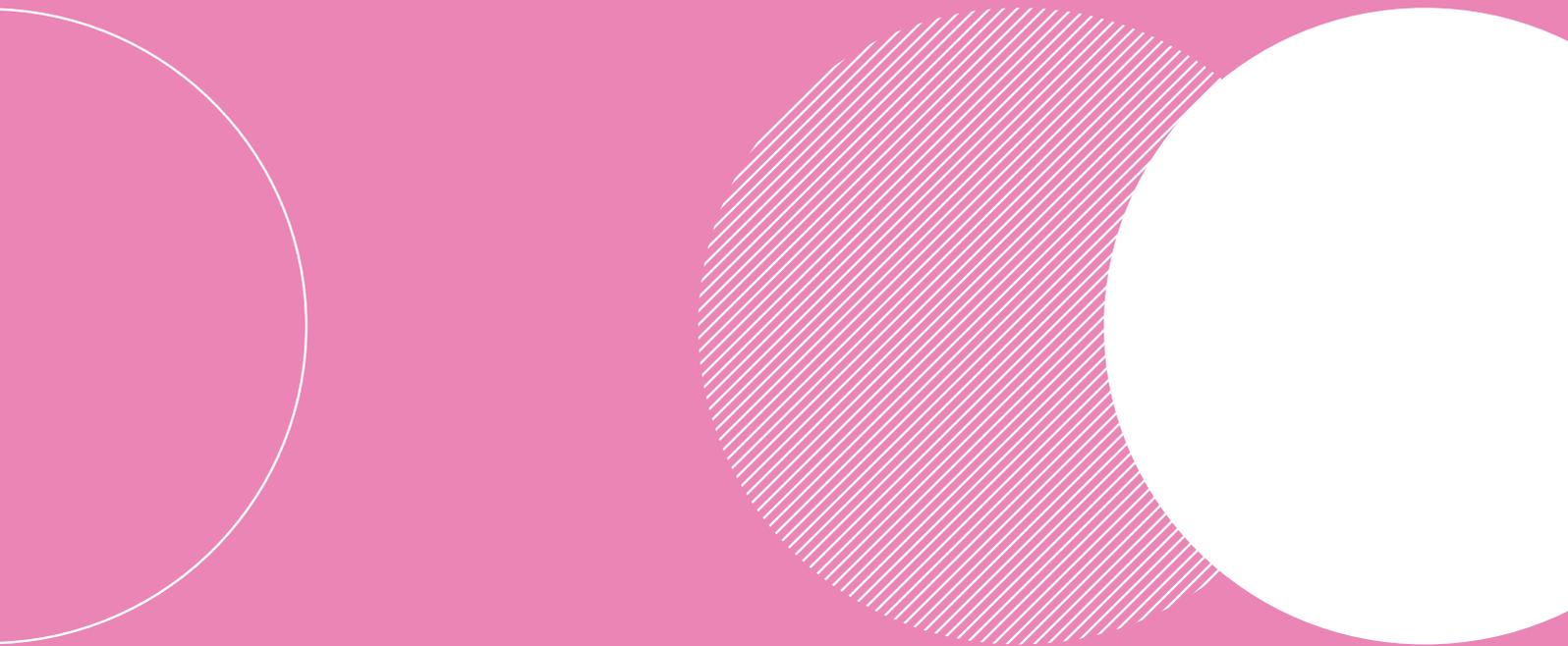


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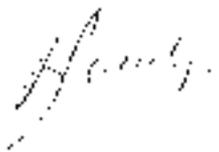
Australian Centre for the Moving Image

**Annual Report
2016-17**



Responsible Body's declaration

In accordance with the *Financial Management Act 1994*, I am pleased to present the Australian Centre for the Moving Image's Annual Report for the year ending 30 June 2017.

A handwritten signature in black ink, appearing to read 'Peter Lewinsky', with a small flourish at the end.

Peter Lewinsky

President

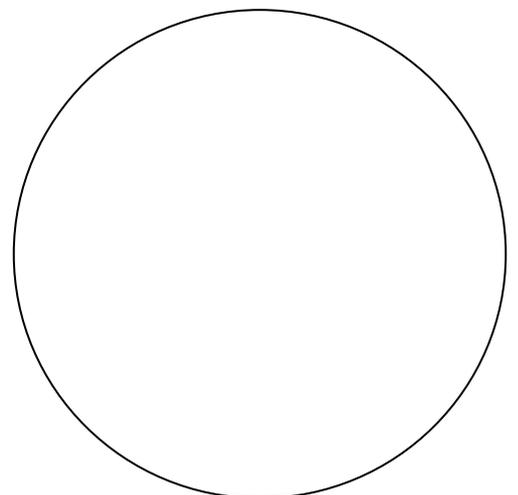
On behalf of the members (Board) of the
Australian Centre for the Moving Image

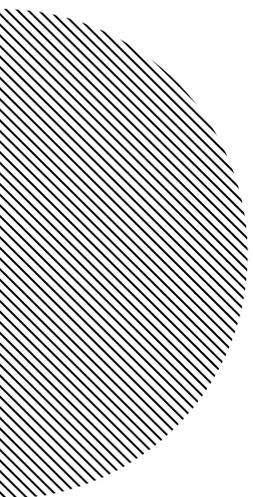
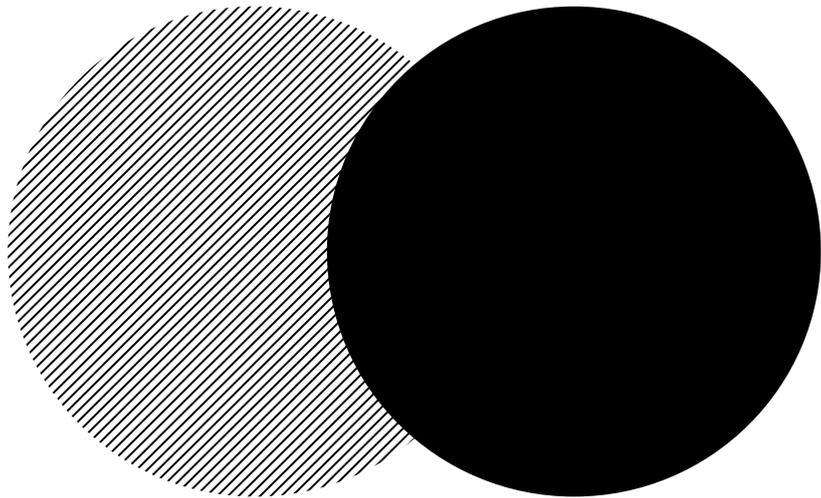
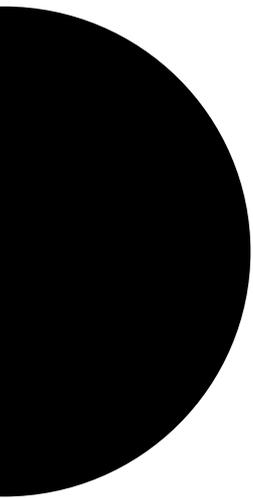
7 September 2017

In accordance with the Victorian Government's FRD30D Standard Requirements for the Design and Production of agency Annual Reports, this publication has been designed and produced to minimise environmental impacts.

Australian Centre for the Moving Image

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Our Mission

ACMI's mission is to illuminate the moving images and technologies that define our age – fostering our creative industries, embracing the future, understanding the past and unlocking new forms of creativity

Our Vision

**ACMI's vision is
to bring together a
connected community
of makers, thinkers,
viewers and players,
celebrating the wonder
of the moving image**

Our Values

We believe —

the moving image should be accessible to all

we invite and welcome visitors and colleagues from all walks of life to contribute to and feel ownership of ACMI

innovation requires experimentation and risk taking

we enable a culture that embraces creative risk taking, supporting bold ideas and new voices with energy and commitment

collaboration enables real accomplishment

we foster and value partnerships, working collaboratively with our colleagues inside and outside the organisation with openness, honesty and transparency

creative expression takes diverse forms

we support freedom of expression and embrace diversity by being inclusive, fair and respectful

in working together with integrity and respect

we are fair and trustworthy in all of our dealings, we are honest and clear with compassion and empathy, and we respect diversity and difference

From the Board President



On behalf of the Board, it is my pleasure to present to you the 2016–17 Annual Report.

It has been another busy year for ACMI. Despite ACMI's year off from the Melbourne Winter Masterpieces program, we saw 1.3 million patrons to our Federation Square site alone, and over 734,000 visitors experienced our offsite programs including our acclaimed touring exhibitions and remote learning experiences. These results reflect strong programming and savvy strategy across the organisation.

Now the busiest dedicated screen culture museum in the world, ACMI opened in 2002, before technologies such as smartphones, tablets, virtual reality and even flat screen televisions were so much part of our lives. We've since welcomed more than 13 million visitors to our Federation Square museum. We recognise that to remain a world leading museum, we must upgrade for a new generation of visitors and the changing expectations of engagement in our community.

We were delighted when in the 2017–18 state budget the Victorian Government reinforced their support of ACMI remaining at the forefront of 21st century museum practice by funding the first stage of our renewal vision with a commitment of \$5 million over two years.

This funding will allow ACMI to develop designs for a major physical and technological overhaul of our museum at Federation Square, creating a truly interactive museum for the community that celebrates and reflects the dynamic and ever-changing world of the moving image.

The public will start to see changes in 2018 with improvements to our Flinders Street entrance that will see a more welcoming public space and better connections with the surrounding precinct.

On behalf of the Board, I congratulate Katrina Sedgwick for spearheading this ambitious vision. With the support of the executive team and a dedicated staff, ACMI is well equipped to deliver on this exciting project.

Moreover, we continue to build a sustainable organisation through diversifying our revenue streams, developing a robust fundraising strategy, and strengthening our capital infrastructure planning and investment to ensure ACMI is well placed to deliver on its vision.

The successes of 2016–17 would not have been possible without the strong support of the Victorian Government, through Minister for Creative Industries Martin Foley MP and Creative Victoria, who we thank for their ongoing commitment. We continue to work closely as we contribute to the Government's vision for the creative industries, ensuring Victoria is a dynamic hub for innovation, screen literacy and creative excellence through a diverse range of local, international and virtual experiences.

We are grateful too for the many individual and organisational supporters whose generosity directly contributes to our achievements.

I would like to take this opportunity to acknowledge the hard work of the Board, executive management team and staff in making 2016–17 a successful year for ACMI – and the ideal springboard for bringing our renewal vision to life in the years to come.

Peter Lewinsky
Board President

From the Director and CEO



The past 12 months have been both immensely challenging and satisfying for ACMI. The opportunity to lead a team who would build on the success of ACMI was irresistible when I took on the role of Director and CEO in February 2015. Now, after more than two years at the helm, we are seeing the fruits of change we are implementing and our ambitions begin to take shape.

ACMI X has now been open a full year. It is a great space for our offsite staff to work within – including the majority of our administrative and programming staff – and it has enabled us to begin to evolve our working culture towards an even more agile, collaborative and creative one. With the National Film & Sound Archive and our 60 ACMI X co-workers and partners in the office alongside us, we've been energised and extended our work environment in enormously positive ways. It makes me immensely happy to see the kitchen and social space full of people sharing lunch and sharing ideas. Creating proximity is vital to enabling collaboration and new ways of thinking.

Our vibrant programs have continued to excel. We experimented this year with new exhibition models through *Collisions* and *The Echo of the Shadow* – sacrificing big attendances to provide audiences with immersive solo experiences – completely selling out both seasons. We are seeing significant growth in our cinema audiences, our cafe and retail revenue and our holiday workshop programs. Our collections team are digitising at a rate of knots, and our experience team is challenging and enabling us to work together in new ways. Our staff – across the board – are extraordinarily passionate and committed to ensuring ACMI is the world's leading museum of the moving image.

We are thrilled to have received the significant additional support from the Victorian Government in May this year by providing \$5 million towards the first stage of our renewal project. It represents months of work by many people across the organisation, but I'd like to particularly thank our wonderful Board led by Board President Peter Lewinsky,

and staff particularly Deputy CEO Graham Jephcott, Director of Exhibitions and Collections Russell Briggs, and Chief Experience Officer Seb Chan.

Perhaps the most visible sign of change at ACMI is the installation in late June of a large sign over our Flinders Street entrance. It says ACMI, and is illuminated in the evenings, and it is now hard to miss the fact that a major cultural institution is embedded in the fabulous Federation Square. This is one small step in a broad strategy to build our brand – but it certainly is satisfying!

As with any organisation staff come and go and we are so fortunate to have such a wonderful team. I would like to acknowledge Gael McIndoe who left the organisation in February after leading our public programs and education department since ACMI began. Gael's contribution to ACMI cannot be underestimated. I would also like to acknowledge Helen Simondson who acted in Gael's role over the year and who has now taken the helm of ACMI X.

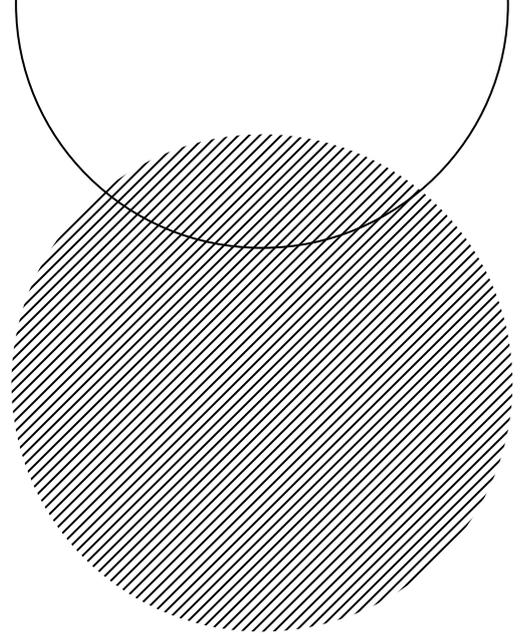
This year we welcomed Dr Sophie Lieberman as our new Head of Public Programs and Education, Sarah Wilson who joined us from the UK as Head of Development, and Lesley Gillan as Head of Human Resources.

I'm immensely proud of the team at ACMI and our achievements in 2016–17 and I hope you enjoy reading about them in our Annual Report.

Katrina Sedgwick
Director and CEO

ACMI by Numbers 2016–17

Highlights



1.29m

visited ACMI's Federation Square museum in 2016–17

555,972

visited an ACMI touring exhibition across four countries and six regional locations

60,359

came to an ACMI-curated cinema screening

77,377

students and teachers participated in our education programs

47%

growth in demand for paid workshops

3,602

ACMI memberships

21

festivals were hosted at ACMI

116

events in the ACMI X industry program

96% visitor satisfaction

Web and Social Media

\$1.3m

in revenue generated through our website

1.6m

website visits

5.5m

page views

56,042

e-news subscribers

124,504

followers across our social media, up 31.06 %



88%

growth in our Instagram followers



23m

impressions on Facebook



98%

increase in Facebook video views

1.2m

video views across our platforms



288,050

minutes watched

173,052

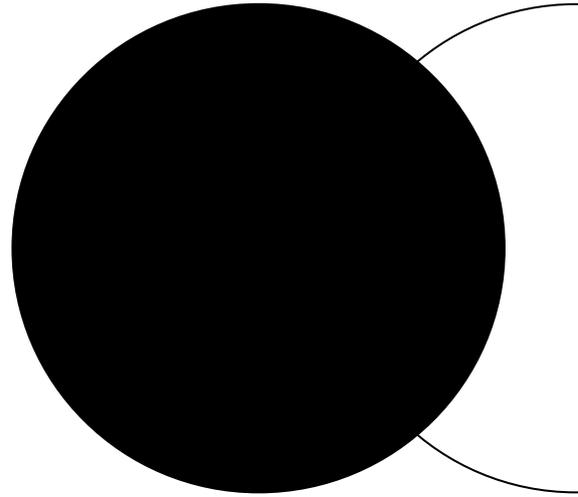
engagements with our online education resources

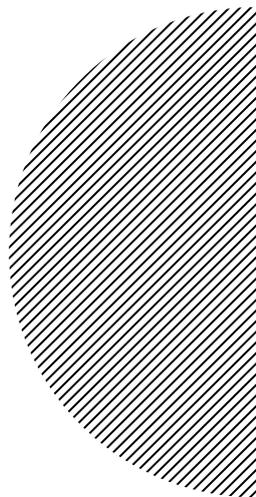
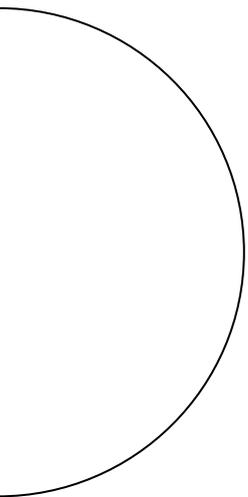
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cultural institutions worldwide are repurposing our online audio guide framework

Corporate Goal: Think Wholistically

- Deliver world-class audience experiences, interweaving multiple layers of programming and interactions – both physical and virtual**
- Be responsive, active, transparent and audience facing in our daily practice**
- Animate and energise the whole of our building to redefine ACMI as a singular destination**
- Leverage our resources into the creative industries to support experimentation, production and distribution**
- Evolve our organisational structure and systems to be more efficient and agile**





Wholistic World-Class Audience Experiences

In 2016–17 ACMI delivered six world-class temporary exhibitions, each with associated event programming and opportunities for digital engagement. We continued to evolve our permanent exhibition, *Screen Worlds*, making it a feature of some of our biggest activations this year.

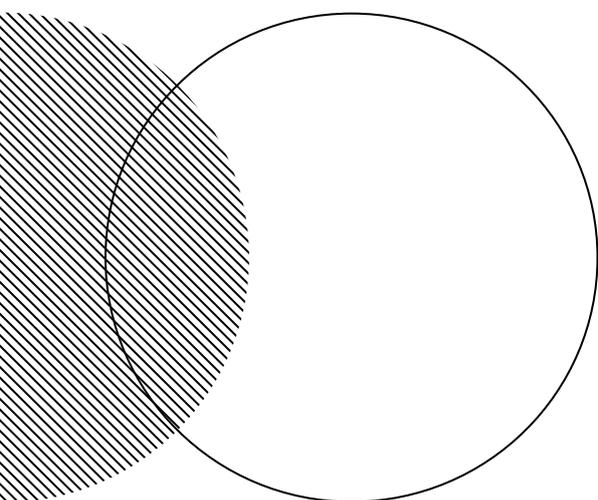




Image — Above: SCORSESE branding, credit ACMI Design
Image — Below: Martin Scorsese, credit Brigitte Lacombe (as seen in exhibition interior)

SCORSESE

GALLERY 1

26 May – 18 September 2016

From *Taxi Driver* and *Goodfellas* to *The Age of Innocence* and *The Wolf of Wall Street*, Martin Scorsese's intense and exhilarating films define him as one of the world's greatest directors. Curated by Berlin's Deutsche Kinemathek – Museum für Film und Fernsehen, the *SCORSESE* exhibition was drawn from his personal collection. It explored the director's inspirations, creative process and key collaborations, offering comprehensive insight into his career as an unparalleled screen stylist and a tireless champion of cinema.

To enhance the visitor experience, ACMI produced a web-based audio guide featuring commentary by Scorsese and his collaborators including acclaimed film editor Thelma Schoonmaker and narrated by ACMI Board Member and Australian actress Rachel Griffiths. The ACMI Cafe & Bar devised a menu inspired by Scorsese's family recipes.

ACMI Cinemas provided opportunities to relive the director's oeuvre on the big screen. We partnered with the Sydney Film Festival and the National Film and Sound Archive to present *Essential Scorsese: Selected* by David Stratton, a retrospective program of 10 imported 35mm prints of Scorsese-directed titles, curated by the renowned critic and broadcaster, Stratton.

For the passionate cinephile, we hosted a film club; a series of post-screening curated conversations in the ACMI Cafe & Bar. We presented a range of talks, tours and workshops including a *Mastering Scorsese Workshop Series* as part of our *Intermix* program. Free for 15 to 25 year olds, these workshops focused on film reviewing, single shot takes, sound design and editing, helping young people apply a critical lens to film.

In partnership with the Melbourne International Film Festival we presented a masterclass with Scorsese's long-time collaborator, BAFTA and Oscar-winning costume designer Sandy Powell OBE, in Melbourne as a guest of ACMI. Powell's iconic costumes displayed in the exhibition, including those worn by Cate Blanchett and Gwen Stefani in *The Aviator*, were examined when she joined Rachel Griffiths in conversation at a fundraising lunch in support of ACMI's commissioning program.

Almost 50,000 people came to *SCORSESE* at ACMI.



Del Kathryn Barton: The Nightingale and the Rose

GALLERY 2

21 June – 11 September 2016

This stunning exhibition explored the journey of Oscar Wilde's 19th century classic, interpreted from book to canvas to illustrated book to multi-award winning animation. *Del Kathryn Barton: The Nightingale and the Rose* revealed a rich collaborative journey between two-time Archibald Prize winner Del Kathryn Barton and acclaimed filmmaker Brendan Fletcher, featuring a selection of Barton's evocative paintings alongside a screening of the film, stunning never-before-seen handmade props, and material from the production archives. The exhibition closed with more than 62,300 attendances, and will embark on a national regional tour at the end of 2017.

To encourage examination of this classic text and its new interpretation, ACMI produced a worksheet for senior art students and teachers and held educator-led tours targeted at secondary and tertiary students.

Image — *And the tears were not yet dry in his beautiful eyes*. Del Kathryn Barton, 2011-12. Acrylic, gouache, watercolour and ink on polyester canvas. Courtesy of Michael W.



Lynette Wallworth: Collisions

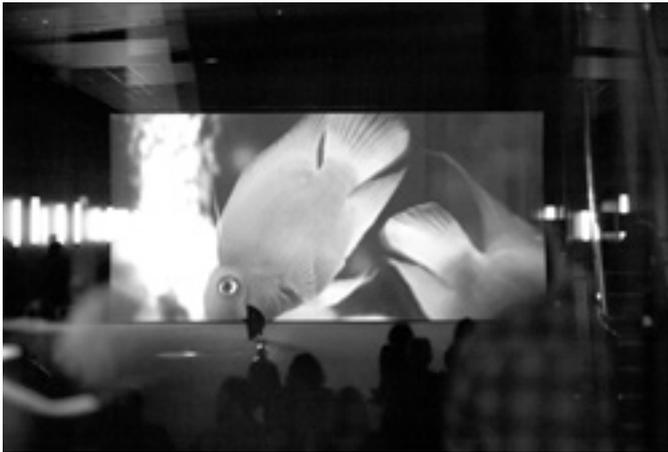
GALLERY 2

6 October 2016 – 15 January 2017

Lynette Wallworth's latest work, commissioned in VR by Sundance's New Frontier program and the Adelaide Film Festival, invited audiences on a journey to the land of Indigenous elder Nyarri Nyarri Morgan and the Martu tribe in the remote Australian desert. Morgan shared his story of the dramatic collision between his traditional world view and his first contact with white 'civilisation' as he witnessed, with no warning, a nuclear test in the South Australian desert. Half a century later, new technology has afforded him the chance to show audiences the world that was ruptured that day.

This intimate 22-minute experience for 12 visitors at a time ran for more than three months and was experienced by 14,364 people. Opening as part of the Melbourne Festival, ACMI organised two public programs; a conversation with Morgan on the Indigenous experience of nuclear testing, and *Creating Worlds*, an event bringing together Wallworth and *The Echo of a Shadow* theatre director Enrique Vargas to talk about creating immersive works for new ways of experiencing storytelling.

Image — Lynette Wallworth: *Collisions* (2016), credit Charlie Kinross



Philippe Parreno: Thenabouts

GALLERY 1

6 December 2016 – 13 March 2017

ACMI presented the Australian first solo exhibition of multidisciplinary French artist Philippe Parreno hot off the heels of his commission for London's Tate Modern. Parreno's work plays with temporal and spatial boundaries, guiding the visitor through a complex journey of images, duration and memory. Presented as a singular cinematic ensemble, this retrospective brought together Parreno's entire filmic oeuvre for the first time. Controlled live by a gallery technician, every visit provided an opportunity to see a different combination of films.

The program included an event in which Parreno discussed the philosophy behind his work and collaborations. Parreno's long-time collaborator, film composer Nicholas Becker (*Gravity*, *American Honey*), presented a masterclass and supporting content online gave visitors the opportunity to delve deeper into Parreno's creative inspirations, via reading and listening lists as well as audio discussions with the curator.

More than 44,150 people saw this exhibition.

Image — Philippe Parreno: *Thenabouts* (2016), credit Charlie Kinross



Bombay Talkies

GALLERY 2

8 February 2017 – 2 July 2017

Opening as part of Melbourne's inaugural AsiaTOPA (Asia-Pacific Triennial of Performing Arts), *Bombay Talkies* showcased the treasure-trove that is the Dietze Family Trust archive – a Melbourne-based collection of more than 3,000 cultural artefacts gathered from the legendary Indian film studio of the same name. This extraordinary archive, which traverses Indian cinema's journey from silent film to sound, represents the most comprehensive collection of 1920s to 1940s Indian film studio ephemera in the world.

Nearly 57,500 people saw this exhibition.

Image — *Bombay Talkies* opening night, credit Charlie Kinross



Wallace & Gromit and Friends: The Magic of Aardman

GALLERY 1
From 29 June 2017

The year closed with the opening of *Wallace & Gromit and Friends: The Magic of Aardman*, as part of the Victorian Government's Melbourne Winter Masterpieces series. The acclaimed exhibition celebrates 40 years of one of the world's most successful animation studios and the creative force behind beloved film and TV such as *Wallace & Gromit*, *Shaun the Sheep* and *Chicken Run*.

Curated by Art Ludique-Le Musée, Paris, in close collaboration with Aardman's Bristol headquarters, the exhibition includes over 350 objects reflecting the quirky humour and idiosyncratic charm of the British studio from sketchbooks and storyboards to intricate handmade puppets and over 50 sets, enthralling audiences young and old. Exclusive to ACMI is behind the scenes footage from the studio's forthcoming feature film *Early Man* and an activity space where visitors can build their own clay character and make a short stop motion animation inspired by the work of Aardman.

Aardman co-founders and studio directors David Sproxton and Peter Lord visited ACMI for the opening and presented sold-out events including a masterclass, workshop and a public conversation event. In addition, ACMI Cinemas programmed the studio's feature and short films; a podcast series was developed to share stories that enhance the exhibition experience; the ACMI Shop developed a specialised merchandise offer including limited edition posters, apparel, homewares and modelling clay; and the ACMI Cafe & Bar presented a menu with a nod to the studio.



Image — Above: *Wallace & Gromit and Friends: The Magic of Aardman* branding, credit ACMI Design
Image — Below: Peter Lord and David Sproxton, credit Charlie Kinross



Screen Worlds

ACMI's free permanent exhibition *Screen Worlds* presents the incredible story of the moving image in an interactive exhibition for people of all ages.

In 2016–17, we continued to revitalise *Screen Worlds* with an expanded Games Lab and an updated Sensations exhibit including the installation of two new works; ACMI co-commission *Stuck in the Middle With You* (choreographed by Gideon Obarzanek and directed by Matthew Bate) and *Proximity* – an interactive installation by Garry Stewart and Australian Dance Theatre.

Screen Worlds was also incorporated into activations for our programs such as those for Family Sundays and Melbourne International Games Week.

Image – *Stuck in the Middle With You* (2015), credit Peter Greig.



Family Sundays

In 2016–17 ACMI introduced a free family program – Family Sundays – presented on the first Sunday of each month. The program is a prominent building-wide activation across public programs, education and exhibitions, with an overlapping film and Cafe & Bar offer.

Leveraging partnerships with Disney, Cartoon Network and YouTube, Family Sundays are themed, encouraging both new and returning visitors each month. The diverse programming highlights ACMI's distinct experience with and commitment to the moving image including virtual reality, film and television production, video games and coding, animation and new media technologies. By providing a variety of engaging, free activities throughout the entire building, Family Sundays uniquely positions ACMI as a destination for families to enjoy whole-day experiences related to the moving image.

This year the program covered: YouTube videos (April), Star Wars (May) and Video Games (June). The Star Wars event was attended by almost 16,000 visitors and in its first three months, almost 25,000 people visited ACMI Family Sundays.

Other initiatives for activating the museum included creating a holistic suite of visitor guides including maps and refining our on-site signage; improvements designed to open up the entire range of ACMI experiences to visitors whether new or returning.

Image – ACMI Family Sundays (2017)

Continuous Improvement

ACMI Renewal

This year we submitted a business case to the Victorian Government for revolutionising the visitor experience and keeping ACMI at the forefront of 21st century museum practice.

In the 2017–18 state budget, ACMI was awarded \$5 million over two years for the first stage of this renewal: developing designs for a major physical and technological overhaul of the Federation Square attraction, creating a truly interactive museum for a new generation of visitors that celebrates and reflects the dynamic and ever-changing world of the moving image.

The public will start to see changes in 2018 with improvements to our Flinders Street entrance that will see the creation of a welcoming public space and better connections with the surrounding precinct.

Through the Users' Lens

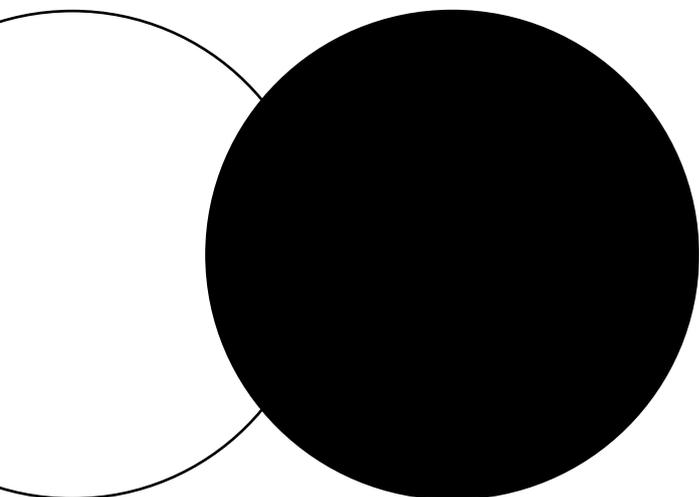
Our experience and digital team consistently look for better experiences for our broad range of stakeholders. This year they convened teachers for a focus group to find out what ACMI services are useful or lacking, prompting new resources supporting classroom learning; deployed Slack for broadcasting customer service issues and opportunities from the museum floor for quick action; enhanced the video on demand interface for in-gallery touch screens such as those in the *Screen Worlds* Kids Space, allowing more intuitive access to a curated selection of animated shorts; programmed the screens at our box office to pull session times from our website; found more channels across ACMI's physical and digital spaces to solicit visitor feedback; and, through savvy interface programming, developed a streamlined purchase path for single event tickets, an improvement set to be rolled out across the new financial year.

Workflow Improvements

ACMI is committed to listening to staff to improve workflows and increase collaboration and transparency across our projects and processes. Trello has been widely deployed for project briefing and coordination and has proven excellent for ensuring the transparency and remote access of information.

In addition, hot desking is helping promote informal information sharing across teams and is spreading new ways of working across the museum.

Images opposite page
Above — ACMI entrance, Flinders Street, credit Charlie Kinross
Below — ACMI X co-working space, credit Andrew McColl





Spotlight: The Experience Starts Online

In December we launched a new website for ACMI.

With an acute understanding of visitor needs gleaned from testing and analysis, and having determined a costly upgrade to the existing site would not meet users' expectations or ACMI's organisational needs, our experience and digital team embarked on building a new website to entice visitors to ACMI physically and virtually.

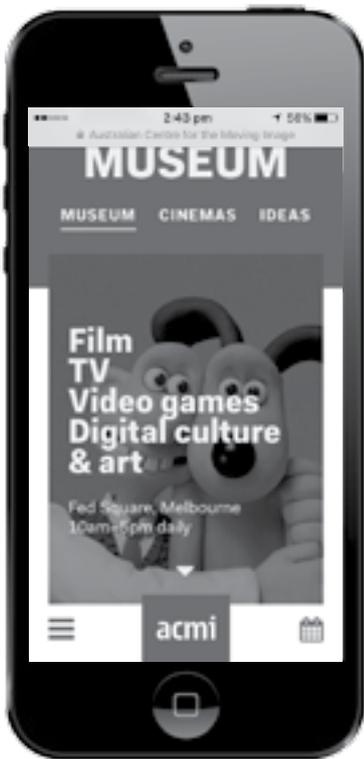
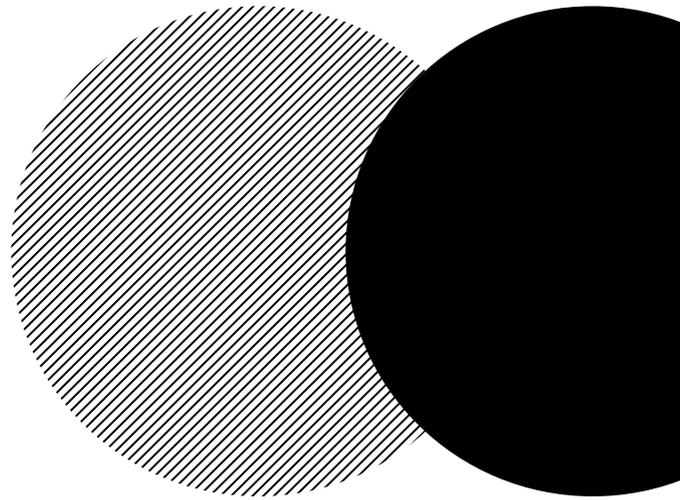
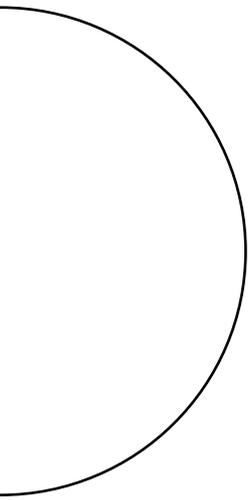
The new website is 'mobile first' to reflect the 51% of users that use a mobile device to access the ACMI website and has a particular focus on improving the experience for our primary users who browse the program and book a ticket.

With just four months for designing, developing and testing, the site was live in time to launch the film program for the busy movie-going season commencing Boxing Day.

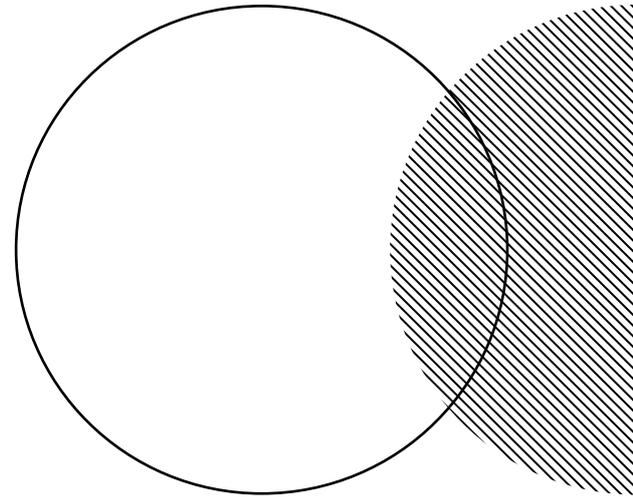
The website was launched in a perpetual state of beta; in other words, it will be continuously improved based on user needs. Built on GLAMkit, a content management system designed for museums, ACMI was able to benefit from sector-specific best practice and focus on customisation and implementation. In addition, website hosting has moved from onsite servers to a cloud-based service, giving ACMI an easily scalable infrastructure and facilitating compartmentalised improvements and with near-zero downtime for deployments.

The website's interweaving entry points of 'museum', 'cinemas', and 'ideas' allow users to see what's on and even discover something new. In particular, the 'ideas' section provides a purposeful framework for ACMI to curate content around ideas that matter to the museum and our communities, share deep critical analysis in our areas of expertise, programming and collection, as well as comment on current events and conversations, while connecting the user with a related event in ACMI's calendar.

Images opposite page — ACMI website screenshots, mobile



Corporate Goal: Build Our Brand, Extend Our Reach



- Define ACMI’s brand and voice**
- Enrich and extend conversations with our audience through ground breaking digital strategies**
- Develop collaborations and partnerships in Australia and around the globe**
- Create highly visible projects and programs, highlighting our curatorial distinctiveness**
- Strengthen our engagement with Indigenous and culturally diverse artists and audiences**



**We are a museum,
cinema, collection
and so much more.
Communicating this
to our audience has
been a focus across
ACMI this year.**

Audience Insights

Audience is at the centre of everything we do. This year ACMI created a new, dedicated Audience Insights Manager role to ensure our audience engagement is truly meaningful. Working closely with many of ACMI's teams, the Audience Insights Manager develops new strategies incorporating data analysis, segmentation, insights and reporting in order to increase our business intelligence, improve our ticketing and customer engagement, and grow income.

RMIT X ACMI

This year we launched a new line of ACMI-branded merchandise in collaboration with RMIT Bachelor of Arts (Textile Design) students. The program supported the next generation of Australian design talent by providing students with valuable experience in the merchandising process from concept to execution. The moving image-inspired designs of four students were selected to go into production with items including journals, frisbees, water bottles, kites, tote bags, cosmetic purses and lens cloths making up the first line of exclusive ACMI merchandise to result from this partnership.

Amplifying our Brand

Strategic media partnerships enabled us to extend the reach of our marketing efforts and target key audience segments. *The Age*, APN Outdoor, Adshel Street Furniture, *Herald Sun*, Melbourne Airport, *The Saturday Paper* and Yarra Trams provided more than \$500,000 in-kind advertising along with additional promotional support, which allowed us to achieve maximum impact across marketing and communications.

Always Listening

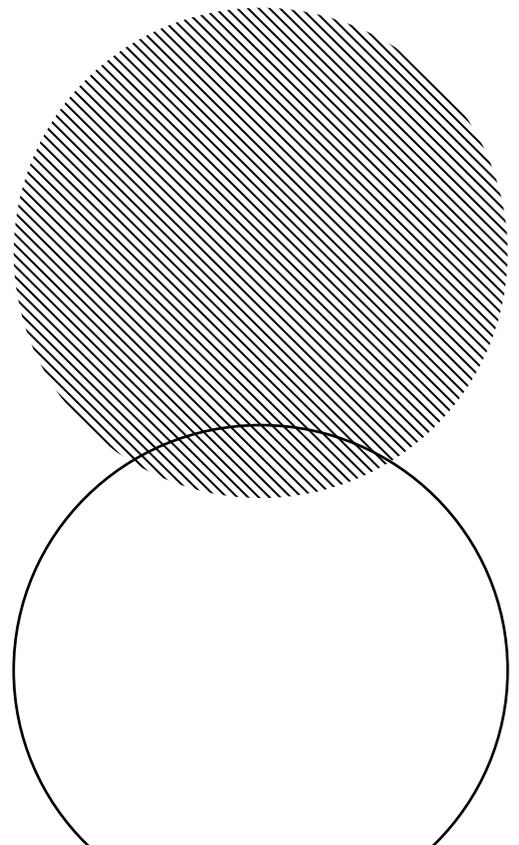
ACMI's in-house developers created a web-based audio guide that debuted in time for the *SCORSESE* exhibition. Since making the code available online, it has been used by institutions around the world, making it a valuable ACMI export product. Museums Victoria forked the code for the Immigration Museum's *Lustre* exhibition, as has Minneapolis Institute of Art, National Galleries Scotland, Vila Itororó in Brazil and Museo de Arte Contemporáneo de Panamá.

Knowledge Exchange

ACMI recognises the importance of our staff's expertise and how vital it is to leverage this to build our reputation and brand at home and overseas. ACMI's Chief Experience Officer, Seb Chan, regularly represents ACMI at forums for the exchange of ideas with peers and industry and to discuss the latest trends and challenges for the museum sector. This year, Seb represented ACMI at We Are Museums (Latvia), Immersive Experiences at Nordiska Museet (Stockholm), Museum Masterclass at Digital Catapult (London), TNC17 (Austria), American Alliance of Museums Conference (USA) and the National Museum of History's Digital in Cultural Spaces Conference (Singapore). In February, Seb and Director and CEO Katrina Sedgwick presented at international conference on the future of museums, MuseumNext, which was held in Australia for the first time at ACMI. Katrina also presented at the American Alliance of Museums Conference and represented Australia at South Korea's annual C20 Culture Summit in Seoul. Katrina is also a member of the Creative State Advisory Board. Digital Product Manager, Lucie Paterson, presented at Museums and the Web Conference (USA), Shaun Woodhouse, Head of Technical Services, presented at the 2016 International Association of Museum Facility Administrators Conference (USA) and Nick Richardson, Collections and Access Manager, presented at the Association of Moving Image Archivists Conference (USA).

Spotlight: ACMI Commissions

ACMI's commissioning program continues to go from strength to strength, stimulating cross-disciplinary collaboration among Australian artists to produce bold new and ambitious works often experimenting with new technologies.



Ian Potter Moving Image Commission

Australia's most significant long term commissioning program of new contemporary moving image art, the Ian Potter Moving Image Commission (IPMIC), is a ten year biennial partnership between ACMI and the Ian Potter Cultural Trust (IPCT) commissioning new works by mid-career Australian artists.

Following the first two critically acclaimed exhibitions resulting from the IPMIC, the third \$100,000 commission was awarded to video sampling collective Soda_Jerk in 2016–17. The commission will make possible a new work, *Terror Nullius*, which will have its world premiere at ACMI in 2018. *Terror Nullius* is to be a rogue remapping of national mythology weaving fragments of Australia's cultural history and film legacy.

Ghosts, Toast and the Things Unsaid

Commissioned in partnership with Google's Creative Lab, and produced by creative agency Sandpit in collaboration with technology developer Grumpy Sailor, *Ghosts, Toast and the Things Unsaid* is a 16 minute VR experience exploring the thoughts we don't share and the desires we keep covered. Based on a play first performed at the Adelaide Fringe Festival, the 360 degree video is playable to two people at a time who each enter their own booth as a character's ghost. The work debuted at ACMI in October for Melbourne International Games Week.

Prehistoric VR

Commissioned by ACMI and Screen NSW, *Prehistoric VR* is a collaboration between award-winning Australian visual artist and producer Samantha Lang, and Erth Visual & Physical Inc, internationally renowned makers of large-scale puppetry experiences, in partnership with the Australian Film Television and Radio School and Start VR. An adaptation of Erth's stage show *Prehistoric Aquarium*, the seven-minute VR experience designed for families drops viewers on the ocean floor 200 million years ago where they encounter some strange, wonderful and terrifying creatures of the prehistoric deep.

Continuing ACMI's exploration of VR as a powerful medium for transforming performative works into immersive experiences, the work will premiere at ACMI in 2017–18.

The Mordant Family VR Commission

ACMI joined forces with the City of Melbourne and Catriona and Simon Mordant AM to launch the Mordant Family VR Commission; a three year \$240,000 commitment to mid-career and established Australian visual artists seeking to experiment with VR and associated technology.

The inaugural commission was awarded to Dr Christian Thompson for *Bayi Gardiya (Singing Desert)*, which will invite audiences to walk through the landscape of Thompson's childhood where they will witness a simple yet profound aesthetic gesture of the artist singing in his traditional Bidjara language, recognised as extinct. *Bayi Gardiya* premieres at ACMI in 2017–18.

Ex Nililang

In response to Melbourne's city-wide AsiaTOPA program, we commissioned a new work by Sydney based multidisciplinary duo Club Ate, Justin Shoulder and Bhenji Ra. This new work, the fourth instalment of their cumulative moving image project *Ex Nililang*, screened in the ACMI Lightwell for the duration of AsiaTOPA and as part of our Art+Film program. *Ex Nililang* seeks to transform Filipino mythologies once used by colonial powers to demonise the queer community.

Our Curatorial Distinctiveness

Compelling Cinema

ACMI's film program continued to highlight the diversity of Australian cinema celebrating films from new talents (*Girl Asleep*, *Beast*, *When We Sing*, and the Oscar-nominated *Tanna*), to restorations of classics (*Dogs in Space*, *The Boys*). We engaged audiences in accompanying talks which highlight the array of local talent and the inspirations that drive Australian creatives. Following a screening of the breathtaking Australian documentary *Sherpa*, audiences heard from its award-winning producer Bridget Ikin. A screening of *Revolt into Style* concluded with a panel of fashion industry experts coming together to discuss Australia's 80s fashion movement and the designers who were catapulted from this hotbed of creativity onto the catwalks.

This year ACMI presented more than 38 events bringing audiences together with filmmakers, actors and decision makers, adding richness and depth to the screening experience. We presented post-screening discussions such as; *Weiner* with Greens Senator Adam Bandt, *Mapplethorpe* with photographer Bill Henson, *Clash* with journalist Peter Greste, *Alice* with actor Sarah Snook, and *Le Ride* with *Amazing Race* host and filmmaker, Phil Keoghan. We also programmed courageous filmmaking demanding our attention and promoting discourse about our society including the documentary, *Chauka, Please Tell Us The Time*.

Several times a year, ACMI spotlights masters of the moving image through retrospectives and thematic programming. These large-scale retrospectives drawn from global archives and producers offer our audience a rare opportunity to immerse themselves in viewing experiences which provoke discussion, build community and serve as major cinematic celebrations for our city. In 2016-17 such programs have included ROMAN: 10 films by Polanski, Essential Kurosawa: Selected by David Stratton, Shakespeare on Film and bi-annual program Fashion on Film.

We drew attention to the work of female directors including Athina Rachel Tsangari (*Chevalier*), Ceyda Torun (*Kedi*) and Barbara Loden (*Wanda*, restored). To coincide with the theatrical release of her new film *Certain Women*, we screened a retrospective of films by award-winning American director, Kelly Reichardt (*Wendy and Lucy*, *Old Joy*, *Meek's Cutoff*).

Across the year, 30 Australian premieres drew audiences to our cinemas. *What Our Fathers Did: A Nazi Legacy*, *Bill Frisell*, *A Portrait* and the Academy Award-winning, *OJ Made in America*, were among these titles.



Image — Chauka, Please Tell Us The Time, film still

60,359

cinema-goers saw an ACMI-curated title

206

titles programmed by ACMI

72%

of in-house cinema programming was exclusive to ACMI

39

films directed by women were championed

57

foreign language film titles

39

nations represented in film programs

Screen Culture Immersion

From industry masterclasses, to live gameplay events, superhero symposiums and TV talks, ACMI's program of live events celebrates the moving image in its diversity.

Our successful talks program has provided opportunities for audiences to hear from award-winning creators, academic experts and political and cultural commentators including writer Paul Dini, graphic novelist Hope Larson, critic David Stratton, director Warren Fu, games developer Raphael Colantonio and the Internet Archives' Jason Scott. Topics ranged true crime documentaries, representation of women on screen, the politics of first person shooter games, women in comics, Indigenous storytelling and binge worthy TV series. Similarly, our events program has uniquely celebrated the moving image through live video gameplay, late night performance programs, trivia nights and a data encryption party.

ACMI's youth program Intermix offered a series of innovative workshops for 15 to 25 year olds curious to explore and experiment with creative applications of new technology. Workshops were led by industry professionals and included open source projection mapping, VJing and creative applications of Microsoft Kinect. In 2017, ACMI launched the Intermix Creative Producers Hub, an initiative that commissioned young artists of different disciplines to create a collaborative work that explored unique engagement with the moving image. Intermix is a free program run with the generous support of the Naomi Milgrom Foundation.

Melbourne International Games Week

Reinforcing ACMI's commitment to fostering a vibrant games culture in Australia, ACMI presented two highly successful programs as part of the 2016 Melbourne International Games Week (MIGW). Supported by Creative Victoria, Games: A Family Affair attracted over 4,500 visitors; families exploring the world of games through live gameplay, beta testing, game development and coding workshops.

Game Changer: ACMI VR Festival immersed over 4,000 visitors in cutting edge VR technology with a range of experiences including games, documentary and storytelling developed by some of world's best practitioners. Presented in partnership with HTC Vive, Nvidia and Opaque Media Group, the day gave audiences a rare opportunity to experience the truly immersive Vive headset to view a series of VR works including *Mercenary*, *Everest VR*, *VR Funhouse*, *Earthlight*, *The Blu: Encounter* and *Tiltbrush*. In the Creators' Corner, audiences were able to beta test works by local content creators and experience the transformative potential of VR.

In partnership with Film Victoria, ACMI presented a VR Industry Day for local content creators and developers featuring talks by leading VR specialists, a production workshop and a Creators LAB for practitioners to develop ideas for new VR works.

73

talks presented
by ACMI

217

guest speakers

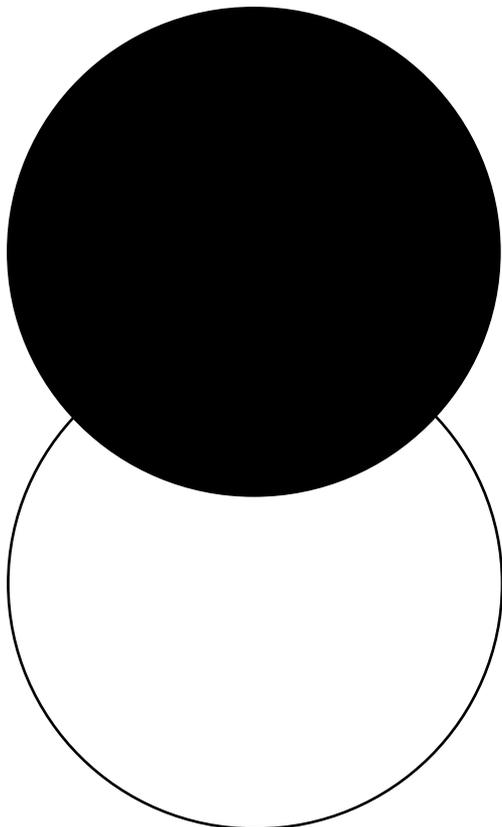
137

ACMI workshops



Art+Film

Art+Film is a monthly program of short and feature length films by Australian and international artists where cross-discipline art practice is celebrated and fine art is writ-large on the cinema screen. With a focus on single-channel works that harness the unique conventions of cinema, the program comprised internationally significant works from the ever-expanding field of artist films. This year, we featured works by acclaimed international artists such as John Akomfrah, Ben Rivers, Amie Seigel, and Tacita Dean.



Indigenous Artists and Audiences

In 2016-17 we continued to strengthen our engagement with Indigenous artists and audiences. In celebration of National Reconciliation Week, ACMI joined Federation Square, the Koorie Heritage Trust, SBS and NITV, Reconciliation Australia, The Long Walk, NGV and Moondani Balluk Indigenous Academic Unit at Victoria University to present WE | HERE | NOW. To mark the 50th anniversary of the 1967 Referendum and the 25th anniversary of the Mabo decision, the ACMI education and film programs teams held special screenings of *Satellite Boy* and *Mabo*, and our collections team curated a view on demand program of historic documentaries at ACMI.

In conjunction with NITV, we presented the Australian premiere of the first Indigenous opera, *Pecan Summer*, which included a post-screening discussion with Australia's foremost Indigenous soprano, Deborah Cheetham AO.

ACMI in association with ABC TV, Arena Media, Screen Australia and Film Victoria presented the world premiere of *The Warriors*, a new ABC Indigenous comedy series about football. In our state-of-the-art cinemas we gave audiences a sneak peek of the first three episodes followed by a post-screening discussion with key cast and crew.

In 2016 we presented the Australian premiere of the 'Country Suite' of films, *Charlie's Country*, *Still Our Country* and *Another Country*. Born from a creative partnership between filmmakers Rolf De Heer, Molly Reynolds and actor David Gulpilil, the suite of films are predominantly shot in the Aboriginal community of Ramingining. The projects have separate emphasis and individual areas of concern, but when seen together they paint a detailed and revealing portrait of a culture and a people that we are rarely privileged to access.

In addition, our VR exhibition *Lynette Wallworth: Collisions* provided audiences with an opportunity to hear from Martu Elder Nyarri Nyarri Morgan both through the immersive experience and in our talks program. Nyarri Nyarri Morgan: Virtual Reality, History and Indigenous Experience was a panel discussion in partnership with The Wheeler Centre and Melbourne Festival for which Nyarri was joined by artist Lynette Wallworth, his wife Nola, and his grandson and filmmaker Curtis Taylor from the remote Parnngurr community of Western Australia, to discuss the intersection of ancient storytelling and modern technology.

Cultural Diversity

ACMI works year round to engage culturally and linguistically diverse audiences across our programming. From the wide-ranging film festivals on our screens to our public talks, ACMI embraces diversity in all its forms.

As part of ACMI's contribution to AsiaTOPA, we presented *Climax of the Next Scene*, a video triptych by South Korean artist Jisun Kim exploring the world of online games. Sydney based duo Justin Shoulder and Bhenji Ra hosted *Club Ate*, a hybrid performance event celebrating queer identity and Filipina culture. Featuring performance art, dance, live music and video projections, *Club Ate* saw ACMI come alive at night with cross-disciplinary artists from the Asia Pacific region and a diverse, engaged audience.

We partnered with Youth Misinterpreted, a social enterprise youth movement voicing awareness for social issues and diversity, for a special Intermix event to launch the documentary series *Dialogue*. We worked in partnership with Multicultural Arts Victoria to communicate ACMI's offer to broad communities, including expressions of interest for our Creative Producers Hub, which resulted in diversity among participants.

Through the generous support of the Lorraine Elliott AM Education Fund, we facilitated workshops for recipients who might not otherwise have the opportunity to experience them. In partnership with refugee assistance group Stand Up, ACMI offered 160 recent Sudanese refugees aged six to 20 a fully-funded opportunity to participate in a YouTube filming workshop, attend films and take part in an educational tour of our *Screen Worlds* exhibition.

We hosted multicultural festivals including the Indonesian Film Festival, Czech and Slovak Film Festival, Iranian Film Festival, Japanese Film Festival, Korean Film Festival and the Russian Resurrection Film Festival. We also profiled sexuality, politics and global issues with festivals such as the Environmental Film Festival Australia, Human Rights Arts and Film Festival and the Melbourne Queer Film Festival.



Image — *Club Ate* (2017), Justin Shoulder and Bhenji Ra

Spotlight: ACMI Touring Programs

Our touring exhibitions are a growing part of our business. Not only do they extend our reach and impact nationally and internationally, they build our brand and reputation, and that of Victoria, while bringing in vital revenue.

In 2016–17, ACMI's unique touring exhibitions attracted 555,972 visitors to regional Australian and international venues, almost 24% over target. With four exhibitions touring at any one time this year, we travelled to four countries and six Australian regional centres with critical acclaim and eager audiences at each venue.

International Touring

Game Masters: The Exhibition

The 2016–17 year commenced with *Game Masters* at the Centre of Science and Industry (COSI) in Ohio, USA, where it was seen by almost 200,000 visitors during its season. In November, it opened at Museum für Kunst und Gewerbe in Hamburg, Germany, with almost 90,000 visitors experiencing the exhibition.

Dreamworks Animation: The Exhibition

Opening the year at South Korea's Seoul Museum of Art (SeMA), *DreamWorks Animation* travelled to the National Taiwan Science and Education Centre (NTSEC) in Taipei and then to Mexico's Museo de Arte Contemporáneo de Monterrey (MARCO). In 2016–17 the exhibition was seen by 260,087 visitors.

Sustaining our International Touring

Since ACMI's world premieres of *Game Masters* (2012) and *DreamWorks Animation* (2014), both exhibitions have entertained audiences in 13 venues globally. Exceeding expectations of longevity, ACMI this year finalised plans to extend the *Game Masters* tour by two years, with two museums in the USA confirmed for 2018. Following the acquisition of DreamWorks by NBCUniversal, ACMI is negotiating a two year extension to its tour licence, which would take the tour through to mid-2022. Also in 2016–17 ACMI has been busy developing a third international touring exhibition.

Australian Tours

ACMI regional touring exhibitions have introduced regional audiences across Australia to ACMI's unique blend of highly crafted exhibitions which combine bespoke digital experiences with traditional museum content. National touring took place over four states and six regional venues in 2016-17, attracting new audiences to galleries and receiving excellent community feedback.

Shaun Tan's *The Lost Thing: From Book to Film*

Our exhibition spotlighting Academy Award-winning Australian animator Shaun Tan continues to be immensely popular with regional venues. In 2016-17, the exhibition toured to:

- Bunbury Regional Art Galleries, WA (6 Aug – 25 Sep 2016)
- Geraldton Regional Art Gallery, WA (7 Oct – 26 Nov 2016)
- Albury Library Museum, NSW (10 Dec 2016 – 22 Jan 2017)
- Cairns Regional Art Gallery, QLD (4 Feb – 16 Apr 2017)
- Perc Tucker Regional Gallery, QLD (5 May – 2 Jul 2017)

War Pictures: *Australians at the Cinema 1914-1918*

A collaboration between ACMI and the NFSA, *War Pictures* explores the role of Australian cinema culture during wartime. Premiering at ACMI to commemorate the Centenary of the First World War, the exhibition was this year displayed at the Warrnambool Art Gallery (10 Sep - 13 Nov 2016) in regional Victoria.

Hitting the Road

In 2016-17, ACMI received a Visions of Australia regional touring grant enabling a three year tour of ACMI's popular 2016 exhibition *Del Kathryn Barton: The Nightingale and the Rose*. Born of an extraordinary collaboration between two-time Archibald Prize winner Del Kathryn Barton and acclaimed filmmaker Brendan Fletcher, the exhibition traces the remarkable adaptation of Oscar Wilde's 19th century classic from text to canvas and book, then into a hauntingly beautiful animated film. Venues have been secured for regional touring in 2017-18.

ACMI recently sought expressions of interest from regional venues for its forthcoming exhibition, *Code Breakers: Women in Games*, an exhibition celebrating the achievements of Australian and New Zealand women working in the video game industry.

Designed with touring capacity in mind, both of these original ACMI exhibitions are expected to enthrall visitors in regional communities across Australia.

4

international locations for ACMI exhibitions

512,823

visitors to ACMI exhibitions in international venues

6

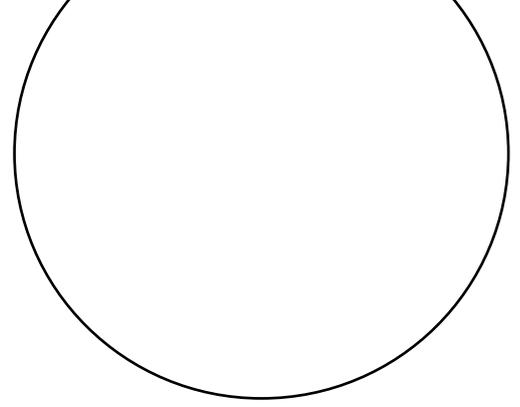
regional Australian centres

43,149

visitors to ACMI exhibitions in regional Australia

Corporate Goal: Leverage Our Assets

- Value and invest in our staff and share their expertise**
- Be a world leader in moving image education**
- Embed a culture of experimentation that values iterative improvement, testing and learning, prioritises knowledge and repositions ‘failure’ as a learning opportunity**
- Rationalise, preserve and digitise our collection delivering an energetic interface to our archive and creating links to the global network of moving image collections**



A New Enterprise Agreement

This year we successfully negotiated and implemented ACMI's 2016–2019 Enterprise Agreement which reflects the commitment of ACMI and its employees to work cooperatively and flexibly to ensure that ACMI's strategic aims can be achieved.

Our Welcoming Committee

The visitor services team at ACMI is dedicated to ensuring the quality of our visitor experience. Comprised of more than 80 visitor services officers, 140 volunteers and 5 supervisors, this large and diverse team can speak to our visitors in more than 20 languages. Frontline staff and volunteers were vital to ACMI maintaining an incredible 95% visitor satisfaction rating for staff services in 2016–17.

With a wide range of backgrounds and expertise, the team provides front of house support as ushers, gallery invigilators, school group greeters, retail assistants and ticketing attendants, as well as support in ACMI's administrative offices from time to time. This year saw a big focus on facilitating virtual reality experiences for short and long term installations, ensuring our visitors the best possible experience of this new technology.

In 2016-17, ACMI volunteers contributed over 9,600 hours. Over 840 hours were clocked up assisting with an increased volume of school holiday workshops.

Secondment Program

We established an internal secondment program, enabling staff to be embedded for three months in another department while their existing role is temporarily filled by another internal appointment. The early success of this program has pointed to an improvement in our processes and breaking down silos to sharing experience and knowledge across the organisation. It has assisted staff to develop and utilise new skills, enhance existing skills and increase their capacity to perform a wider range of roles creating an agile workforce that can respond to changing organisational needs and facilitate operational and efficiency requirements.

Indigenous Trainee Program

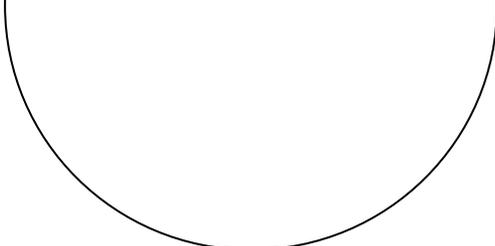
We partnered with ArtsReady to implement an Indigenous Traineeship Program that offers an entry-level training and support model, combining practical work experience with vocational education for young Indigenous Australians. This program has focused on providing two trainees with a certificate level business qualification while working part time to utilise their learning in a practical work environment.

Diversity Program

ACMI can assist new residents to become independent and valued members of the community by offering access and employment opportunities. In acknowledgement of this, we piloted a new recruitment approach in partnership with Refugee Talent and the Social Studio, reaching out to culturally diverse communities whose members may not have applied for a role at ACMI through the normal recruitment channels.

Recognising Our Design Expertise

ACMI's industry-leading design team was recognised with prestigious awards again this year, including accolades for moving image productions. At the 2017 MAPDA (Museums Australia Print and Design Awards), ACMI's brand trailer created by Multimedia Designer Field Carr won best multimedia, and commendations were awarded for design work associated with ACMI's *SCORSESE* and *Phillippe Parreno: Thenabouts* exhibitions. At the 2016 Australian Graphic Design Association (AGDA) Awards, ACMI received a distinction for the *Julian Rosefeldt: Manifesto* exhibition identity and a judges award for brand expression in moving image for the *SCORSESE* trailer.

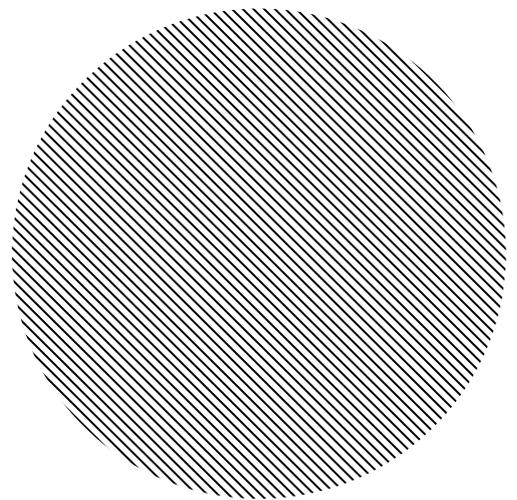


Spotlight: The ACMI Collection

ACMI's collection is one of the oldest and most significant collections of moving image and related objects in Australia, comprised of film, tape and disc material, time-based media art, video games, television and ephemera.

It provides an important window into how we lived in times gone by and is also a valuable resource for academics, historians, anthropologists, artists, filmmakers and students.

2016–17 was a year of significant focus for the collections team who were busy implementing ACMI's strategy to deaccession, digitise and develop the collection. This has laid the groundwork for significant improvements to the collection's quality and access in 2017–18 and beyond.



Deaccessioning

The first phase saw 2,946 individual VHS tapes identified as 'damaged beyond repair' approved for deaccessioning, removed from the collection and responsibly recycled as e-waste.

Digitisation

We undertook a focused digitisation and re-licensing project of significant analogue holdings to preserve items under our care deemed cultural treasures, including footage of historical events and home movies. This year 1,314 digital assets were produced from formats facing deterioration and technical obsolescence. Making these videos available online was a major part of sharing these stories that might otherwise be lost.

Licensing

Alongside the physical care and analysis involved in preservation, we created new licences to allow broad access to titles, including online access which commenced via ACMI's website and YouTube channel.

Save Our Stories Campaign

We identified tens of thousands of important analogue holdings in ACMI's collection at very real risk of being lost forever if not digitised before it is too late. Films recorded on 16mm are fast deteriorating and experts worldwide agree that magnetic (video) tape won't last beyond 2025. This work is resource intensive; it takes up to 10 hours to save one hour of fragile film footage. It is also expensive, requiring specialised skills and equipment.

To raise awareness of this important plight, we launched the Save Our Stories fundraising campaign to allow members of the community to assist in accelerating this critical work in order that footage be preserved and accessed for generations to come.

Prior to this campaign, ACMI saved 438 titles in 2016–17, often saving the only copies in existence. Some of the footage recently digitised includes:

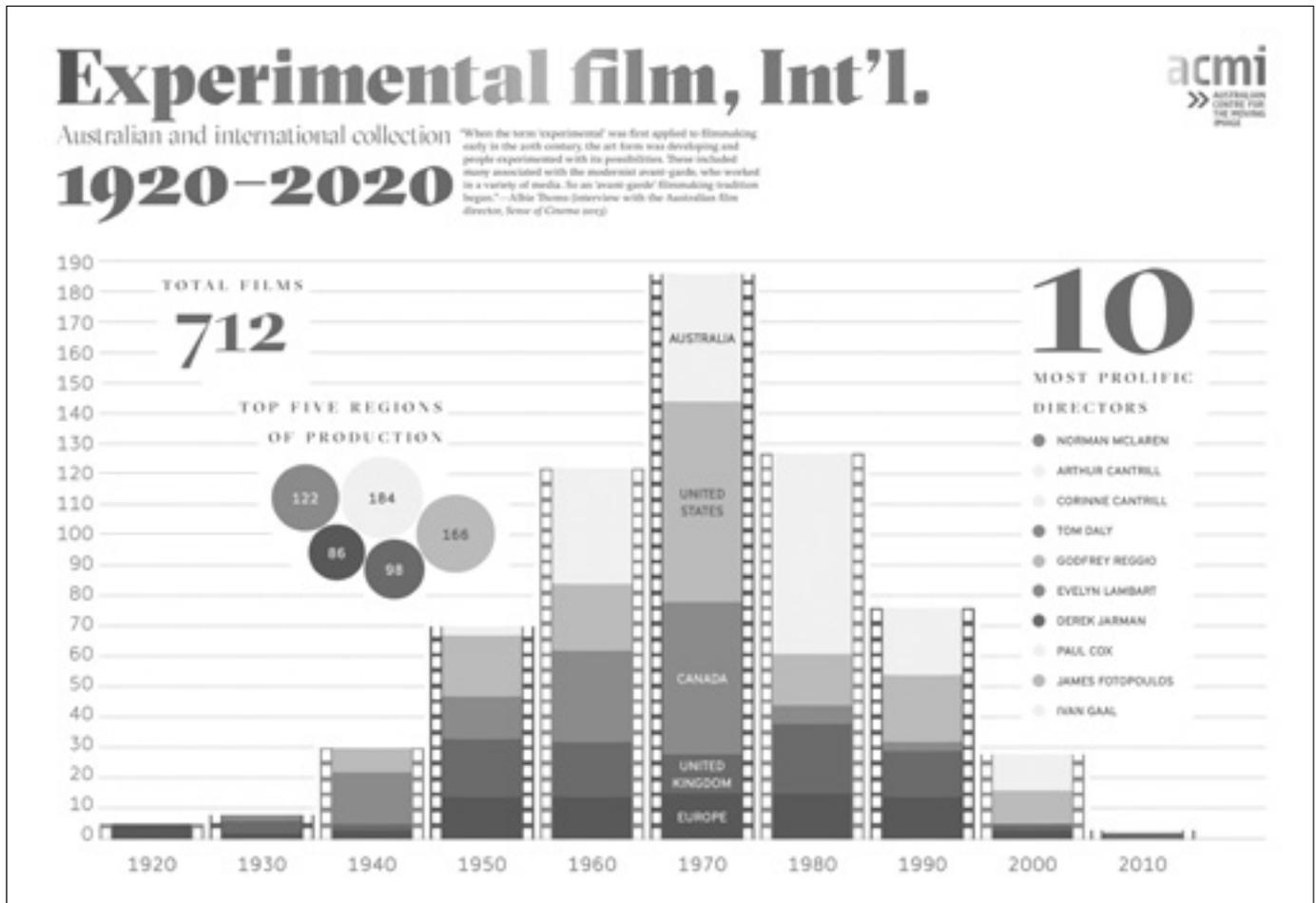
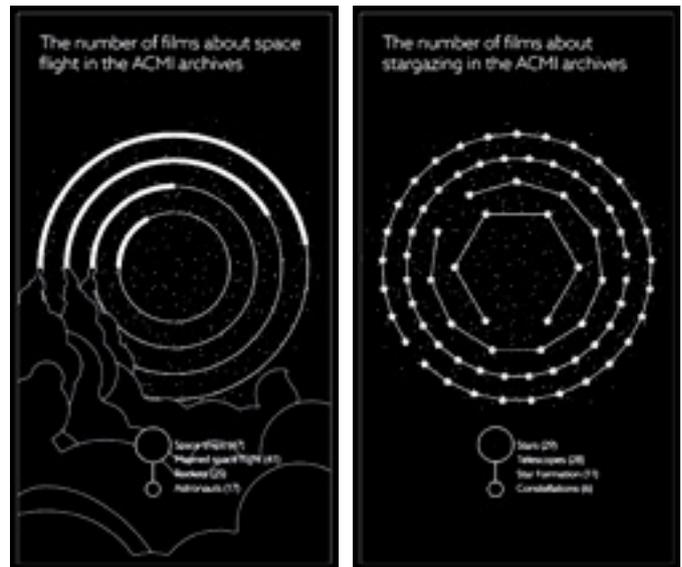
- a 1969 surrealist film made by a young Fred Schepisi for the Australian Dried Fruits Association
- 12 hours of colour amateur footage of 1940s Melbourne
- the first commercial film appearance of Mel Gibson in a wine advertisement
- rare instructional films such as early computer technology in the classroom
- footage showing the arrival of new Greek migrants from the 1950s
- previously unseen footage of Queen Elizabeth II's 1954 visit to regional Victoria

Visualising the Collection

Data visualisation offers a way to observe patterns, pose questions and draw stories from large scale datasets. ACMI collaborated with RMIT University's Design Futures Lab and a group of 56 postgraduate students created data visualisations using collection data released by ACMI globally in August under a Creative Commons Zero License.

From an analysis of monster movies, Japanese made films, or collection titles featuring the words 'somewhere' or 'nowhere,' the resulting visualisations are strikingly effective ways to tell a story about a collection dataset. Produced as poster designs and short video works, the top projects were revealed at a seminar at ACMI X in May.

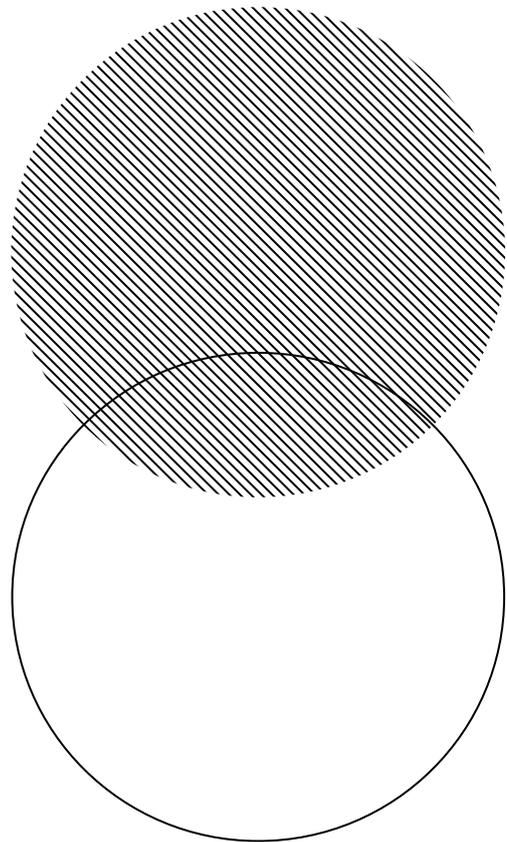
Image right — ACMI data visualisation, Elle Ragauskas
 Image below — ACMI data visualisation, Duncan Bachford



Our Collection in the Community

In the past year we've seen the ACMI collection used in interesting ways:

- Using collection footage, artist Zoe Croggon created *Tenebrae*, a new video work commissioned as part of the National Gallery of Victoria's Festival of Photography
- For the 50th anniversary of the Victorian College of the Arts, ACMI digitised over 500 significant works made by former students
- ACMI provided research assistance for the Monash University Media, Film and Journalism Department's Australian Research Council project looking into utilitarian films
- Our on site view on demand system featured curated packages including; Flash Back exploring youth counter culture over decades for *White Night*; 10 award-winning Stanley Hawes documentaries for the 30th anniversary of the Australian International Documentary Conference; a short history of the rail service at Melbourne's iconic Flinders Street Station; and items from the Czech and Slovak Film Festival and ReelOzInd, the Australia Indonesia Short Film Festival



150,000+

items in the ACMI collection

41,664

searchable catalogue records online

1,314

new digital assets

1000+

titles newly licenced for digitisation

120,000

hours of material

Film in ACMI's collection could go twice around the Earth's circumference, or across the Nullarbor and back 25 times (over 80,000km)

Spotlight: ACMI Education

ACMI's education team provides a framework for learners of all ages to explore, play, create and share in our immersive, screen-focused digital programs that integrate STEM with arts learning. Our education programs spark imaginations, inspire creativity, and build thinking skills, capabilities and competencies for now and for the future. Whenever possible, we connect learners with digital technologies and industry professionals through real world experiences.

Screen It

ACMI's national competition for school-aged filmmakers, animators and game developers offers an outstanding opportunity for young people to develop skills including screen literacy, collaboration and design-thinking. Students and teachers can take part in Screen It from any location in the country, supported by numerous education resources and online learning sessions.

In 2016, a record number of participants responded to the evocative theme, Mystery, submitting creations about family mysteries, secret packages, lost treasures and even the disappearance of former Australian Prime Minister Harold Holt.

Students travelled from around the country to be part of the 13th annual Screen It Awards Gala, live-streamed to 24 connections Australia-wide. Hosts Bajo and Hex from ABC TV's *Good Game* were joined on stage by Oscar-winning animator Adam Elliot and actor Bethany Whitmore (*Girl Asleep*).

2,521

Screen It 2016
participants

587

Screen It 2016
entries

Online Virtual Learning

ACMI's dynamic learning experiences are available to teachers and students through a range of virtual learning programs and projects. We engage learners across Australia in immersive and interactive sessions that offer them the opportunity to connect with experts and with each other.

Screen It's online learning program is delivered by experts from the ACMI education team and is integral to the national reach of the competition, as well as to Screen It's powerful connection to learning and the curriculum.

Meet the Makers

Meet the Makers brings creative professionals directly to the classroom via online learning sessions. This year students have engaged with accomplished and talented professionals who have generously shared the secrets of their creative and technical practice. Sessions have included:

- *Performance in Video Game Animation* with Tara Allen, an animator for Firemonkeys
- *The Art of Animation* with Kate Cawley, Melbourne-based animator, writer and lecturer
- *The 'Who and How' of Creating Video Games* with Emilie Poissenot, Lead Game Designer at Firemonkeys
- *Story in a Game Space* with Brooke Maggs, freelance writer, narrative designer and producer

“BRILLIANT!!!! Fantastic job. The grade was inspired by the [theme] session and spent their writing session putting together their ideas. Thank you so much!”

— Berwick Primary School

Education Partnerships

Through partnering with Government, the tertiary sector, teacher associations and other organisations, ACMI offers targeted and innovative programs that increase our reach. The international Screen Futures Summit and Youth Media Festival presented with ATOM and RMIT kicked off a year that also included a collaboration with La Trobe University on the Interpreting Shakespeare Professional Learning Day, the co-presentation of Language in Motion Multiliteracies Conference with the Australian Literacy Educators' Association of Victoria (ALEA VIC) and the Education in Games Summit. Other professional learning partnerships include programs presented with the Victorian Association for the Teachers of English (VATE), Art Education Victoria (AEV) and Zart Art.

The Education in Games Summit

The Education in Games Summit (EiGS) is a collaboration between ACMI, the Department of Education and Training (DET) and Creative Victoria. In 2016 over 180 teachers from around Australia came together to further develop education practice around and through video games. With the theme Inspire+Design+Play, the summit focused on activating the digital technologies curriculum, STEM teaching and learning, and developing students' critical and creative thinking. The 2016 EiGS featured keynote speakers Dr Kurt Squire (University of Wisconsin-Madison) and Annabel Astbury (Head of Digital Education at ABC).

A highlight was the presentation of winning prototypes by the finalists of the Victorian Schools and Apps Challenge, a partnership between DET, Microsoft and ACMI coordinated by the education team at ACMI. In 2016 EiGS was a part of Melbourne International Games Week (MIGW), created by Culture Victoria which recognises and supports Melbourne's vibrant video game industry and culture. A further highlight was a lively audience of 280 in the final seminar presented as part of video game festival PAX, featuring representatives from ACMI, DET, Victorian schools and the creative industries.

Games Net and Key Frame

Projects such as Games Net and Key Frame highlight the potential for virtual learning to break down barriers based on distance and effectively deliver creative opportunities for students in regional schools.

Games Net is a three year collaborative project designed to connect gifted and talented students across Victoria and, uniquely, across both primary and secondary education. In 2016, the project involved 44 students and 13 teachers from 11 schools across Victoria with participants engaging with each other, industry mentors and ACMI staff to create video games in virtual online development teams, designed to simulate an agile game development environment.

Using a suite of industry standard communication and collaboration software the teams made 12 games in 18 weeks. The development phase saw 622 attendances at 178 online meetings or 313 hours of collaborative online conversations. Further, the teachers involved developed their skills in video game curriculum design and delivery and presented their experiences at the 2016 Education in Games Summit.

In 2017 ACMI delivered Key Frame, a virtual creative professionals in schools education partnership with Creative Victoria. Creative professionals at ACMI were funded to work on a collaborative project with a rural school, with the main mode of communication via online learning sessions. Over nine weeks, ACMI worked with Year 10 students from Horsham College to deliver a program involving more than 15 online learning sessions, a visit to Horsham, two teacher professional learning sessions and an intensive student production camp at ACMI. By the end of the project, students could work effectively with the software Moho (Anime Studio) Debut 12 and had developed confidence in expressing themselves creatively. In the final online learning session, students presented their work to an appreciative audience at ACMI, including Director and CEO Katrina Sedgwick.



Image — Games Net participants (2016)

“We learnt a ton of new skills.”

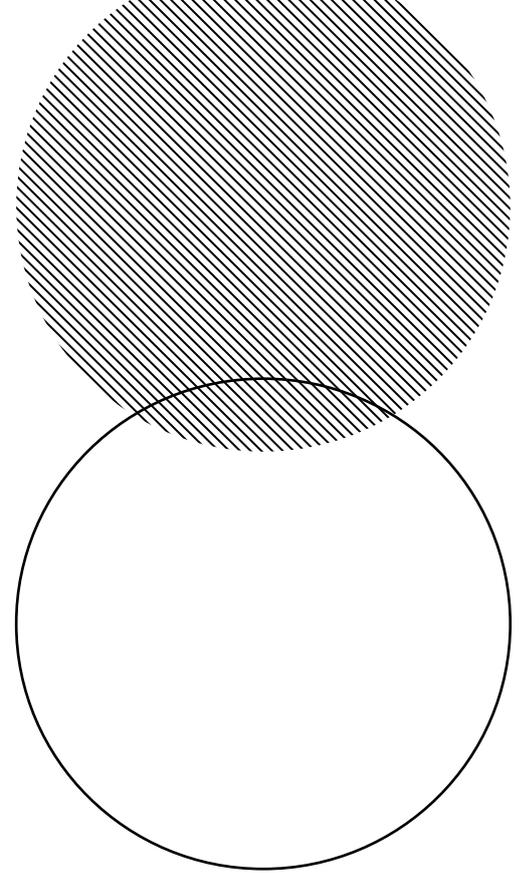
— Corey, Horsham Secondary College

“I most enjoyed the staff at ACMI. It was very refreshing to attend a workshop with staff that actually interact with students and guide them through the process of animation. I also enjoyed getting to know Photoshop more in a comfortable, relaxed space. Studio 2 is very well designed for learning.”

— James, Horsham Secondary College

“My most proud achievement at ACMI was when I designed all the characters exactly how I had imagined them.”

— Oscar, Horsham Secondary College



Spotlight: ACMI X

ACMI X made ACMI the first museum in Australia to work directly with screen and creative industries. Opening in April 2016, 2016-17 saw its first full year of operation. ACMI X is an ambitious co-working initiative combining ACMI's operational teams and the Melbourne office of the NFSA with space for 60 individuals from organisations in the creative industries. A triumphant first year brought 36 permanent resident co-workers, 12 university sponsored places and 189 industry members.

The ACMI X community is made up of small to medium enterprises including film and VR production companies, web, game and app developers, screenwriters and arts administrators. In addition, the University of Melbourne and RMIT University each hold desks for postgraduate students, PhD candidates and researchers in the fields of design, animation, games and digital media, providing valuable industry immersion that is expected to inform future thinking in the sector.

Just one of a series of bold strategic moves by ACMI designed to leverage our resources to benefit both audiences and industry, ACMI X has generated numerous collaborations including commissions, presentations at ACMI's Family Sundays and Melbourne International Games Week's VR Day, expert judging panel positions and project testing with staff and public.

A regular events program provides co-workers and industry members opportunities for networking and inspiration from business leaders and creative practitioners. With a focus on creative entrepreneurs, highlights of this program included presentations by; Director of New York museum incubator NEW INC, Julia Kaganskiy, one of the most influential women working at the intersection of art and technology; leading futurist, author and entrepreneur, Mark Pesce; REMIX cofounder Peter Tullin; and UK tech and game start-up specialist, Tony Hughes.

Professional development opportunities are a hallmark of the flourishing community at ACMI X. Presentations this year have covered agile and design methodologies, trademark and brand protection, tax for start-ups and time management techniques. Other streams in our ACMI X event series include co-worker show and tell sessions and opportunities to hear from ACMI's own specialist staff.

Regular 'meet ups' organised in partnership with Media Lab Melbourne, Experimenta, Virtual Reality Content Creators (VRCC) Australia and HTC Vive, provide networking and social opportunities and at the same time strengthen and grow the ACMI X community.

In January, ACMI was awarded a grant by LaunchVic to develop a creative tech laboratory as part of ACMI X. The project which will act as an accelerator supporting individuals and small businesses to develop, test and promote their ideas, is the next step in helping grow cultural entrepreneurs and will come to fruition in late 2017.

116

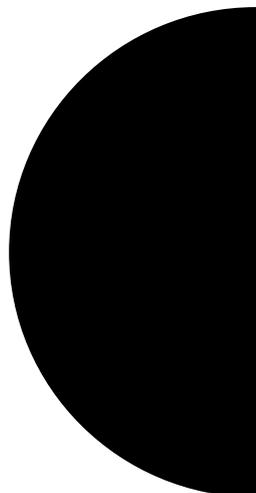
ACMI X events

189

industry members



Image — ACMI X neon sign



Corporate Goals: Build Sustainability

- Increase and diversify self-generated revenue**
- Ensure strong environmental performance**
- Strengthen business systems and capital infrastructure planning and investment**
- Nurture our stakeholder relationships to align strategies and maximise mutual benefit**



A New Development Strategy

The early part of 2017 saw significant investment in ACMI's development team in order that ACMI be best positioned to increase long-term diversified self-generated revenue. A new Head of Development, Sarah Wilson, joined the organisation in January. Supported by new and existing philanthropy, corporate sponsorship and membership staff, Sarah has developed a comprehensive patron, fundraising and sponsorship strategy in line with ACMI's audience and future vision.

ACMI Members

ACMI's members are among our most engaged visitors onsite and online. In 2016–17 ACMI had 3,602 memberships and renewal rate of 61% (up 12%). Our member events program attracted over 2,244 attendees to 13 events this year, including advance screenings of our cinema programs and film festivals, as well as curator tours of our exhibitions.

ACMI Workshops Trending

In 2016–17, the public programs team introduced a fee-for-service model to our holiday workshop offering. This resulted in a significant increase in the number of workshops delivered for the kids and families audience, as well as an increase in the variety of workshops on offer. The program now includes workshops dedicated to coding and video game development, virtual reality world creation and an extremely popular series of weekend family modules that encourage parents to work with their children alongside experienced ACMI facilitators to engage with moving image as both art form and learning tool. The growth of these workshops has been extremely positive, providing a solid revenue stream to the organisation while also providing visitors with a quality range of experiences. In 2016–17, ACMI ran 72 fee-for-service workshops. Attendance at these workshops has seen a continuous upward trend, with 47% growth in overall attendance, 90% growth in attendance to individual workshops and a 76% growth in profit for 2016–17.

Commercial Success

ACMI's events team, the Cafe & Bar, and our shop, with its new online retail facility, cumulatively saw ACMI exceed commercial revenue targets for the year. These self-generated revenue streams are increasingly important to support our financial sustainability, and the increases year on year reflect an emphasis on growth and acknowledges the key role they play in supporting our brand awareness programs. In 2016–17:

- Shop revenue totalled \$527,000
- Events revenue increased by 10% to \$688,000
- ACMI royalty for the Cafe & Bar totalled \$181,000
- Our events team successfully hosted 21 festival partners, attracting over 146,731 visitors to ACMI and generating \$445,000 in revenue

Good Bones

In 2016–17 ACMI has consistently worked toward its goal of improving business systems and capital infrastructure planning and investment. We completed a major upgrade to technology used to support our computer operations. The information communication technology team replaced servers, data storage and backup systems to ensure our large range of computer applications can operate quickly and reliably. This also responded to greater file sizes due to higher resolution videos and increased production needs. We implemented a digital assets management system to provide an organisation wide platform to store, catalogue and locate digital assets. We received funding from the Cultural Facilities Maintenance Fund for the following capital projects:

- *Screen Worlds* technical and content maintenance
- *Game Masters* touring assets technical and content maintenance
- Replacement of light fittings for Gallery 1 house lights
- Refurbishment of Gallery 1 including replacement flooring and walls

Green Screens

Under stewardship of our committed green team, we continued to take an active role in responsible environmental management supported by our staff, volunteers, stakeholders, partners, clients and suppliers. Along with our continued measurement of water and energy consumption we have increased our efforts around recycling. We took measures to ensure that obsolete equipment was responsibly disposed and, where possible, donated to charitable causes. This year we donated 23 computers to organisations who refurbish them to supply to refugee families, arranged a donation of lighting and sound equipment to schools and community groups, and ensured that over 3000 VHS tapes deaccessioned from our collection and 104 kilograms of used batteries were recycled rather than sent to landfill.

The green team aims to engage the whole ACMI community in improving our environmental performance through events such as Clean Up Australia's Business Clean Up Day. This year, the green team partnered with the Sustainable Living Festival to host a visit by Xiuhtezcatl Martinez, a prominent young environmentalist and hip hop artist, who enthralled a cinema of secondary students with his simple messages of personal environment engagement and local activism.

Spotlight: We Do Better Together

ACMI places great emphasis on collaboration inside and out. By nurturing our relationships with industry, sector specialists and peers, we enhance the experiences of our audience and strengthen our abilities to improve. We strive to align ourselves with like-minded organisations for maximum mutual benefit through formal and informal partnerships.

Our Screen Team

ACMI's relationships with significant international film institutions such as UCLA Film and Television Archive, The Academy Film Archive, the British Film Institute and The Film Foundation, continue to enrich our year-round screening offer through ongoing access to titles for our own programming and unique partnership opportunities.

Our relationships with the local screen industry continue to grow, fostering regular preview screenings with our broadcast partners (ABC TV, SBS, Foxtel, NITV).

To commemorate the 400th anniversary of Shakespeare's death, we presented Shakespeare on Film, an international touring program from the BFI and the British Council (UK and Australia) that explored the deep affinity between cinema and The Bard.

We established a relationship with Palace Cinemas to co-present the season ROMAN: 10 films by Polanski, which allowed us to extend our reach through cooperative marketing to art house cinema audiences.

As a campfire for fans of screen culture, ACMI partnered with the Australian Research Council (ARC) supported Superheros & Me research team to present the Superhero Identities Symposium. Featuring over 50 experts, authors and graphic artists, including a leading team of superhero scholars, the conference offered in-depth analysis of this richly layered section of pop culture.

In March, we announced a partnership with Film Victoria to present Series Mania, the world's most prestigious festival of international TV, coming to Melbourne in 2017–18. The four day festival will bring together screenings of new Australian and international drama, narrative comedy and web based series, with panel discussions and an industry day.

Partnerships in the education sector extend to ACMI's presenting partner arrangements with the Victorian Curriculum and Assessment Authority's Top Screen showcase and the Victorian College of the Arts' Graduate Screenings program.

Festival Hub

In 2016–17 ACMI partnered with 11 film festivals, including the Melbourne International Film Festival, Melbourne International Animation Festival, and numerous culturally and socially aligned film festivals, as well as a further 10 brand-aligned festivals and conferences which add depth and diversity to our busy calendar of events.

Alongside our peers, we contributed significant programs to AsiaTOPA, White Night, Melbourne Festival, MPavilion, Melbourne Writers Festival and Open House Melbourne. We were once again a prominent hub for the Melbourne International Comedy Festival as the venue for 13 shows.

We continued to be the home of cinephile favourites Melbourne Cinematheque and Melbourne Filmoteca as well as popular children's film festival Little Big Shots.

221

Melbourne International Comedy Festival performances hosted at ACMI

80

sessions in the Melbourne Queer Film Festival

137

sessions in the Melbourne International Film Festival

123

Melbourne Writers Festival events

Sector Specialists

We partnered with leading conventions in the museum and cultural sector to host events of interest to our industry such as; creative innovation festival, Pause Fest; international conference on the future of museums, MuseumNext; and, in partnership with Film Victoria, presented the annual Australian International Documentary Conference.



MuseumNext

In 2017 ACMI sponsored MuseumNext, hosting the internationally acclaimed museum conference for its first presentation in the southern hemisphere. A coup for the local sector, MuseumNext took ACMI's key strategy of embracing risk in our creative work as the conference theme. In collaboration with ACMI's Chief Experience Officer, Seb Chan, the conference delivered an inspiring and challenging program, ably supported by ACMI's wonderful events team.

Image — Museum guru Elaine Heumann Gurian speaking at *MuseumNext* (2017), credit Charlie Kinross

3

days

55

events

360

museum delegates from around the globe



Australian International Documentary Conference

As the Australian International Documentary Conference's (AIDC) major partner, ACMI is proud to support Australia's most important documentary industry event. Each year we not only host the four day conference bringing together over 600 Australian and international delegates from across the factual film, television and digital media industries, but provide the AIDC with a year-round home at ACMI X through the provision of office space, reception and ICT support.

As part of AIDC 2017, we co-presented a film program; a highlight of which was *OJ Made in America* and the accompanying conversation with its visiting director Ezra Edelman.

For the conference's 30th year milestone, AIDC attracted a record number of delegates and many industry relationships were forged and deals done in our buzzing ACMI Cafe & Bar.

Image — AIDC (2017), credit T. Noble

678

delegates attended



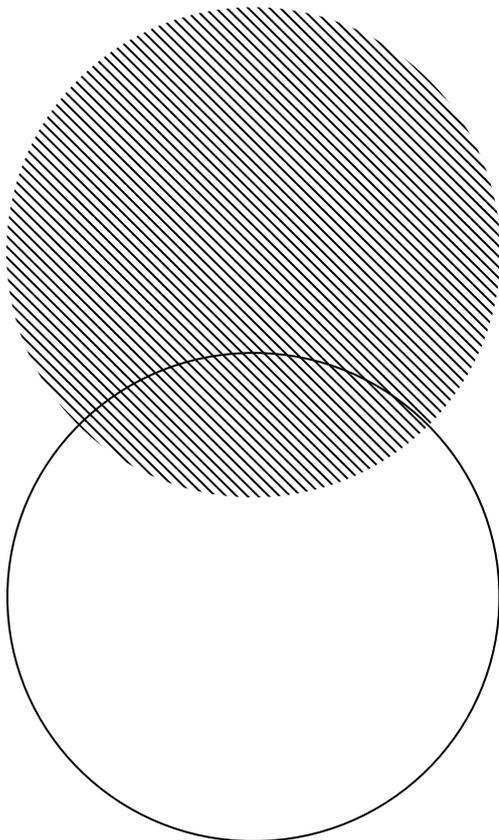
Transforming Our Spaces

In partnership with the Melbourne Festival, we turned our subterranean Gallery 1 space into an immersive theatre environment for a sold-out three-week season of 75-minute sensory adventure, *The Echo of the Shadow* by Barcelona's renowned Teatro de los Sentidos. Directed by Enrique Vargas, this theatre event accommodated only one person at a time, providing an intimate and unique experience that drew critical and popular acclaim. The show represented a bold cooperative partnership for ACMI that enabled us to experiment with our programming and deliver a unique application of our gallery space. This stretched the possibilities for our event delivery staff, and provided mutual benefits to our partner, Melbourne Festival.

Image — *The Echo of the Shadow* (2016), Hamish McCormick, courtesy Melbourne Festival

Roll the Credits...

We gratefully acknowledge the critical support of Government, our partners, philanthropic trusts and donors.



Government Partners

Creative Victoria
Department of Education and Training Victoria

ACMI X Partners

LaunchVic
RMIT University
The University of Melbourne
Copyright Agency Cultural Fund
Arts House

Touring Partner

Visions Australia - Ministry for the Arts,
Australian Government

Commissioning Partners

Ian Potter Cultural Trust
The Mordant Family
The City of Melbourne
AsiaTOPA
Google Creative Lab

Media Partner

The Saturday Paper

Tourism Partner

Sofitel Melbourne on Collins

Opening Night Partner

Rathbone Wine Group

Program Partners

Wallace & Gromit and Friends:
The Magic of Aardman
Visit Victoria
Adshel Street Furniture
APN Outdoor

Herald Sun
Melbourne Airport
Micador

Intermix
Naomi Milgrom Foundation

SCORSESE
APN Outdoor
Herald Sun
Melbourne Airport
Yarra Trams

*SCORSESE, Star Wars Family Day,
Kelly Reichardt's America*
United States Consulate General
Melbourne

Phillipe Parreno: Thenabouts
The Age
John & Myriam Wylie Foundation
Institut Français

Screen It
6A Foundation

Series Mania
Film Victoria

ACMI Donors

Directors Circle

Ian Potter Cultural Trust
Naomi Milgrom Foundation
The Mordant Family

Visionaries Circle

John & Myriam Wylie Foundation

Champions Circle

6A Foundation

Leaders Circle

HLA Management
Geoffrey Rush AC

Partners Circle

Annette Blonski & Martin Bartfeld
Sally Browne Fund
Rosemary Forbes & Ian Hocking
Doug Hall AM
William McInnes
Anne Miller
Natalie Miller AO
Traudl Moon OAM
Naum Tered
Emile & Caroline Sherman
Deanne Weir
Dr Terry Wu & Dr Melinda Tee
Lydia Zhang

Benefactors Circle

Prof Sue Beeton
Kaye Cleary
Karen Corry
Suzanne Davies
Amander & David Flaherty-Spark
Bill Forwood
Chris Gorley
John Haasz
Linda Herd
Santa & Bernie Hernandez
John Kiely
Judy Maddigan
Peter Parkinson
Keith Richards
Sherwyn Spencer
Prof John Thwaites & Melanie Eagle
Joe Tigel
Andrea Vasarab
Rosemary Walls
Pinky Watson
Gary & Sarah Wilson
Anonymous (1)

Friends Circle

Annette Allison OAM
Arenamedia
Stephen Bordignon
Holly Brown

Jane Carracher
Diana Cerini
Sebastian, Grace & Rupert Chan
& Kerrii Cavanagh
Peter Doughty
Peter & Jill Dwyer
Chris Egan
Elna Estcourt
Kathy Freeman
Helen Hill
A. Bruce Hodsdon
John Hughes
Graham Jephcott
Gail Kingsley
Melody Ku & Jian An Lim
Sandra Lordanic
Maggie Maguire OAM
Marijana Mandir
Media World Pictures
Dr Meredith Martin & Amelia Scurry
Susan McKeand Humphries
Madelaine McKinley
Kay McVey
Patricia Miller
Lynette Payne
Bernard & Angela Peasley
Miriam Potter
Lorraine Richards
Stuart Sellars
David Seymour
Kerry Seymour
Faye Shortal
Gavin Stok
John Warbuton
Erica Wass
Liz Watts
Lyn Yates
Fiona York
Anonymous (7)

Establishment, Functions and Powers

In performing its functions and exercising its powers, ACMI is subject to the direction and control of the Minister for Creative Industries. During the period of this report, the Minister responsible was Martin Foley MP, Minister for Creative Industries.

Film Act 2001

The *Film Act 2001* established the Australian Centre for the Moving Image (ACMI) to feature and exhibit film, television and multimedia programs and to promote public education in relation to screen content and culture. The functions of ACMI are stated in section 23 of the Film Act:

- a. to promote and exhibit, whether in Victoria or elsewhere, the moving image to the public or to any sector of the public;
- b. to develop, control, manage, operate and promote ACMI and any facilities under the control of ACMI;
- c. to promote, whether in Victoria or elsewhere, ACMI as a national centre for the creation and exhibition of the moving image and promotion of events or activities including festivals, conferences, publications or exhibitions, where film or other screen-based programs are made, seen or discussed;
- d. to establish, maintain, conserve, develop, promote and exhibit, whether in Victoria or elsewhere, the collection of moving images;
- e. to make, whether in Victoria or elsewhere, any item from the collection of moving images available for study or loan to persons or institutions, subject to any conditions that ACMI determines;
- f. to promote, whether in Victoria or elsewhere, public education and discussion with reference to the moving image;
- g. to develop and create, whether in Victoria or elsewhere, exhibitions of the moving image;

- h. to develop and create, whether in Victoria or elsewhere, materials for educational or other programs conducted by ACMI;
- i. to conduct, whether in Victoria or elsewhere, research and development in relation to the moving image;
- j. to develop relationships or enter into partnerships with other organisations, including Government bodies, whether in Victoria or elsewhere, to promote public education in relation to the moving image.

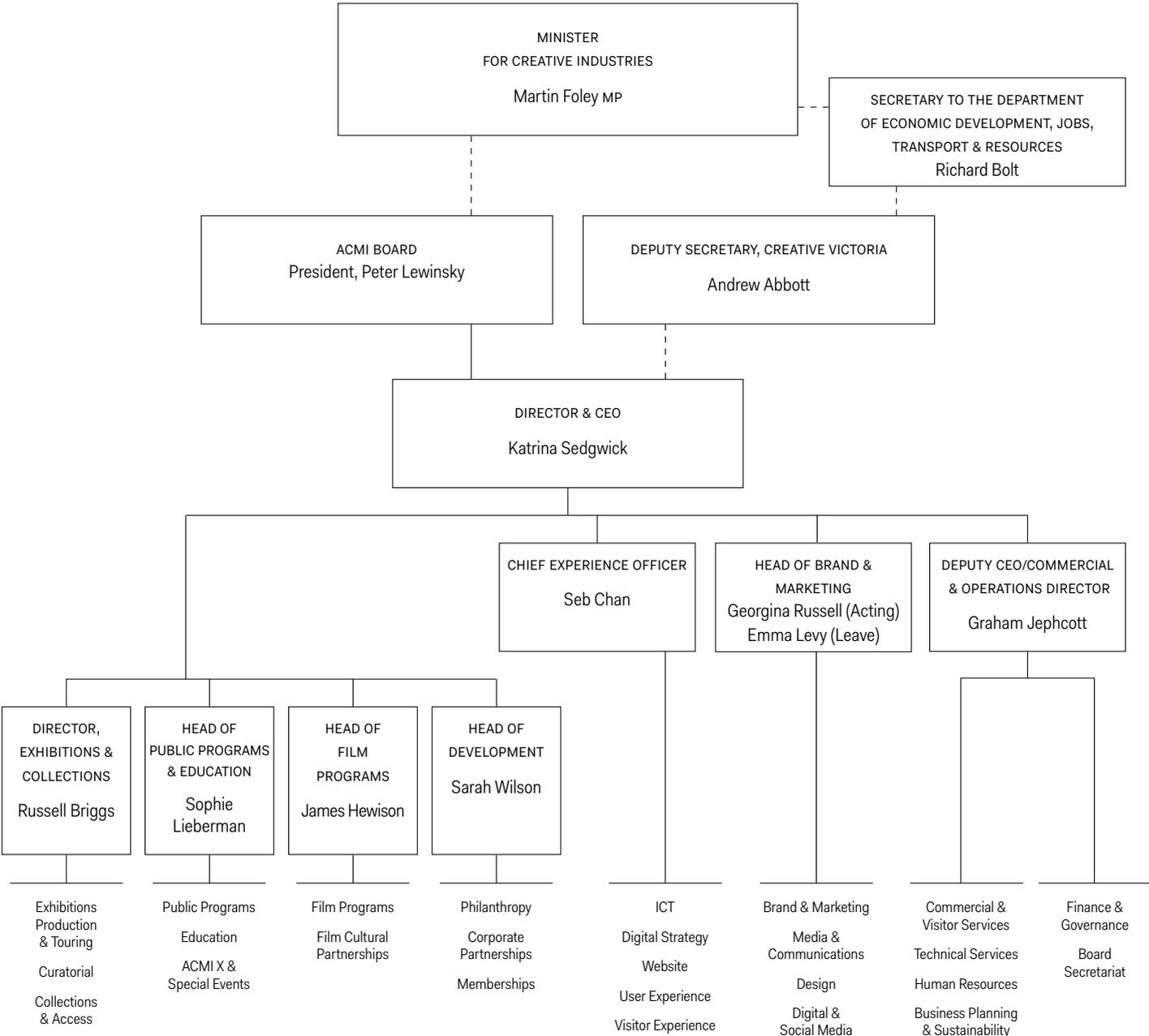
Section 24 of the Film Act outlines ACMI's powers:

- (1) ACMI has power to do all things necessary or convenient to be done for or in connection with, or as incidental to, the performance of its functions.
- (2) Without limiting sub-section (1), ACMI may, in connection with the performance of its functions:
 - a. enter into contracts, agreements or arrangements with any person or body and do everything, including the payment of money, that is necessary or expedient for carrying the contracts, agreements or arrangements into effect;
 - b. subject to this Act, acquire, hold and dispose of real or personal property;
 - c. be a member of a body corporate, association, partnership, trust or other body;
 - d. form, or participate in the formation of, a body corporate, association, partnership, trust or other body;
 - e. enter into a joint venture with another person or other persons;
 - f. do all things necessary or convenient to be done for, or in connection with, a joint venture in the performance of its functions;

- g. accept gifts, grants, bequests and devises made to it and act as trustee of money or other property vested in it on trust;
- h. provide consultancy and project management services;
- i. acquire, or enter into agreements or arrangements with respect to the acquisition of, the copyright, or an interest in the copyright, in any film, television or multimedia program;
- j. make available for public use items from the collection of moving images.

Administrative Reporting Requirements

Organisational Structure as at 30 June 2017



ACMI's Senior Executives

Katrina Sedgwick, Director & CEO

Graham Jephcott, Deputy CEO & Commercial & Operations Director

Georgina Russell, Head of Brand & Marketing from October 2016

Emma Levy, Head of Brand & Marketing to October 2016

Seb Chan, Chief Experience Officer

Russell Briggs, Director, Exhibitions & Collections

Helen Simondson, Acting Head of Public Programs & Education to May 2017

Sophie Lieberman, Head of Public Programs & Education from May 2017

James Hewison, Head of Film Programs

Tamara Harrison, Head of Development to September 2016

Sarah Wilson, Head of Development from January 2017

Chief Finance Officer: Sandra Lordanic, Head of Finance & Governance

Key Performance Indicators

	30 June 2017	30 June 2016	30 June 2015
Visitation (Federation Square)	1,286,549	1,455,094	1,143,294
Visitation (offsite)	561,442	548,212	114,129
Total visitation	1,847,991	2,003,306	1,257,423
Online visitation	1,593,204	1,771,887	1,350,104

Outputs and Other Statistics

	30 June 2017	30 June 2016	30 June 2015
Members and friends	3,602	3,581	2,470
Volunteer hours	9,617	10,442	10,026
Students participating in education programs	59,699	62,732	66,828
Quality			
Collection stores to industry standard	68%	63%	63%
Visitor satisfied with visit overall	96%	96%	96%

Performance Summary

Summary of Financial Results

	30 June 2017 \$	30 June 2016 \$	30 June 2015 \$	30 June 2014 \$	30 June 2013 \$
Operating Result					
Government grants*	20,734,703	20,685,024	20,323,000	20,750,000	20,209,808
Self generated revenue	7,389,265	11,558,510	6,803,209	8,522,944	8,088,062
Total revenue	28,123,968	32,243,534	27,126,209	29,272,944	28,297,870
Total expenses from transactions	(28,611,924)	(29,810,386)	(26,955,610)	(27,283,030)	(27,250,856)
Operating surplus/(deficit) before depreciation & capital items **	(487,956)	2,433,148	170,599	1,989,914	1,047,014
Less net depreciation & capital items	(1,131,684)	(1,840,906)	(3,258,813)	(2,934,201)	(2,828,658)
Result from operating activities after depreciation & capital items	(1,619,640)	592,242	(3,088,214)	(944,287)	(1,781,644)
Cash flow					
Cash flow from/(used in) operating activities	1,485,061	4,899,020	1,492,602	2,305,740	1,081,090
Cash flow used in investing activities	(1,244,267)	(3,605,372)	(735,954)	(1,501,238)	(2,137,482)
Net increase/(decrease) in cash and cash equivalents	240,794	1,293,648	756,648	804,502	(1,056,392)
Balance Sheet					
Total assets	25,138,933	25,922,156	25,263,813	26,247,870	27,590,976
Total liabilities	5,973,723	5,137,306	4,959,709	2,855,550	3,254,371
Total Equity	19,165,210	20,784,850	20,304,104	23,392,320	24,336,605

*Government grants represents the Government funding, excluding capital, received from the Department of Economic Development, Jobs, Transport and Resources.

**In accordance with ACMI's Financial Sustainability Policy, our operating result before depreciation & capital items is balanced over a three year rolling period.

Notes (Summary of Financial Results)

The operating result before depreciation 2016-17 was a loss of \$0.49m (profit of \$2.43m 2015-16). Factors contributing to the unfavourable operating result are outlined below:

- Government grants includes recurrent funding and other operating project funding from the Department of Economic Development, Jobs, Transport and Resources; and grant funding for the new 2016-2019 Enterprise Agreement for the six months January to June 2017.
- Self generated revenue decreased compared to previous period due to no Melbourne Winter Masterpiece exhibition during the period.
- Expenses from transactions were in line with budget expectations. Costs have been maintained at budgeted levels with a reduction compared to prior year in program costs due to no Melbourne Winter Masterpiece exhibition.

Total assets have decreased due to reduction in fixed assets net carrying amount.

Total liabilities have increased due to an increase in trade creditors at year end.

ACMI's Minister

The Hon Martin Foley was appointed as the Minister for Creative Industries in December 2014. He is also the Minister for Housing, Disability & Ageing, Mental Health and Equality.

The Minister for Creative Industries is responsible for promoting the development of the creative industries sector in Victoria.



ACMI's Board

Peter Lewinsky (Board President)

Esther Anatolitis

Jan Chapman AO

Desmond (Des) Clark (Chair of Audit Committee)

Karen Corry

Rachel Griffiths

Michael Wachtel

Linda White

Dr Terry Wu

Attendance

Board Meetings	4 Aug (111th)	1 Sept (112th)	20 Oct (113th)	8 Dec (114th)	9 Feb (115th)	23 Mar (116th)	18 May (117th)	22 Jun (118th)
Lewinsky	N	Y	Y	Y	Y	Y	Y	N
Anatolitis	Y	Y	N	N	Y	Y	Y	N
Chapman	Y	Y	Y	Y	Y	Y	Y	Y
Clark	Y	Y	N	N	Y	Y	Y	Y
Corry	Y	N	Y	Y	Y	Y	Y	Y
Griffiths	Y	Y	Y	Y	Y	Y	Y	N
Wachtel	Y	Y	Y	Y	Y	Y	N	N
White	Y	N	Y	Y	Y	N	Y	Y
Wu	Y	Y	Y	Y	Y	Y	Y	Y

Audit Committee Membership and Roles

The Audit Committee consists of the following members:

Desmond (Des) Clark (Chair of Audit Committee) (independent member)

Karen Corry (independent member)

Peter Lewinsky (Board President) (independent member)

Alison Parker (independent member)

The main responsibilities of the Audit Committee are to:

- review and report independently to the Board on the annual report and all other financial information published by ACMI; and
- assist the Board in reviewing the effectiveness of ACMI's internal control environment covering:
 - effectiveness and efficiency of operations;
 - reliability of financial reporting;
 - compliance with applicable laws and regulations;
 - determine the scope of the internal audit function and ensure its resources are adequate and used effectively, including coordination with the external auditors; and
 - oversee the effective operation of the risk management framework.

Attendance

Audit Committee Meetings	18 Aug (61st)	17 Nov (62nd)	2 Mar (63rd)	8 June (64th)
Clark	Y	N	Y	Y
Corry	Y	Y	Y	Y
Lewinsky	N	Y	Y	Y
Parker	Y	Y	Y	Y

Human Resources Management and Occupational Health & Safety

ACMI continued to support training and development opportunities in 2016-17 providing staff with over 3,335 hours to attend internally and externally facilitated training events. While we continued to offer a wide range of development opportunities to all our staff, our focus remained on technical and individual role specific skills, as well as a significant investment in building capability around web authoring to align with our changed authorship model of the new ACMI website. This year we continued our delivery of a suite of online learning for all staff to refresh awareness of responsibilities in relation to emergency preparedness.

The ACMI Consultative Committee continued to meet throughout the period of this report. There were no days lost as a result of industrial disputes and there were no formal grievances lodged during the reporting period.

ACMI's Occupational Health and Safety (OH&S) strategy aims to ensure all our staff, volunteers and visitors enjoy a safe and healthy environment. During the 2016-17 financial year our visitor services teams received resilience training. Additionally ACMI joined the Arts Wellbeing Collective, which provides health and wellbeing education and training for employees working in the arts sector. Such training was in addition to first aid certifications and refreshers and OH&S representative training.

We continued the development of our Workplace Health & Safety processes with the development of risk assessments designed especially to support ACMI's international exhibition program. The OH&S Committee continued to meet throughout the year and actively engaged staff in strengthening knowledge and awareness of health and safety in the workplace.

Incident management

We continue to review all accidents, incidents and hazards and put in place control measures to eliminate or reduce risk. There were no high risk OH&S hazards or incidents reported during 2016-17.

Incidents across the organisation decreased significantly in 2016-17 as a result of improved training and training regarding reporting of incidents. Incidents include injuries and other non-injury related incidents.

There were two minor claims for medical and like expenses and lost time injury that did not progress to standard claims. Our WorkCover premium for 2016-17 increased by approximately \$30,000. This was as a result of increased rateable remuneration and the flow on effect of standard claims in 2014-15 impacting our performance rating.

We continue to perform better than average when benchmarked with similar organisations over the last three years.

Measure	KPI	2014-15	2015-16	2016-17
Incidents	No. of incidents	32	33	13
	Rate per 100 FTE	23.9	22.7	8.7
Claims	No. of standard claims	2	-	-
	Rate per 100 FTE	1.5	-	-
	No. of lost time claims	3	1	2
	Rate per 100 FTE	2.2	0.7	1.3
	No. of claims exceeding 13 weeks	1	-	-
	Rate per 100 FTE	0.7	-	-
Fatalities	Fatality claims	-	-	-
Claims Cost	Average cost per standard claim (i)	\$29,945	-	-
Return to Work	Percentage of claims with RTW plan <30 days	33%	100%	100%
Policy Currency	OH&S Policy Current	Yes	Yes	Yes

(i) Data sourced from Victorian WorkCover Authority (VWA)

Employment and conduct principles

ACMI continues its commitment to applying merit and equity principles when appointing staff. Our selection processes ensure that an applicant's work related qualities are assessed fairly and equitably against the qualities genuinely required to perform the role without discrimination. Employees have been correctly classified in workforce data collections.

Public administration values and employment principles

The *Public Administration Act 2004* enshrines public sector values and employment principles. This Act establishes the Victorian Public Sector Commission (VPSC) to maintain and advocate for public sector professionalism and integrity. ACMI continues to apply and uphold the Code of Conduct for Victorian Public Sector Employees.

ACMI successfully negotiated and implemented a new Enterprise Agreement in 2016-17 and subsequently reviewed its employment policies and procedures to ensure they are in line with this new agreement.

Our induction program educates new staff on appropriate workplace behaviours and procedures to ensure understanding of equal opportunity, harassment and discrimination, child safety principles and our complaints process. We have continued to roll out a schedule of online learning modules covering workplace bullying, sexual harassment and equal opportunity to reinforce these policies.

In accordance with Section 8 of the *Public Administration Act 2004*, ACMI has established employment processes that ensure:

- Employment decisions are based on merit
- Equal employment opportunity is provided
- Human rights as set out in the Charter of Human Rights and Responsibilities are upheld
- Employees have a reasonable avenue of redress against unfair or unreasonable treatment

Workforce Data

	Ongoing Employees				Fixed Term and Casual
	Employees (Headcount)	Full Time (Headcount)	Part Time (Headcount)	FTE	FTE
June 2016	108	76	32	97.99	47.33
June 2017	110	75	35	99.09	50.62

Details of employment levels in June 2016 and June 2017

	2017			2016		
	Ongoing Employees		Fixed Term and Casual	Ongoing Employees		Fixed Term and Casual
	Employees (Headcount)	FTE	FTE	Employees (Headcount)	FTE	FTE
Gender						
Male	52	47.21	18.27	53	48.14	17.05
Female	58	51.88	32.35	55	49.85	30.28
Total	110	99.09	50.62	108	97.99	47.33
Age						
Under 25	2	1.64	2.66	-	-	3.30
25 – 34	26	23.26	17.16	24	22.98	19.49
35 – 44	37	33.71	23.20	39	34.94	18.07
45 – 54	24	22.61	7.01	24	22.53	6.47
55 – 64	17	14.88	0.59	18	15.46	-
Over 64	4	2.99	-	3	2.08	-
Total	110	99.09	50.62	108	97.99	47.33
Classification						
Internship	-	-	-	-	-	-
Grade 2	31	23.32	19.72	25	19.44	26.74
Grade 3	27	26.29	19.09	32	30.65	9.69
Grade 4	32	29.83	5.81	32	29.20	4.40
Grade 5	8	7.70	3	8	7.70	3.50
Grade 6	8	8	2	7	7.00	3.00
Executive	4	3.95	1	4	4.00	-
Total	110	99.09	50.62	108	97.99	47.33

Notes: FTE means full time equivalent staff

All figures reflect employment levels during the last full pay period of June each year inclusive of overtime hours.

Excluded staff are those on leave without pay, external contractors/consultants and temporary staff employed by employment agencies. Included are staff engaged to undertake projects for which ACMI has received external funding and staff to cover extended leave.

The number of Executive Officer roles increased by one due to an Executive Officer taking paid Parental Leave during the pay period. The number of ongoing Grade 3 roles decreased by five. These ongoing vacancies, along with three fixed term parental leave replacement roles, were backfilled with fixed term contracts which led to a subsequent increase in Grade 3 Fixed Term and Casual FTE figures.

The increase in Grade 2 ongoing FTE was as a result of ACMI filling ongoing positions from the existing casual pool.

Annualised total salary by \$20,000 bands for Executive and other senior non-executive staff

Income Band (Salary)	Executives
<\$160,000	1
\$160,000 - \$179,999	1 [^]
\$180,000 - \$199,999	1
\$200,000 - \$219,999	1
\$220,000 - \$239,999	-
\$240,000 - \$259,999	1
Total	5

NOTE: Salaries reported above is for the full financial year, at a 1.0 FTE rate, and excludes superannuation

[^]There is one employee employed on a part time basis at 0.5 FTE for a period of Paid Parental Leave

Executive Staff (Ongoing) and Executive Vacancies

EO Level	2016 – 2017					2015 – 2016					Var. Total
	Male	Female	Vacant	AEE*	Total	Male	Female	Vacant	AEE*	Total	
EO1			-	-	-	-	-	-	-	-	-
EO2		1	-	1	1	-	1	-	1	1	-
EO3	2	2	-	3.39	4	2	1	-	2.66	3	1
Total	2	3	-	4.39	5	2	2	-	3.66	4	1

*Annualised employee equivalent

Reconciliation of Executive Officers

		2017	2016
	Executives with total remuneration over \$100,000 (Financial Statement Note 19)	4	3
Add	Vacancies	-	-
	Executives Employed with total remuneration below \$100,000	-	-
	Accountable Officer	1	1
Less	Separations	-	-
	Total Executive numbers at 30 June 2017	5	4

Other Disclosures

Local Jobs First - Victorian Industry Participation Policy

The *Victorian Industry Participation Policy Act 2003* requires public bodies and departments to report on the implementation of the Victorian Industry Participation Policy (VIPP). The Act applies to tenders above \$3 million in metropolitan Melbourne and \$1 million in regional areas. For the 12 months ending 30 June 2017 ACMI did not commence or complete any contracts to which the VIPP applies.

Government advertising expenditure

In 2016-17, there was one Government advertising campaign with total media spend of \$100,000 or greater (exclusive of GST). The details of the campaign is outlined below.

Details of Government advertising expenditure (campaigns with a media spend of \$100,000 or greater)

Name of campaign	Campaign summary	Start/End date	Advertising (media) expenditure 2016-17 (excluding GST)	Creative and campaign development expenditure 2016-17 (excluding GST)	Research and evaluation expenditure 2016-17 (excluding GST)	Print and collateral expenditure 2016-17 (excluding GST)	Other campaign expenditure 2016-17 (excluding GST)	Total
<i>Wallace & Gromit and Friends: The Magic of Aardman</i>	A fully integrated marketing campaign to promote ACMI's Melbourne Winter Masterpiece exhibition	Jun 2017- Oct 2017	\$133,197	n/a (completed in house)	\$22,150	\$12,096	\$121,133	\$288,576

Consultancy expenditure

Details of consultancies over \$10,000

In 2016-17, there were three consultancies where the total fees payable to the consultants were \$10,000 or greater. The total expenditure during 2016-17 in relation to these consultancies was \$58,924 (excluding GST). Details of individual consultancies are outlined below.

Name	Purpose of consultancy	Total approved project fee (excluding GST)	Expenditure 2016-17 (excluding GST)	Future expenditure (excluding GST)
SGS	Business case for redevelopment of content delivery spaces at ACMI	\$31,699	\$31,699	-
Askew & Associates	Security Audit	\$27,225	\$27,255	-

Details of consultancies under \$10,000

ACMI did not engage any consultancies under \$10,000.

Disclosure of Major Contracts

ACMI did not enter into any contracts greater than \$10 million in 2016-17.

Details of Information and Communication Technology (ICT) expenditure

For the 2016-17 reporting period, ACMI had a total ICT expenditure of \$1,719,592, with the details shown below.

All operational ICT expenditure Business as Usual (BAU) ICT Expenditure	ICT expenditure related to projects to create or enhance ICT capabilities		
	Non-BAU ICT expenditure	Operational expenditure	Capital expenditure
Total	Total = A + B	A	B
\$1,719,592	\$115,800	\$115,800	\$-

Environmental performance

	2016-17	2015-16	2014-15
Electricity (kWh)	1,425,149	1,512,834	1,585,737
Natural Gas (GJ)	849.9	946.7	708.2
Greenhouse Gas Emissions (tCO ₂ e)	3272	3,238.5	3,017
Landfill Waste (kg)*	19,000	21,450	21,204
Recycled Waste (kg)*	13,921	19,728	19,772
Paper (Reams)	943	833	781
Water (KL)	1,473	2,438	2,250

Freedom of Information

The *Freedom of Information Act 1982* allows the public a right of access to documents held by ACMI. For the 12 months ending 30 June 2017, ACMI received no applications.

Making a request

Access to documents may be obtained through a written request to the Freedom of Information Officer (FoI Officer), as detailed in section 17 of the *Freedom of Information Act 1982*. In summary, the requirements for making a request are:

- It must be in writing;
- It must identify as clearly as possible which document is being requested; and
- It must be accompanied by the appropriate application fee (the fee may be waived in certain circumstances).

The FoI Officer can provide assistance in determining the categories of documents relevant to a request. It should be noted that certain documents are destroyed or transferred to the Public Records Office in accordance with the *Public Records Act 1973*.

An applicant may request photocopies of documents and/or inspect specific documents at ACMI by arrangement, or by other appropriate access arrangements.

Requests for documents in the possession of ACMI should be addressed to:

Freedom of Information Officer
Australian Centre for the Moving Image
Phone: (03) 8663 2200 Fax: (03) 8663 2275

Street Address:
Federation Square
Corner Flinders and Swanston Streets
MELBOURNE VIC 3000

Postal Address:
PO Box 14
Flinders Lane VIC 8009

Requests can also be lodged online at www.foi.vic.gov.au.

Access charges may also apply once documents have been processed and a decision on access is made; for example photocopying and search and retrieval charges.

Further information regarding Freedom of Information can be found at www.foi.vic.gov.au.

Compliance with the *Building Act 1993*

ACMI 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*.

National Competition Policy

The Competitive Neutrality Policy Victoria applies to significant business activities of publicly owned entities and not the non-business non-profit activities of those entities. During 2016-17 ACMI did not commence or alter any significant business activities.

Compliance with the *Protected Disclosure Act 2012*

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

ACMI does not tolerate improper conduct by employees, nor the taking of reprisals against those who come forward to disclose such conduct. It is committed to ensuring transparency and accountability in its administrative and management practices and supports the making of disclosures that reveal corrupt conduct, conduct involving a substantial mismanagement of public resources, or conduct involving a substantial risk to public health and safety or the environment.

ACMI will take all reasonable steps to protect people who make such disclosures from any detrimental action in reprisal for making the disclosure.

Reporting procedures

ACMI is no longer considered a public body which can receive disclosures. Disclosures of improper conduct or detrimental action relating to ACMI should be made to the Independent Broad-based Anti-corruption Commission (IBAC). Further information about making disclosures to the IBAC can be found at www.ibac.vic.gov.au. As required by s.58(5) of the Act, ACMI makes available on its website procedures for protecting those people who make protected disclosures from detrimental action by ACMI or its staff, at the following link: https://www.acmi.net.au/media/447615/ACMI_Protected_Disclosure_Guidelines_Procedures.pdf.

The ACMI Protected Disclosure Guidelines and Procedures 2013 were approved by the ACMI Executive Team on 24 September 2013.

Compliance with the *Carers Recognition Act 2012*

ACMI is taking practical measures to comply with its obligations under the *Carers Recognition Act 2012*. These include:

- A planned program to ensure our staff have an awareness and understanding of the care relationship principles set out in the Act, as well as;
- Considering the carer relationships principles set out in the Act when setting our policies and in providing our services. We have reviewed and updated our employment policies such as flexible working arrangements, family friendly policy and leave provisions to ensure that these comply with the statement of principles in the Act.

Additional information available on request.

In compliance with the requirements of the Standing Directions of the Minister for Finance, details of the items listed below have been retained by ACMI and are available to the relevant ministers, Members of Parliament and the public on request (subject to the Freedom of Information requirements, if applicable):

Subject to the provisions of the FoI Act, information that must be retained by the Accountable Officer should include:

- 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 the entity about itself, and how these can be obtained;
- d) details of changes in prices, fees, charges, rates and levies charged by the entity;
- e) details of any major external reviews carried out on the entity;
- f) details of major research and development activities undertaken by the entity;
- 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 by the entity to develop community awareness of the entity 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 entity and details of time lost through industrial accidents and disputes;
- k) a list of major committees sponsored by the entity, the purposes of each committee and the extent to which the purposes have been achieved; and
- l) details of all consultancies and contractors including:
 - (i) consultants/contractors engaged;
 - (ii) services provided; and
 - (iii) expenditure committed to for each engagement.

The information is available on request from:

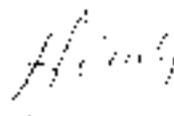
Deputy CEO/Commercial & Operations Director
Phone: (03) 8663 2200
Email: Governance@acmi.net.au

Postal Address:
PO Box 14
Flinders Lane VIC 8009

Attestation for compliance with Ministerial Standing Direction 3.7.1

I, Peter Lewinsky, President, certify that the Australian Centre for the Moving Image has complied with the Ministerial Standing Direction 3.7.1 – Risk Management Framework and Processes.

ACMI's Audit Committee has verified this.



Peter Lewinsky
President
Australian Centre for the Moving Image
7 September 2017

Disclosure Index

The Annual Report of the Australian Centre for the Moving Image (ACMI) is prepared in accordance with all relevant Victorian legislation and pronouncements. This index has been prepared to facilitate identification of ACMI's compliance with statutory disclosure requirements.

Ministerial Directions

Legislation	Requirement	Page Reference
Ministerial Directions & Financial Reporting Directions		
Report of Operations		
Charter and purpose		
FRD 22H	Manner of establishment and the relevant Minister	52-53
FRD 22H	Objectives, functions, powers and duties	52
FRD 22H	Nature and range of services provided	52
Management and structure		
FRD 22H	Organisational structure	53
Financial and other information		
FRD 10A	Disclosure index	66-67
FRD 12B	Disclosure of major contracts	62
FRD 22H	Employment and conduct principles	59
FRD 22H	Occupational health and safety policy	58
FRD 22H	Summary of the financial results for the year	55
FRD 22H	Significant changes in financial position during the year	55
FRD 22H	Major changes or factors affecting performance	55
FRD 22H	Subsequent events	102
FRD 22H	Application and operation of <i>Freedom of Information Act 1982</i>	64
FRD 22H	Compliance with building and maintenance provisions of <i>Building Act 1993</i>	64
FRD 22H	Statement on National Competition Policy	64
FRD 22H	Application and operation of the <i>Protected Disclosures Act 2012</i>	64
FRD 22H	Details of consultancies over \$10,000	62
FRD 22H	Details of consultancies under \$10,000	62
FRD 22H	Disclosure of advertising and communications expenditure	62
FRD 22H	Disclosure of ICT expenditure	63
FRD 22H	Statement of availability of other information	65
FRD 22H	Reporting of office-based environmental impacts	63
FRD 25C	Victorian Industry Participation Policy disclosures	61
FRD 29B	Workforce Data disclosures	59-61
SD 5.2	Specific requirements under Standing Direction 5.2	65
Compliance attestation and declaration		
SD 5.1.4	Attestation for compliance with Ministerial Standing Direction	65
SD 5.2.3	Declaration in report of operations	Inside cover

Legislation	Requirement	Page Reference
Financial Statements		
Declaration		
SD 5.2.2	Declaration in financial statements	68
Other requirements under Standing Directions 4.2		
SD 5.2.1(a)	Compliance with Australian Accounting Standards and other authoritative pronouncements	74
SD 5.2.1(a)	Compliance with Ministerial Directions	74
SD 5.2.1(b)	Compliance with Model Financial Report	74
Other disclosures as required by FRDs in notes to the financial statements		
FRD 11A	Disclosure of Ex Gratia Payments	98
FRD 21C	Disclosures of responsible persons, executive officers and other personnel in the financial report	98
FRD 102A	Inventories	76
FRD 103F	Non-current physical assets	76
FRD 104	Foreign currency	76
FRD 106A	Impairment of assets	76
FRD 109A	Intangible assets	77
FRD 110A	Cash flow statements	73
FRD 112D	Defined benefit superannuation obligations	75
FRD 114B	Financial instruments – general Government entities and public non-financial corporations	76

Legislation

<i>Film Act 2001</i>	52
<i>Building Act 1983</i>	64
<i>Freedom of Information Act 1982</i>	64
<i>Victorian Industry Participation Policy Act 2003</i>	61
<i>Protected Disclosure Act 2012</i>	64
<i>Financial Management Act 1994</i>	68
<i>Carers Recognition Act 2012</i>	64

Additional information available on request.

Financial Statements

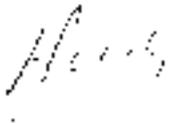
Accountable Officer's and Chief Finance and Accounting Officer's Declaration

We certify that the attached financial statements for the Australian Centre for the Moving Image (ACMI) have been prepared in accordance with Direction 5.2 of the Standing Directions of the Minister for Finance under the *Financial Management Act 1994*, applicable Financial Reporting Directions, Australian Accounting Standards including interpretations and other mandatory professional reporting requirements.

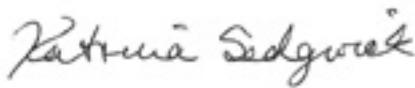
We further state that, in our opinion, the information set out in the Comprehensive Operating Statement, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and accompanying notes, presents fairly the financial transactions during the year ended 30 June 2017 and financial position of ACMI at 30 June 2017.

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 7 September 2017.



Peter Lewinsky
President



Katrina Sedgwick
Chief Executive Officer



Sandra Lordanic FCPA
Head of Finance & Governance

Melbourne
7th September 2017

Independent Auditor's Report

To the Board Members of the Australian Centre for the Moving Image

Opinion I have audited the financial report of the Australian Centre for the Moving Image (ACMI) which comprises the:

- balance sheet as at 30 June 2017
- comprehensive operating statement for the year then ended
- statement of changes in equity for the year then ended
- cash flow statement for the year then ended
- notes to the financial statements, including a summary of significant accounting policies
- Accountable Officer's and Chief Financial Officer's Declaration.

In my opinion the financial report presents fairly, in all material respects, the financial position of ACMI as at 30 June 2017 and their financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 7 of the *Financial Management Act 1994* and applicable Australian Accounting Standards.

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

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

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

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

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

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 our 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 ACMI's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board Members
- conclude on the appropriateness of the Board Members' 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 ACMI'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 ACMI 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 Members regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

MELBOURNE
8 September 2017



Anna Higgs
as delegate for the Auditor-General of Victoria

COMPREHENSIVE OPERATING STATEMENT FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

	Notes	2017 \$	2016 \$
Income from transactions			
Government grants	2(a)	23,845,768	24,432,965
Revenue	2(b)	5,142,553	9,217,971
Sponsorship and grants	2(c)	1,633,952	1,858,026
Other income		612,760	482,513
Total income from transactions		31,235,033	35,991,475
Expenses from transactions			
Employee expenses	3(a)	(14,385,084)	(13,915,334)
Rental and associated outgoings	3(b)	(5,544,802)	(5,607,567)
Depreciation and amortisation	3(c)	(2,136,930)	(3,400,554)
Cost of goods sold		(269,873)	(862,767)
Capital asset charge	1(h)	(2,105,000)	(2,105,000)
Other operating expenses	3(d)	(8,400,150)	(9,293,333)
Total expenses from transactions		(32,841,839)	(35,184,555)
Net result from transactions (net operating balance)		(1,606,806)	806,920
Other economic flows included in net result			
Net loss on financial instruments	4(a)	(36,570)	(69,672)
Net loss on non-financial assets	4(b)	(819)	(83,293)
Other gain/(loss) from other economic flows	4(c)	24,555	(61,713)
Total other economic flows included in net result		(12,834)	(214,678)
Net result		(1,619,640)	592,242
Other economic flows - other comprehensive income			
Items that will not be reclassified to net result			
Changes in physical asset revaluation surplus	16	-	(111,496)
Items that may be reclassified subsequently to net result			
Total other economic flows - other comprehensive income		-	(111,496)
Comprehensive result		(1,619,640)	480,746

The above Comprehensive Operating Statement should be read in conjunction with the notes to the financial statements.

BALANCE SHEET AS AT 30 JUNE 2017

	Notes	2017 \$	2016 \$
Assets			
Financial assets			
Cash and deposits	15(a)	6,994,016	6,753,222
Receivables	5	649,158	770,978
Total financial assets		7,643,174	7,524,200
Non-financial assets			
Prepayments		59,100	71,939
Inventories	6	173,030	168,907
Property, plant & equipment and collections	7	17,227,414	18,104,813
Intangible assets	8	36,215	52,297
Total non-financial assets		17,495,759	18,397,956
Total assets		25,138,933	25,922,156
Liabilities			
Payables	9	3,935,814	3,084,267
Provisions	10	2,037,909	2,053,039
Total liabilities		5,973,723	5,137,306
Net assets		19,165,210	20,784,850
Equity			
Accumulated deficit		(11,481,518)	(9,861,878)
Physical asset revaluation surplus	16	2,405,543	2,405,543
Contributed capital		28,241,185	28,241,185
Net worth		19,165,210	20,784,850
Commitments for expenditure	12		
Contingent assets and contingent liabilities	13		

The above Balance Sheet should be read in conjunction with the notes to the financial statements.

STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

	Notes	Physical asset revaluation surplus \$	Accumulated deficit \$	Contributed capital \$	Total \$
Balance at 1 July 2015		2,517,039	(10,454,120)	28,241,185	20,304,104
Net result for the year		-	592,242	-	592,242
Other comprehensive income for the year	16	(111,496)	-	-	(111,496)
Balance at 30 June 2016		2,405,543	(9,861,878)	28,241,185	20,784,850
Net result for the year		-	(1,619,640)	-	(1,619,640)
Other comprehensive income for the year	16	-	-	-	-
Balance at 30 June 2017		2,405,543	(11,481,518)	28,241,185	19,165,210

The above Statement of Changes in Equity should be read in conjunction with the notes to the financial statements.

CASH FLOW STATEMENT FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

	Notes	2017 \$	2016 \$
Cash flows from operating activities			
Receipts			
Receipts from Government		21,588,218	22,416,568
Goods and Services Tax recovered from the ATO		779,222	596,682
Interest received		152,410	175,898
Other receipts		5,467,151	11,101,303
Total receipts		27,987,001	34,290,451
Payments			
Payments to suppliers and employees		(26,501,940)	(29,391,431)
Total payments		(26,501,940)	(29,391,431)
Net cash flows from / (used in) operating activities	15(b)	1,485,061	4,899,020
Cash flows from investing activities			
Purchases of non-financial assets		(1,244,267)	(3,605,372)
Net cash flows used in investing activities		(1,244,267)	(3,605,372)
Net increase/(decrease) in cash and cash equivalents		240,794	1,293,648
Cash and cash equivalents at the beginning of the financial year		6,753,222	5,459,574
Cash and cash equivalents at the end of the financial year	15(a)	6,994,016	6,753,222

The above Cash Flow Statement should be read in conjunction with the notes to the financial statements.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The annual financial statements represent the audited general purpose financial statements for the Australian Centre for the Moving Image (ACMI). The purpose of the report is to provide users with information about ACMI's stewardship of resources entrusted to it. To gain a better understanding of the terminology used in this report, a glossary of terms can be found in Note 23.

(a) Statement of compliance

These general purpose financial statements have been prepared in accordance with the *Financial Management Act 1994* and applicable Australian Accounting Standards, including interpretations (AASs). AASs include Australian equivalents to International Financial Reporting Standards. In particular, they are presented in a manner consistent with the requirements of the AASB 1049 *Whole of Government and General Government Sector Financial Reporting*.

Where appropriate, those paragraphs of the AASs applicable to not-for-profit entities have been applied.

The annual financial statements were authorised for issue by the President of ACMI on 7 September 2017.

(b) Basis of accounting preparation and measurement

The accrual basis of accounting has been applied in the preparation of 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.

These financial statements are presented in Australian dollars, the functional and presentation currency of ACMI.

In the application of AASs, management is required to make judgments, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstance, the results of which form the basis of making the judgments. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. 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. Judgments

and assumptions made by management in the application of AASs that have significant effects on the financial statements and estimates relate to:

- the fair value of land, buildings, plant and equipment and collections (refer to Note 1 (k)).

These financial statements are presented in Australian dollars, and prepared in accordance with the historical cost convention except for:

- non-financial physical assets which, subsequent to acquisition, are measured at a revalued amount being their fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent impairment losses. Revaluations are made with sufficient regularity to ensure that the carrying amounts do not materially differ from their fair value.

Consistent with AASB 13 *Fair Value Measurement* (refer Note 1(k)), ACMI determines the policies and procedures for both recurring fair value measurements such as property, plant and equipment, collections and leasehold improvements and for non-recurring fair value measurements, in accordance with the requirements of AASB 13 and the relevant Financial Reporting Directions. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For the purpose of fair value disclosures, ACMI has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above. In addition, ACMI determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to hierarchy by re-assessing 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.

(c) Reporting entity

The financial statements cover the Australian Centre for the Moving Image (ACMI) as an individual reporting entity. ACMI is a statutory authority of the State of Victoria, established under the *Film Act 2001*.

Its principal address is:
 Australian Centre for the Moving Image
 Federation Square
 Corner Flinders and Swanston Streets
 Melbourne VIC 3000

In performing its functions and duties and exercising its powers under the *Film Act 2001*, ACMI represents the Crown.

ACMI has no controlled entities.

A description of the nature of ACMI's operations and its principal activities is included in the Report of Operations on pages 1-67 which does not form part of these financial statements.

(d) Objectives and funding

ACMI's objectives are to promote, educate and exhibit the moving image in all its forms, and is predominantly funded by accrual-based parliamentary appropriations for the provision of outputs. Appropriations are received by the Department of Economic Development, Jobs, Transport and Resources who provide them to ACMI in the form of grants.

(e) Scope and presentation of financial statements

Comprehensive operating statement

The comprehensive operating statement comprises of three components, being 'net result from transactions' (or termed as 'net operating balance'), 'other economic flows included in net result', as well as 'other economic flows – other comprehensive income'. The sum of the former two represents the net result.

The net result is equivalent to profit or loss derived in accordance with AASs. This classification is consistent with the whole of Government reporting format and is allowed under AASB 101 *Presentation of Financial Statements*.

Balance sheet

Assets and liabilities are presented in liquidity order with assets aggregated into financial assets and non-financial assets. Current and non-current assets and liabilities (non-current being those assets or liabilities expected to be recovered or settled more than 12 months after the reporting periods) are disclosed in the notes, where relevant.

Cash flow statement

Cash flows are classified according to whether or not they arise from operating, investing or financing activities. This classification is consistent with requirements under AASB 107 *Statement of Cash Flows*.

Statement of changes in equity

The statement of changes in equity presents reconciliations of non-owner and owner changes in equity from opening balances at the beginning of the reporting period to the closing balances at the end of the reporting period. It also shows separately changes due to amounts recognised in the 'Comprehensive result'.

(f) Changes in accounting policies

No changes in accounting policies.

(g) Income from transactions

Income is recognised to the extent that it is probable that the economic benefit will flow to the entity and the income can be reliably measured at fair value.

Government grants

Grants from Government and other sources are recognised as income when ACMI gains control of the underlying assets. For non-reciprocal grants, ACMI is deemed to have assumed control when the grant is received or receivable. Expenditure from such grants is recognised when incurred.

Revenue

Interest income

Interest income includes interest received on bank term deposits and other investments. Interest income is recognised using the effective interest method which allocates the interest over the relevant period.

Income from the supply of services

Income from the supply of services for programming – box office receipts (cinema screenings, exhibition programs and public programs), membership, and venue hire is recognised when the service is delivered.

Income from the sale of goods

Income from the sale of goods is recognised by ACMI when:

- the significant risks and rewards of ownership of the goods have transferred to the buyer;
- ACMI retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of income and the costs incurred or to be incurred in respect of the transaction can be reliably measured; and
- it is probable that the economic benefits associated with the transaction will flow to ACMI.

Sponsorship and grants

Sponsorship revenue is recognised when services are delivered.

In-kind revenue

Contributions of resources received free of charge or for nominal consideration are recognised at their fair value when ACMI obtains control over them, irrespective of whether restrictions or conditions are imposed over the use of the contributions. Contributions in the form of services are only recognised when a fair value can be reliably determined and the services would have been purchased if not donated.

(h) Expenses from transactions

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

Employee expenses

Refer to the section in Note 1(l) regarding employee benefits.

These expenses include all costs related to employment (other than superannuation which is accounted for separately) including wages and salaries, fringe benefits tax, leave entitlements, redundancy payments and WorkCover premiums.

Superannuation

The amount recognised in the comprehensive operating statement is the employer contributions for defined contribution superannuation plans that are paid or payable during the reporting period.

Rental and associated outgoings

Rental and outgoings and other expenses are recognised as an expense in the financial year to which they relate.

Depreciation and amortisation

Depreciation is provided on property, plant and equipment excluding collections that do not have limited useful lives. Depreciation 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. Collection assets are deemed to have an unlimited useful life, therefore are excluded from being depreciated.

Leasehold improvements are depreciated over the period of the lease or estimated useful life, whichever is shorter, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period. Note 7 provides details on the estimated useful lives that are used in the calculation of depreciation on property, plant & equipment.

Intangible assets with finite useful lives are amortised as an expense from transactions on a straight-line basis over the asset's useful life. Amortisation begins

when the asset is available for use, that is, when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each annual reporting period. In addition, an assessment is made at each reporting date to determine whether there are indicators that the intangible asset concerned is impaired. If so, the assets concerned are tested as to whether their carrying value exceeds their recoverable amount.

Cost of goods sold

The carrying amount of any inventories held for distribution are expensed when distributed.

Capital asset charge

The capital asset charge is imposed by the Department of Treasury and Finance and represents the opportunity cost of capital invested in the non-current physical assets used in the provision of outputs.

The capital asset charge is calculated on the budgeted carrying amount of applicable non-current physical assets.

Other operating expenses

Other operating expenses generally represent the day-to-day running costs incurred in the normal operations of ACMI and include:

Supplies and services

Supplies and services are recognised as an expense in the reporting period in which they are incurred. These supplies and services include programming, marketing, facilities, technology and commercial costs.

Bad and doubtful debts

Bad and doubtful debts are assessed on a regular basis. Those bad debts considered as written off by mutual consent are classified as a transaction expense. Those written off unilaterally and the allowance for doubtful debts, are classified as other economic flows (refer to Note 1 (j) Financial assets - Impairment of financial assets).

Sponsorship in-kind expense

Contributions of resources provided free of charge or for nominal consideration are recognised at their fair value when the transferee obtains control over them, irrespective of whether restrictions or conditions are imposed over the use of the contributions.

Contributions in the form of services are only recognised when a fair value can be reliably determined and the services would have been purchased if not donated.

(i) Other economic flows included in net result

Other economic flows measure the change in volume or value of assets or liabilities that do not result from transactions. These include:

Net gain/(loss) on financial instruments
Net gain/(loss) on financial instruments includes gain/(loss) on foreign currency transactions.

Net gain/(loss) on non-financial assets
Net gain/(loss) on non-financial assets and liabilities includes realised and unrealised gains and losses as follows:

Disposal of non-financial assets
Any gain or loss on the sale of non-financial assets is recognised at the date that control of the asset is passed to the buyer and is determined after deducting from the proceeds the carrying value of the asset at that time.

Impairment of non-financial assets
Intangible assets with indefinite useful lives (and intangible assets not yet available for use) are tested annually for impairment (i.e. as to whether their carrying value exceeds their recoverable amount, and so require write-downs) and whenever there is an indication that the asset may be impaired. All other assets are assessed annually for indications of impairment, except for inventories.

If there is an indication of impairment, the assets concerned are tested as to whether their carrying value exceeds their possible recoverable amount. Where an asset's carrying value exceeds its recoverable amount, the difference is written off as an other economic flow, except to the extent that the write-down can be debited to an asset revaluation surplus amount applicable to that class of asset.

It is deemed that, in the event of the loss of an asset, the future economic benefits arising from the use of the asset will be replaced unless a specific decision to the contrary has been made. The recoverable amount for most assets is measured at the higher of depreciated replacement cost and fair value less costs to sell. Recoverable amount for assets held primarily to generate net cash inflows is measured at the higher of the present value of future cash flows expected to be obtained from the asset and fair value less costs to sell.

Other gains/(losses) from other economic flows
Other gains/(losses) from other economic flows include the gains or losses from:

- transfer of amounts from reserves and/or accumulated surplus to net result due to disposal or derecognition or reclassification; and
- the revaluation of the present value of the long service liability due to change in the bond interest rates.

(j) Financial assets

Financial instruments
Financial instruments are contractual agreements that give rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Loans and receivables
Loans and receivables are financial instrument assets with fixed and determinable payments that are not quoted on the active market. These are initially recognised at fair value plus any directly attributable transaction costs.

Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Financial liabilities at amortised cost
Financial instrument liabilities are initially recognised on the day they are originated, and measured at fair value plus any directly attributable transaction costs.

Cash and deposits
Cash and deposits recognised on the balance sheet comprise cash on hand and cash at bank, deposits at call and those highly liquid investments (with an original maturity of three months or less), which are held for the purpose of meeting short term cash commitments rather than for investment purposes, and which are readily convertible to known amounts of cash with an insignificant risk of changes in value.

For cash flow statement presentation purposes, cash and cash equivalents include bank overdrafts, which are included as borrowings on the balance sheet.

Receivables
Receivables consist predominantly of amounts owing from debtors in relation to goods and services, the Victorian Government, accrued investment income and GST input tax credits recoverable. Receivables that are contractual are classified as financial instruments. Amounts owing from the Victorian Government, taxes and other statutory receivables are not classified as financial instruments.

Receivables are recognised initially at fair value and subsequently measured at amortised cost, using the effective interest rate method, less an allowance for impairment.

A provision for doubtful debts is made when there is objective evidence that the debts may not be collected and bad debts are written off when identified (refer to Note 1(j) Impairment of financial assets).

Impairment of financial assets
ACMI assesses at the end of each reporting period whether there is objective evidence that a financial

asset or group of financial assets is impaired. All financial assets, except those measured at fair value through profit or loss, are subject to annual review for impairment.

Bad and doubtful debts for financial assets are assessed on a regular basis. Those bad debts considered as written off by mutual consent are classified as a transaction expense. The bad debts not written off by mutual consent and allowance for doubtful receivables are classified as 'other economic flows'.

In assessing impairment of statutory (non-contractual) financial assets which are not financial instruments, ACMI applied professional judgment in assessing materiality and using estimates, averages and computational shortcuts in accordance with AASB 136 *Impairment of assets*.

(k) Non-financial assets

Prepayments
Prepayments represent payments in advance of receipt of goods or services or that part of expenditure made in one accounting period covering a term extending beyond that period.

Inventories
Inventories include goods and other property held either for sale or for distribution at zero or nominal cost, or for consumption in the ordinary course of business operations. It excludes depreciable assets.

Inventories are measured at the lower of cost and net realisable value.

ACMI does not have high value, low volume inventory items, therefore measurement is based on the "weighted average cost" method.

Property, plant & equipment and collections
All non-current physical assets are measured initially at cost and subsequently revalued at fair value less accumulated depreciation and impairment.

The ACMI collections include the Film, Object, Lending and Exhibition collections. These assets do not have limited useful lives and are therefore not subject to depreciation. The assets are assessed each reporting period to determine whether events and circumstances continue to support an indefinite useful life assessment, in addition to the assessment of impairment.

The fair value of plant and equipment is normally determined by reference to the asset's depreciated replacement cost. For plant and equipment, existing depreciated historical cost is generally a reasonable proxy for depreciated replacement cost because of the short lives of the assets concerned.

Leasehold improvements

The cost of a leasehold improvement is capitalised as an asset and depreciated over the remaining term of the lease or the estimated useful life of the improvement, whichever is shorter.

Revaluations of non-financial physical assets

Non-financial physical assets are measured at fair value in accordance with FRD 103F issued by the Minister for Finance. A full revaluation normally occurs every five years, based upon the asset's Government purpose classification, but may occur more frequently if fair value assessments indicate material changes in values. Independent valuers are used to conduct these scheduled revaluations and any interim revaluations are determined in accordance with the requirements of the Financial Reporting Directions. A full revaluation took place as at 30 June 2016.

Collection assets of Film, Object, Lending and Exhibition collections are measured at fair value, and in accordance with FRD 103F, revalued as at 30 June 2016 based on a valuation by Dr Vincent O'Donnell, independent valuer approved under the Federal Government's Cultural Gifts Program, by reference to the amounts for which assets could be exchanged based on depreciated replacement cost or market value.

Revaluation increases or decreases arise from differences between an asset's carrying value and fair value.

Net revaluation increases (where the carrying amount of a class of assets is increased as a result of a revaluation) are recognised in 'other economic flows - other comprehensive income' and accumulated in equity under the asset revaluation surplus. However, the net revaluation increase is recognised in the net result to the extent that it reverses a net revaluation decrease in respect of the same class of property, plant & equipment and collections previously recognised as an expense (other economic flows) in the net result.

Net revaluation decreases are recognised immediately as other economic flows in the net result, except that the net revaluation decrease is recognised in 'other economic flows - other comprehensive income' to the extent that a credit balance exists in the asset revaluation surplus in respect of the same class of property, plant & equipment and collections. The net revaluation decrease recognised in 'other economic flows - other comprehensive income' reduces the amount accumulated in equity under the asset revaluation surplus.

Revaluation increases and decreases relating to individual assets within a class of property, plant & equipment and collections are offset against one another within that class but are not offset in respect of assets in different classes. Any asset

revaluation surplus is not normally transferred to accumulated funds on de-recognition of the relevant asset.

Intangible assets

Intangible assets represent identifiable non-monetary assets without physical substance. ACMI currently has two types of intangible assets, namely, software and exhibition rights.

Intangible assets are initially recognised at cost. Subsequently, intangible assets with finite useful lives are carried at cost less accumulated amortisation and accumulated impairment losses, and are amortised on a straight-line basis over their useful lives. Costs incurred subsequent to initial acquisition are capitalised when it is expected that additional future economic benefits will flow to ACMI.

Computer software has a finite useful life and is amortised over its useful life as follows (2016: no change):

Computer software	2.5 years
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Exhibition rights relate to the *Screen Worlds* exhibition, which also have a finite useful life and are amortised over their useful life as follows (2016: no change):

Exhibition rights	10 years
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Impairment of non-financial assets

Refer to Note 1 (i) *Other economic flows included in net result*.

(I) Liabilities

Payables

Payables consist of:

- contractual payables, such as accounts payable, and unearned/prepaid income; and
- statutory payables, such as goods and services tax and fringe benefits tax payables.

Payables are initially recognised at fair value, being the cost of the goods and services, and subsequently measured at amortised cost.

Provisions

Provisions are recognised when ACMI has a present obligation, the future sacrifice of economic benefits is probable, and the amount of the provision can be measured reliably.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

Employee benefits

Provision is made for benefits accruing to employees in respect of wages and salaries, annual leave and long service leave for services rendered to the reporting date.

(i) Wages & salaries, annual leave and sick leave

Liabilities for wages and salaries, including annual leave, are all recognised in the provision for employee benefits as 'current liabilities', because ACMI does not have an unconditional right to defer settlement of these liabilities.

Depending on the expectation of the timing of settlement, liabilities for wages and salaries and annual leave are measured at:

- undiscounted value - if ACMI expects to wholly settle within 12 months; or
- present value - if ACMI does not expect to wholly settle within 12 months.

(ii) Long service leave

Liability for long service leave (LSL) is recognised in the provision for employee benefits.

Unconditional LSL is disclosed in the notes to the financial statements as a current liability even where ACMI 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 LSL liability are measured at:

- undiscounted value - if ACMI expects to wholly settle within 12 months; or
- present value - if ACMI does not expect to wholly settle within 12 months.

Conditional LSL 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 LSL liability is measured at present value. Any gain or loss following revaluation of the present value of non-current LSL 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 flow (refer to Note 1 (i)).

(iii) Termination benefits

Termination benefits are payable when employment is terminated before the normal retirement date, or when an employee decides to accept an offer in exchange for the termination of employment. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

On-costs

Provision for on-costs such as payroll tax and workers compensation are recognised separately

from the provision for employee benefits.

Enterprise Bargaining Provision

Provision for the 1.75% salary increase from 1 January 2016 as per the VPS Agreement and ACMI's inclusion as a Nexus agency.

(m) Leases

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.

All incentives for the agreement of a new or renewed operating lease are recognised as an integral part of the net consideration agreed for the use of the leased asset, irrespective of the incentive's nature or form or the timing of payments.

In the event that the lease incentives are received to enter into operating leases, the aggregate costs of incentives are recognised as a reduction of rental expense over the lease term on a straight-line basis, unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

(n) Equity

Contributed capital

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

(o) Commitments

Commitments are disclosed at their nominal value and inclusive of the goods and services tax (GST) payable.

(p) Contingent assets and contingent liabilities

Contingent assets and contingent liabilities are not recognised in the balance sheet, but are disclosed by way of a note (refer Note 13 Contingent Assets and Contingent Liabilities) and, if quantifiable, are measured at nominal value. Contingent assets and liabilities are presented inclusive of GST receivable or payable respectively.

(q) Goods and Services Tax (GST)

Income, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense. Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the balance sheet.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the taxation authority, are presented as operating cash flow.

(r) Events after the reporting date

Assets, liabilities, income or expenses arise from past transactions or other past events. Where the transactions result from an agreement between ACMI and other parties, the transactions are only recognised when the agreement is irrevocable

at or before the end of the reporting period. Adjustments are made to amounts recognised in the financial statements for events which occur after the reporting period and before the date the financial statements are authorised for issue, where those events provide information about conditions which existed in the reporting period. Note disclosure is made about events between the end of the reporting period and the date the financial statements are authorised for issue where the events relate to conditions which arose after the end of the reporting period and which may have a material impact on the results of subsequent years.

(s) Foreign currency balances/transactions

All foreign currency transactions during the financial year are brought to account using the exchange rate in effect at the date of the transaction. Foreign monetary items existing at the end of the reporting period are translated at the closing rate at the date of the end of the reporting period. Non-monetary assets carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Foreign currency translation differences are recognised in other economic flows in the period in which they arise.

(t) Rounding of amounts

Amounts in the financial statements have been rounded to the nearest dollar, unless otherwise stated. Figures in the financial statements may not equate due to rounding.

(u) AASs issued that are not yet effective

ACMI has adopted all of the new and revised Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are relevant to its operations and effective for reporting from 1 July 2016.

As at 30 June 2017, the following AASs have been issued by the AASB but are not yet effective.

Standard/Interpretation	Summary	Applicable for annual reporting periods beginning on	Management Assessment impact on ACMI
AASB 9 <i>Financial Instruments</i>	The key changes include the simplified requirements for the classification and measurement of financial assets, a new hedging accounting model and a revised impairment loss model to recognise impairment losses earlier, as opposed to the current approach that recognises impairment only when incurred.	1-Jan-18	While the preliminary assessment has not identified any material impact arising from AASB 9, it will continue to be monitored and assessed.
AASB 15 <i>Revenue from Contracts with Customers</i>	The core principle of AASB 15 requires an entity to recognise revenue when the entity satisfies a performance obligation by transferring a promised good or service to a customer.	1-Jan-19	The changes in revenue recognition requirements in AASB 15 may result in changes to the timing and amount of revenue recorded in the financial statements. The Standard will also require additional disclosures on service revenue and contract modifications.
AASB 16 <i>Leases</i>	The key changes introduced by AASB 16 include the recognition of most operating leases (which are currently not recognised) on balance sheet.	1-Jan-19	Depreciation of lease assets and interest on lease liabilities will be recognised in the income statement with marginal impact on the operating surplus. The amounts of cash paid for the principal portion of the lease liability will be presented within financing activities and the amounts paid for the interest portion will be presented within operating activities in the cash flow statement.
AASB 1058 <i>Income of Not-For-Profit Entities</i>	This standard replaces AASB 1004 and establishes revenue recognition principles for transactions.	1-Jan-19	The changes in revenue recognition requirements in AASB 1058 may result in changes to the timing and amount of revenue recorded in the financial statements in respect to grants.

NOTE 2: INCOME FROM TRANSACTIONS

	2017 \$	2016 \$
(a) Government grants - Department of Economic Development, Jobs, Transport and Resources		
Operating funding	20,459,703	20,406,379
Other funding	275,000	278,645
Capital asset charge	2,105,000	2,105,000
Capital funding	1,006,065	1,642,941
Total Government grants	23,845,768	24,432,965
(b) Revenue		
Interest	149,159	183,879
Memberships	80,502	90,024
Venue hire & exhibition touring	2,317,079	2,234,870
Programming - Box office receipts	1,821,858	4,833,022
Commercial operations	773,955	1,876,176
Total revenue	5,142,553	9,217,971
(c) Sponsorship and grants		
Sponsorship	321,062	171,122
In-kind revenue	888,826	1,349,968
Other grants from Victorian Government entities	315,141	302,629
Other grants	108,923	34,307
Total sponsorship and grants	1,633,952	1,858,026

NOTE 3: EXPENSES FROM TRANSACTIONS

	2017	2016
	\$	\$
(a) Employee expenses		
Post employment benefits:		
- Defined contribution superannuation expense	(1,110,357)	(1,058,927)
- Defined benefit superannuation expense	(14,090)	(20,537)
Termination benefits	(24,316)	(252,022)
Salaries, wages, annual and long service leave	(13,236,321)	(12,583,848)
Total employee benefits	(14,385,084)	(13,915,334)
(b) Rental and associated outgoings		
Facilities rental payments	(2,838,355)	(2,915,094)
Rental outgoings	(1,968,967)	(1,966,258)
Equipment rental	(737,480)	(726,215)
Total rental and associated outgoings	(5,544,802)	(5,607,567)
(c) Depreciation and amortisation		
Depreciation		
Plant and equipment	(1,594,166)	(1,381,105)
Leasehold improvements	(526,682)	(2,003,309)
Total depreciation	(2,120,848)	(3,384,414)
Amortisation		
Screen Worlds exhibition rights/Software	(16,082)	(16,140)
Total amortisation	(16,082)	(16,140)
Total depreciation and amortisation	(2,136,930)	(3,400,554)
(d) Other operating expenses		
Programming and marketing	(3,454,990)	(3,546,027)
Facilities and technology	(2,692,903)	(2,978,689)
Commercial	(290,000)	(355,564)
Sponsorship in-kind	(888,826)	(1,349,968)
Administration costs	(1,073,431)	(1,063,085)
Total other operating expenses	(8,400,150)	(9,293,333)
(e) Superannuation		
<p>Employees of ACMI are entitled to receive superannuation benefits and ACMI contributes to both defined benefit and defined contribution plans. ACMI does not recognise any defined benefit liability in respect of the plan as ACMI has no legal obligation to pay future benefits relating to employees. Superannuation contributions paid or payable are included as part of employee expenses in the comprehensive operating statement. The major employee superannuation funds and contributions paid or payable by ACMI are as follows. The total amount of superannuation excludes amounts paid under salary sacrifice arrangement.</p>		
Defined benefit plan		
Emergency Services & State Super	(14,090)	(20,537)
Defined contribution plans		
VicSuper	(622,137)	(615,795)
Other	(482,369)	(421,970)
Total superannuation	(1,118,596)	(1,058,302)

NOTE 4: OTHER ECONOMIC FLOWS INCLUDED IN NET RESULT

	2017 \$	2016 \$
(a) Net loss on financial instruments		
Net FX loss arising from financial instruments	(36,570)	(69,672)
(b) Net loss on non-financial assets		
Net loss on disposal of property, plant and equipment and collections	(819)	(83,293)
(c) Other gain/(loss) from other economic flows		
Net gain/(loss) arising from revaluation of long service leave liability	24,555	(61,713)
Total other gain/(loss) from other economic flows	24,555	(61,713)
Total other economic flows included in net result	(12,834)	(214,678)

Notes:

- (a) Net loss on financial instruments include realised and unrealised gains/(losses) from settlement and revaluations of financial instruments. Realised/unrealised losses result from the spot rate at settlement/revaluation of the contract being higher than the contracted forward rate.
- (b) Net loss on non-financial assets include realised losses from the disposal of non-current physical assets.
- (c) Revaluation loss due to changes in bond rates along with movement in allowance for doubtful debts.

NOTE 5: RECEIVABLES

	2017 \$	2016 \$
Current receivables		
Contractual		
Trade debtors (i)	225,605	362,382
Interest receivable	9,147	12,398
Accrued revenue	61,467	44,184
Other receivables	18,033	22,594
	314,252	441,558
Statutory		
Amount owing from Victorian Government	122,450	169,588
GST input tax credit recoverable	212,456	159,832
	334,906	329,420
Total receivables	649,158	770,978

Note:

- (i) The average credit period on sales of goods and services is 30 days. A provision has been made for estimated irrecoverable amounts from the sale of goods, determined by reference to past default experience.

(a) Ageing analysis of contractual receivables

Please refer to Table 14.3 in Note 14 for ageing analysis of contractual receivables.

(b) Nature and extent of risk arising from contractual receivables

Please refer to Note 14 for the nature and extent of risks arising from contractual receivables.

NOTE 6: INVENTORIES

	2017 \$	2016 \$
Current inventories		
Supplies and consumables:		
At cost	159,139	125,595
Publications held for sale:		
At cost	13,891	43,312
Total inventories	173,030	168,907

NOTE 7: PROPERTY, PLANT & EQUIPMENT AND COLLECTIONS

Gross carrying amount and accumulated depreciation

	2017 \$	2016 \$
<i>Sub-classification by Nature</i>		
Leasehold improvements		
Leasehold improvements - fair value	22,531,902	20,378,159
Less: accumulated depreciation	(19,006,194)	(16,746,462)
Total leasehold improvements	3,525,708	3,631,697
Plant and equipment		
Plant and equipment - fair value	26,908,221	25,899,891
Less: accumulated depreciation	(22,619,870)	(21,363,826)
Total plant and equipment	4,288,351	4,536,065
Work in progress		
Works in progress - at cost	540	523,417
Total works in progress	540	523,417
Collections		
Collections - at fair value	9,412,815	9,413,634
Total collections	9,412,815	9,413,634
Total property, plant & equipment and collections	17,227,414	18,104,813

All assets are held for the purpose of Public Administration.

Movements in carrying amounts

	Leasehold improvements at fair value		Plant and equipment at fair value		Works in progress at cost		Collections at fair value		Total	
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
Opening balance	3,631,697	4,259,775	4,536,065	4,135,695	523,417	158,045	9,413,634	9,525,130	18,104,813	18,078,645
Additions	420,693	1,396,883	823,035	1,685,070	540	523,417	-	-	1,244,268	3,605,370
Transfers between classes	-	-	523,417	158,045	(523,417)	(158,045)	-	-	-	-
Revaluation of PPE	-	-	-	-	-	-	-	(111,496)	-	(111,496)
Disposals	-	(21,652)	-	(61,640)	-	-	(819)	-	(819)	(83,292)
Depreciation expense	(526,682)	(2,003,309)	(1,594,166)	(1,381,105)	-	-	-	-	(2,120,848)	(3,384,414)
Closing balance	3,525,708	3,631,697	4,288,351	4,536,065	540	523,417	9,412,815	9,413,634	17,227,414	18,104,813

NOTE 7: PROPERTY, PLANT & EQUIPMENT AND COLLECTIONS (CONTINUED)

The following useful lives of assets are used in the calculation of depreciation for current and prior years:

Leasehold improvements (i)	5 - 10 years
Plant and equipment	3 - 10 years
Collections	Indefinite useful life

(i) Change in accounting estimates applied prospectively. The useful life of leasehold improvements have increased and this is reflected in the movement in depreciation.

Collections carried at fair value

In accordance with Department of Treasury and Finance's Financial Reporting Direction FRD 103F, an independent valuation of ACMI's collections was performed as at 30 June 2016 to determine the fair value of the collections. As set out in Note 1 (k), the valuation, which conforms to Australian Valuation Standards, was based on market value or depreciated replacement cost and undertaken by Dr Vincent O'Donnell. Dr O'Donnell is an approved independent valuer under the Federal Government's Cultural Gifts Program since 2006. A statistical approach was used to determine the sample size of each collection item class for the valuation. The collection was valued on a stratified random sampling basis by dividing the collection into classes, which reduces the variability of the sampling outcome. There are 115,486 collections items valued within 47 classes (2011: 114,936 collection items within 47 classes). Installation pieces, 3D objects and moving image artwork purchased or commissioned are valued on an individual basis. Samples were reviewed to establish a fair value measurement hierarchy using either the market value (Level 2) or the depreciated replacement cost (Level 3) of each specific item class. The fair value measurement is based on the current market demand for each class of item via the domestic and international collectors market where possible. The overall fair value valuation for the collection was \$9,413,634 with a 95% confidence interval as at 30 June 2016. This approach is consistent with valuation methodologies and processes undertaken in the 2011 valuation. The value of the collection could change in future financial years as a result of changes in the significant and unobservable valuation inputs that have been adopted to determine the value.

The next valuation will be performed on 30 June 2021.

Fair value measurement hierarchy for assets as at 30 June 2017

	Carrying amount as at 30 June 2017	Fair value measurement at end of reporting period using		
		Level 1	Level 2	Level 3
	\$	\$	\$	\$
Leasehold improvements at fair value	3,525,708	-	-	3,525,708
Plant and equipment at fair value	4,288,351	-	-	4,288,351
Collections at fair value	9,412,815	-	6,499,068	2,913,747
Total property, plant & equipment and collections	17,226,874	-	6,499,068	10,727,806

Fair value measurement hierarchy for assets as at 30 June 2016

	Carrying amount as at 30 June 2016	Fair value measurement at end of reporting period using		
		Level 1	Level 2	Level 3
	\$	\$	\$	\$
Leasehold improvements at fair value	3,631,697	-	-	3,631,697
Plant and equipment at fair value	4,536,065	-	-	4,536,065
Collections at fair value	9,413,634	-	6,499,887	2,913,747
Total property, plant & equipment and collections	17,581,396	-	6,499,887	11,081,510

There were transfers between Collection Asset Levels this year following the current valuation report.

NOTE 7: PROPERTY, PLANT & EQUIPMENT AND COLLECTIONS (CONTINUED)

Leasehold improvements

New leasehold improvements are held at fair value. When leasehold improvements are specialised in use, such that they are rarely sold other than as part of a going concern, fair value is determined using the depreciated replacement cost method.

Plant and equipment

New plant and equipment is held at fair value. When plant and equipment is specialised in use, such that it is rarely sold other than as part of a going concern, fair value is determined using the depreciated replacement cost method.

Collections carried at fair value

The last valuation was performed 30 June 2016. The next valuation will occur 30 June 2021. There were no changes in valuation techniques arising from the 30 June 2016 valuation. For all assets measured at fair value, the current use is considered the highest and best use.

Reconciliation of Level 3 fair value

	Leasehold improvements at fair value \$	Plant and equipment at fair value \$	Collections at fair value \$
Opening balance 1 July 2016	3,631,697	4,536,065	2,913,747
Purchases	420,693	823,035	-
Transfers between classes	-	523,417	-
Gains or losses recognised in net result			
Depreciation	(526,682)	(1,594,166)	-
Loss on disposal	-	-	-
Subtotal gains or losses recognised in net result	(526,682)	(1,594,166)	-
Gain or losses recognised in other economic flows - other comprehensive income	-	-	-
Revaluation	-	-	-
Subtotal	-	-	-
Closing balance 30 June 2017	3,525,708	4,288,351	2,913,747

Reconciliation of Level 3 fair value

	Leasehold improvements at fair value \$	Plant and equipment at fair value \$	Collections at fair value \$
Opening balance 1 July 2015	4,259,775	4,135,695	9,525,130
Purchases	1,396,883	1,685,070	-
Transfers between classes	-	158,045	(6,719,410)
Gains or losses recognised in net result			
Depreciation	(2,003,309)	(1,381,105)	-
Loss on disposal	(21,652)	(61,640)	-
Subtotal Gains or losses recognised in net result	(2,024,961)	(1,442,745)	-
Gain or losses recognised in other economic flows - other comprehensive income	-	-	-
Revaluation	-	-	108,027
Subtotal	-	-	108,027
Closing balance 30 June 2016	3,631,697	4,536,065	2,913,747

NOTE 7: PROPERTY, PLANT & EQUIPMENT AND COLLECTIONS (CONTINUED)**Description of significant unobservable inputs to Level 3 valuations 2016-17**

	Valuation technique	Significant unobservable inputs
Leasehold improvements	Depreciated replacement cost	Cost per unit Useful life of leasehold improvements
Plant and equipment	Depreciated replacement cost	Cost per unit Useful life of plant and equipment
Collections	Depreciated replacement cost	Cost per unit

No change from 2015-16.

NOTE 8: INTANGIBLE ASSETS

	Computer software at cost		Screen Worlds exhibition rights at cost		Total at cost	
	\$		\$		\$	
	2017	2016	2017	2016	2017	2016
<i>Gross carrying amount</i>						
Opening balance	689,918	689,918	160,918	160,918	850,836	850,836
Additions	-	-	-	-	-	-
Disposals	(3,441)	-	-	-	(3,441)	-
Closing balance	686,477	689,918	160,918	160,918	847,395	850,836
<i>Accumulated amortisation and impairment</i>						
Opening balance	(689,918)	(689,918)	(108,621)	(92,481)	(798,539)	(782,399)
Amortisation expense	3,441	-	(16,082)	(16,140)	(12,641)	(16,140)
Closing balance	(686,477)	(689,918)	(124,703)	(108,621)	(811,180)	(798,539)
Net book value at the end of the financial year	-	-	36,215	52,297	36,215	52,297

NOTE 9: PAYABLES

	2017 \$	2016 \$
Current payables		
Contractual		
Trade creditors (i)	1,420,274	602,023
Accrued expenses	550,514	634,075
Customer deposits	977,762	823,379
Sundry liabilities	117,958	66,600
Lease incentive liability	93,000	93,000
	3,159,508	2,219,077
Statutory		
Taxes payable	55,556	51,440
Total current payables	3,215,064	2,270,517
Non-current payables		
Contractual		
Lease incentive liability	720,750	813,750
Total non-current payables	720,750	813,750
Total payables	3,935,814	3,084,267

Note:

(i) The average credit period is 30 days. No interest is charged on the payables.

(a) Maturity analysis of contractual payables

Please refer to Table 14.4 from Note 14 for the ageing analysis of contractual payables.

(b) Nature and extent of risk arising from payables

Please refer to Note 14 for the nature and extent of risks arising from contractual payables.

NOTE 10: PROVISIONS

	2017	2016
	\$	\$
Current provisions		
Employee benefits - annual leave:		
Unconditional and expected to be wholly settled within 12 months	493,555	444,408
Unconditional and expected to be wholly settled after 12 months	48,813	44,187
Employee benefits - long service leave:		
Unconditional and expected to be settled within 12 months	134,596	88,368
Unconditional and expected to be settled after 12 months	979,707	965,513
	1,656,671	1,542,477
Provisions related to employee benefit on-costs (Note 10(a)):		
Unconditional and expected to be settled within 12 months	36,369	29,866
Unconditional and expected to be settled after 12 months	56,713	53,921
	93,082	83,787
Enterprise Bargaining Provision	-	97,464
Total current provisions	1,749,753	1,723,727
Non-current provisions		
Employee benefits (Note 10(a))	269,717	309,558
Provisions related to employee benefit on-costs (Note 10(a))	18,439	19,754
Total non-current provisions	288,156	329,312
Total provisions	2,037,909	2,053,039

Employee benefits consist of annual leave and long service leave accrued by employees. On-costs such as payroll tax and workers' compensation insurance are not employee benefits and are recognised as a separate provision.

NOTE 10: PROVISIONS (CONTINUED)

(a) Movement in provisions

	On-costs 2017 \$	Enterprise Bargaining 2017 \$	Total 2017 \$
Opening balance	103,541	97,464	201,005
Additional provisions recognised	20,162	-	20,162
Reduction due to transfer out	(12,182)	(97,464)	(109,646)
Closing balance	111,521	-	111,521
Current	93,082	-	93,082
Non-current	18,439	-	18,439
	111,521	-	111,521

NOTE 11: LEASES

Leasing arrangements

Operating leases relate to the rental of premises, computer equipment and storage with lease terms of between 3 to 10 years, with an option to extend. The Federation Square premises lease was extended by five years in May 2017 to 15 September 2022. The Australian Ballet Centre premises lease expires 31 March 2026. All operating lease contracts contain market review clauses in the event that ACMI exercises its option to renew. ACMI does not have an option to purchase leased assets at the expiry of the lease period.

	2017 \$	2016 \$
Non-cancellable operating leases payable		
Not longer than 1 year	3,777,996	3,748,307
Longer than 1 year and not longer than 5 years	14,894,169	3,880,271
Longer than 5 years	2,046,762	2,668,608
	20,718,927	10,297,186

NOTE 12: COMMITMENTS FOR EXPENDITURE

The following commitments have not been recognised as liabilities in the financial statements:

Capital and other commitments predominantly relate to Federation Square building alterations and future contracted exhibitions.

	2017	2016
	\$	\$
(a) Capital expenditure commitments payable		
Less than 1 year	-	214,872
	-	214,872
(b) Operation and maintenance commitments payable		
Less than 1 year	1,261,135	884,542
Longer than 1 year and not longer than 5 years	1,224,404	2,105,643
Longer than 5 years	33,109	48,943
	2,518,648	3,039,128
Total commitments (inclusive of GST)	2,518,648	3,254,000

NOTE 13: CONTINGENT ASSETS AND CONTINGENT LIABILITIES**Contingent assets**

There are nil contingent assets (2016: nil).

Contingent liabilities

There are no contingent liabilities (2016: nil).

NOTE 14: FINANCIAL INSTRUMENTS

(a) Financial risk management objectives and policies

ACMI's principal financial instruments comprise of:

- cash and deposits;
- receivables (excluding statutory receivables); and
- payables (excluding statutory payables);

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, with respect to each class of financial asset and financial liability above are disclosed in Note 1 to the financial statements.

The main purpose in holding financial instruments is to prudentially manage ACMI's financial risks within the Government policy parameters.

The carrying amounts of ACMI's financial assets and financial liabilities by category are in Table 14.1 below.

Table 14.1: Categorisation of financial instruments

	2017 \$	2016 \$
Contractual financial assets		
Cash and deposits	6,994,016	6,753,222
Loans and other receivables (i)	314,252	441,558
Total contractual financial assets (ii)	7,308,268	7,194,780
Contractual financial liabilities		
Payables (iii)	3,880,258	3,032,827
Total contractual financial liabilities (iv)	3,880,258	3,032,827

Notes:

- (i) Loans and other receivables include trade debtors, interest receivable and other receivables.
- (ii) The total amount of financial assets disclosed here excludes statutory receivables (i.e. amounts owing from Victorian Government and GST input tax credit recoverable).
- (iii) Payables include trade creditors, accrued expenses, customer deposits and other payables.
- (iv) The total amount of financial liabilities disclosed here excludes statutory payables (i.e. taxes payable).

NOTE 14: FINANCIAL INSTRUMENTS (CONTINUED)

Table 14.2: Net holding loss on financial instruments by category

	2017 \$	2016 \$
Financial assets		
Designated at fair value through profit or (loss)	(36,570)	(69,672)
	(36,570)	(69,672)

(b) Credit risk (i)

Credit risk arises from the financial assets of ACMI, which comprise cash and deposits, trade and other receivables. ACMI's exposure to credit risk arises from the potential default of the counterparty on their contractual obligations resulting in financial loss to ACMI. Credit risk is measured at fair value and is monitored on a regular basis. ACMI has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral where appropriate, as a means of mitigating the risk of financial loss from defaults. ACMI measures credit risk on a fair value basis.

ACMI does not have any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. The credit risk on liquid funds is limited because the counterparties are banks with high credit ratings assigned by international credit-rating agencies.

The maximum exposure to credit risk at balance date in relation to each class of recognised financial asset is the carrying amount of those assets as indicated in the Balance Sheet.

Credit risk associated with trade receivables is managed as follows by:

- advancing credit under payment terms of 30 days; and
- debt collection policies and procedures.

Provision of impairment for financial assets is calculated based on past experience, and current and expected changes in client credit ratings.

Except as otherwise detailed, the carrying amount of financial assets recorded in the financial statements, net of any allowances for losses, represents ACMI's maximum exposure to credit risk without taking account of the value of any collateral obtained.

	Financial Institutions (AA Credit Rating) \$	Government Agencies (AAA Credit Rating) (ii) \$	Other \$	Total \$
2017				
Cash and deposits	2,975,416	4,000,000	18,600	6,994,016
Receivables	-	-	314,252	314,252
Total contractual financial assets	2,975,416	4,000,000	332,852	7,308,268
2016				
Cash and deposits	2,734,622	4,000,000	18,600	6,753,222
Receivables	-	-	441,558	441,558
Total contractual financial assets	2,734,622	4,000,000	460,158	7,194,780

(i) The total amount of financial assets disclosed here excludes statutory receivables (i.e. amounts owing from Victorian Government and GST input tax credit recoverable).

(ii) Financial assets held with Government agencies consists of cash held with Treasury Corporation of Victoria.

NOTE 14: FINANCIAL INSTRUMENTS (CONTINUED)

Financial assets that are either past due or impaired

Currently ACMI does not hold any collateral as security nor credit enhancements relating to any of its financial assets.

As at the reporting date, there is no event to indicate that any of the financial assets were impaired.

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. The following table discloses the ageing only of financial assets that are past due:

Table 14.3: Ageing analysis of financial assets (i)

	Carrying amount \$	Not past due & not impaired \$	Past due but not impaired				Impaired financial assets \$
			Less than 1 month \$	1-3 months \$	3 months - 1 year \$	1-5 years \$	
2017							
Cash and deposits	6,994,016	6,994,016	-	-	-	-	-
Receivables							
Trade debtors and allowance for doubtful debts	225,605	164,762	-	55,624	5,219	-	-
Interest receivable	9,147	9,147	-	-	-	-	-
Accrued revenue	61,467	61,467	-	-	-	-	-
Other receivables	18,033	18,033	-	-	-	-	-
Total contractual financial assets	7,308,268	7,247,425	-	55,624	5,219	-	-
2016							
Cash and deposits	6,753,222	6,753,222	-	-	-	-	-
Receivables							
Trade debtors and allowance for doubtful debts	362,382	326,821	-	13,126	22,435	-	-
Interest receivable	12,398	12,398	-	-	-	-	-
Accrued revenue	44,184	44,184	-	-	-	-	-
Other receivables	22,594	22,594	-	-	-	-	-
Total contractual financial assets	7,194,780	7,159,219	-	13,126	22,435	-	-

Note:

(i) The total amount of financial assets disclosed here excludes statutory receivables (i.e. amounts owing from Victorian Government and GST input tax credit recoverable).

(c) Liquidity risk

Liquidity risk arises when ACMI is unable to meet its financial obligations as they fall due. ACMI operates under the Government fair payments policy of settling financial obligations within 30 days and in the event of a dispute, make payments within 30 days from the date of resolution. It also continuously manages risk through monitoring future cash flows and maturities planning to ensure adequate holding of high quality liquid assets and dealing in highly liquid markets.

ACMI's exposure to liquidity risk is deemed insignificant based on prior periods' data and current assessment of risk. Cash for unexpected events is generally sourced from realisation of money market investments. Maximum exposure to liquidity risk is the carrying amounts of financial liabilities.

NOTE 14: FINANCIAL INSTRUMENTS (CONTINUED)**Table 14.4: Maturity analysis of financial liabilities (i)**

	Maturity dates (a)					
	Carrying amount \$	Nominal amount \$	Less than 1 month \$	1-3 months \$	3 months - 1 year \$	1-5 years \$
2017						
Payables:						
Trade creditors and accrued expenses	1,970,788	1,970,788	1,970,788	-	-	-
Other payables (ii)	1,909,470	1,909,470	1,103,470	15,500	69,750	720,750
Total payables	3,880,258	3,880,258	3,074,258	15,500	69,750	720,750
2016						
Payables:						
Trade creditors and accrued expenses	1,236,098	1,236,098	1,236,098	-	-	-
Other payables (ii)	1,796,729	1,796,729	898,179	15,500	69,300	813,750
Total payables	3,032,827	3,032,827	2,134,277	15,500	69,300	813,750

Notes:

(i) The amounts disclosed are the contractual undiscounted cash flows of each class of financial liabilities.

(ii) Other payables include customer deposits, lease incentive liability and sundry liabilities.

(d) Market risk

ACMI's exposures to market risk are primarily through interest rate risk and exposure to foreign currency risk with only insignificant price risks. Objectives, policies and processes used to manage each of these risks are disclosed in the paragraphs below.

Foreign currency risk

ACMI operates internationally and is exposed to foreign exchange risk arising from various currency exposures. Foreign exchange risk arises from future commercial transactions and recognised financial assets and financial liabilities denominated in a currency that is not ACMI's functional currency.

ACMI's treasury policy manages foreign exchange risk, preferring a certain outcome and minimising exposure to exchange rate movements. The policy requires management to hedge foreign exchange risk for future material payments such as exhibition hire fees, using forward exchange contracts transacted with the Treasury Corporation of Victoria.

At 30 June 2017, ACMI had no forward exchange contracts (2016: nil).

Interest rate risk

ACMI's exposure to interest rate risk is insignificant.

NOTE 14: FINANCIAL INSTRUMENTS (CONTINUED)

Table 14.5: Interest rate exposure of financial instruments

	Weighted average effective interest rate \$	Carrying amount \$	Interest rate exposure		
			Fixed interest rate \$	Variable interest rate \$	Non-interest bearing \$
2017					
Cash and bank deposits					
Bank deposits	1.73%	6,975,416	4,000,000	2,564,461	410,955
Cash on hand		18,600	-	-	18,600
Receivables					
Trade debtors and allowance for doubtful debts		225,605	-	-	225,605
Other receivables (i)		88,647	-	-	88,647
		7,308,268	4,000,000	2,564,461	743,807
Payables					
Trade creditors and accrued expenses		1,970,788	-	-	1,970,788
Other payables (ii)		1,909,470	-	-	1,909,470
		3,880,258	-	-	3,880,258
2016					
Cash and bank deposits					
Bank deposits	2.16%	6,734,622	4,000,000	2,581,765	152,857
Cash on hand		18,600	-	-	18,600
Receivables					
Trade debtors and allowance for doubtful debts		362,382	-	-	362,382
Other receivables (i)		79,176	-	-	79,176
		7,194,780	4,000,000	2,581,765	613,015
Payables					
Trade creditors and accrued expenses		1,236,098	-	-	1,236,098
Other payables (ii)		1,730,129	-	-	1,730,129
		2,966,227	-	-	2,966,227

Notes:

- (i) Other receivables include interest receivable.
- (ii) Other payables include customer deposits.

NOTE 14: FINANCIAL INSTRUMENTS (CONTINUED)**(e) Fair value**

The fair values and net fair values of financial assets and financial liabilities are determined as follows:

- The fair value of financial assets and financial liabilities with standard terms and conditions and traded in active liquid markets are determined with reference to quoted market prices.
- The fair value of other financial assets and financial liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow analysis.
- The fair value of forward exchange contracts is determined using forward exchange market rates at the reporting date.

ACMI considers that the carrying amount of financial assets and financial liabilities recorded in the financial statements to be a fair approximation of their fair values, because of the short-term nature of the financial instruments and the expectation that they will be paid in full.

NOTE 15: CASH FLOW INFORMATION

	2017 \$	2016 \$
(a) Reconciliation of cash and cash equivalents		
Total cash and deposits disclosed in the balance sheet	6,994,016	6,753,222
Balance as per cash flow statement	6,994,016	6,753,222
(b) Reconciliation of net result for the period to net cash flows from/(used in) operating activities		
Net result for the period	(1,619,640)	592,242
Non-cash movements:		
Loss on sale or disposal of non-current assets	-	83,293
Impairment of assets	819	-
Depreciation and amortisation of non-current assets	2,136,930	3,400,554
Movement in assets and liabilities:		
(Increase)/decrease in current receivables	121,820	404,587
(Increase)/decrease in current inventories	(4,123)	13,322
(Increase)/decrease in prepayments	12,839	408,710
(Decrease)/increase in payables	697,163	(678,017)
(Decrease)/increase in unearned revenue	154,383	(169,052)
(Decrease)/increase in current provisions	26,026	(11,004)
(Decrease)/increase in non-current provisions	(41,156)	854,384
Net cash flows from operating activities	1,485,061	4,899,020

NOTE 16: RESERVES

	2017 \$	2016 \$
Physical asset revaluation surplus (a)		
Balance at beginning of financial year	2,405,543	2,517,039
Revaluation increments/(decrements)	-	(111,496)
Balance at end of financial year	2,405,543	2,405,543

Note:

(a) The physical asset revaluation surplus arises on the revaluation of non-current assets.

NOTE 17: EX-GRATIA PAYMENTS

ACMI had no ex-gratia payments (2016:Nil).

NOTE 18: RESPONSIBLE PERSONS

In accordance with the Ministerial directions issued by the Minister for Finance under the *Financial Management Act 1994*, the following disclosures are made regarding responsible persons for the reporting period.

Names

The persons who held the positions of Minister and the Accountable Officer are as follows:

Minister for Creative Industries	Martin Foley, MP (1 July 2016 to 30 June 2017)
Accountable Officer	Katrina Sedgwick, Director & Chief Executive Officer (1 July 2016 to 30 June 2017)

Governing Board

Peter Lewinsky, Board President	(1 July 2016 to 30 June 2017)
Esther Anatolitis	(1 July 2016 to 30 June 2017)
Jan Chapman AO	(1 July 2016 to 30 June 2017)
Desmond (Des) Clark, (Chair of Audit Committee)	(1 July 2016 to 30 June 2017)
Karen Corry	(1 July 2016 to 30 June 2017)
Rachel Griffiths	(1 July 2016 to 30 June 2017)
Michael Wachtel	(1 July 2016 to 30 June 2017)
Linda White	(1 July 2016 to 30 June 2017)
Dr Terry Wu	(1 July 2016 to 30 June 2017)

Remuneration

Governing Board

Members of the governing board do not receive remuneration for services provided to ACMI, although they are eligible to be reimbursed for out-of-pocket expenses. See related party transactions below.

Accountable Officer

Remuneration received or receivable by the Accountable Officer in connection with the management of ACMI during the reporting period was in the range \$270,000-\$280,000 (\$290,000-\$300,000 FY2015-16).

There were no contractors with managerial responsibilities.

NOTE 19: REMUNERATION OF EXECUTIVES

The number of executive officers, other than the minister and accountable officers, and their total remuneration during the reporting period are shown in the table below. Total annualised employee equivalents (AEE) provide a measure of full time equivalent executive officers over the reporting period. 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, and is disclosed in the following categories.

Short-term employee benefits include amounts such as 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.

Termination benefits include termination of employment payments, such as severance packages.

Several factors affected total remuneration payable to executives over the year. There was an increase in remuneration, numbers and AEE as a result of one Executive Officer receiving paid parental leave and being backfilled during this period.

Remuneration of Executive Officers (including Other Key Management Personnel disclosed in Note 20)

	2017	2016
	\$	\$
Short-term employee benefits	663,350	
Post-employment benefits	59,150	
Total Remuneration	722,500	
Total Number of Executives	4	3
Total annualised employee equivalent	3.39*	2.67

*There is one employee employed on a part-time basis for the period of Paid Parental Leave.

(a) No comparatives have been reported because remuneration in the prior year was determined in line with the basis and definition under FRD 21B. Remuneration previously excluded non-monetary benefits which comprised any money, consideration or benefit received or receivable, excluding reimbursement of out-of-pocket expenses, including any amount received or receivable from a related party transaction. Refer to the prior year's financial statement for executive remuneration for the 2015-16 reporting period.

(b) Annualised employee equivalent (AEE) is based on working 38 ordinary hours per week over the reporting period.

NOTE 20: RELATED PARTY TRANSACTIONS

Related parties at ACMI include:

- all key management personnel and their close family members and personal business interests (controlled entities, joint ventures and entities they 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.

During the year, related parties of key management personnel (KMP) were awarded contracts on terms and conditions equivalent for those that prevail in arm's length transactions under ACMI's procurement process. The transactions involved venue hire with an aggregated value of \$18k. All other transactions that have occurred with KMP and their related parties have not been considered material for disclosure.

Receipts from related parties

Entity	2017 \$	2016 \$
6A Foundation	-	7,000
Ricci Swart (i) is Trustee of 6A Foundation which made a donation to ACMI toward Screen It during the year.		
Melbourne International Film Festival	-	136,398
Joel Pearlman (ii) is an Honorary Director of the Melbourne International Film Festival, a not-for-profit organisation which hired ACMI facilities on normal commercial terms.		
Total	-	143,398

Payments to related parties

Entity	2017 \$	2016 \$
Roadshow Films Pty Ltd	-	8,628
Joel Pearlman (ii) is Managing Director of Roadshow Films Pty Ltd which ACMI made purchases from on normal commercial terms.		
Melbourne International Film Festival	-	42,494
Joel Pearlman (ii) is an Honorary Director of the Melbourne International Film Festival, a not-for-profit organisation which hired ACMI facilities on normal commercial terms.		
Total	-	51,122

Notes:

The above transactions with related parties were carried under normal commercial terms with full disclosure of any conflicts of interest following due process. Amounts relating to Ministers are reported in the financial statements of the Department of Parliamentary Services.

(i) Ricci Swart was a director of ACMI until 23 October 2015.

(ii) Joel Pearlman was a director of ACMI until 30 June 2016.

NOTE 20: RELATED PARTY TRANSACTIONS (CONTINUED)

Significant transactions with Government-related entities

Given the nature of State Government activities, related parties transact with the Victorian public sector in a manner consistent with other members of the public, for example stamp duty and other Government fees and charges.

Further 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.

Outside of normal citizen type transactions with ACMI, during the year, ACMI engaged in the following Government-related entity transactions:

ACMI received operating funding of \$21.7m (\$22.3m FY2015-16) from Creative Victoria.

Key management personnel

Key management personnel of ACMI includes all responsible persons as outlined in Note 18 which include:

- Director & Chief Executive Officer, Katrina Sedgwick
- Deputy CEO & Commercial & Operations Director, Graham Jephcott
- Chief Experience Officer, Seb Chan
- Head of Brand & Marketing, Emma Levy (until October 2016)
- Head of Brand & Marketing, Georgina Russell (from October 2016)

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

Compensation of KMP's	2017
	\$
Short-term employee benefits	915,931
Post-employment benefits	79,450
Total (a)	995,381

(a) Note that KMP's are also reported in the disclosure of remuneration of executive officers (Note 19).

NOTE 21: REMUNERATION OF AUDITORS

	2017	2016
	\$	\$
Victorian Auditor-General's Office		
Audit of the financial statements	32,498	29,800
	32,498	29,800

NOTE 22: SUBSEQUENT EVENTS

ACMI has no material or significant events occurring after the reporting date (2016: nil).

NOTE 23: GLOSSARY OF TERMS

Capital asset charge

The capital asset charge represents the opportunity cost of capital invested in the non-current physical assets used in the provision of outputs.

Commitments

Commitments include those operating, capital and other outsourcing commitments arising from non-cancellable contractual or statutory sources.

Comprehensive result

The net result of all items of income and expense recognised for the period. It is the aggregate of operating result and other comprehensive income.

Employee benefits expenses

Employee benefits expenses include all costs related to employment including wages and salaries, leave entitlements, redundancy payments, defined benefits superannuation plans, and defined contribution superannuation plans.

Financial asset

A financial asset is any asset that is:

- (a) cash;
- (b) an equity instrument of another entity;
- (c) a contractual or statutory right: to receive cash or another financial asset from another entity; or to exchange financial assets or financial liabilities with another entity under conditions that are potentially favourable to the entity; or
- (d) a contract that will or may be settled in the entity's own equity instruments and is: a non-derivative for which the entity is or may be obliged to receive a variable number of the entity's own equity instruments; or a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments.

Financial instrument

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets or liabilities that are not contractual (such as statutory receivables or payables that arise as a result of statutory requirements imposed by Governments) are not financial instruments.

Financial liability

A financial liability is any liability that is:

- (a) a contractual or statutory obligation: to deliver cash or another financial asset to another entity; or to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the entity; or
- (b) a contract that will or may be settled in the entity's own equity instruments and is: a non-derivative for which the entity is or may be obliged to deliver a variable number of the entity's own equity instruments; or a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments. For this purpose the entity's own equity instruments do not include instruments that are themselves contracts.

Ex-gratia expense

Ex-gratia expenses mean the voluntary payment of money or other non-monetary benefit (e.g. a write off) that is not made either to acquire goods, services or other benefits for the entity or to meet a legal liability, or to settle or resolve a possible legal liability or claim against the entity.

Financial statements

A complete set of financial statements comprises:

- (a) a statement of financial position as at the end of the period;
- (b) a statement of profit or loss and other comprehensive income for the period;
- (c) a statement of changes in equity for the period;
- (d) a statement of cash flows for the period;
- (e) notes, comprising a summary of significant accounting policies and other explanatory information;
- (f) comparative information in respect of the preceding period as specified in paragraph 38 of AASB 101 *Presentation of Financial Statements*; and
- (g) a statement of financial position as at the beginning of the preceding period when an entity applies an accounting policy retrospectively or makes a retrospective restatement of items in its financial statements, or when it reclassifies items in its financial statements in accordance with paragraph 41 of AASB 101.

Grants and other transfers

Transactions in which one unit provides goods, services, assets (or extinguishes a liability) or labour to another unit without receiving approximately equal value in return. Grants can either be operating or capital in nature. While grants to Governments may result in the provision of some goods or services to the transferor, they do not give the

transferor a claim to receive directly benefits of approximately equal value. For this reason, grants are referred to by the AASB as involuntary transfers and are termed non-reciprocal transfers. Receipt and sacrifice of approximately equal value may occur, but only by coincidence. For example, Governments are not obliged to provide commensurate benefits, in the form of goods or services, to particular taxpayers in return for their taxes.

Grants can be paid as general purpose grants which refer to grants that are not subject to conditions regarding their use. Alternatively, they may be paid as specific purpose grants which are paid for a particular purpose and/or have conditions attached regarding their use.

Intangible assets

Intangible assets represent identifiable non-monetary assets without physical substance.

Interest income

Interest income includes unwinding over time of discounts on financial assets and interest received on bank term deposits and other investments.

Net result

Net result is a measure of financial performance of the operations for the period. It is the net result of items of income, gains and expenses (including losses) recognised for the period, excluding those that are classified as 'other economic flows - other comprehensive income'.

Net result from transactions/net operating balance

Net result from transactions or net operating balance is a key fiscal aggregate and is income from transactions minus expenses from transactions. It is a summary measure of the ongoing sustainability of operations. It excludes gains and losses resulting from changes in price levels and other changes in the volume of assets. It is the component of the change in net worth that is due to transactions and can be attributed directly to Government policies.

Non-financial assets

Non-financial assets are all assets that are not 'financial assets'.

Other economic flows included in net result

Other economic flows included in net result are changes in the volume or value of an asset or liability that do not result from transactions. It includes gains and losses from disposals, revaluations and impairments of non-financial physical and intangible assets; fair value changes of financial instruments and agricultural assets; and depletion of natural assets (non-produced) from their use or removal.

Other economic flows - other comprehensive income

Other economic flows – other comprehensive income comprises items (including reclassification adjustments) that are not recognised in net result as required or permitted by other Australian Accounting Standards.

The components of other economic flows - other comprehensive income include: changes in physical asset revaluation surplus; share of net movement in revaluation surplus of associates and joint ventures; and gains and losses on remeasuring available-for-sale financial assets.

Payables

Includes short and long term trade debt and accounts payable, grants taxes and interest payable.

Receivables

Includes amounts owing from Government through appropriation receivable, short and long term trade credit and accounts receivable, accrued investment income, grants, taxes and interest receivable.

Sales of goods and services

Refers to revenue from the direct provision of goods and services and includes fees and charges for services rendered and sales of goods and services.

Supplies and services

Supplies and services generally represent cost of goods sold and the day to day running costs, including maintenance costs, incurred in the normal operations of ACMI.

Transactions

Transactions are those economic flows that are considered to arise as a result of policy decisions, usually an interaction between two entities by mutual agreement. They also include flows within an entity such as depreciation where the owner is simultaneously acting as the owner of the depreciating asset and as the consumer of the service provided by the asset. Taxation is regarded as mutually agreed interactions between the Government and taxpayers. Transactions can be in-kind (e.g. assets provided/given free of charge or for nominal consideration) or where the final consideration is cash. In simple terms, transactions arise from the policy decisions of the Government.

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CREATIVE VICTORIA

The logo for Creative Victoria, featuring the text "CREATIVE VICTORIA" in a bold, sans-serif font. Below the text is a solid black downward-pointing triangle.

