoria and Arena Theatre Company, and is currently a director of Melbourne Recital Centre and Geografia. She also sits on the Audit and Risk Committee of Victoria Police and was previously an external member of Film Victoria's Audit and Risk Committee.



## Andrea Denholm

*Since July 2018*

An experienced creative and executive producer, Andrea is Head of Development for Tony Ayres Productions, where she collaborates with new talent and established creators. Her credits span over 100 hundred hours of distinctive drama, comedy and documentary content including 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*, ground-breaking Indigenous comedy *8MMM Aboriginal Radio*, and landmark documentary series *Sporting Nation* with John Clarke. Her other producing credits include *Tripping Over*, *SeaChange*, *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.



## Chris Oliver-Taylor

*Since September 2019*

Chris is the CEO Asia Pacific of Fremantle, where he leads development and production in all genres across Australia, New Zealand, India and Indonesia. He sits on the Fremantle Global Board as well as on the boards of Easy Tiger Productions, AFTRS, MediaRING and Screenworks. Chris was previously the Managing Director of NBCUniversal's Matchbox Pictures and Head of Business and Head of Production at the ABC. He is also a former President and Board Director of Screen Producers Australia and a former Board director of Screenrights.





## Kelly Lefever

Since September 2015

Kelly has written, script produced, script edited, story lined and story edited more than 600 hours of television for every free-to-air network in the country. Kelly is the co-creator, script producer and head writer of the multi-award winning SBS mini-series *The Circuit*. Her television credits include *The Code*, *The Doctor Blake Mysteries*, *Mr & Mrs Murder*, *City Homicide*, *Something in the Air* and *Prisoner*. She has received five AWGIE nominations, winning for both *Something in the Air* and *The Circuit*. Kelly is also a highly sought after script editor and developer for feature films, with credits including *The Black Balloon*, *The Merger* and *Roy Hollsdotter Live*. In 2014 she was awarded the Foxtel Fellowship in Recognition of an Outstanding and Significant Body of Work. Kelly is a former Vice President of the Australian Writers' Guild and Chair of the National Screenwriters' Conference Committee.



## Lyn Maddock AM, PSM

Since October 2011

Lyn has more than 25 years of experience as an executive in the public and private sectors, with a background in research and economics. She has worked within the government and media sectors, including with the Australian Communications and Media Authority (ACMA) from 2005 to 2009 and as the interim CEO of Screen Australia in 2008. Lyn has served on various boards including as Deputy/Acting Chair of ACMA and Deputy/Acting Chair of the Australian Broadcasting Authority. From 2009 to 2011, Lyn was Director of the Australian Antarctic Division. Lyn is currently a member of the Australian Press Council.



## Greg McLean

Since September 2018

Australian writer, director and producer Greg McLean's filmmaking career began when he created the horror smash hit *Wolf Creek*, which premiered at the Sundance and Cannes Film Festivals. This was followed by the thriller *Rogue* and *Wolf Creek 2*, the sequel to his breakout film which was selected to screen at the Venice Film Festival. In 2014 Greg directed the supernatural thriller *The Darkness* for Blumhouse Productions. In 2015 he directed *The Belko Experiment* for MGM, followed by *Jungle*, a thriller feature based upon a real-life survival story starring Daniel Radcliffe. In 2016 he was the creator and showrunner of a six-part *Wolf Creek* spin-off series for streaming network Stan, followed by a second season in 2017. In 2019 he directed four episodes of the ABC International TV series *The Gloaming*. Most recently he was set up director for the second season of award-winning series *Bloom*, for Stan and Sony TV.



## Leonie Morgan AM

Since September 2016

Leonie works across the private sector, for government and in the not-for-profit sector in Australia and the Asia Pacific. An experienced Board director and consultant, Leonie's focus is gender equality, mentoring and good governance. She is recognised through the Victorian Women's Honour Roll and nationally through Membership of the Order of Australia for significant services to women, in particular equitable political representation. Leonie holds a Masters of Education, is a director of Holmesglen TAFE Institute and is a former SYN Media Board member.



## Blake Mizzi

Since September 2017

Blake is a director and co-founder of Melbourne-based game development studio, League of Geeks. Blake heads the studio's business unit and the game design department as the studio's Design Director. League of Geeks launched their debut title *Armello* internationally in 2015 to worldwide accolades, and won the 2015 Australian Game of the Year from Kotaku. The company is the anchor tenant in The Arcade, Australia's premiere games industry co-working hub, and was the host studio for the international IGF Awards in 2020. League of Geeks is a very active participant and supporter of the Freeplay Festival, Melbourne International Games Week, Girl Geek Academy and the Games Connect Asia Pacific conference. Blake was a serving Board member of the former Game Developers Association of Australia, shepherding their merger with the Interactive Games and Entertainment Association in 2020. Prior to League of Geeks, Blake held design roles across a number of Melbourne games studios, as well as working in marketing, feasibility and planning in property development and in design and construction for a Swiss oil company.

## RETIRED MEMBERS

### Debra Allanson

September 2010 - August 2019

### John Rundell

January 2014 - August 2019

# Committees and Assessment Panels

A list of funding decisions is published on Film Victoria's website on a routine basis. Film Victoria also publishes an annual Disclosure of Payments list on its website on the same day the Annual Report is tabled in parliament.

## BOARD COMMITTEES

Film Victoria currently has three committees that review and assist agency performance and assess funding applications.

Committees are comprised of Board members and external members (where noted).

### Executive Remuneration Committee

The Executive Remuneration Committee's role is to review, approve and/or recommend for Board approval matters relating to the appointment, performance, compensation and remuneration of the CEO and other Executive Officers of Film Victoria. The committee ensures that all Executive Officer employment terms and conditions are compliant with the requirements of the *Public Administration Act 2004* and the Victorian Public Service Executive Remuneration Handbook.

The members of this committee are Ian Robertson (Chair), Andrea Denholm and Leonie Morgan.

The Committee met once in 2019/20.

### Audit and Risk Committee

The Audit and Risk Committee's purpose is to assist Film Victoria achieve its strategic objectives in an efficient and effective manner. The committee achieves this through independently reviewing and assessing the effectiveness of Film Victoria'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.

All four current members are independent: Lyn Maddock (Chair), Blake Mizzi, Liz Grainger (external member until August 2019) and Peter Hourihan (external member from June 2020).

Former members were John Rundell and Debra Allanson (until August 2019).

The committee met on five occasions in 2019/20 and maintains regular communication with the internal and external auditors.

### Production Incentive Attraction Fund Committee

This committee meets regularly to assess and approve applications to the Production Incentive Attraction Fund programs (PIAF and PIAF PDV) and the Regional Location Assistance Fund (RLAF).

The members of the PIAF Committee are Ian Robertson (Chair), Lyn Maddock, Leonie Morgan (from December 2019), Debra Allanson (external member from October 2019), David Hanna (external member), CEO, Head of Corporate Services, Head of Screen Industry Programs and a Film Victoria legal representative (voting member in the absence of CEO, Head of Corporate Services or Head of Screen Industry Programs). When considering applications there must be four voting members, two of whom must be Board members.

The Head of Marketing and Screen Production Attraction and Manager - Production Attraction and Support are non-voting members of the Committee.

The committee met on 11 occasions in 2019/20 and approved 20 from a total of 22 applications.

### Evaluation and Advisory Committee (until 19 September 2019)

The Evaluation and Advisory Committee considered applications to the Assigned Production Investment - Film and Television program, providing recommendations to the Board.

The committee consisted of the Film Victoria CEO, two Board members, and a number of film and television practitioners. A minimum of five members were convened from the CEO (Chair), Kelly Lefever, Andrea Denholm, Debra Allanson and Greg McLean, and external members Imogen Banks, Chris Corbett, Clea Frost, Alan Hardy, Amanda Higgs, Stephen Luby, Stuart Menzies, Sonya Pemberton and Sarah Shaw.

Between 1 July and 19 September, the Evaluation and Advisory Committee met on two occasions and recommended 15 from a total of 18 applications.

After 19 September, the committee was replaced with an Assessor Pool of industry specialists that can be called upon to assess Assigned Production Investment and other Film Victoria programs.

## EXTERNAL ASSESSOR POOL

Film Victoria engages screen industry experts to assess funding applications for development and production and make recommendations for funding to our Heads of Division, CEO or Board for final approval (subject to delegated financial approvals).

Film Victoria staff and Board members Blake Mizzi, Greg McLean and Kelly Lefever work with our current external assessors on development and production assessment.

### External Assessor Pool members in 2019/20

George Adams	Ranald Allan	Britt Arthur
Joshua Boggs	Philippa Campey	Corrie Chen
Alayna Cole	Beck Cole	Elizabeth Coleman
Laura Crawford	Cherie Davidson	Isaac Elliot
Liam Esler	Leah Estrin	Lexa Francis
Beth Frey	Clea Frost	Veronica Gleeson
David Hannam	Alan Hardy	Amanda Higgs
John Hughes	Jason Imms	Kate Inabinet
Emma Jensen	Rae Johnston	Lisy Kane
Stuart Menzies	Nick Musgrove	Meg O'Connell
David Parkin	Sarah Shaw	Andy Sum
Michelle Turnure-Salleo		Brian Udovich
Paul Walton	Joanna Werner	

Staff members who participated in the assessment and/or approval of applications across all funding programs in 2019/20 were:

- CEO, Caroline Pitcher
- Head of Corporate Services, Liahn Nortjé
- Head of Marketing and Screen Production Attraction, Kirsten Badcock
- Head of Screen Industry Programs, Ross Hutchens
- Games and Digital Content Officer, Meredith Hall
- Industry Programs Coordinator, Madeline Getson
- Industry Programs Officer (Acting), Heather Scott (from 17 February to 15 May 2020)
- Industry Skills and Inclusion Manager, Jana Blair
- Manager – Fiction Development, Katherine Slattery
- Manager – Games and Digital Content, Liam Routt
- Manager – Production Attraction and Support, Joe Brinkmann
- Manager – Production Investment, Alicia Brown
- Production Executive, Andrew Wiseman
- Production Executive, Tamasin Simpkin (from 21 January 2020)
- Talent and Skills Coordinator, Chris Barker.

## Applications Assessed and Approved by Program

Program	Applications Received	Applications Approved
Assigned Production Investment – Film & TV	61	42
Assigned Production Investment – Games	44	21
Audience Engagement	9	9
Games Company Placements	11	6
Games Release	18	9
Industry Development	18	11
International Travel - Business	47	28
International Travel - Festivals	22	17
Key Talent Company Placements	6	5
Key Talent Placements Register	104	61
Key Talent Production Placements	9	9
On Demand Documentary	16	12
On Demand Fiction	42	15
Professional Attachments*	20	20
Professional Attachments Register	88	74
Project Development Documentary	44	12
Project Development Fiction	115	9

\*Does not include shortlisted candidates

Initiative	Applications Received	Applications Approved
AIDC passes	11	10
Film Victoria/Stan Comedy initiative	226	n/a*
Pitch to Pilot	48	4
Screen Forever passes	49	17
Special initiatives	4	4

\*Funding decision for this initiative will occur in 2020/21



# Overview of Financial Performance and Position During 2019/20

## Five Year Financial Summary

	30-Jun-20 \$'000	30-Jun-19 \$'000	30-Jun-18 \$'000	30-Jun-17 \$'000	30-Jun-16 \$'000
Income from the Victorian Government	31,598	29,474	26,148	30,301	25,373
Other revenue	527	935	789	994	1,116
Program costs	(23,298)	(24,075)	(24,945)	(21,004)	(18,274)
Operating expenses	(7,477)	(7,166)	(6,799)	(6,650)	(6,727)
Other economic flows	(9)	(18)	-	10	(5)
<b>Comprehensive result</b>	<b>1,341</b>	<b>(850)</b>	<b>(4,807)</b>	<b>3,651</b>	<b>1,483</b>
Total assets	26,653	23,814	24,677	29,680	26,065
Total liabilities	(2,837)	(1,339)	(1,352)	(1,548)	(1,584)
<b>Net worth</b>	<b>23,816</b>	<b>22,475</b>	<b>23,325</b>	<b>28,132</b>	<b>24,481</b>
Net cash inflow/(outflow)	1,732	(500)	(4,265)	4,115	1,006

## Income from the Victorian Government

Film Victoria is predominantly funded by the Victorian Government. Of the total \$31.6 million funding package from government to Film Victoria in 2019/20, \$12.9 million related to recurrent annual funding and the remainder related to funding for specific initiatives and events plus additional funds secured for attracting high-value footloose projects to Victoria.

## Program Costs

Program costs are payments made to approved funding recipients of Film Victoria's programs and initiatives. A total amount of \$23.3 million was expended on projects in 2019/20.

Program costs are recognised when commitments become payable, i.e. when contracts are executed and recipients satisfy certain conditions. This results in a timing difference between the financial year the funding is received as income and expensed as program costs. Accordingly, during any financial year there may also be additional program expenditure commitments made that are partly or wholly disbursed using funds received in previous years.

## Operating Expenses

The majority of operating expenses are employment related. Film Victoria maintains its workforce (excluding industry interns) below 38 FTE. Increases in employment costs are driven mostly by annual CPI and progression increases as per the *Film Victoria Enterprise Agreement 2016*. Costs incurred to undertake a study of the Victorian games sector and to develop a Diversity and Inclusion Strategy have also contributed to the increase in operating expenses over the previous year.

## Comprehensive Result

The timing factor of the recognition of program related costs is a large contributor to fluctuations in the results across the five-year period. The current year surplus is attributed to the coronavirus (COVID-19) pandemic delaying many productions which has in turn reduced the level of program expenses. Reserves have been utilised to fund prior year deficits.

## Balance Sheet

Assets are largely comprised of cash and cash equivalents and property, plant and equipment, including right-of-use assets, recognised for the first time with effect from 1 July 2019.

Cash holdings are committed against contracted program payments that remain undisbursed and unrecognised as liabilities due to contracted milestones or deliverables being outstanding (commitments are detailed in Note 6.2 of the Financial Statements).

Significant liabilities relate to the lease liability for office accommodation and employee benefits provisions.

## Net Cash Flow

Cash flows are affected by the timing of program related payments. The cash inflow in the current year reflects the surplus for the year.

## Subsequent Events

Coronavirus (COVID-19) has not materially impacted on the judgements, estimates and assumptions made about the financial information presented. Film Victoria is not aware of any other material events after the balance sheet date which would affect the financial information.

# Employment Related Disclosures

## Occupational Health and Safety

Film Victoria's Occupational Health and Safety (OH&S) policy outlines its commitment to, where practicable, ensure the workplace is safe and without risk to the health, safety and wellbeing of all staff members and visitors. A safety team - comprising health and safety representatives (HSR), building wardens and first aid officers - is part of a system of safe work and is critical to Film Victoria meeting its responsibilities under the *Occupational Health and Safety Act (2004)*. The OH&S Committee, which has employee representation from management and staff, met on a quarterly basis throughout the year. Scheduled workplace inspections were conducted by employee health and safety representatives with results reviewed by the OH&S Committee.

## Incident Management

Film Victoria continues to maintain a workplace with a low rate of accidents, incidents and hazards. There were two reports received in 2019/20, where minor injuries were reported. There were no significant or high-risk accidents, incidents or hazards reported during 2019/20. No claims were made for either medical expenses or for lost time injury.

Measure	KPI	2019/20	2018/19	2017/18
Incidents	Number of reported incidents	2	-	1
Claims	Number of standard claims	-	-	-
	Number of lost time claims	-	-	-
	Number of claims exceeding 13 weeks	-	-	-
Fatalities	Number of fatality claims	-	-	-
Claims cost	Average cost per standard claim (\$)	-	-	-
Return to work	Percentage of claims with a return to work plan (<30 days)	-	-	-
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	4	4
	Percentage of internal audits/inspections conducted as planned	100%	100%	-
	Percentage of reported incidents investigated	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%	-
	– HSR provisional improvement notices	-	-	-
	– WorkSafe notices	-	-	-

## Employment and Conduct Principles

Film Victoria continues its commitment to applying merit and equity principles when appointing staff. The selection processes ensure applicants are assessed and evaluated fairly and equitably on the basis of key selection criteria and other accountabilities without discrimination. Employees have been correctly classified in workforce data collections.

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. Film Victoria's enterprise agreement, as well as 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 Film Victoria deals with misconduct. The *Film Act 2007* also provides guidance for the Board, its executive and other staff on conflict of interest issues.

Film Victoria'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 has been introduced which covers topics such as workplace bullying, equal opportunity and discrimination.

## Industrial Disputes

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

No days were lost in the year as a result of an industrial dispute.

## Workforce Data

Table 1 discloses the full-time staff equivalent trends for Film Victoria for the period 2016 to 2020.

Table 1: Full-time equivalent (FTE) staff at reporting date

2020	2019	2018	2017	2016
38.6*	36.5^	35.6	34.1	36.6

\*Includes two industry interns (funded by Key Talent ABC) and three part-time vocational interns (fixed term)

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

Table 2 discloses the headcount and full-time staff equivalent of all active employees of Film Victoria employed in the last full pay period in June of the relevant reporting period.

Table 2: Details of employment levels in June 2020 and 2019

		June 2020						
		All Employees			Ongoing		Fixed Term and Casual	
		Headcount	FTE	Full-time (Headcount)	Part-time (Headcount)	FTE	Headcount	FTE
Demographic	<b>Gender</b>							
	Female	28	24.7	13	6	17.1	9	7.6
	Male	15	13.9	9	1	9.8	5	4.1
	Self-described	-	-	-	-	-	-	-
	<b>Age</b>							
	15-24	4	2.5	1	-	1.0	3	1.5
	25-34	10	9.6	6	1	6.6	3	3.0
	35-44	17	15.9	9	3	10.9	5	5.0
	45-54	10	8.6	5	3	7.4	2	1.2
	55-64	2	2.0	1	-	1.0	1	1.0
	65+	-	-	-	-	-	-	-
Classification	<b>Grade</b>							
	VPS 2	5	3.5	-	-	-	5	3.5
	VPS 3	7	6.6	5	1	5.6	1	1.0
	VPS 4	12	10.9	8	3	9.9	1	1.0
	VPS 5	9	8.0	3	1	3.8	5	4.2
	VPS 6	6	5.6	2	2	3.6	2	2.0
	Executives	4	4.0	4	-	4.0	-	-
<b>Total Employees</b>		<b>43</b>	<b>38.6</b>	<b>22</b>	<b>7</b>	<b>26.9</b>	<b>14</b>	<b>11.7</b>



June 2019

		All Employees		Ongoing		Fixed Term and Casual		
		Headcount	FTE	Full-time (Headcount)	Part-time (Headcount)	FTE	Headcount	FTE
Demographic	Gender							
	Female	29	23.9	15	4	16.0	10	7.9
	Male	14	12.6	7	3	9.0	4	3.6
	Self-described	-	-	-	-	-	-	-
	Age							
	15-24	3	2.3	1	-	1.0	2	1.3
	25-34	7	7.0	4	-	4.0	3	3.0
	35-44	19	14.6	10	4	10.6	5	4.0
	45-54	10	8.6	5	3	7.4	2	1.2
	55-64	4	4.0	2	-	2.0	2	2.0
	65+	-	-	-	-	-	-	-
Classification	Grade							
	VPS 2	2	1.3	-	-	-	2	1.3
	VPS 3	10	8.4	5	2	6.4	3	3.0
	VPS 4	12	8.4	7	2	6.4	3	2.0
	VPS 5	10	9.0	4	1	4.8	5	4.2
	VPS 6	5	4.4	2	2	3.4	1	1.0
	Executives	4	4.0	4	-	4.0	-	-
Total Employees		43	36.5	22	7	25	14	11.5

### Executive Officer Data

For Film Victoria, an Executive Officer (EO) 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 and corresponding previous reporting year.

Table 3: Total number of Executive Officers for Film Victoria in June 2020, by gender

Classification	All		Women		Men		Self-described	
	Number	Variance	Number	Variance	Number	Variance	Number	Variance
EO-1	-	-	-	-	-	-	-	-
EO-2	1	-	1	-	-	-	-	-
EO-3	3	-	1	-	2	-	-	-
Total	4	-	2	-	2	-	-	-

# Other Disclosures

## Performance Against Output Performance Measures

Film Victoria reports to government on two budgetary and performance outputs with associated targets. Results for the 2019/20 reporting period are below.

There were major factors affecting performance and the achievement of objectives in 2019/20.

Performance Indicator	2018/19 Actual	2019/20 Target	2019/20 Actual	2019/20 Variance
Value of film, television and digital media production supported by Film Victoria	\$251m	\$161m	\$157m	-2.5%
Additional employment from production supported by Film Victoria	8,347	6,740	4,140*	-39.0%

\*Coronavirus (COVID-19) had a severe impact on film and television productions in the second half of the financial year. A number of projects were forced to halt production and others were unable to commence, affecting employment and production expenditures across the sector.

## Consultancies Over \$10,000

In 2019/20 there were five consultancies where the total fees payable to the consultant were \$10,000 or greater. The total expenditure incurred during 2019/20 in relation to these consultancies was \$498,424 (excluding GST).

Consultant	Purpose of Consultancy	Start Date	End Date	Total Approved Project Fee (\$)	Expenditure 2019/20 (\$)	Future Expenditure (\$)
Queensland University of Technology	Games sector research	Jun-19	Dec-19	97,050	97,050	-
NTT Australia Digital Pty Ltd	Technology review and strategy development	Aug-19	Nov-19	86,500	86,500	-
PricewaterhouseCoopers	Diversity and Inclusion Strategy	Sep-19	Feb-20	79,820	79,474	-
Olsberg SPI Limited	Economic impact measurement report	Sep-19	Jan-20	85,400	85,400	-
Cube Group Management Consulting Pty Ltd	Business case and screen strategy	Oct-19	Jan-20	150,000	150,000	-

## Consultancies Under \$10,000

In 2019/20 Film Victoria did not engage any consultancies where the total fees payable to the consultants were less than \$10,000.

## Government Advertising Expenditure

Film Victoria's expenditure on government advertising in the 2019/20 reporting period did not exceed \$100,000.

### Information and Communications Technology (ICT) Expenditure

For the 2019/20 reporting period, Film Victoria had a total ICT expenditure of \$900,000 (excluding GST), with the details shown below.

ICT Expenditure 2019/20	Expenditure (\$)
<b>Operational expenditure</b>	
Business as usual	590,000
Non-business as usual	260,000
<b>Total ICT operating expenditure</b>	<b>850,000</b>
<b>Capital expenditure</b>	
Business as usual	50,000
Non-business as usual	-
<b>Total ICT capital expenditure</b>	<b>50,000</b>

ICT expenditure refers to Film Victoria's costs in providing business-enabling ICT services within the current reporting period. Non-business as usual ICT expenditure relates to extending or enhancing Film Victoria's current ICT capabilities. Business as usual ICT expenditure is all remaining ICT expenditure, which primarily relates to ongoing activities to operate and maintain the current ICT capability.

Employment costs are included in the above table.

### Local Jobs First

The *Local Jobs First Act 2003* introduced in August 2018 brings together the Victorian Industry Participation Policy (VIPP) and Major Project Skills Guarantee (MPSG) policy 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 statewide projects, or \$1 million or more for projects in regional Victoria.

Film Victoria entered into a contract for one grant to which Local Jobs First applied during the reporting period. This grant was provided on the basis of local expenditure in Victoria.

### Office Based Environmental Impacts

Film Victoria 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, Film Victoria encourages recycling, uses recycled or carbon neutral paper, and uses a timer to automatically switch off lights and heating/cooling during evenings and weekends.

Indicator	2019/20	2018/19
Total units of copy paper purchased (reams)	100	145
Percentage of purchased reams that were either 100% recycled content or carbon natural (%)*	100	97
Average daily energy usage (kWh)	154.7	163.3
Average quarterly greenhouse gas emissions (tonnes)	15.4	16.1
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. 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.

Film Victoria continues to apply the competitive neutrality principles in its business undertakings.

### Building Act 1993

Film Victoria 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***

The *Freedom of Information Act 1982* allows the public a right of access to documents held by Film Victoria. The purpose of the Act is to extend as far as possible the right of the community to access information held by government departments, local councils, Ministers and other bodies subject to the Act.

An applicant has a right to apply for access to documents held by Film Victoria.

The Act allows Film Victoria to refuse access, either fully or partially, to certain documents or information. Examples of documents that may not be accessed include cabinet documents, some internal working documents, law enforcement documents, documents covered by legal professional privilege (such as legal advice), personal information about other people, and information provided to Film Victoria in confidence.

From 1 September 2017, the Act was amended to reduce the Freedom of Information (FOI) processing time for requests received from 45 to 30 days. However, when external consultation is required, the processing time automatically reverts to 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.

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

#### **Making a Request**

Access to documents may be obtained through written request to the FOI Officer at Film Victoria, as detailed in section 17 of the Act. When making an FOI request, applicants should ensure requests are in writing, and clearly identify what types of material/documents are being sought and are accompanied by the statutory fee. Access charges may also be payable if the document pool is large, and the search for material is time-consuming.

Requests for documents in the possession of Film Victoria can be emailed to [foi@film.vic.gov.au](mailto:foi@film.vic.gov.au) or sent via mail to:

Freedom of Information Officer  
Film Victoria  
Level 3, 55 Collins Street  
Melbourne Victoria 3000

#### **FOI Applications**

During 2019/20 Film Victoria did not receive any FOI requests.

#### **Further Information**

Further information regarding the operation and scope of FOI can be obtained from the Act, regulations made under the Act and [www.foi.vic.gov.au](http://www.foi.vic.gov.au).

### ***Public Interest Disclosures Act 2012***

The *Public Interest Disclosures Act 2012 (Vic)* 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.

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

Film Victoria 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.

Film Victoria 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 Film Victoria's services. As an employer, Film Victoria 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 Film Victoria or its employees is the Independent Broad-based Anti-corruption Commission (IBAC).

The Independent Broad-based Anti-corruption Commission Victoria  
Level 1, North Tower 459 Collins Street  
Melbourne Victoria 3000

Phone: 1300 735 135  
Mail: IBAC, GPO Box 24234,  
Melbourne Victoria 3001  
[www.ibac.vic.gov.au](http://www.ibac.vic.gov.au)

#### **Further Information**

Film Victoria has a policy for the reporting of disclosures of improper conduct or detrimental action and the protection of persons from detrimental action in reprisal for making a protected disclosure about Film Victoria or its employees. You can access Film Victoria's policy directly from Film Victoria.

#### **Social Procurement Framework**

Victoria's Social Procurement Framework applies to procurement of all goods, services and construction. The framework enables buyers and suppliers to use the Government's buying power to deliver social, economic and environmental outcomes that benefit the Victorian community, the economy and the environment.

Film Victoria's inaugural social procurement commitment was adopted on 31 March 2020. It prioritises the social procurement objectives of:

- Women's equality and safety
- Sustainable Victorian social enterprises
- Environmentally sustainable business practices.

Film Victoria's procurement procedures and documentation are in the process of being updated to align with these social procurement objectives. These will outline when the framework applies to procurement and how to incorporate social value into procurement processes in order to deliver a positive impact on local communities and our environment.

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

This information is available on request from:

Head of Corporate Services  
Film Victoria  
Level 3, 55 Collins Street  
Melbourne Victoria 3000

## Financial Management Compliance Attestation Statement

I, Ian Robertson, on behalf of the Responsible Body, certify that Film Victoria has no Material Compliance Deficiency with respect to the applicable Standing Directions under the *Financial Management Act 1994* and Instructions.



**Ian Robertson AO**  
President  
Film Victoria  
27 August 2020





*How to Stay Married*, Princess Pictures.



# Financial Statements

## DECLARATION IN THE FINANCIAL STATEMENTS

The attached financial statements for Film Victoria have been prepared in accordance with Direction 5.2 of the Standing Directions of the Assistant Treasurer 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 accompanying notes, presents fairly the financial transactions during the year ended 30 June 2020 and financial position of Film Victoria at 30 June 2020.

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 27 August 2020.



**Ian Robertson AO**  
President  
Film Victoria

Melbourne  
27 August 2020



**Caroline Pitcher**  
Chief Executive Officer  
Film Victoria

Melbourne  
27 August 2020



**Liahn Nortjé**  
Chief Financial Officer  
Film Victoria

Melbourne  
27 August 2020

# COMPREHENSIVE OPERATING STATEMENT

For the financial year ended 30 June 2020

	Notes	2019/20 (\$)	2018/19 (\$)
<b>CONTINUING OPERATIONS</b>			
<b>Income from transactions</b>	<b>2.1</b>		
Income from the Victorian Government	2.2	31,597,797	29,474,000
Interest	2.3	275,847	448,706
Other income	2.4	251,269	485,927
<b>Total income from transactions</b>		<b>32,124,913</b>	<b>30,408,633</b>
<b>Expenses from transactions</b>	<b>3.1</b>		
Program costs	3.2	23,298,315	24,074,824
Employee expenses	3.3	5,034,930	4,919,491
Depreciation	4.2	742,239	225,662
Lease liability interest expense	3.1	59,666	-
Other operating expenses	3.4	1,640,076	2,020,512
<b>Total expenses from transactions</b>		<b>30,775,226</b>	<b>31,240,489</b>
<b>Net result from transactions – net operating balance</b>		<b>1,349,687</b>	<b>(831,856)</b>
<b>Other economic flows included in net result</b>	<b>8.4</b>		
Net gains/(losses) from disposal of property, plant and equipment		-	2,459
Net gains/(losses) from revaluation of long service leave liability		(8,660)	(20,509)
<b>Total other economic flows included in net result</b>		<b>(8,660)</b>	<b>(18,050)</b>
<b>Net result from continuing operations</b>		<b>1,341,027</b>	<b>(849,906)</b>
<b>COMPREHENSIVE RESULT</b>		<b>1,341,027</b>	<b>(849,906)</b>

# BALANCE SHEET

As at 30 June 2020

	Notes	2019/20 (\$)	2018/19 (\$)
<b>ASSETS</b>			
<b>Financial assets</b>			
Cash and cash equivalents	6.1	24,416,315	22,684,689
Receivables	5.1	207,750	178,678
<b>Total financial assets</b>		<b>24,624,065</b>	<b>22,863,367</b>
<b>Non-financial assets</b>			
Property, plant and equipment	4.1	1,951,620	791,596
Prepayments		77,451	159,482
<b>Total non-financial assets</b>		<b>2,029,071</b>	<b>951,078</b>
<b>Total assets</b>		<b>26,653,136</b>	<b>23,814,445</b>
<b>LIABILITIES</b>			
Payables	5.2	312,712	270,287
Employee related provisions	3.3.2	607,368	461,889
Other provisions	5.3	517,492	606,919
Lease liabilities	5.4	1,399,187	-
<b>Total liabilities</b>		<b>2,836,759</b>	<b>1,339,095</b>
<b>Net assets</b>		<b>23,816,377</b>	<b>22,475,350</b>
<b>EQUITY</b>			
Accumulated surplus/(deficit)		(3,931,597)	(5,272,624)
Contributed capital		27,747,974	27,747,974
<b>NET WORTH</b>		<b>23,816,377</b>	<b>22,475,350</b>

## CASH FLOW STATEMENT

For the financial year ended 30 June 2020

	Notes	2019/20 (\$)	2018/19 (\$)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Receipts</b>			
Receipts from the Victorian Government		32,430,837	30,024,500
Receipts from other entities		256,971	534,517
Interest received		275,847	560,899
Goods and services tax received from the ATO (net receipts)		1,540,988	2,058,176
<b>Total receipts</b>		<b>34,504,643</b>	<b>33,178,092</b>
<b>Payments</b>			
Payments to industry applicants		(25,504,555)	(26,376,763)
Payments to suppliers and employees		(6,646,550)	(7,168,174)
Lease liability interest paid		(59,666)	-
<b>Total payments</b>		<b>(32,210,771)</b>	<b>(33,544,937)</b>
<b>Net cash flows from operating activities</b>	<b>6.1</b>	<b>2,293,872</b>	<b>(366,845)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchases of non-financial assets		(26,745)	(133,371)
Sales of non-financial assets		2,415	-
<b>Net cash flows from investing activities</b>		<b>(24,330)</b>	<b>(133,371)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Payment of lease liabilities		(537,916)	-
<b>Net cash flows from financing activities</b>		<b>(537,916)</b>	<b>-</b>
Net increase/(decrease) in cash and cash equivalents		1,731,626	(500,216)
Cash and cash equivalents at beginning of the year		22,684,689	23,184,905
<b>CASH AND CASH EQUIVALENTS AT END OF THE YEAR</b>	<b>6.1</b>	<b>24,416,315</b>	<b>22,684,689</b>

## STATEMENT OF CHANGES IN EQUITY

For the financial year ended 30 June 2020

	Accumulated: surplus/(deficit) (\$)	Contributions by owner (\$)	Total (\$)
Balance at 30 June 2018	(4,422,718)	27,747,974	23,325,256
Net result for the year	(849,906)	-	(849,906)
<b>Balance at 30 June 2019</b>	<b>(5,272,624)</b>	<b>27,747,974</b>	<b>22,475,350</b>
Net result for the year	1,341,027	-	1,341,027
<b>Balance at 30 June 2020</b>	<b>(3,931,597)</b>	<b>27,747,974</b>	<b>23,816,377</b>

The 'Financial Statements' should be read in conjunction with the 'Notes to the Financial Statements'.



# Notes to the Financial Statements

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## NOTE 1. ABOUT THIS REPORT

Film Victoria 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 is established under the *Film Act 2001*. Its principal address is Level 3, 55 Collins Street, Melbourne, Victoria 3000.

### 1.1 Basis of preparation

These financial statements cover Film Victoria 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 in preparing these financial statements, 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.

The accounting policies set out in the notes have been applied in preparing the financial statements and comparative information for the year ended 30 June 2020. Where necessary, comparatives have been reclassified and repositioned for consistency with current year disclosures.

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, therefore, do not form part of the income and expenses of Film Victoria.

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. Film Victoria 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	201x/2x

## NOTE 2. FUNDING THE DELIVERY OF SERVICES

Film Victoria is predominantly funded by the Victorian Government. Other income sources include interest earned on cash and cash equivalents, development investment repayments and application fees levied.

### 2.1 Summary of income that funds the delivery of services

	Notes	2019/20 (\$)	2018/19 (\$)
<b>Income from the Victorian Government</b>			
Recurrent funding	2.2	12,948,000	12,948,000
Events and other initiatives	2.2	18,649,797	16,526,000
<b>Total income from the Victorian Government</b>		<b>31,597,797</b>	<b>29,474,000</b>
<b>Interest</b>			
Interest on cash and cash equivalents	2.3	275,847	448,706
<b>Total interest</b>		<b>275,847</b>	<b>448,706</b>
<b>Other income</b>			
Development investment repayments	2.4	194,132	409,375
Application fees	2.4	48,500	62,000
Other revenue		8,637	14,552
<b>Total other income</b>		<b>251,269</b>	<b>485,927</b>
<b>TOTAL INCOME FROM TRANSACTIONS</b>		<b>32,124,913</b>	<b>30,408,633</b>

Income is recognised to the extent it is probable the economic benefits will flow to Film Victoria and the income can be reliably measured at fair value. Where applicable, amounts disclosed as income are net of returns, allowances, duties and taxes.

### 2.2 Income from the Victorian Government

Film Victoria's recurrent funding from the Victorian Government is appropriated to the Department of Jobs, Precincts and Regions (DJPR). This funding is to support Film Victoria's core investment and incentives programs and the day-to-day operational expenses. Recurrent funding is supplemented through funding for major screen events and other initiatives granted by DJPR and Creative Victoria for specific purposes for a set period of time, usually one to four years.

Film Victoria recognises Victorian Government income in accordance with *AASB 1058 Income of Not-for-Profit Entities*, except when there are enforceable and sufficiently specific performance obligations. These are accounted for as revenue from contracts with customers in accordance with *AASB 15 Revenue from Contracts with Customers*. The impact of initially applying AASB 1058 on Film Victoria's revenue is described in Note 8.7.

Income from the Victorian Government without any sufficiently specific performance obligations, or that are not enforceable, is recognised when Film Victoria 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 2020.

Under the previous accounting policy for the year ended 30 June 2019, income from the Victorian Government was recognised when the amount was due and payable to Film Victoria.

### 2.3 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.

### 2.4 Other income

#### *Development investment repayments*

Some development funding (see Note 3.2) is repayable to Film Victoria where the project progresses to production and other criteria are met. Repayments are only recognised as revenue once criteria are met.

#### *Application fees*

Film Victoria charges a nominal flat fee for all funding applications to its Assigned Production Investment programs.



## NOTE 3. HOW COSTS ARE INCURRED

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

### 3.1 Summary of expenses incurred in the delivery of services

	Notes	2019/20 (\$)	2018/19 (\$)
Program costs	3.2	23,298,315	24,074,824
Employee expenses	3.3	5,034,930	4,919,491
Depreciation	4.2	742,239	225,662
Lease liability interest expense	5.4	59,666	-
Other operating expenses	3.4	1,640,076	2,020,512
<b>TOTAL EXPENSES FROM TRANSACTIONS</b>		<b>30,775,226</b>	<b>31,240,489</b>

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

### 3.2 Program costs

Film Victoria 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 Film Victoria's various programs and initiatives. Film Victoria 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 Film Victoria's programs. Program costs are recognised when commitments become payable, i.e. when contracts are executed and recipients satisfy certain conditions. Program commitments are detailed in Note 6.2.

### 3.3 Employee expenses

#### 3.3.1 Employee expenses in the comprehensive operating statement

	Notes	2019/20 (\$)	2018/19 (\$)
Wages, salaries, annual leave and long service leave		4,650,858	4,533,140
Defined contribution superannuation expense	3.3.3	384,072	386,351
<b>TOTAL EMPLOYEE EXPENSES</b>		<b>5,034,930</b>	<b>4,919,491</b>

Employee expenses include all costs directly related to employment including wages and salaries, superannuation, fringe benefits tax, leave entitlements, termination payments, payroll tax and WorkCover premiums. There were no termination payments made in 2019/20 (2018/19: nil).

### 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.

	2019/20 (\$)	2018/19 (\$)
<b>CURRENT PROVISIONS</b>		
<b>Annual leave</b>		
Unconditional and expected to settle within 12 months	269,317	198,213
Unconditional and expected to settle after 12 months	20,319	9,565
<b>Long service leave</b>		
Unconditional and expected to settle within 12 months	58,056	27,540
Unconditional and expected to settle after 12 months	75,880	47,072
<b>On-costs</b>		
Unconditional and expected to settle within 12 months	17,514	12,079
Unconditional and expected to settle after 12 months	5,112	3,016
<b>Total current provisions for employee benefits</b>	<b>446,198</b>	<b>297,485</b>
<b>NON-CURRENT PROVISIONS</b>		
Long service leave	152,985	156,055
On-costs	8,185	8,349
<b>Total non-current provisions for employee benefits</b>	<b>161,170</b>	<b>164,404</b>
<b>TOTAL EMPLOYEE RELATED PROVISIONS</b>	<b>607,368</b>	<b>461,889</b>

#### Reconciliation of movement in on-cost provision

	2019/20 (\$)	2018/19 (\$)
<b>Opening balance</b>	<b>23,444</b>	<b>19,843</b>
Additional provisions recognised	24,597	19,563
Change due to variation in discount rates	454	1,042
Reductions arising from payments	(17,684)	(17,004)
<b>CLOSING BALANCE</b>	<b>30,811</b>	<b>23,444</b>
<b>Represented by:</b>		
Current	22,626	15,095
Non-current	8,185	8,349
<b>CLOSING BALANCE</b>	<b>30,811</b>	<b>23,444</b>

#### Annual leave

The annual leave provision is classified as a current provision and measured at the undiscounted amount expected to be paid, as Film Victoria 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 Film Victoria does not expect to settle the liability within 12 months, because it will 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 Film Victoria expects to wholly settle within 12 months, or present value if Film Victoria does not expect to wholly settle within 12 months. Conditional long service leave is disclosed as a non-current liability. There is an unconditional 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 Film Victoria 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. Film Victoria is not currently making any contributions in respect of employees who are members of defined benefit plans.

## **3.4 Other operating expenses**

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

	Notes	2019/20 (\$)	2018/19 (\$)
Operating leases	6.2	7,659	495,407
Information and technology management		437,052	399,315
Corporate expenses		313,454	372,562
Professional services		657,394	329,430
Marketing and communications		132,444	203,014
Travel		76,833	132,930
Event delivery		15,240	87,854
<b>TOTAL OTHER OPERATING EXPENSES</b>		<b>1,640,076</b>	<b>2,020,512</b>

Operating lease payments up until 30 June 2019 (including contingent rentals) are recognised on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern of the benefits derived from the use of the leased asset.

From 1 July 2019, the following lease payments are recognised on a straight-line basis:

- short-term leases – leases with a term less than 12 months, and
- low value leases – leases where the underlying asset's fair value (when new, regardless of the age of the asset being leased) is no more than \$10,000.

## NOTE 4. PROPERTY, PLANT AND EQUIPMENT (PPE)

Film Victoria controls physical assets that are utilised in fulfilling its objectives and conducting its activities. They comprise right-of-use assets\*, leasehold improvements, audio visual equipment, computer equipment and office equipment.

### 4.1 Total PPE

	Gross carrying amount (\$)	Accumulated depreciation (\$)	Net carrying amount (\$)
<b>2019/20</b>			
Right-of-use assets*	1,847,676	(503,912)	1,343,764
Leasehold improvements	1,646,136	(1,187,273)	458,863
Computer equipment	339,894	(218,882)	121,012
Audio visual equipment	67,181	(52,028)	15,153
Office equipment	157,060	(144,232)	12,828
<b>TOTAL AT 30 JUNE 2020</b>	<b>4,057,947</b>	<b>(2,106,327)</b>	<b>1,951,620</b>
<b>2018/19</b>			
Leasehold improvements	1,642,196	(1,014,041)	628,155
Computer equipment	289,049	(167,118)	121,931
Audio visual equipment	71,826	(44,961)	26,865
Office equipment	152,614	(137,969)	14,645
<b>TOTAL AT 30 JUNE 2019</b>	<b>2,155,685</b>	<b>(1,364,089)</b>	<b>791,596</b>

\*AASB 16 Leases has been applied for the first time from 1 July 2019 (Note 8.7.1).

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 measurement – Right-of-use asset acquired by lessees (Under AASB 16 – Leases from 1 July 2019)*

Film Victoria 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*

Film Victoria 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. The right-of-use assets are also subject to revaluation.

The right-of-use asset is 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 (\$)	Audio visual equipment (\$)	Office equipment (\$)	Total (\$)
<b>Balance at 30 June 2018</b>	-	<b>799,512</b>	<b>54,194</b>	<b>10,968</b>	<b>12,745</b>	<b>877,419</b>
Additions	-	-	112,735	20,141	6,963	139,839
Depreciation	-	(171,357)	(44,998)	(4,244)	(5,063)	(225,662)
<b>Balance at 30 June 2019</b>	-	<b>628,155</b>	<b>121,931</b>	<b>26,865</b>	<b>14,645</b>	<b>791,596</b>
Recognition of right-of-use assets on initial application of AASB 16	1,847,676	-	-	-	-	1,847,676
<b>Adjusted opening balance</b>	<b>1,847,676</b>	<b>628,155</b>	<b>121,931</b>	<b>26,865</b>	<b>14,645</b>	<b>2,639,272</b>
Additions	-	3,940	46,994	-	3,653	54,587
Movement between asset classes	-	-	3,925	(3,925)	-	-
Depreciation	(503,912)	(173,232)	(51,838)	(7,787)	(5,470)	(742,239)
<b>Balance at 30 June 2020</b>	<b>1,343,764</b>	<b>458,863</b>	<b>121,012</b>	<b>15,153</b>	<b>12,828</b>	<b>1,951,620</b>

## 4.2 Depreciation

	Estimated useful life	2019/20 (\$)	2018/19 (\$)
Right-of-use-assets	*10 years	503,912	-
Leasehold improvements	*10 years	173,232	171,357
Computer equipment	3-4 years	51,838	44,998
Audio visual equipment	4 years	7,787	4,244
Office equipment	5 years	5,470	5,063
<b>TOTAL DEPRECIATION</b>		<b>742,239</b>	<b>225,662</b>

\*Shorter of the asset's 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 asset classes for current and prior years 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.

## 4.3 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 specialised in nature and 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, including receivables and payables, that arise from Film Victoria's controlled operations including receivables and payables that are short-term in nature and liabilities & provisions associated with the lease for office accommodation.

### 5.1 Receivables

	2019/20 (\$)	2018/19 (\$)
<b>Contractual</b>		
Debtors	19,360	2,415
Other receivables	12,324	13,558
<b>Total contractual receivables</b>	<b>31,684</b>	<b>15,973</b>
<b>Statutory</b>		
Net statutory receivables	176,066	162,705
<b>Total statutory receivables</b>	<b>176,066</b>	<b>162,705</b>
<b>TOTAL RECEIVABLES</b>	<b>207,750</b>	<b>178,678</b>

All receivables for 2019/20 and 2018/19 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 costs'. 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.

Details about Film Victoria's impairment policies and exposure to credit risk are set out in Note 7.2.

### 5.2 Payables

	2019/20 (\$)	2018/19 (\$)
<b>Contractual</b>		
Other payables	178,141	166,090
Salaries and wages	134,571	104,197
<b>TOTAL PAYABLES</b>	<b>312,712</b>	<b>270,287</b>

All payables as at the reporting date for 2019/20 and 2018/19 are contractual (non-statutory) current payables, expected to be settled within 12 months.

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

Liabilities for wages and salaries are recognised as current liabilities, because Film Victoria does not have an unconditional right to defer settlements of these liabilities.

The liability for salaries and wages is recognised as a payable in the balance sheet at remuneration rates which are current at the reporting date. As Film Victoria expects the liabilities to be wholly settled within 12 months of the reporting date, they are measured at undiscounted amounts.

### 5.3 Other provisions

	2019/20 (\$)	2018/19 (\$)
<b>Current</b>		
Lease incentive	89,427	89,427
<b>Non-current</b>		
Lease incentive	148,065	237,492
Make good provision (lease)	280,000	280,000
<b>TOTAL OTHER PROVISIONS</b>	<b>517,492</b>	<b>606,919</b>

#### Reconciliation of movements in other provisions

	Lease incentive (\$)	Make good (\$)	Total (\$)
<b>Opening balance 2019</b>	<b>416,346</b>	<b>280,000</b>	<b>696,346</b>
Provision written back	(89,427)	-	(89,427)
<b>Opening balance 2020</b>	<b>326,919</b>	<b>280,000</b>	<b>606,919</b>
Provision written back	(89,427)	-	(89,427)
<b>CLOSING BALANCE</b>	<b>237,492</b>	<b>280,000</b>	<b>517,492</b>

The lease incentive provision is in respect of the lease for office accommodation at Level 3, 55 Collins Street, Melbourne. Lease incentives are 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 Level 3, 55 Collins Street, Melbourne. In accordance with the lease agreement, Film Victoria must remove any leasehold improvements from the leased property and restore the premises to its original condition at the end of the lease term.

## 5.4 Lease liabilities

	2019/20 (\$)	2018/19 (\$)
Current lease liabilities	489,274	-
Non-current lease liabilities	909,913	-
<b>TOTAL LEASE LIABILITIES</b>	<b>1,399,187</b>	<b>-</b>

Film Victoria leases office equipment and office space at Level 3, 55 Collins Street, Melbourne. The lease for the offices has a 10-year lease term (expiring on 27 February 2023). Film Victoria has the option to renew the lease for five years in 2023 and a subsequent three-year option in 2028.

Office equipment comprises items of low value: Film Victoria has elected not to recognise right-of-use assets and lease liabilities for these leases which continue to be recognised as operating 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 Statement of Cash flows.

### *Recognition and measurement of leases as a lessee (under AASB 16 from 1 July 2019)*

#### *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 Film Victoria'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 modification, 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.

### *Recognition and measurement of leases (under AASB 117 Leases until 30 June 2019)*

In the comparative period, leases of PPE were classified at their inception as either operating or finance leases based on the economic substance of the agreement so as to reflect the risks and rewards incidental to ownership. Leases of PPE were classified as finance leases whenever the terms of the lease transferred substantially all the risks and rewards of ownership from the lessor to the lessee. All other leases were classified as operating leases.

Operating lease payments, including any contingent rentals, are recognised as an expense in the Comprehensive Operating Statement on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern of the benefits derived from the use of the leased asset. The leased asset is not recognised in the balance sheet.

## NOTE 6. FINANCING FILM VICTORIA'S OPERATIONS

This section includes disclosures of financial assets (cash and cash equivalents) that are used in financing Film Victoria'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.

Film Victoria invests its funds in accordance with the requirements of the Standing Directions of the Assistant Treasurer, all funds are held in the State Centralised Banking System.

	2019/20 (\$)	2018/19 (\$)
Cash on hand	1,000	1,000
Cash at bank	24,415,315	22,683,689
<b>TOTAL CASH AND CASH EQUIVALENTS</b>	<b>24,416,315</b>	<b>22,684,689</b>

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

	2019/20 (\$)	2018/19 (\$)
<b>Net result from continuing operations</b>	<b>1,341,027</b>	<b>(849,906)</b>
<b>Non-cash movements</b>		
Loss/(gain) on sale or disposal of non-current assets	-	(2,459)
Depreciation and amortisation of non-current assets	742,239	225,662
<b>Movements in assets and liabilities</b>		
Decrease/(increase) in receivables	(31,487)	282,623
Decrease/(increase) in prepayments	82,031	(3,688)
Increase/(decrease) in payables	14,583	(553)
Increase/(decrease) in provisions	145,479	(18,524)
<b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>2,293,872</b>	<b>(366,845)</b>



## 6.2 Commitments for expenditure

Commitments for future expenditure are operating commitments arising from contracts. 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 (\$)
<b>2019/20</b>			
Program commitments	28,691,365	4,913,801	33,605,166
Operating lease commitments	5,863	16,611	22,474
<b>Total commitments (incl. GST)</b>	<b>28,697,228</b>	<b>4,930,412</b>	<b>33,627,640</b>
Less: GST recoverable	(2,608,306)	(446,709)	(3,055,015)
<b>TOTAL COMMITMENTS (EXCL. GST)</b>	<b>26,088,922</b>	<b>4,483,703</b>	<b>30,572,625</b>
<b>2018/19</b>			
Program commitments	35,024,522	6,479,436	41,503,958
Operating lease commitments	663,054	1,897,256	2,560,310
<b>Total commitments (incl. GST)</b>	<b>35,687,576</b>	<b>8,376,692</b>	<b>44,064,268</b>
Less: GST recoverable	(3,240,325)	(761,517)	(4,001,842)
<b>TOTAL COMMITMENTS (EXCL. GST)</b>	<b>32,447,251</b>	<b>7,615,175</b>	<b>40,062,426</b>

Program commitments are contracted program payments that remain undisbursed and unrecognised as a liability at the end of the financial year due to contracted milestones or deliverables being outstanding. During one financial year Film Victoria may make disbursements that arise from financial commitments outstanding from prior years. 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 Film Victoria to purchase the equipment after the lease ends. The lease for Film Victoria's offices at Level 3, 55 Collins Street, Melbourne has a 10-year lease term (expiring on 27 February 2023). Film Victoria has the option to renew the lease for five years in 2023 and a subsequent three-year option in 2028. The office lease has been recorded on the balance sheet as a lease liability as at 1 July 2019 but was previously treated as an operating lease.

## NOTE 7. RISKS, CONTINGENCIES AND VALUATION JUDGEMENTS

Film Victoria'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 Film Victoria'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 Film Victoria's activities, certain financial assets and financial liabilities arise under statute rather than a contract (for example taxes, fines and penalties). Such assets and liabilities do not meet the definition of financial instruments in *AASB 132 Financial Instruments: Presentation*.

#### 7.1.1 Financial assets

	Notes	2019/20 (\$)	2018/19 (\$)
Cash and cash equivalents	6.1	24,416,315	22,684,689
Contractual receivables	5.1	31,684	15,973
<b>TOTAL CONTRACTUAL FINANCIAL ASSETS</b>		<b>24,447,999</b>	<b>22,700,662</b>

*Net holding gain/(loss):*

<i>Interest income</i>		275,847	448,706
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Financial assets are measured at amortised cost if both of the following criteria are met and the assets are not designated as 'fair value through net result':

- the assets are held by Film Victoria to collect the contractual cash flows
- the assets' contractual terms give rise to cash flows that are solely payments of principal and interest.

These assets are initially recognised at fair value plus any directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method less any impairment.

A financial asset (or where applicable, a part of a financial asset or part of a group of similar financial assets) is de-recognised when:

- the rights to receive cash flows from the asset have expired, or
- Film Victoria retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a 'pass through' arrangement, or
- Film Victoria has transferred its rights to receive cash flows from the asset and has either transferred substantially all the risks and rewards of the asset, or neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

Where Film Victoria has neither transferred nor retained substantially all the risks and rewards or transferred control, the asset is recognised to the extent of Film Victoria's continuing involvement in the asset.

#### 7.1.2 Financial liabilities

	Notes	2019/20 (\$)	2018/19 (\$)
Contractual payables	5.2	312,712	270,287
Lease liabilities	5.4	1,399,187	-
<b>TOTAL CONTRACTUAL FINANCIAL LIABILITIES</b>		<b>1,711,899</b>	<b>270,287</b>

Financial liabilities at amortised cost are initially recognised on the date they originated and measured at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial instruments are measured at amortised cost with any difference between the initial recognised amount and the redemption value being recognised in the comprehensive operating statement over the period of the interest bearing liability, using the effective interest rate method. Film Victoria recognises contractual payables and lease liabilities in this category.

A financial liability is de-recognised when the obligation under the liability is discharged, cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised as an 'other economic flow' in the comprehensive operating statement.

The net gain or loss is calculated by taking the interest expense, plus or minus foreign exchange gains or losses arising from the revaluation of financial liabilities measured at amortised cost. There were no gains or losses on contractual financial liabilities in 2019/20 or 2018/19.

## 7.2 Financial risk management objectives and policies

Film Victoria'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. Film Victoria's exposure to credit risk arises from the potential default of a counterparty on their contractual obligations resulting in financial loss. Credit risk is measured at fair value and is monitored on a regular basis.

Credit risk associated with Film Victoria's contractual receivables is minimal due to the value and nature of the debtors. Film Victoria does not engage in hedging for its contractual financial assets and mainly has cash and cash equivalents.

Provision for impairment of contractual financial assets is recognised when there is objective evidence that Film Victoria will not be able to collect a receivable. Objective evidence includes financial difficulties of the debtor, default payments and debts that are more than 60 days overdue and changes in debtor credit ratings.

Contractual financial assets are written off against the carrying amount when there is no reasonable expectation of recovery.

Except as otherwise detailed in the credit quality table below, the carrying amount of contractual financial assets recorded in the financial statements, net of any allowances for losses, represents Film Victoria's maximum exposure to credit risk. There has been no material change to Film Victoria's credit risk profile in 2019/20.

Film Victoria applies the expected credit loss approach of *AASB 9 Financial Instruments* to assess impairment losses. Film Victoria's non-contractual receivables arising from statutory requirements are not financial instruments. However, they are nevertheless recognised and measured in accordance with AASB 9 requirements as if those receivables are financial instruments.

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 2019/20 or 2018/19.

Bad debts considered as written off by mutual consent are classified as a transaction expense. No debt was written off in 2019/20 (2018/19: nil).

The average credit period for receivables from debtors is 30 days. Currently Film Victoria does not hold any collateral as security nor credit enhancements relating to any of its financial assets.

There are no financial assets that have had their terms renegotiated so as to prevent them from being past due or impaired, and they are stated at the carrying amounts as indicated.

#### Credit quality of financial assets

	Financial institutions (\$)	Government agencies (\$)	Other (\$)	Total (\$)
<b>2019/20</b>				
Cash and cash equivalents	24,415,315	-	1,000	24,416,315
Statutory receivables	-	176,066	-	176,066
Contractual receivables	-	-	31,684	31,684
<b>TOTAL FINANCIAL ASSETS 2019/20</b>	<b>24,415,315</b>	<b>176,066</b>	<b>32,684</b>	<b>24,624,065</b>
<b>2018/19</b>				
Cash and cash equivalents	22,683,689	-	1,000	22,684,689
Statutory receivables	-	162,705	-	162,705
Contractual receivables	-	-	15,973	15,973
<b>TOTAL FINANCIAL ASSETS 2018/19</b>	<b>22,683,689</b>	<b>162,705</b>	<b>16,973</b>	<b>22,863,367</b>
<i>Credit rating</i>	A- 1+	AAA		

### 7.2.2 Liquidity risk

Liquidity risk arises from being unable to meet financial obligations as they fall due. Film Victoria'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. Film Victoria manages its liquidity risk by:

- maintaining an adequate level of uncommitted funds to meet short-term obligations
- careful monitoring of commitments payable and receivable, and
- careful maturity planning of program payments based on forecasts of future cash flows.

### 7.2.3 Market risk

Film Victoria's exposure to market risk relates primarily to interest rate risk. It does not have, nor intend to have, any exposure to foreign currency risk, or equity price risk.

#### Interest rate risk

Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate because of changes in market interest rates. Film Victoria does not hold any interest bearing financial instruments that are measured at fair value, and therefore has no exposure to fair value 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. Film Victoria has minimal exposure to cash flow interest rate risks through cash and cash equivalents. Film Victoria manages this risk by monitoring the movement in interest rates and undertaking sensitivity analysis.

The carrying amounts of financial assets and financial liabilities that are exposed to interest rates and Film Victoria's sensitivity to interest rate risk are set out in the table that follows (amounts disclosed here are non-statutory).

	Weighted interest rate	Variable interest (\$)	Non-interest bearing (\$)	Total carrying amount (\$)
<b>2019/20</b>				
<b>Contractual financial assets</b>				
Cash on hand and cash at bank	0.50%	24,415,315	1,000	24,416,315
Other receivables		-	31,684	31,684
<b>TOTAL CONTRACTUAL FINANCIAL ASSETS</b>		<b>24,415,315</b>	<b>32,684</b>	<b>24,447,999</b>
<b>Contractual financial liabilities</b>				
Payables		-	312,712	312,712
Lease liabilities	3.62%	1,399,187	-	1,399,187
<b>TOTAL CONTRACTUAL FINANCIAL LIABILITIES</b>		<b>1,399,187</b>	<b>312,712</b>	<b>1,711,899</b>
<b>2018/19</b>				
<b>Contractual financial assets</b>				
Cash on hand and cash at bank	1.65%	22,683,689	1,000	22,684,689
Other receivables		-	15,973	15,973
<b>TOTAL CONTRACTUAL FINANCIAL ASSETS</b>		<b>22,683,689</b>	<b>16,973</b>	<b>22,700,662</b>
<b>Contractual financial liabilities</b>				
Payables		-	270,287	270,287
<b>TOTAL CONTRACTUAL FINANCIAL LIABILITIES</b>		<b>-</b>	<b>270,287</b>	<b>270,287</b>

#### Sensitivity disclosure

Considering past performance, future expectations, economic forecasts and management's knowledge and experience of the financial markets, Film Victoria would not expect a movement of more than 50 basis points in market interest rates over the next 12 months.

The estimated total market risk exposure to a shift of 50 basis points up (or down) in interest rates equals an increase (or decrease) in net result of \$115,081 for 2019/20 (2018/19: \$113,148).



### 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 (2018/19: 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 Film Victoria'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.

Film Victoria 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. Film Victoria 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.

Film Victoria 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. 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.

#### *Description of significant unobservable inputs to Level Three valuations*

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

Significant unobservable inputs have remained unchanged since 30 June 2019.

## 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 issued by the Assistant Treasurer under the FMA, the following disclosures are made regarding responsible persons for the reporting period.

Members of the Film Victoria Board were remunerated. Remuneration was based on the Victorian Public Sector Commission's *Appointment and Remuneration Guidelines* for Victorian Government Boards, Statutory Bodies and Advisory Committees.

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 Department of Parliamentary Services' financial report.

	2019/20 (\$)	2018/19 (\$)
<b>MINISTER FOR CREATIVE INDUSTRIES</b>		
Martin Foley MP	n/a	n/a
<b>BOARD PRESIDENT</b>		
Ian Robertson	30,000–39,999	30,000–39,999
<b>BOARD MEMBERS</b>		
Andrea Denholm (from 03/07/2018)	10,000–19,999	10,000–19,999
Blake Mizzi	10,000–19,999	10,000–19,999
Chris Oliver-Taylor (from 01/09/2019)	10,000–19,999	nil
David Parker (to 31/08/2018)	nil	up to 9,999
Debra Allanson (to 31/08/2019)	up to 9,999	10,000–19,999
Greg McLean (from 01/09/2018)	10,000–19,999	10,000–19,999
John Rundell (to 31/08/2019)	up to 9,999	10,000–19,999
Kelly Lefever	10,000–19,999	10,000–19,999
Leonie Morgan	10,000–19,999	10,000–19,999
Liz Grainger (from 01/09/2019)	10,000–19,999	nil
Lyn Maddock	10,000–19,999	10,000–19,999
Michael McMahon (to 15/02/2019)	nil	10,000–19,999
Mitu Bhowmick Lange (from 03/07/2018)	10,000–19,999	10,000–19,999
<b>CHIEF EXECUTIVE AND ACCOUNTABLE OFFICER (CEO)</b>		
Caroline Pitcher	320,000–329,999	300,000–309,999

## 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 2019/20 and 2018/19.

	2019/20 (\$)	2018/19 (\$)
Short-term benefits	552,984	490,066
Post-employment benefits	50,741	45,129
Other long-term benefits	18,175	12,807
<b>TOTAL EXECUTIVE REMUNERATION</b>	<b>621,900</b>	<b>548,002</b>
<i>Total number of executives</i>	3	3
<i>Total full time equivalent (FTE)</i>	3	3

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 Film Victoria 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 Film Victoria include the Minister for Creative Industries, CEO of Film Victoria, members of the Film Victoria Board, voting members of the Production Incentives Attraction Fund committee and the Executive Team of Film Victoria. 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.

	2019/20 (\$)	2018/19 (\$)
Short-term benefits	1,013,085	944,669
Post-employment benefits	87,446	82,201
Other long-term benefits	26,584	17,865
<b>TOTAL KMP REMUNERATION</b>	<b>1,127,115</b>	<b>1,044,735</b>

## 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, as detailed in the following table, cover payments and receipts relating to Film Victoria 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 Film Victoria's Board, committees, its CEO and staff are bound by the conflict of interest provisions of the *Film Act 2001 (Vic.)* (s. 39–42), Film Victoria's *Conflict of Interest and Private Interests policy and Procedures* and the *Code of Conduct for the Victorian Public Sector* (s. 34–37). A member 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 Film Victoria programs. Transactions are only disclosed for the period during which an individual was a KMP of Film Victoria. Normal citizen type transactions are not disclosed.

	KMP	2019/20 (\$)	2018/19 (\$)
<b>PAYMENTS</b>			
Australian Children's Television Foundation	Andrea Denholm	170,000	250,000
HTSM Productions Pty Ltd (from 24/08/2020)	Andrea Denholm	398,000	-
Princess Pictures Holdings Pty Ltd* (to 23/08/2020)	Andrea Denholm	155	747,481
League of Geeks Pty Ltd	Blake Mizzi	54,805	180,000
Ausfilm International Incorporated	Caroline Pitcher	18,825	-
Media Reconciliation Industry Network Group (Media Ring) Limited	Caroline Pitcher & Chris Oliver-Taylor	5,000	-
Australian, Film, Television & Radio School	Chris Oliver-Taylor	11,378	-
Fremantle Pty Ltd	Chris Oliver-Taylor	803,300	-
Near Life Productions Pty Ltd	Kelly Lefever	2,750	11,200
Matchbox Pictures Pty Ltd*	Michael McMahon	-	806,186
Mind Blowing Films Pty Ltd	Mitu Bhowmick Lange	80,000	210,000
<b>RECEIPTS</b>			
Princess Pictures Holdings Pty Ltd*	Andrea Denholm	-	2,379
League of Geeks Pty Ltd	Blake Mizzi	2,500	-
<b>COMMITMENTS OUTSTANDING AT REPORTING DATE</b>			
Australian Children's Television Foundation	Andrea Denholm	30,000	50,000
Princess Pictures Holdings Pty Ltd* (to 23/08/2020)	Andrea Denholm	-	462,750
Tony Ayres Productions Pty Ltd	Andrea Denholm	30,000	-
League of Geeks Pty Ltd	Blake Mizzi	2,000	35,000
Easy Tiger Productions Pty Ltd	Chris Oliver-Taylor	422,875	-
Fremantle Pty Ltd	Chris Oliver-Taylor	1,150,000	-
Near Life Productions Pty Ltd	Kelly Lefever	1,575	-
Mind Blowing Films Pty Ltd	Mitu Bhowmick Lange	200,000	100,000

\*Includes payments and/or commitments to subsidiaries.

#### Significant transactions with government related entities

	2019/20 (\$)	2018/19 (\$)
<b>AUSTRALIAN CENTRE FOR THE MOVING IMAGE (ACMI)</b>		
Series Mania funding	(32,955)	(60,000)
Events related costs	-	(2,150)
<b>DJPR</b>		
Recurrent funding	12,948,000	12,948,000
Events and other initiatives	10,482,400	16,526,000
Funding contribution: Penny Arcade Expo	(30,000)	(30,000)
<b>DTF</b>		
Production Attraction Incentive Funding	8,167,397	-
<b>TREASURY CORPORATION OF VICTORIA (TCV)</b>		
Total interest earned	-	248,521

As at 30 June 2020 there were no outstanding balances due from government-related entities (2018/19: nil).

#### 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 gain/(loss) on disposal of property, plant and equipment and gains/(losses) from the revaluation of the present value of the long service leave liability due to changes in bond interest rates.



## 8.5 Remuneration of auditors

	2019/20 (\$)	2018/19 (\$)
<b>Victorian Auditor General's Office</b>		
Audit of the financial statements	29,000	28,200
<b>TOTAL REMUNERATION OF AUDITORS</b>	<b>29,000</b>	<b>28,200</b>

## 8.6 Subsequent events

Coronavirus (COVID-19) has not materially impacted on the judgements, estimates and assumptions made about the financial information being presented. Film Victoria is not aware of any other material events after the balance sheet date which would affect these financial statements.

## 8.7 Change in accounting policies

### 8.7.1 Leases

This note explains the impact of the adoption of *AASB 16 Leases* on Film Victoria's financial statements. Note 5.4 includes details of Film Victoria's policy in relation to leases.

Film Victoria has applied *AASB 16* with a date of initial application of 1 July 2019.

Film Victoria has elected to apply *AASB 16* using the modified retrospective approach, as per the transitional provisions of *AASB 16* for all leases for which it is a lessee. The cumulative effect of initial application is recognised in retained earnings as at 1 July 2019. Accordingly, the comparative information presented is not restated and is reported under *AASB 117* and related interpretations.

As a lessee, Film Victoria previously classified leases as operating or finance leases based on its assessment of whether the lease transferred significantly all of the risks and rewards incidental to ownership of the underlying asset. Under *AASB 16*, Film Victoria recognises right-of-use assets and lease liabilities for all leases except where exemption is availed in respect of short-term and low value leases.

On adoption of *AASB 16*, Film Victoria recognised lease liabilities in relation to leases which had previously been classified as operating leases under the principles of *AASB 117*. These liabilities were measured at the present value of the remaining lease payments, discounted using the Film Victoria's incremental borrowing rate as of 1 July 2019. On transition, right-of-use assets are measured at the amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the balance sheet as at 30 June 2019.

Film Victoria has elected to apply the following practical expedients when applying *AASB 16* to leases previously classified as operating leases under *AASB 117*:

- applied the exemption not to recognise right-of-use assets and liabilities for leases with less than 12 months of lease term, and
- excluded initial direct costs from measuring the right-of-use asset at the date of initial application.

### Impacts on financial statements

On transition to *AASB 16*, Film Victoria recognised \$1,847,676 of right-of-use assets and \$1,847,676 of lease liabilities.

When measuring lease liabilities, Film Victoria discounted lease payments using its incremental borrowing rate at 1 July 2019. The weighted average rate applied is 3.62%.

	1 July 2019 (\$)
Total operating lease commitments disclosed at 30 June 2019 (excl. GST)	2,327,555
Less: lease incentive	(326,919)
<b>Net operating lease commitments</b>	<b>2,000,636</b>
Discounting using the incremental borrowing rate at 1 July 2019	(132,529)
Recognition exemption for leases of low-value assets	(20,431)
<b>LEASE LIABILITIES RECOGNISED AT 1 JULY 2019</b>	<b>1,847,676</b>

The impact on the Balance Sheet is illustrated with the following reconciliation between the restated carrying amounts at 30 June 2019 and the balances reported under the new accounting standards at 1 July 2019:

<b>Balance sheet</b>	<b>Notes</b>	<b>Before AASB 16 – Opening 1 July 2019</b>	<b>Impact of AASB 16</b>	<b>After AASB 16 – Opening 1 July 2019</b>
Property, plant and equipment	4.1	791,596	1,847,676	2,639,272
<b>Total non-financial assets</b>		<b>951,078</b>	<b>1,847,676</b>	<b>2,798,754</b>
<b>Total assets</b>		<b>23,814,445</b>	<b>1,847,676</b>	<b>25,662,121</b>
Lease liabilities	5.4	-	1,847,676	1,847,676
<b>Total liabilities</b>		<b>1,339,095</b>	<b>1,847,676</b>	<b>3,186,771</b>
<b>Total equity</b>		<b>22,475,350</b>	<b>-</b>	<b>22,475,350</b>

#### 8.7.2 Revenue

The modified retrospective transition method has been applied in adopting *AASB 15* and *AASB 1058*, comparative information has not been restated to reflect the new requirements. The adoption of *AASB 15* and *AASB 1058* did not have an impact on the comprehensive result or the Statement of Cash flows for the financial year.

Note 2.2 includes details of Film Victoria's policy in relation to income from the Victorian Government.

#### 8.8 AASs issued that are not yet effective

Certain new and revised accounting standards have been issued but are not effective for the 2019/20 reporting period. These accounting standards have not been applied to these Financial Statements. Film Victoria 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

<b>Opinion</b>	<p>I have audited the financial report of Film Victoria (the entity) which comprises the:</p> <ul style="list-style-type: none"><li>• balance sheet as at 30 June 2020</li><li>• comprehensive operating statement for the year then ended</li><li>• statement of changes in equity for the year then ended</li><li>• cash flow statement for the year then ended</li><li>• notes to the financial statements, including significant accounting policies</li><li>• declaration in the financial statements.</li></ul> <p>In my opinion the financial report presents fairly, in all material respects, the financial position of the entity as at 30 June 2020 and their financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 7 of the <i>Financial Management Act 1994</i> and applicable Australian Accounting Standards.</p>
<b>Basis for Opinion</b>	<p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the <i>Auditor's Responsibilities for the Audit of the Financial Report</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. 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 <i>Code of Ethics for Professional Accountants</i> (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.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>
<b>Board's responsibilities for the financial report</b>	<p>The Board of the entity is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the <i>Financial Management Act 1994</i>, and for such internal control as the Board determines 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.</p> <p>In preparing the financial report, the Board is 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.</p>

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**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 Board's 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.

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MELBOURNE  
28 August 2020



Simone Bohan  
*as delegate for the Auditor-General of Victoria*



# Disclosure Index

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

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<b>REPORT OF OPERATIONS</b>		
<b>Charter and purpose</b>		
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## FINANCIAL STATEMENTS

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### Declaration

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### Other requirements under Standing Directions 5.2

SD 5.2.1(a)	Compliance with Australian Accounting Standards and other authoritative pronouncements	60
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### Other disclosures as required by FRDs in notes to the financial statements\*

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FRD 21C	Disclosures of responsible persons, executive officers and other personnel (contractors with significant management responsibilities) in the financial report	74-75
FRD 103F	Non-financial physical assets	66-67
FRD 110A	Cash flow statements	57

\*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.

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Published by Film Victoria  
Melbourne Victoria Australia  
September 2020

Also published on [www.film.vic.gov.au](http://www.film.vic.gov.au)

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**Design** Sweet Creative

**Print** Impact Digital

This report is printed on Splendorgel SPI. Splendorgel is made from elemental chlorine free pulp sourced from well-managed forests and controlled sources. It is manufactured by an ISO 14001 certified mill.

Cover image:  
*Untitled Goose Game*, House House.



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