A photograph of a woman with blonde hair, seen in profile, smelling a bouquet of flowers. The image is overlaid with a semi-transparent dark red filter. The woman is wearing a light-colored, patterned top. The bouquet includes white flowers and greenery with small dark berries.

**2005-2006**

**annual report  
new south wales  
film and television office**



**mission to foster and facilitate creative excellence and  
commercial growth in the film and television industry  
in new south wales**



New South Wales Film and Television Office  
Annual Report 2005-06

The New South Wales Film and Television Office  
is a statutory authority of, and principally funded by,  
the NSW State Government.

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Hours of Business  
9.00am–5.00pm Monday – Friday

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**letter to the minister**

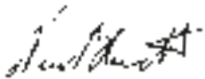


The Hon. R.J. Debus, MP  
Attorney General,  
Minister for the Environment,  
and Minister for the Arts  
Parliament House  
Sydney NSW 2000

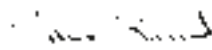
Dear Minister

Pursuant to the provisions of Section 10 of the *Annual Reports (Statutory Bodies) Act 1984* (NSW), we have pleasure in submitting to you the Annual Report of the New South Wales Film and Television Office for the year ended 30 June 2006 for tabling in Parliament in accordance with the provisions of the Act.

Yours sincerely



Dr Neal Blewett  
Chair



Jane Smith  
Chief Executive

message from the chair and chief executive



After several difficult years the Australian film industry is demonstrating its resilience. A number of NSW projects developed in successive stages through the FTO have performed particularly well this year and were a vindication of our approach to strategic development over the past five years.

**Candy**, starring Heath Ledger, Abbie Cornish and Hugo Weaving, had a successful world premiere at the Berlin International Film Festival in February 2006 and went on to sell to most foreign territories. **Suburban Mayhem** was invited to premiere in the Official Selection at Cannes, where it received a standing ovation. It has sold to a dozen territories including the UK.

**Aurora** projects, **Somersault** and **Little Fish**, were released theatrically into the US in the first half of 2006. **Little Fish** has grossed nearly \$4 million at the Australian box office. Currently financing are four more **Aurora** projects, two of which have FFC Letters of Intent.

The additional allocation to **Production Investment** from NSW Treasury from 2005–06 allowed the Office to fund more television projects and support more post-production. This has been critical to sustaining a level of employment for NSW cast and crews during the recent downturn in offshore production.

Small but strategic investments from the FTO have helped set successful new series in train. The FTO was the only government investor in the first series of **Love My Way**, an outstanding local drama debut for pay TV network Foxtel. After sweeping the television drama awards in 2005, it has now progressed to its third season. The FTO's modest but crucial investment last year in the young-adult series **Bluewater High** has also paid off with it progressing to a new series this year.

A priority for the FTO in recent years has been to foster business skills and enterprise sustainability. The **Enterprise** program, initiated three years ago by the FTO as a joint venture with other agencies, was held this time in Victoria over four days in March, with sixteen participants from Australia and New Zealand. The inspirational Jonathan Olsberg once again led a team of highly regarded international industry advisors. As a way of building on the program the FTO made an initial **Producer Enterprise Loan** competitively available to graduates of the program. The loan is to be used to further agreed business-plan objectives and build sustainability. The first loan kick-started the new company, the Essential Viewing Group, which took three significant projects into production this year. Given these very heartening outcomes from the initial **Enterprise** loan the Board has agreed to make similar loans available to two more NSW production companies in the coming year.

This highly successful program has been complemented by **Hothouse**, a new partnership between the FTO and Film Australia that aims to develop the business skills of documentary makers. Just six months after its first investment **Hothouse** has already achieved significant creative and commercial results. The first recipients - filmmakers Jessica Douglas-Henry and Mary-Ellen Mullane of Iris Pictures - have successfully grown their business and have a slate of projects in development and production.

The FTO has continued its partnership with other agencies to gain access for NSW projects to key international financing markets such as **No Borders** in New York. Last year **No Borders** invited two NSW projects to attend - **Accidents Happen** and **The Wrong Girl**. The market was a great success for both projects, the former scoring the most meetings of all projects attending the market.

Some exciting new initiatives are planned for the coming year. In recognition of the growing importance of mobile phone content, the Board agreed in June to the introduction of a pilot scheme to develop and fund digital content for release on mobile phones as a first platform. Guidelines will be finalised and released early in 2006–07.

The FTO has been exploring the potential for an intensive development initiative for television drama in collaboration with AFTRS, Film Victoria and the AFC. The organisations held industry consultations in Melbourne and Sydney in November 2005 and it is envisaged that the program – provisionally entitled **Switchbox** will be launched in 2007.



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## PRODUCTION LIAISON

*Superman Returns* completed location filming around NSW in late 2005. The FTO and the Premier's Department worked to facilitate the necessary liaison between various government authorities. Producer Gil Adler publicly expressed his gratitude for the assistance received from the FTO and the NSW government. The film's positive reviews and outstanding box office (US\$84 million in the first five days in the US) have given a major boost to the reputation of NSW as an important filming destination.

Early 2006 was particularly active for international television commercials, with around \$20 million worth of TVC production in Sydney in January alone. The FTO production liaison staff played a key role in attracting these productions. Now in its sixth year the Regional Filming Fund (RFF) continues to stimulate filming in regional NSW. The five productions funded through the RFF brought over \$8.1 million to the state with production budgets valued at over \$15.9 million.

This year the FTO launched a new DVD to promote NSW as a filming destination. Production companies in Asia, Europe and the USA are being targeted in a marketing campaign, using a new FTO DVD that aims to attract new production to NSW. The DVD sets out the state's many advantages, including cast and crew depth, post-production expertise and studio facilities.

## PRODUCTION ENVIRONMENT

2005-06 was not a strong year for production in Australia or in NSW. At a national level drama production fell by 34%. This was caused by a dramatic drop in foreign production, from \$248m to a \$53m. NSW experienced a drop in both domestic production and foreign production, resulting in a reduction of the NSW share of national drama production to approximately 33%.

During the past year NSW has once again faced growing competition as a result of increased incentives from overseas jurisdictions and other Australian states. Although the Federal Offset Scheme has been successful in attracting higher-budget production to Australia, such production is essentially volatile. In the federal review of the Offset Scheme the FTO supported a range of proposals aimed at encouraging more medium-budget projects and attracting Post, Digital and Visual-effects Production (PDV) which is now increasingly footloose.

## REGIONAL DEVELOPMENT

The FTO supported a number of exciting projects aimed at stimulating skills and audience development in regional areas. Among them, Metro Screen's Mobile unit provided opportunities for local youths in Parramatta, high school students in Campbelltown and 'at-risk' youth in Western Sydney. The Granville-based Information and Cultural Exchange (ICE) facilitated digital arts initiatives among ethnically diverse communities, while dLux Media supported skills development in mobile content in Western Sydney.

The FTO's continued support for the Travelling Film Festival and the Flickerfest touring program took the best of world cinema and shorts to regions where usually only Hollywood fare is on offer.

## CRITICAL SUCCESS

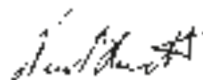
The *Aurora* project *Little Fish* received nine AFI awards, four IF awards (including the Award for Box Office Achievement) and three Film Critics Circle awards. NSW television projects received considerable critical acclaim. The miniseries *Mary Bryant* won Best Tele-feature/Miniseries at the AFI and won its slot with over 6.3 million viewers on its first night in the UK. *Love My Way* won four AFI awards including Best Television Drama Series. NSW projects did exceptionally well at the LOGIES with *Love My Way*, *Mary Bryant* and *Blue Water High* winning their categories. *Jabe Babe* won the AFI award for Best Direction in a Documentary, and Best Documentary in the IF awards.

## CONCLUSION

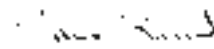
This year has shown the resurgence of a diverse range of creatively strong film and television projects that have performed well, critically and commercially. However, the increasing difficulties for filmmakers in financing films continue. The year 2006-07 is one in which the federal-funding landscape is likely to change and, as we write, the FTO is preparing its response to the Federal review of Film Funding. One of the key challenges for the review is finding a mechanism to encourage greater private-sector investment in the industry.

We would like to thank the Board members for their efforts, especially the retiring Chair Shane Simpson and Board Member Sue Masters. The Board of the FTO has an extraordinary spread and depth of industry experience. All board members have been enormously generous in the time and wisdom that they have given to the industry during the year. The Chair would personally like to thank them for the way they have inducted him into the nuts and bolts of the film and television business.

Finally, none of our many achievements would have been possible without the FTO's enthusiastic and talented staff. Our staff members are very committed to their areas of responsibility and we thank them for that care and concern.



Dr Neal Blewett  
Chair



Jane Smith  
Chief Executive

## members of the board

The Board of the FTO is constituted by Section 6 of the *NSW Film and Television Office Act, 1988 (NSW)*, amended 1996.

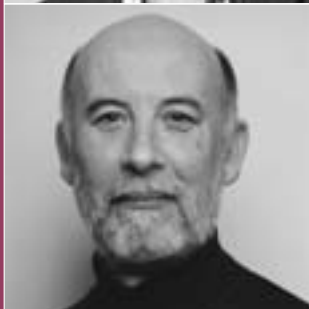
Section 6 stipulates that 'the Board is to consist of seven members nominated by the Minister and appointed by the Governor. At least one of the members is to be from outside the film and television industry. Of the other members, one is to be appointed Chairperson of the Board (whether by the instrument of the member's appointment as a member or by another instrument executed by the Governor). The Chairperson is to be a member appointed from outside the film and television industry.'

The FTO Board was appointed on 1 January 1997. The Members of the Board as at 30 June 2006 are:



**DR NEAL BLEWETT (CHAIR)**

APPOINTED FOR 3 YEARS FROM JANUARY 2006.  
President of Alcohol and Other Drugs Council of Australia and Chairman of the Eleanor Dark Foundation.  
Former National President of the Australian Institute of International Affairs (1998 - 2005),  
Australian High Commissioner in London (1994 - 1998),  
Commonwealth Minister for various portfolios (1983 - 1993).



**MR ANDREW MASON (DEPUTY CHAIR)**

REAPPOINTED FOR 3 YEARS FROM 1 JANUARY 2006  
Producer of *Dark City*, *The Matrix* trilogy, *Swimming Upstream*, and *Danny Deckchair*. Board Member of Macquarie Film Corporation. Principal of City Productions.



**MS PENNY CHAPMAN**

APPOINTED FOR 3 YEARS FROM 1 JANUARY 2006.  
Producer of *Brides of Christ*, *The Leaving of Liverpool*, *Seven Deadly Sins*, *Blue Murder* and *RAN*. Former head of ABC-TV.



**MR ROBERT CONNOLLY**

REAPPOINTED FOR 3 YEARS FROM 1 JANUARY 2005  
Director and writer of the feature films *Three Dollars* and *The Bank*, and producer of the award winning *The Boys* and *The Monkey's Mask*.



**MR ROSS GIBSON**

REAPPOINTED FOR 3 YEARS FROM 1 JANUARY 2005  
Research Professor of New Media And Digital Culture, University of Technology, Sydney. Former Creative Director for the establishment of the Australian Centre for the Moving Image at Federation Square, Melbourne. Senior Consultant Producer during the inaugural phase of the Museum of Sydney (1993-1996). Filmmaker and author. Director of *Camera Natura*, *Dead to the World* and *Wild* (1993).



**MR TROY LUM**

REAPPOINTED FOR THREE YEARS FROM 1 JANUARY 2005  
Managing Director of leading Australian independent distributor Hopscotch, whose releases include *Bowling For Columbine*, *Nowhere In Africa*, *Somersault*, *Travelling Birds* and *Fahrenheit 911*. Former Head of Dendy Films.



**MS LIBBY RHYJONES**

APPOINTED FOR 3 YEARS FROM 1 JANUARY 2004  
Director of the film distribution and marketing consultancy, Libby Rhys-Jones and Associates. Former General Manager of Roadshow Film Distributors, and Marketing Manager prior to this. Former Senior Marketing Consultant with Prue MacSween & Associates.

MINISTER  
FOR THE ARTS

DIRECTOR GENERAL  
DEPARTMENT OF ARTS,  
SPORT & RECREATION

FTO  
BOARD



CHIEF  
EXECUTIVE  
JANE SMITH



MANAGER,  
POLICY  
SUE McCREADIE



EXECUTIVE  
ASSISTANT  
RUTH JEFFRIES

AUDIENCE DEVELOPMENT & MARKETING

INDUSTRY & AUDIENCE DEVELOPMENT GRANTS

COMMUNICATIONS & BRAND MANAGEMENT

REGIONAL CINEMA POLICY



MANAGER, AUDIENCE  
DEVELOPMENT & MARKETING  
WENDY NYE



MARKETING  
COORDINATOR  
AGNIESZKA KOLACZKOWSKI

## 12 organisational chart

Valued employees who left the FTO during 2005-06:

Brendan Smith, Manager, Industry & Audience Development  
Tony Grierson, Manager, Distribution & Finance  
Jane Cruikshank, Regional Cinema Officer  
Hugh Short, Administrator, Development & Investment  
Needeya Islam, Young Filmmakers Fund Co-ordinator  
Jodie Munn, Executive Assistant  
Gary Brennan, Manager, Production Liaison  
Jo-Anne MacGowan, Project Officer, Development & Investment  
Louise Mentor, Accounts Officer

The FTO was assisted throughout the year by  
a number of industry people:

Duncan Thompson  
Miro Billborough  
Steve Vidler  
Linda Tizard  
Ellenor Cox  
Kingston Anderson  
Alexandra Osbelt

Employees on maternity leave:

Sophie Maple  
Michelle Wilde

**DEVELOPMENT & INVESTMENT**

SCRIPT DEVELOPMENT

PRODUCTION INVESTMENT

AURORA

ENTERPRISE PROGRAM

PRODUCTION LOAN FUND

YOUNG FILMMAKERS FUND

NEW FEATURE FILM WRITERS SCHEME

DIGITAL FX TRAINEESHIP SCHEME

TRAVEL GRANTS & LOANS

**PRODUCTION LIAISON**

LOCATIONS ASSISTANCE

REGIONAL FILMING FUND

PRODUCTION ATTRACTION

REGIONAL FILM OFFICE SUPPORT

**FINANCE & ADMINISTRATION**

FINANCE

ADMINISTRATION & OPERATIONS

INFORMATION TECHNOLOGY

HUMAN RESOURCES

DISTRIBUTION

COMPLIANCE & CORPORATE GOVERNANCE

GOVERNMENT REPORTING

RECORDS MANAGEMENT



HEAD, DEVELOPMENT & INVESTMENT  
SALLY BROWNING



MANAGER,  
PRODUCTION LIAISON UNIT  
ROBIN CLIFTON



MANAGER, FINANCE & ADMINISTRATION  
LINDSEY COX



SENIOR PROJECTS OFFICER  
KARENA SLANINKA



LOCATIONS OFFICER  
KYA BLONDIN



OFFICE MANAGER  
MELISSA LEE



PROJECT OFFICER  
PRUE ADAMS



REGIONAL & INDUSTRY SERVICES OFFICER  
MATT CARTER



ACCOUNTS OFFICER  
SHANNON WHEELER



ADMINISTRATOR, DEVELOPMENT & INVESTMENT  
KAREN TELFER



LOCATIONS DATABASE OFFICER  
ADEN ROLFE



RECEPTIONIST  
AUGUSTA SUPPLE



COORDINATOR, DEVELOPMENT & INVESTMENT  
MICHAEL BARBER



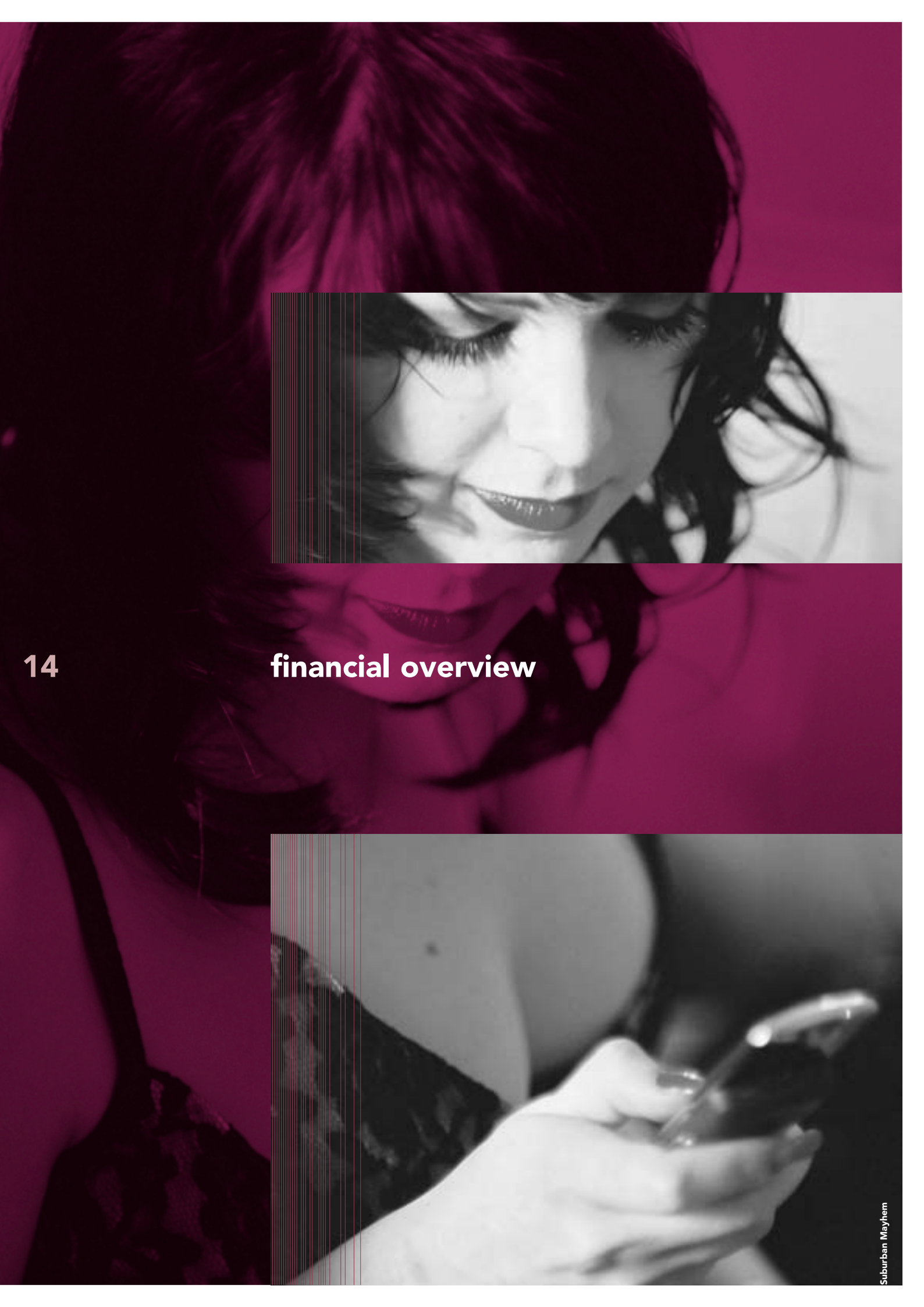
COORDINATOR, AURORA  
HARRIET MCKERN



COORDINATOR, YFF & DIGITAL FX  
VALERIE ALLERTON



ASSISTANT, DEVELOPMENT & INVESTMENT  
LEONIE MANSFIELD



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## financial overview

## 2005-06 FINANCIAL OVERVIEW

The Government's recurrent funding appropriation to the FTO in 2005-06 was \$9.070m.

### EXPENDITURE

The FTO's total expenditure for 2005-06 was \$10.115m, comprising \$4.186m in operating expenses (after audit adjustments) and \$5.929m in grants and subsidies.

TABLE 1 EXPENDITURE			
	2005-06	2004-05	VARIANCE
	\$000	\$000	%
Operating Expenses	4186	4028	+2
Grants & Subsidies	5929	8068	-26
<b>Total Expenditure</b>	<b>10115</b>	<b>12096</b>	

### OPERATING EXPENSES

Operating Expenses include costs that relate to the use of external assessors and other expenses that are directly associated with funding programs and the provision of Grants & Subsidies. In Table 2 these have been included in the figures for Grants & Subsidies.

### GRANTS & SUBSIDIES

The total funds committed to grants and subsidies includes accrual from Production Investment commitments made in 2005-06 that have fully executed Production Investment Agreements but were not paid out as at 30 June.

The treatment for all other programs reflects the actual amount paid in the year and includes amounts paid from previous year commitments that were carried forward into 2005-06.

TABLE 2 GRANTS, SUBSIDIES & RELATED EXPENSES		
	GRANTS, SUBSIDIES & RELATED EXPENSES <sup>2</sup>	GOVERNMENT APPROPRIATION <sup>1</sup>
	\$'000	\$'000
Aurora Script Development Workshops	597	500
Australian Childrens Television Foundation	110	110
Industry & Audience Development	786	766
New Media	82	150
Other Industry Promotion	196	0
Production Investment	3719	3435
Project Development	1417	890
Regional Cinema	43	50
Regional Filming Fund	304	500
Young Filmmakers Fund	676	350
<b>Total Grants, Subsidies &amp; Related Expenses</b>	<b>7930</b>	<b>6751</b>

**NOTES** 1. The Government Appropriations for all programs, except the Australian Childrens Television Foundation, contain specific provisions whereby expenses that are directly related to the provision and delivery of these programs can be included as part of the expenditure for the program.

2. Figures used represent amounts committed to during the year, together with directly related expenses that are either paid or committed to be paid.

## charter

The New South Wales Film and Television Office (FTO) is a statutory authority established under the *NSW Film and Television Office Act 1988* (NSW), amended 1996 ('the Act').

The main functions of the FTO, set out in Section 6 of the Act (1996), are inter alia:

- a. to provide financial and other assistance to the film and television industry in carrying out the industry's activities in New South Wales and to disseminate information about those activities;
- b. to provide financial and other assistance for persons (including directors, producers, actors, writers and technicians) whose work in the film and television industry merits encouragement;
- c. to provide financial and other assistance for script and project development for film and television;
- d. to contribute, financially and otherwise, to the work of film festivals and markets;
- e. to assist in the promotion of public interest in film as a medium of communication and as an art form and in the development of an informed and critical film audience;
- f. to provide policy and support services and advice to Government agencies on the production of films and sound recordings;
- g. to advise the Minister on the operation of the film and television industry in New South Wales;
- h. to undertake the production of films or sound recordings on its own behalf or for any other person, body or organisation (including any Government agency);
- i. to carry out such obligations and responsibilities determined by the Minister as may be necessary for the maintenance and administration of the film catalogue vested in the Office.



[section O2] development

17

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development



## PROJECT DEVELOPMENT

The FTO's development strategy continues to achieve exciting results. Among this year's notable successes was the feature film *Candy*, co-written by Luke Davies and director Neil Armfield, and produced by Margaret Fink and Emile Sherman. Developed over several years with support from the FTO, *Candy* premiered very positively in February 2006 at the Berlin Film Festival.

*Suburban Mayhem*, from exciting new writer Alice Bell, director Paul Goldman and producer Leah Churchill-Brown, was invited to premiere in the official selection, *Un Certain Regard*, at Cannes in May 2006. FTO support for the film included funding over several drafts and support for the producer to attend Rotterdam's Cinemart to complete the financing.

A number of projects developed by the FTO went into production this year, including *Clubland*, *Razzle Dazzle*, *Suburb for Sale*, *Double Trouble*, *Forbidden Lie\$*, *Naked on the Inside*, *Bastard Boys*, *The Home Song Stories* and *Mortified*.

This year the FTO received 180 funding applications for development and invested \$1,041,071 in 81 projects, with 56.9% allocated to features, 19.8% to documentary, 13.5% to television drama and 9.8% to travel.



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aurora



## AURORA

**Aurora** - the first intensive script program of its kind in Australia - continues to provide high-level skills development for creative teams. The program has already produced two very successful films, *Somersault* and *Little Fish*, the latter grossing close to \$4 million at the Australian box office. Two Aurora projects - *Shiver* and *Black Balloon* - have received Letters of Intent from the FFC and three more - *Axefall*, *Prime Mover* and *Cut Snake* - are in the process of financing.

**Aurora** is conducted in two parts. The first part of the workshop is residential and held over seven days in early April on the NSW south coast. The follow-up workshop is held in November.

**Aurora's** international reputation continues to grow, enabling the program to attract high-profile international advisors. Key creative agents in London, New York and Los Angeles have supported **Aurora** by recommending their leading filmmaking clients as advisors. In April 2006 two international advisors - US writer Robin Swicord (*Memoirs of a Geisha*) and Danish writer/director Lone Scherfig (*Wilbur Wants to Kill Himself*) - joined Australian advisors writer Laura Jones (*Angela's Ashes*, *Oscar and Lucinda*) and writer/director Geoffrey Wright (*Romper Stomper*, *Macbeth*). The follow up will be held in November 2006.

The follow-up workshop for Aurora 2005 was held 15-18 November. Once again the teams had access to exceptional advisors: Mike Lubin (Agent, William Morris Agency, New York), editor Mick Audsley (Harry Potter movies and sixteen of Stephen Frears' films), producer Jan Chapman, directors Rowan Woods, Shirley Barrett and Geoffrey Wright, casting agents Gregg Apps, Ann Robinson and Nicki Barrett, Film Finance Corporation CEO Brian Rosen, Executive Producer Sue Murray, Alan Finney (Buena Vista International) and Michael Wrenn (Celluloid Dreams).

The workshop was designed to give strategic support to each team in a number of areas, in addition to the script. Following a script read through, directors Rowan Woods and Shirley Barrett gave each team feedback. With Jan Chapman moderating, the teams then received actor feedback on character, followed by scene workshops. Participants met with Geoffrey Wright on director's vision, Mike Lubin on career building and accessing international agents and cast, Mick Audsley on the script from an editor's point of view, Alan Finney on marketing, Michael Wrenn on international sales agents and networking at markets, and Sue Murray and Brian Rosen on financing.

The participating teams in 2005-06 are listed in Appendix 4.

## ENTERPRISE TASMAN

A priority for the FTO in recent years has been the development of business skills and industry sustainability. The FTO was a founder of the **Enterprise Business Skills Program** initiated in 2003. The third **Enterprise** program was held in Victoria over four days in March, with 16 participants from Australia and New Zealand. Once again the inspirational Jonathan Olsberg led a team of respected industry practitioners from around the globe, including:

New York based film and TV producer and distributor Ira Deutchman (formerly founder of renowned distributor Fine Line Features, now CEO of digital film distribution and production company Emerging Pictures)

prolific UK Emmy award-winning producer of factual TV John Smithson

producer and principal of Olsberg SPI, Richard Miller

high-profile NZ film and TV post-production/distribution identity Sue Thompson

Australian industrial psychologist Dr Chris Stevens

Sydney-based new media and TV producer John Gregory

producer Hal McElroy,

venture capitalist/merchant banker Cass O'Connor

The principal partners joining the FTO in this initiative are the New Zealand Screen Council, the Australian Film Commission, Australian Film, Television and Radio School, Film Australia, Film Finance Corporation, Film Victoria and the South Australian Film Corporation.

**Enterprise** allows producers to examine both positive and negative aspects of their businesses in a safe and non-judgemental environment. In their evaluations, participants reported that they felt energised and ready to tackle new directions in their businesses.

A mid-year feedback session assists the participants to produce a detailed business plan.

Producers Rosemary Blight (RB Films) and Chris Hilton (then Hilton Cordell) were among the participants in the inaugural **Enterprise Australia**. Three years later their individual business plans emerged as a new co-venture under the banner of the Essential Viewing Group (EVG) of which they are joint CEOs. The new company, kick-started with financial assistance from the FTO's inaugural Enterprise loan, took three exciting projects into production this year (the feature film *Clubland* starring BAFTA and Oscar winner Brenda Blethyn, children's series *Lockie Leonard* and FTO-funded telemovie *Stepfather of the Bride*).

Complementing this highly successful program is **Hothouse**, a new joint initiative by the FTO and Film Australia designed to develop documentary makers' business skills. Offering \$100,000 in cash and \$50,000 in Film Australia on-site production services and facilities, the program also provides training and advice, including business and marketing skills. The Australian Film, Television and Radio School, Holding Redlich and Horwarths (NSW) chartered accountants/management consultants provide additional support.

Just six months after its first investment **Hothouse** has already achieved significant creative and commercial results. The first recipients - filmmakers Jessica Douglas-Henry and Mary-Ellen Mullane of Iris Pictures - have successfully grown their business and have a slate of projects in development and production, including *Growing Up and Going Home* and the documentary series *Karitane Kids*.

## MARKET ACCESS AND TRAVEL ASSISTANCE

The FTO continued its sponsorship of producers to attend the **No Borders** co-production market in New York, in partnership with New Zealand Film Commission and Film Victoria. Only 35 projects from around the world are invited to attend this annual invitation-only financing market.

In 2005 the FTO sent four very strong feature film projects for consideration in the expectation that one would be selected. We were delighted that the No Borders selection committee invited two of these to attend: the Aurora 2005 project *Accidents Happen* with producer Anthony Anderson and *The Wrong Girl* with producer Catriona Hughes.

No Borders was a great success for the two selected projects. *Accidents Happen* scored the most meetings of all projects in the market and was very popular with a range of sales agents, financiers and potential US-based co-production partners. New York City is a strong centre of independent production and a good model for low-budget non-studio films. Particularly relevant to the current Australian policy debate is the prevalence of private equity funds.

During the market the Australian and New Zealand film agencies hosted a dinner for project teams with financiers, NY production companies and sales agents, providing further promotional opportunities for our NSW projects and producers. These initiatives are an important means of enhancing the visibility of NSW producers in the international marketplace.

This year 24 filmmakers were provided with travel assistance to accompany their films to high-profile festivals and markets, including the producers of *Suburban Mayhem* (Cannes) and *Candy* (Berlin International Film Festival). The FTO also supported the producers of *Three Dollars* and *Little Fish* to attend the ninth Shanghai International Film Festival in June.

The FTO has also introduced travel assistance for a limited number of producers to attend domestic conferences including SPAA, AIDC and Small Screen Big Picture.

## HEADLANDS

The FTO collaborated this year with the Australian Film Television and Radio School (AFTRS) and other agencies in the **Headlands** intensive documentary workshop, loosely modelled on *Aurora*. **Headlands** was designed to encourage deeper and broader consideration of nonfiction story telling in all its possibilities, to help a good idea to be great, and to support and encourage films of imagination and substance. One NSW project *Connected – The Real Matrix* (writer/director Annamaria Talas, producer Simon Nasht) was selected to take part. The project is an extraordinary scientific detective story about a 'network theory' that is unlocking many of nature's previously hidden secrets.

The international advisors for **Headlands** were Helke Sander (*Redupers, In the Middle of the Malestream*) from Germany and Robert Stone (*Radio Bikini, Guerrilla: the Taking of Patty Hearst*) from the USA. Australian filmmakers John Hughes, Christine Olsen, Michael Rubbo and Sue Castrique completed the list of advisors.



Stepfather of the Bride



The Beach



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new feature film writers' scheme

## THE NEW FEATURE FILM WRITERS' SCHEME (NFFWS)

The FTO received 129 applications for Round 4 which closed 10 June 2005. The four external assessors were Nerida Moore, Charlie Carman, Stephen Davis and Pauline Clague. The internal assessors were Senior Project Officer Karen Slaninka and former Project Officer Jonathon Ogilvie.

Four successful applicants were:

TITLE	WRITER	SCRIPT EDITOR
Familiar Strangers	Naomi Lamont	Charlie Carman
Netball	Leah Purcell	Peter Sainsbury
The Salesman	Flip Wooten	Nerida Moore
Get Wet	Clare Bonham	Lynne Vincent McCarthy

NFFWS continues to fulfil its aim of supporting and encouraging talented new writers. The quality of projects has increased as the reputation of the program has grown and the FTO refines and improves the scheme each year. In addition to support from a script-editor the participants are now given an opportunity to attend a script workshop on the principles of dramatic storytelling.

One of the greatest benefits that NFFWS offers to new writers is hands-on support in the form of advice and introductions to producers. The NFFWS alumni is now an impressive assembly of burgeoning talent. Many have attracted producers and are undergoing further development, either through another funding agency or independently.

This year we were pleased to announce the inclusion of our first indigenous New Writer in the NFFWS Scheme. Writer/actor Leah Purcell's script *Netball* is an engagingly humorous story about an all-girl, mixed-race netball team, the 'Maneaters'. In a small country town, the local girls' lives and loves compete for court-time as they battle it out to make it to the state netball championships. Set in a world that Purcell knows supremely well, the fresh authenticity of the *Netball* script made it a unanimous choice for the NFFWS panellists.

Other projects funded this round included:

*The Salesman* written by Flip Wooten. Set in the 1950s, a travelling salesman befriends a young aboriginal boy who is fleeing a swoop by authorities to remove aboriginal children from their parents. This is a profoundly moving story that was wholeheartedly championed by Indigenous reader Pauline Clague.

*Get Wet* is an interesting example of perseverance. Writer Clare Bonham first submitted the script to Round 3 in 2003, and the following year she attended the FTO's weekend script workshop for the shortlisted projects that were not ultimately selected. Armed with feedback from the FTO's script workshop - run by writer/script editor Belinda Chayko - she produced a vastly improved draft, which was selected in Round 4.

*Familiar Strangers* written by Naomi Lamont is a tense psychological thriller that demonstrates the strong craft skills of the writer and a solid understanding of the conventions of this genre.

The FTO endeavours to incorporate an Indigenous perspective into the NFFWS decision-making process while providing indigenous readers with opportunities to hone their script-assessing skill. Producer Pauline Clague was invited to participate in the NFFWS external selection panel and her contribution to the selection process was invaluable.

## INDUSTRY PROMOTION

Development & Investment staff attended the Screen Producers of Australia Association (SPAA), Australian Screen Directors Association (ASDA) and Small Screen Big Picture conferences this year as well as MIPCOM and MIP-TV debriefings held by the Film Finance Corporation (FFC). Our project staff also took part in several panels and seminars to maintain industry awareness of FTO programs and guidelines. These included an Australian Writers' Guild (AWG) seminar on script funding, Australian Film Television and Radio School (AFTRS) seminars on television co-productions and film financing, and the AFTRS feedback panels for Headlands and the Laboratory of Advanced Media Production (LAMP).

## GUIDELINES

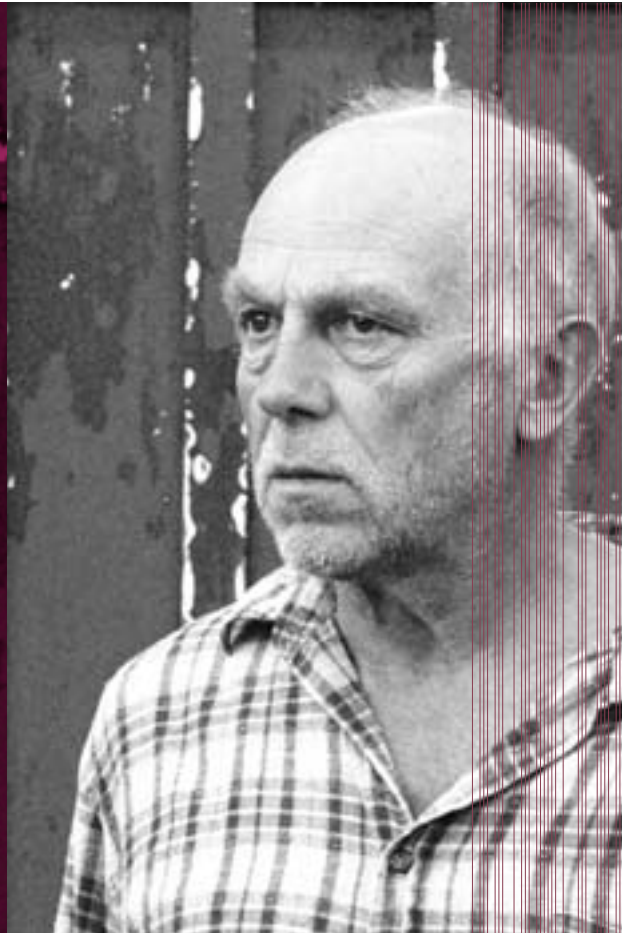
Changes to the Development Guidelines following the regular annual guideline review were minimal this year.

## SWITCHBOX

The FTO established a partnership with AFTRS to develop a television drama initiative - provisionally entitled the Switchbox program - and approached Film Victoria and the Australian Film Commission to participate. In November 2005 the organisations held industry consultations in Melbourne and Sydney at which a select group of TV industry professionals were invited to provide input into the design and content of this new script development initiative. It is envisaged that the agencies will be able to finalise the design and implement the program in 2007.

## DIGITAL MEDIA

In June 2006 the Board agreed to the introduction of a pilot scheme to develop and fund digital content for release on mobile phone as a first platform. Guidelines will be finalised and released early in 2006-07.



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young filmmakers fund



## YOUNG FILMMAKERS FUND

The Young Filmmakers' Fund (YFF) provides funding and support for talented, emerging young filmmakers and their projects.

YFF has supported 99 projects since its inception in 1995, with a remarkable variety of subject matter in numerous formats ranging from short dramas and documentaries to animation, experimental films and a short feature.

YFF films have collectively screened at over 190 prestigious local and international festivals in cities such as Cannes, Berlin, Prague, Los Angeles, Aspen, London, Sydney and Melbourne and have won more than 67 awards.

Over the past year alone YFF films have received a tremendous amount of critical acclaim, including:

Round 14 project *The Eye Inside*, directed by Cordelia Beresford and produced by Alison Dredge, which won Best Short Form Short at the Dendy Short Film Awards and was nominated for Best Short Fiction Film at the Australian Film Institute Awards.

Round 11 project *A Natural Talent*, produced by Tamara Popper and directed by Louise Fox, received the prestigious Jameson Award at Flickerfest in Australia. The award carries major significance at European film festivals and is recognised as one of the world's most important short-film awards. *A Natural Talent* was also chosen to screen at the London – Australian Film Festival alongside the feature film *The Proposition*.

Round 14 project *Brother*, produced by Peter Slee and directed by Galvin Scott Davis, screened at the Beverly Hills Film Festival in the USA, where it received both the Best Short Film Award and the Best Editor Award in competition with all formats. *Brother* was also honoured at the Silver Lake Film Festival in the USA with the Best Short Film-Foreign Award.

Round 12 project *Deluge*, produced by Sam Jennings and directed by Flordeliz Bonifacio was the winner of the Spirit of Youth Award in Australia. The Qantas Spirit of Youth Awards, which received over 12,000 entries in ten categories, aim to recognise, celebrate and encourage young Australian talent.

Writer/director Peter Carstairs, the creative mind behind Round 6 project *Gate*, won the Tropfest Feature Program Award, which has provided \$1 million towards the production of his feature film.

Round 14 project *Monster*, produced by Isabel Perez and directed by Jennifer Kent, screened alongside the feature *Wolf Creek* at the London–Australian Film Festival and received the Australian Screen Sound Guild 'best sound for a short film' award. It was also awarded the Certificate for Distinctive Achievement and Audience Favourite Award at Aspen Shortsfest.

Since 1995 YFF recipients have received an additional \$125,000 in support to market and travel with their films. This type of support is not usually available to short films but has been an integral part of their success at festivals. In 2005-06, the projects *Monster*, *Atomic Confessions*, *Small Boxes*, *Brother* and *A Natural Talent* were all provided with marketing assistance. The marketing grant to *Monster* enabled the filmmaker Jennifer Kent to attend the Aspen Festival where it won two awards. While there she made further sales of the film and was interviewed by the New York 'Filmmaker' magazine as 'one of the 25 new faces of indie cinema'. The marketing grant to *Brother* allowed the writer/director Galvin Scott Davies to attend the Silver Lake and Beverley Hills Festivals in LA where, in addition to winning three awards, he was successful in gaining representation by a US agent.

Several YFF films have received broadcast sales and distribution deals in 2005-06, including *Contact* with Arkles Entertainment, *Deluge*, *Fetch*, *Gate*, *Tulip* and *The Great Dark* all with ABC2, and *Le Violincelle* with SBS.

As part of its commitment to supporting and nurturing young talent, the FTO provides YFF recipients with access to experienced filmmakers. YFF is unique in that successful applicants are now offered the opportunity to work with a mentor from pre-production through to the marketing stage.

Over the past year, some of Australia's finest producing and directing talent have offered their expertise and advice to YFF recipients, including Danielle Kelly for *Prada Handbag*, Kim Mordaunt for *The Beach*, Samantha Lang for *Checkpoint*, Nico Lathouris for *Smile For Me*, Kylie du Fresne for *Vend*, Tim Slade for *Pop's Dream*, Anna Broinowski for *Arranging Love*.

The FTO regularly reviews the YFF guidelines, taking into account the aspirations of the Fund, as well as feedback from applicants and assessors. YFF projects funded in Rounds 18 and 19 are listed in Appendix 6A.

## DFX PROGRAM

Since the inception of the Digital Visual FX Placement Scheme in 1998, 44 trainees have been placed in NSW digital production companies, and 90% of those individuals are still working in the industry.

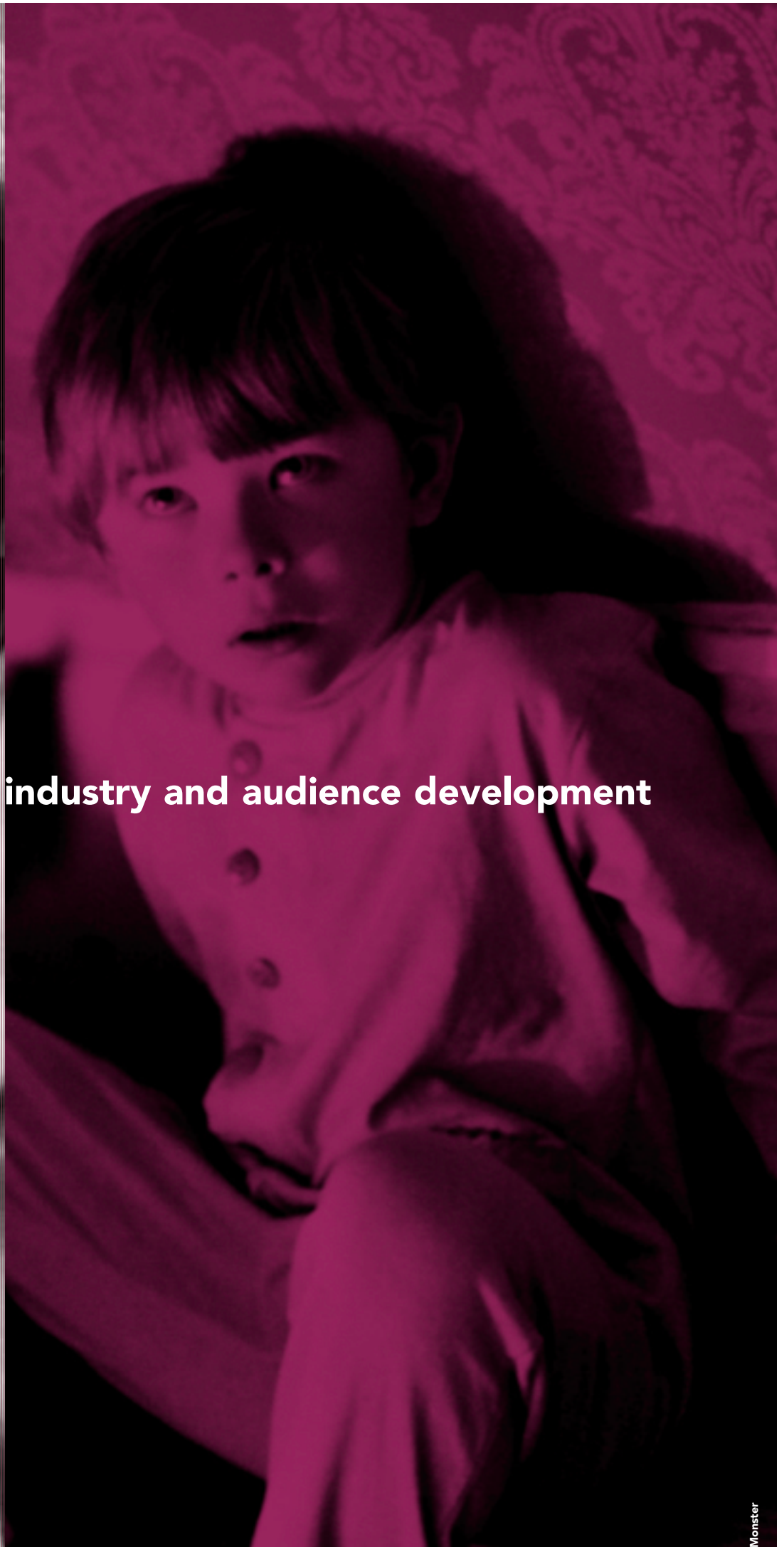
The scheme is highly competitive. Two thirds of the 55 applicants who submitted material in Round 10 had degrees in visual arts, multimedia design, or digital effects.

Four finalists were selected from Round 10 of the scheme and placed in digital effects production companies. Brendan Carmody, who was placed at Animal Logic, entered the traineeship with basic experience in compositing and animation and worked on a variety of projects as a data wrangler during his 6-month term. He has continued at the company and has moved to the animation department.

In Oh Ryu, who was also employed by Animal Logic, has a background in Motion Graphics and undertook a range of image manipulation duties in the 'sky department' during her traineeship. Animal Logic asked her to continue working for the company and she is now working in compositing.

Julius Garofali was selected by Forest Interactive, and he worked in DVD/video editing and motion graphics during his traineeship. Julius was working as a freelance 3D animator and web designer prior to this, and the experience provided him with the opportunity to work in a high-paced production environment. Due to the small size of the company it was unable to retain Julius past the term of his traineeship; however, Forest Interactive was very pleased with the outcome and would like to be involved in future if the opportunity arises.

Chris Bradley was chosen for a traineeship at Fuel International. He began the six-month term as an experienced 2D animation director with many feature film, broadcast television and international awards to his credit, and his goal was to make a transition to 3D. While working at Fuel he successfully made the leap from 2D to 3D and worked on a variety of projects, including the animated feature, *Charlotte's Web*.



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**industry and audience development**

## INDUSTRY AND AUDIENCE DEVELOPMENT

As part of the FTO's commitment to encourage an innovative, sustainable industry and audience development across NSW, funding is provided to contribute to these key objectives through the Industry and Audience Development (I&AD) Grants Program. The program provides assistance for:

professional development for emerging and established screen-based practitioners, including training programs, skills development opportunities, seminars, conferences, workshops, publications and awards.

events and projects that encourage and promote public interest in and critical knowledge of screen culture, including festivals, screenings, exhibitions, forums, and touring programs.

In addition to its programs and events in metropolitan Sydney, the I&AD program targets regional NSW and local government areas that make up greater Western Sydney. The program also funds projects that deliver strategic outcomes to specific constituencies in NSW, such as young people, multicultural, indigenous, and gay and lesbian communities.

Funding is determined each year through an application process, usually in May. Applications are assessed on their merits against the published criteria and in competition with other projects submitted in that round. External assessors are commissioned for each round to provide independent feedback on funded projects and help the I&AD Manager to evaluate new applications.

Key elements that are considered in the assessment of projects include:

clear contribution to the Industry & Audience Development Grants Program objectives and strategies

demonstrated viability and long-term sustainability

clearly identified demand and target audiences

effective marketing and publicity strategies

comprehensive and realistic budgets, and evidence of additional funding and support from other sources

confirmed strategic alliances and strong partnerships with relevant industry bodies, local community associations and groups

## 2005-06 FUNDING

In 2005–06 the FTO received 53 applications for funding with requests totalling \$1,122,090, and funded 49 projects with a total expenditure of \$797,100. A full list of projects funded can be found at Appendix 8.

	2001–02	2002–03	2003–04	2004–05	2005–06
Funds Requested*	\$934,416	\$1,404,723	\$1,248,016	\$1,254,834	\$1,122,090
Funds Approved*	\$418,470	\$605,400	\$658,320	\$702,000	\$797,100

\*all figures are exclusive of the \$110,000 for the Australian Children's Television Foundation.

## REGIONAL NSW – 2005-06 HIGHLIGHTS

Metro Screen's Mobile Unit provides outreach training to communities that have limited local access to training and facilities. FTO funding for the Mobile Unit enables Metro Screen to offer a 30% subsidy for each workshop participant and funds the cost of the Unit's Coordinator. The unit's activities included a five-month digital design and animation course in Newcastle for participants with a strong desire to break into the industry and a 3-day intensive video production workshop in Robertson. Ten local youths in Tamworth received assistance from the unit to make a short film on the theme of alcohol abuse. The short, *The Worst in Me*, has screened at several youth festivals and was awarded a special commendation at the Play Now Act Now Film Festival.

Flickerfest toured programs of award-winning international and national shorts to sell-out shows in Byron Bay, Sawtell, Kempsey, Narrabri and Gunnedah. The NSW-based drama *A Natural Talent*, funded through the FTO's YFF program and shot in Walcha, won the Best Australian Short award, while the Most Popular Film award went to another NSW-based team for the documentary *The Prodigal Son*.

d/Lux Media Arts exhibited new media and contemporary screen arts works to audiences through regional galleries and arts centres in Wagga Wagga, Newcastle, Broken Hill, and Wollongong. Notable works include the installation *gins\_leap/dub\_speak* from Indigenous digital artist 'r e a', that tracks land, language and identity within the ancestral ranges of the Wurrumbungle Mountains.

## WESTERN SYDNEY – 2005-06 HIGHLIGHTS

The second Sydney Arab Film Festival, presented by the Granville-based Information and Cultural Exchange (ICE), attracted an audience of more than 1200 people and included films by Arab-Australian filmmakers.

ICE's work with small and emerging communities in Western Sydney included training journalists exiled from Sierra Leone in digital filmmaking and website development. The journalists are now working in the local media and film industry. ICE also enabled Somali community workers to create a showreel to support their lobby for a regular slot on Sydney Community TV, which then led to employment for the group.

Metro Screen dispatched its Mobile Unit to Campbelltown Performing Arts to teach 12 high school students how to shoot and edit short sketches for a TV Pilot on science, commissioned by TVS, and it worked with 12 local youths in Cabramatta to produce *Peace*, a short film about alcohol abuse, for the Play Now Act Now Youth Film Festival.

## SYDNEY – 2005-06 HIGHLIGHTS

Popcorn Taxi presented 26 film programs in 2005-06 followed by a question and answer session with the filmmakers. Highlights included screenings of *Wolf Creek*, *The Magician*, *Mad Hot Ballroom*, *Murderball* and *Shopgirl* and exclusive Australian screenings of *Raiders Of The Lost Ark - The Adaptation*. Other memorable events included retrospective screenings of the classic Australian films *Stir*, *The Year My Voice Broke* and *Bazza McKenzie Holds his Own* and special presentations dedicated to the work of actor Jack Thompson and Oscar-winning cinematographer Dion Beebe, among others.

The 53rd Sydney Film Festival was held at three locations around the city from 9–25 June, attracting over 123,000 patrons and with 42 sell-out sessions. Additional funding from the State government enabled the Festival to consolidate its operations and extend its audience reach through improved ticketing, marketing and targeted programming. Opening with Rolf De Heer's acclaimed Cannes winner, *Ten Canoes*, the Festival screened 77 features, 41 documentaries and 86 shorts, most of which were Australian premieres, as well as hosting Australia's most prestigious competition for short films and documentaries, the Dendy Awards. Highlights of the Festival included a record number of Australian features, documentaries and shorts, as well as a significantly expanded Digital Media Strand, and a tribute to iconic Australian factual filmmakers Bob Connolly and Robin Anderson, including a tenth anniversary screening of *Rats in the Ranks*.

Metro Screen's Picturetalk, a series of three workshops, assisted 33 participants to produce broadcast-quality, mobile transmissible digital content. The monthly Filmmaker's Studio attracted industry practitioners such as Cate Shortland, Bruce Beresford and John Seale. Metro has provided \$40,000 a year in subsidies to the Jumpstart program for members to make a short film using Metro's equipment and facilities, and in 2005-06 19 individual production subsidies were approved.

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Flickerfest celebrated its fifteenth year with many sell-out screenings under the stars at the Bondi Pavilion. The festival received a record 990 entries from around the world and screened 74 films in competition, most of which were Australian premieres. The festival was attended by over 7770 people during the 10-day event. In addition to the 11 competitive programs of international and Australian short films, highlights included two African short film showcases, a workshop with reknowned UK animator Phil Mulloy and a masterclass with Australian documentary maker Wayne Coles-Janess (*Shadow of The Palms*).

Mobile and handheld technologies were a point of focus in d/Lux Media Art's 2005-06 program, following the success of its Future Screen Mobile masterclasses and workshops. The Mobile Journeys Project attracted a wide audience and included newly commissioned games, video works and mobisodes for the mobile phone. d/Lux's d/Art 2006 at Sydney's Opera House featured six programs of exhibitions, forums and screenings of interactive online works from Australian and international artists. The Cross-Platform/Multi-Form forum explored implications and opportunities arising from the challenges faced by established media channels such as cinema and television from new networked, mobile and personal technologies.

## REGIONAL CINEMA SURVEY

The Regional Cinema program was established in 1998 to provide access and equity for regional and rural areas. In June 2005 the FTO undertook a regional cinema survey to assess the best way to manage the program in future in light of the greater access to cinema now achieved for many communities. The FTO circulated the survey to more than 660 local councils, arts councils, arts and cultural organisations and regional film groups, and 129 people responded, covering a hundred communities throughout NSW. Key findings from the survey are:

80% of the regional population could reach screen content from a nearby cinema.

67% of towns with a population greater than 1000 have an operational cinema, and a further 13% of towns of this size are within 40 kilometres of the nearest commercial or community cinema.

Of towns with populations under 1000 only 9% registered cinema activity at least once a fortnight.

Amongst the operating cinemas, 22% had some involvement from local government ranging from funding or owning the premises to owning and operating the cinema.

Of the surveyed towns, 6% do not have access to video/DVD hiring facilities or Pay TV, and 14% do not have access to broadband. The population of towns without access to this technology is less than 10,000.

26% of surveyed towns staged local film festivals, 34% had film societies and 31% hosted touring film festivals.

38% of cinemas use their venues for a range of purposes.



d/Lux Media Arts interactive screen art called gins\_leap/dubb\_leap by r e a



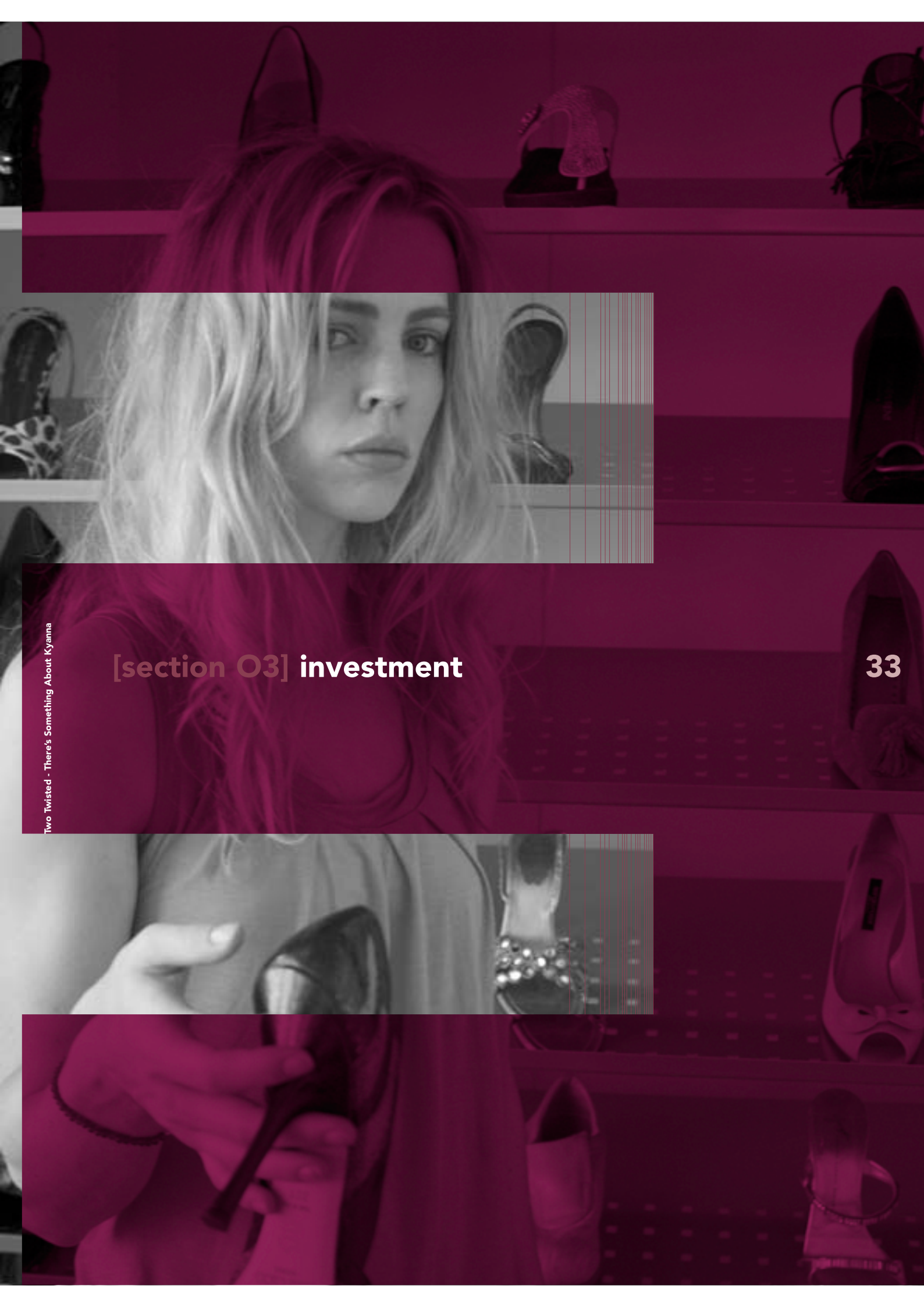
Parliamentary Screening Candy hosted by Hon. Bob Debus MP

Two Twisted - Von Stauffenberg's Stamp



Two Twisted - Heart Attack





Two Twisted - There's Something About Kyanna

# [section 03] investment



**34 investment**

## PRODUCTION INVESTMENT

Through its Production Investment Fund (PIF) the FTO aims to deliver great Australian stories to the screen and facilitate employment for NSW creative teams and crews.

The past year saw a definite resurgence of Australian films doing good business in cinemas and in international sales. Included were a number of NSW projects, which the FTO had supported from development through to production investment, a vindication of the FTO's approach to strategic development over the last five years.

*Candy* had a very successful world premiere at the Berlin International Film Festival in February 2006 and went on to sell to most foreign territories.

After premiering at Cannes in May 2006, where it received a standing ovation, *Suburban Mayhem* sold to a dozen territories including the UK.

Two Aurora projects – *Somersault* and *Little Fish* - were released theatrically into the US in 2006.

After premiering at the Melbourne International Film Festival in August 2005 *Little Fish* went on to an international premiere the following month at the Toronto International Film Festival. It grossed nearly \$4 million at the Australian box office, making it the second-highest-earning Australian film in 2005.

In 2005 *Oyster Farmer* achieved \$2.4 million at the box office over 36 weeks.

These films have not completed their exploitation – still to come are theatrical releases in other territories, DVD, pay TV, free-to-air broadcast. *Oyster Farmer*, for example, sold 12,000 units just after its release on DVD.

In 2005–06 the PIF provided \$4.36 million to film and television production and post-production, to support a NSW spend of \$50.66 million.

The PIF invested in seven feature films: *Clubland*, *Romulus My Father*, *Razzle Dazzle*, *Death Defying Acts*, *\$9.99*, *Disgrace* and *Ten Empty*.

With Australian television drama production at its lowest ebb for a decade, the FTO has invested in a diversity of formats in an attempt to keep the industry buoyant:

The FTO was the only government investor in the first series of *Love My Way*, an outstanding local drama debut for pay TV network Foxtel. The FTO's willingness to be involved in bold new Australian drama helped this series to progress to its third season after sweeping the television drama awards in 2005.

The UK-Australian high-end miniseries *Mary Bryant*, a recipient of FTO investment in 2004–05, drew a nightly audience of over a million Australians - many of them in the difficult-to-capture 18-30-year-old demographic. It went on to win its slot in the UK, attracting a British audience of 6.3 million viewers for its first episode on ITV. Its audience share of 32% made it one of the most popular dramas to screen in the UK in recent times.

The FTO's modest but crucial investment last year in the young-adult series *Bluewater High* has paid off, with it progressing this year to a second series.

Television drama projects receiving production investment in 2005–06 included the bold television series *Two-Twisted* produced by Bryan Brown, three more telemovies in the successful telemovie franchise *Blackjack*, telemovie *Stepfather of the Bride*, the miniseries *Bastard Boys* and *Major Crimes*, the children's miniseries *Double Trouble*, the children's animation series *I Got a Rocket*, and *Bluewater High* Series 2.

The FTO was delighted to invest in *First Australians*, a landmark nine-hour documentary series from an indigenous perspective, with a massive undertaking to tell the national history of the First Australians.

To support an exploration of the Australian theatrical documentary, the FTO partnered with Film Australia, the FFC, AFC and broadcasters, bringing alive a range of new documentary stories, from the Sundance-selected *Unfolding Florence* to the very stylish *Hunt Angels* and the relevant and risky *Forbidden Lie\$*, which will deliver for the 2007 Adelaide Film Festival.

Other documentaries included *The Floating Brothel*, *Salt Not of the Earth*, *One of the Lucky Ones*, *A Common Humanity*, *Naked on the Inside*, *Bomb Harvest*, *Elvis Goes to Parkes*, *4* and *In My Father's Country*.

## GUIDELINES

In January 2006 the FTO successfully trialled a new two-tiered application system and the guidelines have subsequently been amended. Producers now register an expression of interest on four dates a year. Only projects that are ready to finalise their financing are invited to participate in the production investment round, held four times a year to coincide with the dates of FFC board meetings. Producers with production-ready projects now have the benefit of a shortened assessment period. The new system has led to better management of project-committee meetings and competitive assessment. It has also reduced the workload for producers and minimised the risk to the FTO of having financing deals change after approval.

## INDIGENOUS INITIATIVE MAINTAINED

The FTO recognises the continuing importance of developing and supporting indigenous filmmakers as they build careers within the industry. As part of this year's *Dramatically Black* initiative the FTO supported writer/director Darlene Johnson with her long short *Crocodile Dreaming*, produced by Sue Milliken. In the documentary area the FTO once again joined with the AFC, SBS and the FFC to support the **National Indigenous Documentary Fund**. NIDF 8 funded two projects: *When the Natives Get Restless* (writer/director Adrian Wills, co-writer Albert Hartnett, producer Melissa Johnston) and *Flour Sugar Tea* (writer/director Lee Willis, producer Enda Murray).

## PRODUCTION LOAN FINANCING FUND (REVOLVING FUND)

The **Production Loan Financing Fund (PLFF)** stands as a one-off provision of \$4 million to help NSW producers meet their cashflow requirements. Funds are provided as a loan and only fully financed productions are eligible to apply. PLFF operates as a revolving fund with new productions being assisted each year as repayments are made.

Loans are made against marketplace financial commitments such as pre-sales and distribution guarantees which are payable on or within 12 months of delivery. The FTO expects that security such as a first-ranking charge, corporate guarantee or letter of credit will be in place to secure the repayment obligations. It is expected that overseas distributors will cashflow at least 40% of their commitment during production. The FTO reviews the level of loans and appropriate security arrangements on an ongoing basis.

Projects approved for production loans during the year were *Two Twisted* (\$385,000), *Razzle Dazzle* (398,250) and *\$9.99* (\$260,000).

In July 2005 the FTO was notified that the UK-based sales agency Renaissance had announced it was ceasing trading. The FTO had cashflowed Renaissance's distribution guarantee for the feature film *Candy* (\$431,000) through the loan facility in 2004. The security provided for this loan included the proceeds of seven designated presold territories as well as a first-ranking charge. As a result the FTO appointed a receiver to Renaissance in the UK to secure its loan repayment. The receiver subsequently reassigned

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Unfolding Florence



Footy Legends



Suburban Mayhem

the rights to the producer, who provided the FTO with a charge to protect the loan. The sales agency agreement with Renaissance was then terminated with the cooperation of the other investors.

With the agreement of all parties, a new sales agent, Fortissimo, was appointed in August 2005. A leading distributor of independent films, Fortissimo has demonstrated a commitment to acquiring product from the Australasian region and is very well respected in the marketplace. The loan for *Candy* will be fully discharged in the first quarter of 2006–07.

The **Enterprise Australia Producer Loan** invested in Essential Viewing Pty Ltd reached its first milestone in 2005, and the loan was approved for reinvestment with the company. Essential Viewing raised substantial funds from overseas to augment the FTO's loan. The company also optioned a number of projects, employed a full-time drama development executive and moved several projects into production, including a children's television series, a telemovie and feature film. The loan will be reinvested for up to six years with part repayments due in the last phase of the loan. As a result of the success of this loan structure, the FTO Board has agreed to offer **Enterprise Australia Producer Loans** to a further two NSW companies in the 2006-2007 financial year. The selection of the companies will be competitive and based on the proposed five-year business plan.

## MINOR CASH FLOW LOAN

The **Production Loan Fund** also supports **Minor Cash Flow Loans** for film and television productions that may experience a cashflow problem during the important period leading up to production. These loans must be secured by a presale to a broadcaster, may not exceed the amount of the presale and are provided for a stipulated time at an agreed rate of interest. During 2005–06 the FTO approved one **Minor Cashflow Loan** of \$20,000 to the documentary *Real Top Guns*.

## CRITICAL ACCLAIM 2005–06

Projects assisted by the FTO received a record 57 nominations and 17 awards at the Australian Film Institute (AFI) awards, 14 nominations and six awards at the Lexus Inside Film (IF) Awards, four nominations and three awards at the APRA-Australian Guild of Screen Composers (AGSC) awards, 19 nominations and three awards at the Film Critics Circle of Australia, eight nominations and three awards at the Australian Writers' Guild AWGIE awards.

The *Aurora* project *Little Fish* received nine AFI awards, four IF awards (including the award for box office achievement) and three Film Critics Circle awards.

NSW television projects received considerable critical acclaim. The miniseries *Mary Bryant* won Best Telefeature/Miniseries at the AFI. The telemovie *Hell Has Harbour Views*, which aired on the ABC for the second time in December, won best music for a Mini-series or Telemovie at the APRA-AGSC Screen Music awards.

*Love My Way* won four AFI awards including Best Television Drama Series. It also won the award for Best Music in a Television Series/Serial at the APRA-AGSC awards and an AWGIE award for Best Script for a TV series. The series also received five nominations at the ASTRA pay TV awards. NSW projects did exceptionally well at this year's LOGIES with *Love My Way* winning Most Outstanding Drama Series and *The Incredible Journey of Mary Bryant* winning Most Outstanding Miniseries/Telemovie. *Blue Water High* won Most Outstanding Children's Program. *Mary Bryant* attracted over 6.3 million viewers on its first night in the UK and won its slot.

*Jabe Babe* won the AFI award for Best Direction in a Documentary, and Best Documentary in the Lexus If awards.

*Vietnam Symphony* won the AFI award for Best Sound in a Non-Feature and the Australian Screen Sound Guild Award for Best Achievement in Sound for a Documentary. The documentary *In the Shadow of Palms* won the 'Independent Spirit IF Award'.

The *Aurora* project *Somersault*, which won a record number of AFIs last year, won the APRA-AGSC award this year for Best Feature Film Score.



*Suburban Mayhem* screened in the Un Certain Regard section of the Cannes International Film Festival in May and will close the Melbourne International Film Festival in August. *Little Fish* premiered locally at MIFF in July and internationally at Toronto in September. *Oyster Farmer* won Best Film, Best Actor (Davis Field) and Best Actress (Diana Glenn) at the St Tropez Film Festival in France. *Opal Dream* and *Candy* screened at the Berlin Film Festival.

*Little Fish*, *Opal Dream*, *The Illustrated Family Doctor*, *In the Shadow of Palms* and *Jabe Babe: A Heightened Life* screened at the London Australian Film Festival in March, with Cate Blanchett and Hugo Weaving winning Best Actress and Best Actor for their parts in *Little Fish*. *Unfolding Florence: The Many Lives of Florence Broadhurst* had its world premiere at the 2006 Sundance Film Festival in January.

*Vietnam Symphony* and *The Illustrated Family Doctor* screened at the Goteborg Film Festival, Sweden, and *Vietnam Symphony* won Second Best Documentary at Mumbai International Film Festival

*Breaking Bows and Arrows*, directed by Liz Thompson, took the Grand Jury Prize at the International Festival of Oceania Documentary Film (FIFO) Tahiti in January.

*Little Fish*, *Three Dollars*, *Hating Alison Ashley* and the new film *Like Minds* starring Toni Collette, all assisted into production by the FTO, were selected to screen at the ninth Shanghai International Film Festival held from 17-25 June.

## NSW FILM CORPORATION CATALOGUE

The FTO continues to manage, on behalf of the investors, the licensing and rights for the titles in the NSW Film Corporation catalogue which the FTO regained control of in 1998.

The international sales agent for most of the titles, Daro Film Distribution, continues to represent the catalogue.

Three titles from the catalogue have been selected to be restored as part of the National Film & Sound Archive's Kodak/Atlab program to preserve important Australian films. To date two of the titles, *Stir* and *Goodbye Paradise*, have been preserved, with re-mastered prints screening in special presentations at the Melbourne International Film Festival in July 2004 and July 2005 respectively.

The third title, *Bliss*, will be one of the first titles to be preserved and re-mastered in the next Kodak/Atlab program, due to commence later this year.

The FTO has also been exploring the opportunities for DVD releases of some of the titles and hopes to confirm arrangements for this in the coming year.



[section O4] liaison

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production liaison



## PRODUCTION LIAISON

The Production Liaison Unit (PLU) has continued its work of promoting the state's advantages to local and international producers and improving the filming environment.

In 2005-06 national and NSW drama production were both at their lowest levels for a decade. Nationally, drama production fell by 34%. The largest fall was in foreign production. In NSW both foreign and local production fell, causing the NSW share of national drama production to contract to 33%.

DRAMA PRODUCTION EXPENDITURE IN AUSTRALIA					
YEAR	NSW	VIC	QLD	SA/NT/WA	TOTAL
2000-01	\$304m	\$144m	\$124m	\$39m	\$611m
2001-02	\$353m	\$178m	\$109m	\$22m	\$662m
2002-03	\$141m	\$150m	\$190m	\$26m	\$507m
2003-04	\$396m	\$115m	\$53m	\$31m	\$595m
2004-05	\$254m	\$166m	\$75m	\$41m	\$536m
2005-06	\$120m	\$131m	\$52m	\$57m	\$360m

Source: Australian Film Commission (2005-06 figures are preliminary)

## THE PRODUCTION ENVIRONMENT IN NSW

The second half of 2005 was reasonably active, with several feature films and television series shooting in NSW. The major production during this period was the international feature *Superman Returns*, which completed filming with location shooting around NSW. Warner Bros reported that the film achieved the most successful five-day opening in the studio's history, taking US\$84.2 million. The film's success has helped boost the reputation of NSW as an important filming destination in an increasingly competitive local and global environment. Several local productions also shot in the latter half of 2005, including several films that have since screened at Cannes: *Jindabyne*, *Suburban Mayhem*, *Candy*, and the short film *The Water Diary*.

*Supernova*, a UK television miniseries, produced its second series in NSW, including a two-week shoot in Broken Hill. A Korean miniseries, *One Fine Day*, shot in the Sydney and Newcastle regions. The local mini-series/telemovie sector showed an increase from the previous year with two miniseries, *Stepfather of the Bride* and *The Silence*, and three telemovies in the *Blackjack* series all shooting in NSW.

Early 2006 was particularly active for international television commercials, with around \$20 million worth of TVC production in Sydney in January alone. The FTO production liaison staff played a key role in attracting these productions. This year also brought increased interest from international reality television shows with *I'm a Celebrity – Get Me Out Of Here* and *The Real World/Road Rules Challenge* both shooting during the year.

Australian television series production in NSW was relatively consistent with the previous year. Series produced during the year include *All Saints*, *Home & Away*, *Blue Water High*, *Headland*, *Two Twisted* and *Love My Way*.

Feature films shot during the year, and due to be released in the second half of 2006, include *Clubland*, *Footy Legends*, *Razzle Dazzle*, *Ravenswood*, *Middle of Nowhere*, *Monkey Puzzle* and *West*. The Indian Feature, *Khulay Asman Kay Neechay (Under the Open Sky)*, shot in metropolitan and regional NSW.

## PROMOTING NSW AS A FILMING DESTINATION

In April the FTO launched a new DVD to market the advantages of filming in NSW. The DVD features images of city and regional locations and information setting out the state's many strengths, including cast and crew depth, post-production expertise and studio facilities.

Production companies in Asia, Europe and the USA are currently being targeted in a marketing campaign, using the DVD, which aims to attract new production to NSW.

This year PLU also undertook the following international marketing activities:

Attendance at Locations Expo in Santa Monica, where the FTO represented NSW on the Ausfilm stand, answering location and logistical questions. FTO representatives also took the opportunity to hold a large number of meetings with Los Angeles production studios and independent production companies to discuss filming in NSW. Attendance at Locations Expo has brought positive results with Bunim/Murray shooting the *Road Rules* MTV reality show in Byron Bay as a direct result of contact with the FTO at a previous Expo.

Attendance at Hong Kong Filmart and The Hong Kong–Asia Film Financing Forum (HAF) 2006. Filmart provides access to Asian filmmakers and an opportunity to promote NSW post-production services in this burgeoning market.

Visit to Beijing with Ausfilm. This resulted in a very positive meeting with the Chinese government on the potential for co-productions.

Participation in a trade mission to the United Arab Emirates under the auspices of the Department of State and Regional Development. This is an emerging market in which the FTO has identified opportunities for Australians to make their expertise available through filmmaking courses.

PLU continued to conduct pitches for both feature film and television production with overseas inbound guests visiting Sydney. See Appendix 10 for a full list of pitches prepared by the FTO.

The unit also provided location images, logistical information and general advice to international, interstate and local production looking to film in NSW. PLU collects data on the industry and liaises regularly with industry technicians, service providers and location owners.



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Elvis Lives in Parkes

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Elvis Lives in Parkes

## FILMING ENVIRONMENT AND INCENTIVES

PLU continued to liaise closely with Premier's Department and Department of State and Regional Development over filming issues. The FTO Chief Executive and the PLU Manager also participate in the Sydney Film Support Team, formed in 2004 to handle complex filming issues and provide a single point of entry to the NSW government on filming issues.

During the past year NSW has once again faced growing competition as a result of increased incentives from overseas jurisdictions and other Australian states. The FTO prepared a submission to the Federal Government's review of the Tax Offset Scheme. The Offset Scheme has undoubtedly been successful in attracting high-budget productions to Australia. Features such as *Superman Returns*, *Stealth*, *Star Wars-III* and *Matrix*, and miniseries such as *Farscape*, have built the capacity and skills of the Australian industry and provided an opportunity to showcase the industry internationally. But such production is essentially volatile. The environment has changed as a result of increased international competition and incentives from other jurisdictions offering superior or similar incentives and the value of the Australian dollar has increased by 34% against the US dollar, decreasing our competitiveness as a location. The FTO advocated an increase in the level of the offset from 12.5% to 15% to compensate for this.

The FTO and the NSW industry believe more productions in the \$20-50 million range are required to keep our highly-skilled crews working. To promote these mid-range productions the FTO endorsed calls for the introduction of a 'Large Expenditure Credit' whereby once a project has spent \$50 million additional lower-budget projects from the same studio/producer would qualify automatically for the offset. In recognition of the increasingly footloose nature of the Post-production, Digital and Visual Effects (PDV) sector the FTO proposed a separate PDV incentive to take account of the changes in the way PDV work is sourced.

## PROMOTING FILMING IN THE REGIONS

Following the success of film tours in recent years, PLU helped to organise the fifth such tour - 'Plains to Peaks' - hosted by DSRD and covering the Capital region and Canberra. The 12 industry participants included writers, directors, production managers, documentary makers and location managers. The three-day tour travelled through Goulburn to Canberra, across to Merimbula on the coast and back inland to the Snowy Mountains, showcasing the amazing diversity of this region. The tours have provided location managers with a wider range of images to offer productions and an awareness of the logistics of filming in the region, while writers and directors have become aware of potential regional settings for their stories.

Earlier film tours have brought positive outcomes. Following last year's tour to the Central West we have seen increased filming in the region, involving stills shots and TVC car shoots in particular.

In April 2006 the FTO supported a visit by a delegation of location managers to the Hunter region to familiarise them with a range of locations not normally used. The visit included a tour of the Hunter Valley Gardens, the Richmond Valley Railway, Morpeth, and Maitland Gaol. A similar delegation visited Broken Hill in June and this was particularly successful in showcasing outback locations in NSW. As a result of images brought back from the tour, the ITV Granada/Ten Network telemovie *To Catch a Killer* - based on the Peter Falconio murder - will undertake outback night shooting in Broken Hill. Visits to other regional areas are planned for 2006-07.

The FTO had a presence at the Local Government Association Tourism Conference held in Penrith in March. The conference provides the opportunity to meet representatives from the tourism area of local government who are often active in promoting their regions as filming destinations.

## 46 regional filming fund

### REGIONAL FILMING FUND

Now in its sixth year, the **Regional Filming Fund (RFF)** continues to provide assistance to Australian productions and official co-productions to film in regional NSW.

The RFF received six official applications this year and five grants were approved.

Projects applying for RFF assistance and completing filming in the current year were the feature *Middle of Nowhere*, an official co-production that shot for two weeks around Byron Bay in late 2005, the documentary *Elvis Lives in Parkes*, shot entirely on location for four weeks around Parkes, Series 2 of *Supernova*, which shot for two weeks in the Broken Hill region in 2006 and the documentary *A Good Man*, which shot for about four weeks in the Inverell region.

The documentary *The Sexual Life of Us* will shoot for around two weeks in the Central West area in July 2006.

Projects funded in the previous years that completed filming in the current year included the feature *Guests*, a.k.a. *Powersurge*, shot around the Goulburn area for over a week and in the Camden area for about two weeks, and the feature *Suburban Mayhem*, shot entirely on location in and around Newcastle and the Hunter Region in the second half of 2005.

RFF grants allocated totalled \$199,605. As a result of the Fund being undersubscribed for the year the FTO Board made a decision to transfer \$275,000 to **Production Investment** to ensure the generation of more NSW production.

The Fund generated approximately \$754,000 of direct expenditure for the regional economies of NSW this year and resulted in the casual employment of 179 people in roles such as location managers, extras, construction workers and production assistants. The five productions funded through the RFF brought over \$8.1 million to the state with production budgets valued at over \$15.9 million.

### REGIONAL FILM OFFICES

Seven regional film offices (RFOs) in NSW work with the State government to attract production to regional areas. The offices aim to market their region as a filming destination, facilitating filming and working to maximise its economic impact.

The seven areas represented by RFOs are:

Film Broken Hill (Broken Hill & Outback NSW)

Film Central (Central West)

Film Hunter (Newcastle & Hunter regions)

Film Illawarra (Illawarra & Southern Highlands)

Film Mid North Coast Armidale (Mid North Coast & Armidale Regions)

Northern Rivers Screenworks (Northern Rivers & North East NSW)

ScreenACT (ACT & the Capital Region)

As in previous years, the Department of State and Regional Development (DSRD) made available up to \$300,000 in matched funding for the offices, which also receive financial support from local councils and other sources. The regional film offices are currently examining options for sustainability, and to assist this process the FTO and DSRD hosted a workshop in March 2006 for the RFO representatives to discuss future strategies.



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fto as an organisation

## BOARD

The FTO Board is scheduled to meet every month and on occasions when required.

The Board met on ten occasions during the year. One of these was held by teleconference.

## COMMUNICATIONS

The FTO communications strategy aims to provide active facilitation for the NSW industry, promote FTO programs and services and showcase FTO-funded projects to government, industry and the wider community.

In 2005–06 the FTO communicated with stakeholders through a range of publications, events and information sessions.

## INDUSTRY EMAIL BULLETINS AND INFORMATION FLYERS

Where possible the FTO now uses electronic delivery of announcements and invitations. The FTO issues regular email bulletins containing FTO and industry news. New information flyers were produced this year for the YFF and Aurora programs and a generic FTO flyer listing all grants, loans and programs.

The website continues to be a key communication tool and is promoted as the first point of contact for FTO programs and services. The FTO's website is regularly updated with details of funding decisions and other FTO activities. It is currently being reviewed with a view to improving its functionality.

## GOVERNMENT PARLIAMENTARY SCREENINGS

Parliamentary screenings provide state parliamentarians with an ideal opportunity to see FTO-supported films before their public release and to meet their creators. The main feature is often preceded by a short made by YFF recipients. In May the Minister for the Arts, The Hon. Bob Debus, hosted *Candy* starring Heath Ledger and Abbie Cornish (director Neil Armfield, producers Margaret Fink, Emile Sherman). The award-winning short, *Monster*, produced by Isabel Perez and directed/written by Young Filmmakers Fund recipient Jennifer Kent, screened before *Candy*.

## YEAR HIGHLIGHTS

### SEPTEMBER 2005

FTO attends No Borders in New York with teams from *Accidents Happen* and *The Wrong Girl*.

### OCTOBER 2005

FTO organises 'Plains to Peaks' regional film tour to Capital region and Canberra, organised in partnership with the Department of State and Regional Development.

### NOVEMBER 2005

Feedback stage for *Aurora* 2005

### MARCH 2006

FTO Annual Party at MCA. The Minister for the Arts, The Hon. Bob Debus, announces five new feature films for the 2006 *Aurora* script-workshop program, the 2006 *Aurora* advisors, the latest grant recipients of the Young Filmmakers Fund, the New Feature Film Writers' Scheme participants, and graduates of the Digital FX Scheme.

FTO and Department of State and Regional Development host a meeting of regional film offices to discuss future strategies

### APRIL 2006

*Aurora* 2006 Residential workshop at Paperbark Camp, Jervis Bay.

FTO supports a visit by location managers to the Hunter Region.

### MAY 2006

Parliamentary screening of the feature *Candy* and YFF short film *Monster*, hosted by The Hon. Bob Debus, MP, Minister for the Arts.

### JUNE 2006

FTO supports a visit by location managers to Broken Hill

FTO hosts networking event at Swissotel's Maple Room to welcome international filmmakers attending the Sydney Film Festival

FTO co-hosts *Superman* screening at Fox Studios with Ausfilm.



## HUMAN RESOURCES

The number of staff at the FTO decreased to 20.9 full-time equivalent positions as a result of a combination of events, including internal restructuring, the secondment of an officer to another agency and the existence of a vacant position. Human Resources is undertaking action to fill the vacancy.

All non-SES employees at the FTO are employed under the *Public Sector Employment and Management Act (2002)* and are subject to the *Crown Employees (Public Service Conditions of Employment) Reviewed Award 2006*. The new award was negotiated between the Public Employment Office and the Public Service Association. The award aims to consolidate, in the one document, all common conditions of employment of staff employed in departments, to encourage the consultative processes at the service-wide and the various organisational levels, to facilitate, as appropriate, greater flexibility in the workplace and to help ensure that the excess hours, accumulated as a result of departmental work requirements, are not forfeited.

The revised staff manual was issued in November 2005 and is now subject to regular review. During the year the FTO relaunched the Employee Assistance Program and started a review of occupational health and safety practices.

The Board and Management of the FTO encourage all staff to take advantage of professional development opportunities, when they are available. These include attending industry conferences and information sessions and specific courses related to an employee's areas of expertise.

A number of valued employees left the FTO during 2005-06, including Brendan Smith, Manager, Industry & Audience Development; Tony Grierson, Manager, Distribution and Finance; Jane Cruikshank, Regional Cinema Officer; Hugh Short, Administrator, Development and Investment; Needeya Islam, Young Filmmakers Fund Coordinator; Jodie Munn, Executive Assistant; Gary Brennan, Manager, Production Liaison; Jo-Anne MacGowan, Project Officer, Development and Investment and Louise Mentor, Accounts Officer.

The Board and Management extend thanks to these employees for their commitment and work during their time at the FTO and wish them well in their careers.

New staff welcomed to the FTO during the year were Augusta Supple, Receptionist; Aga Kolaczowski, Marketing Coordinator; Wendy Nye, Manager, Audience Development and Marketing; Lindsey Cox, Manager, Finance and Administration and Leonie Mansfield, Assistant, Development and Investment.

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## CORPORATE SERVICES PROVISION & CORPORATE GOVERNANCE

The FTO relocated from 157 Liverpool Street, Sydney to new premises at Level 13, 227 Elizabeth Street, Sydney, on 1 May 2006, reducing the floor space by 17% with an appropriate reduction in rent and anticipated reduction in electricity and other office accommodation costs.

The FTO operates with a minimal number of officers (20) to achieve its goals. The FTO is below the median for corporate service benchmarks. As a small agency the FTO requires a minimal number of officers to manage outsourced suppliers and ensure corporate governance principles are adhered to. The FTO has only 3.6 staff to perform all functions of Corporate Services.

The FTO and the Powerhouse are continuing to develop and implement a comprehensive Service Level Agreement for all aspects of corporate services.

The FTO continues to fulfill all reporting and statutory requirements.

## INFORMATION TECHNOLOGY & COMMUNICATION MANAGEMENT

The FTO has continued to review and streamline its information technology and communication management strategies and procedures.

The FTO Information and Technology Plan was issued in August 2005. Recommendations from previous reviews of the Office's data management and records management practices and policies formed the basis for a comprehensive analysis of the FTO's total information management policies, procedures and practices.

As a result, a number of improvements were made to the FTO's network including the implementation of a Standard Operating Environment, upgrade of Filemaker and the implementation of a maintenance agreement. The network is now accessible remotely and offers greater functionality to FTO officers.

A review of the FTO Disaster Recovery Plan took place in December 2005. A Business Contingency Plan was developed at the same time and was reviewed in June 2006 to reflect changes in operations and location. A Disaster Recovery Plan will be finalised in the coming year, together with implementation plans, policies and procedures.



[section 06] performance

## PERFORMANCE INDICATORS

AWARDS ACHIEVED AT LOCAL AND INTERNATIONAL FESTIVALS				
	2002-03	2003-04	2004-05	2005-06
Young Filmmakers Fund	5	9	5	7

## NOMINATIONS FOR FTO-FUNDED PROJECTS IN KEY AUSTRALIAN AWARDS

	2003-04	2004-05	2005-06
	42	45	57

## REASONABLE RETURN ON INVESTMENT

Since 1992 (until 30 June 2005), the FTO has invested \$31,851,932 for an overall return of \$5,799,581 (18.2%) return on investment.

## INVESTMENT CONTRIBUTION TO ECONOMIC BENEFIT IN NSW

	2003-04	2004-05	2005-06
FTO Investment in film & television production	\$3.6m	\$4.1m	\$4.36m
Production expenditure in NSW generated by investment	\$46.3m	\$56.3m	\$50.66m
Regional Filming Fund grants	\$429,160	\$408,000	\$199,605
Spend in regional NSW generated by investment	\$2.74m	\$2.5m	\$754,000

## FILM PRODUCTION SPEND IN NSW

	2003-04	2004-05	2005-06
	\$389m	\$254m	\$120m

## AURORA PROJECTS IN PRODUCTION

	2003-04	2004-05	2005-06
	1	1	0

## FACILITATE ACCESS FILM AND TELEVISION ACTIVITIES

INDUSTRY & AUDIENCE DEVELOPMENT PROGRAM				
	2003-04	2004-05	2005-06	
I&AD funds expended in Western Sydney*	9.5%	12.4%	8.7%**	
I&AD funds expended in Regional NSW*	26.2%	25.8%	14.2%**	

\* percentage of total budget

\*\* The total expenditure in 2005-06 has risen because of an additional \$150,000 from the NSW government to the Sydney Film Festival. In absolute terms, the level of funding to Western Sydney and Regional NSW has been maintained.



**[section 07] financials**

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GPO Box 12  
Sydney NSW 2001

## INDEPENDENT AUDIT REPORT NEW SOUTH WALES FILM AND TELEVISION OFFICE

To Members of the New South Wales Parliament

### AUDIT OPINION

In my opinion, the financial report of the New South Wales Film and Television Office (Office):  
presents fairly the Office's financial position as at 30 June 2006 and its performance for the year ended on that date, in accordance with Accounting Standards and other mandatory financial reporting requirements in Australia, and  
complies with section 41B of the Public Finance and Audit Act 1983 (the PF&A Act) and the Public Finance and Audit Regulation 2005.

My opinion should be read in conjunction with the rest of this report.

### SCOPE

The Financial Report and the Board's Responsibility

The financial report comprises the operating statement, statement of changes in equity, balance sheet, cash flow statement, summary of compliance with financial directives and accompanying notes to the financial statements for the Office, for the year ended 30 June 2006.

The members of the Board are responsible for the preparation and true and fair presentation of the financial report in accordance with the PF&A Act. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

### AUDIT APPROACH

I conducted an independent audit in order to express an opinion on the financial report. My audit provides *reasonable assurance* to Members of the New South Wales Parliament that the financial report is free of *material* misstatement.

My audit accorded with Australian Auditing Standards and statutory requirements, and I:  
assessed the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the Board in preparing the financial report, and  
examined a sample of evidence that supports the amounts and disclosures in the financial report.

An audit does not guarantee that every amount and disclosure in the financial report is error free. The terms 'reasonable assurance' and 'material' recognise that an audit does not examine all evidence and transactions. However, the audit procedures used should identify errors or omissions significant enough to adversely affect decisions made by users of the financial report or indicate that Board members had not fulfilled their reporting obligations.

My opinions do not provide assurance:  
about the future viability of the Office,  
that it has carried out its activities effectively, efficiently and economically,  
about the effectiveness of its internal controls, or  
on the assumptions used in formulating the budget figures disclosed in the financial report.

### AUDIT INDEPENDENCE

The Audit Office complies with all applicable independence requirements of Australian professional ethical pronouncements. The Act further promotes independence by:  
providing that only Parliament, and not the executive government, can remove an Auditor-General, and  
mandating the Auditor-General as auditor of public sector agencies but precluding the provision of non-audit services, thus ensuring the Auditor-General and the Audit Office are not compromised in their role by the possibility of losing clients or income.

G J Gibson, FCPA  
Assistant Auditor-General

SYDNEY  
23 October 2006

## agency statement

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Pursuant to Section 41C of the *Public Finance and Audit Act 1983*, we certify, to the best of our knowledge and belief, and in accordance with a resolution of the Board of the New South Wales Film and Television Office, that:

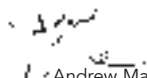
The Financial Statements have been prepared in accordance with the provisions of the Act, the *Public Finance and Audit (General) Regulation 2005* (as applicable), the *Financial Reporting Code for Budget Dependant General Government Sector Agencies* and the Treasurer's Directions;

The Financial Statements exhibit a true and fair view of the financial position of the New South Wales Film and Television Office as at 30 June 2006, and of the operations for the year then ended;

We are not aware of any circumstance at the date of this statement, which would render any particulars included in the financial statements to be misleading or inaccurate.



Dr. Neal Blewett  
Chair



Andrew Mason  
Deputy Chair

SYDNEY  
20 October 2006

SYDNEY  
20 October 2006

**NEW SOUTH WALES FILM AND TELEVISION OFFICE OPERATING STATEMENT FOR THE YEAR ENDED 30 JUNE 2006**

	NOTE	ACTUAL 2006 \$'000	BUDGET 2006 \$'000	ACTUAL 2005 \$'000
<b>EXPENSES EXCLUDING LOSSES</b>				
Operating Expenses:				
Personnel Services Expenses	2(a)	2,123	1,966	2,005
Other Operating Expenses	2(b)	2,001	1,885	1,984
Depreciation	2(c)	62	32	56
Grants and Subsidies	1(f), 2(d)	5,929	6,242	8,068
<b>TOTAL EXPENSES EXCLUDING LOSSES</b>		<b>10,115</b>	<b>10,125</b>	<b>12,113</b>
Less:				
<b>REVENUE</b>				
Sale of Goods and Services		-	476	-
Investment Revenue	3(a)	255	259	295
Grants and Contributions	3(b)	21	26	154
Other Revenue	3(c)	778	-	921
<b>TOTAL REVENUE</b>		<b>1,054</b>	<b>761</b>	<b>1,370</b>
<b>GAIN/(LOSS) ON DISPOSAL OF NON-CURRENT ASSETS</b>	<b>4</b>	<b>(20)</b>	<b>-</b>	<b>1</b>
<b>NET COST OF SERVICES</b>	<b>18</b>	<b>9,081</b>	<b>9,364</b>	<b>10,742</b>
<b>GOVERNMENT CONTRIBUTIONS:</b>				
Recurrent Appropriation	5	9,070	9,070	9,366
Capital Appropriation	5	44	44	44
<b>TOTAL GOVERNMENT CONTRIBUTIONS</b>		<b>9,114</b>	<b>9,114</b>	<b>9,410</b>
<b>SURPLUS/(DEFICIT) FOR THE YEAR</b>		<b>33</b>	<b>(250)</b>	<b>(1,332)</b>

[The accompanying notes form part of these statements]

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**NEW SOUTH WALES FILM AND TELEVISION OFFICE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2006**

	NOTE	ACTUAL 2006 \$'000	BUDGET 2006 \$'000	ACTUAL 2005 \$'000
<b>TOTAL INCOME AND EXPENSE RECOGNISED DIRECTLY IN EQUITY</b>				
Surplus / (Deficit) for the year		33	(250)	(1,332)
<b>TOTAL INCOME AND EXPENSE RECOGNISED FOR THE YEAR</b>	<b>13</b>	<b>33</b>	<b>(250)</b>	<b>(1,332)</b>

[The accompanying notes form part of these statements]

NEW SOUTH WALES FILM AND TELEVISION OFFICE BALANCE SHEET AS AT 30 JUNE 2006

	NOTE	ACTUAL 2006 \$'000	BUDGET 2006 \$'000	ACTUAL 2005 \$'000
<b>ASSETS</b>				
<b>CURRENT ASSETS</b>				
Cash and Cash Equivalents	7	6,115	6,124	6,386
Receivables	8	1,854	1,650	1,650
<b>TOTAL CURRENT ASSETS</b>		<b>7,969</b>	<b>7,774</b>	<b>8,036</b>
<b>NON-CURRENT ASSETS</b>				
Plant and Equipment	9	534	145	133
Receivables	8	355	153	153
<b>TOTAL NON-CURRENT ASSETS</b>		<b>889</b>	<b>298</b>	<b>286</b>
<b>TOTAL ASSETS</b>		<b>8,858</b>	<b>8,072</b>	<b>8,322</b>
<b>LIABILITIES</b>				
<b>CURRENT LIABILITIES</b>				
Payables	11	1,823	1,784	1,784
Other	12	218	109	179
<b>TOTAL CURRENT LIABILITIES</b>		<b>2,041</b>	<b>1,893</b>	<b>1,963</b>
<b>NON-CURRENT LIABILITIES</b>				
Other	12	426	70	-
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>426</b>	<b>70</b>	<b>-</b>
<b>TOTAL LIABILITIES</b>		<b>2,467</b>	<b>1,963</b>	<b>1,963</b>
<b>NET ASSETS</b>		<b>6,391</b>	<b>6,109</b>	<b>6,359</b>
<b>EQUITY</b>				
Accumulated Funds	13	6,391	6,109	6,359
<b>TOTAL EQUITY</b>		<b>6,391</b>	<b>6,109</b>	<b>6,359</b>

[The accompanying notes form part of these statements]

**NEW SOUTH WALES FILM AND TELEVISION OFFICE CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2006**

	NOTE	ACTUAL 2006 \$'000	BUDGET 2006 \$'000	ACTUAL 2005 \$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
<b>PAYMENTS</b>				
Personnel Services		(2,117)	(1,940)	(1,999)
Grants and Subsidies		(5,819)	(6,242)	(8,753)
Other		(2,906)	(2,525)	(1,018)
<b>TOTAL PAYMENTS</b>		<b>(10,842)</b>	<b>(10,707)</b>	<b>(11,770)</b>
<b>RECEIPTS</b>				
Interest Received		273	259	291
Other		1,559	1,116	1,813
<b>TOTAL RECEIPTS</b>		<b>1,832</b>	<b>1,375</b>	<b>2,104</b>
<b>CASH FLOWS FROM GOVERNMENT</b>				
Recurrent Appropriation		9,070	9,070	9,366
Capital Appropriation		44	44	44
Cash Reimbursements from the Crown Entity		7	-	133
<b>NET CASH FLOWS FROM GOVERNMENT</b>		<b>9,121</b>	<b>9,114</b>	<b>9,543</b>
<b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>18</b>	<b>111</b>	<b>(218)</b>	<b>(123)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Proceeds from sale of Plant and Equipment		-	-	3
Purchases of Plant and Equipment		(483)	(44)	(93)
Repayment of Revolving Fund Advances		1,091	-	270
Advances from Revolving Fund		(990)	-	(1,223)
<b>NET CASH FLOWS USED ON INVESTING ACTIVITIES</b>		<b>(382)</b>	<b>(44)</b>	<b>(1,043)</b>
<b>NET INCREASE/(DECREASE) IN CASH</b>		<b>(271)</b>	<b>(262)</b>	<b>(1,166)</b>
Opening Cash and Cash Equivalents		6,386	6,386	7,552
<b>CLOSING CASH AND CASH EQUIVALENTS</b>	<b>7</b>	<b>6,115</b>	<b>6,124</b>	<b>6,386</b>

[The accompanying notes form part of these statements]

**NEW SOUTH WALES FILM AND TELEVISION OFFICE SUMMARY OF COMPLIANCE WITH FINANCIAL DIRECTIVES**

	2006				2005			
	RECURRENT APPROPRIATION CONSOLIDATED FUND \$'000	EXPENDITURE/ NET CLAIM ON CONSOLIDATED FUND \$'000	CAPITAL APPROPRIATION CONSOLIDATED FUND \$'000	EXPENDITURE/ NET CLAIM ON CONSOLIDATED FUND \$'000	RECURRENT APPROPRIATION CONSOLIDATED FUND \$'000	EXPENDITURE/ NET CLAIM ON CONSOLIDATED FUND \$'000	CAPITAL APPROPRIATION CONSOLIDATED FUND \$'000	EXPENDITURE/ NET CLAIM ON CONSOLIDATED FUND \$'000
ORIGINAL BUDGET APPROPRIATION/EXPENDITURE								
Appropriation Act	9,070	9,070	44	44	9,349	9,349	44	44
	<b>9,070</b>	<b>9,070</b>	<b>44</b>	<b>44</b>	<b>9,349</b>	<b>9,349</b>	<b>44</b>	<b>44</b>
OTHER APPROPRIATION/EXPENDITURE								
Treasurer's Advance					17	17		
<b>TOTAL APPROPRIATIONS/ EXPENDITURE/ NET CLAIM ON CONSOLIDATED FUND (INCLUDES TRANSFER PAYMENTS)</b>	<b>9,070</b>	<b>9,070</b>	<b>44</b>	<b>44</b>	<b>9,366</b>	<b>9,366</b>	<b>44</b>	<b>44</b>
<b>AMOUNT DRAWN DOWN AGAINST APPROPRIATION LIABILITY TO CONSOLIDATED FUND</b>		<b>9,070</b>		<b>44</b>		<b>9366</b>		<b>44</b>

**NEW SOUTH WALES FILM AND TELEVISION OFFICE**  
**NOTES ACCOMPANYING AND FORMING**  
**PART OF THE FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED 30 JUNE 2006**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**(a) REPORTING ENTITY**

The New South Wales Film and Television Office (FTO), as a reporting entity, includes the agency's commercial activities, namely promoting and assisting the NSW film and television industry.

The reporting entity is consolidated as part of the NSW Total State Sector.

The FTO is a separate reporting entity. There are no other entities under its control.

These financial statements have been authorised for issue by the Board on 20 October 2006.

As the FTO is a single program entity, the financial operations disclosed in the Operating Statement and Balance Sheet are those of the FTO's programs. Accordingly, a separate supplementary program information schedule has not been prepared.

**(b) BASIS OF PREPARATION**

FTO's financial statements are a general purpose financial report which has been prepared in accordance with:

applicable Australian Accounting Standards (which include Australian equivalents to International Financial Reporting Standards (AIFRS)) the requirements of the *Public Finance and Audit Act 1983* and *Regulation*; and the Financial Reporting Directions published in the *Financial Reporting Code for Budget Dependent General Government Sector Agencies* or issued by the Treasurer.

Judgements, key assumptions and estimations management has made are disclosed in the relevant notes to the financial statements.

All amounts are rounded to the nearest one thousand dollars and are expressed in Australian currency.

**(c) STATEMENT OF COMPLIANCE**

The financial statements and notes comply with Australian Accounting Standards, which include AIFRS.

This is the first financial report prepared based on AIFRS and comparatives for the year ended 30 June 2005 have been restated accordingly, except as stated below.

In accordance with AASB 1 *First-time Adoption of Australian Equivalents to International Financial Reporting Standards* and Treasury Mandates, the date of transition to AASB 132 *Financial Instruments: Disclosure and Presentation* and AASB 139 *Financial Instruments: Recognition and Measurement* has been deferred to 1 July 2005 and, as a result, comparative information for these two standards is presented under the previous Australian Accounting Standards which applied to the year ended 30 June 2005.

The basis used to prepare the 2004/05 comparative information for financial instruments under previous Australian Accounting Standards is discussed below in Note 1(x). The financial instrument accounting policies for 2005/06 are specified in Notes 1(t) and 1(u).

Reconciliations of AIFRS equity and surplus or deficit for 30 June 2005 to the balances reported in the 30 June 2005 financial report are detailed in Note 1(d). This note also includes separate disclosure of the 1 July 2005 equity adjustments arising from the adoption of AASB 132 and AASB 139.

**(d) IMPACT OF ADOPTION OF AUSTRALIAN EQUIVALENTS TO IFRS**

The FTO has determined the key area where changes in accounting policy impact the financial report. Some of these impacts arise because AIFRS requirements are different from existing AASB requirements (AGAAP). Other impacts arise from options in AIFRS. To ensure consistency at the whole of government level, NSW Treasury has advised agencies of options it has mandated for the NSW Public Sector. The impacts disclosed below reflect Treasury's mandates and policy decisions.

The impacts of adopting AIFRS on total equity and surplus/(deficit) as reported under previous AGAAP are shown below. There are no material impacts on the FTO's cash flows.

**(i) RECONCILIATION OF KEY AGGREGATES**

**RECONCILIATION OF EQUITY UNDER EXISTING STANDARDS (AGAAP) TO EQUITY UNDER AIFRS:**

	NOTES	30 JUNE 2005	1 JULY 2004
		\$000	\$000
TOTAL EQUITY UNDER AGAAP		6,326	7,640
ADJUSTMENTS TO ACCUMULATED FUNDS			
Recognition of restoration costs	1	33	50
<b>TOTAL EQUITY UNDER AIFRS</b>		<b>6,359</b>	<b>7,690</b>

**RECONCILIATION OF SURPLUS/(DEFICIT)**

**UNDER AGAAP TO SURPLUS/(DEFICIT) UNDER AIFRS:**

	NOTES	30 JUNE 2005
		\$000
SURPLUS/(DEFICIT) UNDER AGAAP		(1,315)
Recognition of restoration Costs	1	(17)
<b>SURPLUS/(DEFICIT) UNDER AIFRS</b>		<b>(1,332)</b>

Based on the above, if AIFRS were applied in 2004/2005 this would increase the Net Cost of Services from \$10,725,000 to \$10,742,000.

**NOTES TO TABLES ABOVE**

1. AASB 116 requires the cost and fair value of property, plant and equipment to be increased to include the estimated restoration costs, where restoration provisions are recognised under AASB 137 *Provisions, Contingent Liabilities and Contingent Assets*. These restoration costs must be depreciated and the unwinding of the restoration provision must be recognised as a finance expense. This treatment is not required under current AGAAP.

**(ii) GRANT RECOGNITION FOR NOT-FOR-PROFIT ENTITIES**

As a not-for-profit entity the FTO has applied the requirements in AASB 1004 *Contributions* regarding contributions of assets (including grants) and forgiveness of liabilities. There are no differences in the recognition requirements between the new AASB 1004 and the previous AASB 1004. However, the new AASB 1004 may be amended by proposals in Exposure Draft (ED) 125 *Financial Reporting by Local Governments*. If the ED 125 approach is applied, revenue and/or expense recognition will not occur until either the FTO supplies the related goods and services (where grants are in-substance agreements for the provision of goods and services) or until conditions are satisfied. ED 125 may therefore delay revenue recognition compared with AASB 1004, where grants are recognised when controlled. However, at this stage, the timing and dollar impact of these adjustments is uncertain.

**(iii) FINANCIAL INSTRUMENTS**

The FTO has applied the exemption provided in AASB 1 *First-time Adoption of Australian Equivalents to International Financial Reporting Standards* not to apply the requirements of AASB 132 *Financial Instruments: Presentation and Disclosures* and AASB 139 *Financial Instruments: Recognition and Measurement* for the 2004/05 comparative information. Therefore the comparative information for 2004/05 for financial instruments has been presented in accordance with previous AGAAP. These Standards have been applied from 1 July 2005.

	ACCUMULATED FUNDS	OTHER RESERVES	TOTAL
	\$'000	\$'000	\$'000
TOTAL OPENING EQUITY 1 JULY 2005	6,359	-	6,359
Adjustments	-	-	-
<b>RESTATED OPENING EQUITY 1 JULY 2005</b>	<b>6,359</b>	<b>-</b>	<b>6,359</b>

**NEW SOUTH WALES FILM AND TELEVISION OFFICE**  
**NOTES ACCOMPANYING AND FORMING**  
**PART OF THE FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED 30 JUNE 2006**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**(e) PRIOR PERIOD ERRORS**

The FTO has prepared its financial statements in relation to prior periods on the basis that the FTO's Board had been provided with employment powers via the *Film and Television Office Act 1988*. It has come to the attention of management that the *Public Sector Employment and Management Act 2002* only provides the Director-General of the Ministry for the Arts up to 2 March 2006 and the Director-General, Department of the Arts, Sport and Recreation after 3 March with the power to employ. As such, staff working at the FTO were employees of the Ministry for the Arts up to 2 March 2006 and are currently employees of the Department of Arts, Sport and Recreation.

Under direction from NSW Treasury, the FTO has assumed that a management agreement was in place in relation to the provision of personnel services from the employing department, and has restated 'Employee Related expenses' for the year ended 30 June 2005 as 'Personnel Services expenses' in accordance with AASB 108 *Accounting Policies, Changes in Accounting Estimates and Errors*. There has been no effect on the value of the amounts previously presented as 'Employee Related expenses' on the Operating Statement.

Amounts shown in previous periods as 'Acceptance by the Crown Entity of employee benefits and other liabilities' are now to be assumed by the relevant employing department, and as such have been restated in the FTO's financial statements as a part of 'Grants and Contributions' and disaggregated in the relevant note as 'Resources received free of charge'. There has been no effect on the value of the amounts previously presented as 'Acceptance by the Crown Entity of employee benefits and other liabilities' on the Operating Statement.

The classification of 'Resources received free of charge' as an item of retained revenue has resulted in the values of 'Total Revenue', 'Net Cost of Services', and 'Total Government Contributions' changing for the restated periods, however there has been no change to the 'Surplus/(Deficit) for the year from ordinary activities'.

**(f) RECOGNITION OF PRODUCTION INVESTMENT**

Production Investment grants are recognised as an expense at the time when all formal contract documentation has been fully executed by all parties.

**(g) OTHER FUNDING PROGRAMS**

Expenses for other programs are recognised when payments are made (Note: 2(d)). Contracted instalments which are unpaid have been shown as commitments in Note: 2(e) and Note: 15(b).

**(h) ADMINISTERED ACTIVITIES**

The FTO has no administered activities

**(i) INCOME RECOGNITION**

Income is measured at the fair value of the consideration or contribution received or receivable. Revenue from Production Investment and Script Development Returns are recognised when received by the FTO, ie on a cash basis. Additional comments regarding the accounting policies for the recognition of revenue are discussed below.

**(j) PARLIAMENTARY APPROPRIATIONS AND CONTRIBUTIONS FROM OTHER BODIES**

Parliamentary appropriations and contributions from other bodies (including grants and donations) are generally recognised as income when the FTO obtains control over the assets comprising the appropriations/contributions. Control over appropriations and contributions are normally obtained upon the receipt of cash.

An exception to the above is when appropriations are unspent at year-end. In this case, the authority to spend the money lapses and generally the unspent amount must be repaid to the Consolidated Fund in the following financial year. As a result, any unspent appropriations are now accounted for as liabilities rather than revenue.

**(ii) SALE OF GOODS**

Revenue from the sale of goods is recognised as revenue when the agency transfers the significant risks and rewards of ownership of the assets.

**(iii) RENDERING OF SERVICES**

Revenue is recognised when the service is provided or by reference to the stage of completion (based on labour hours incurred to date).

**(iv) INVESTMENT INCOME**

Interest revenue is recognised using the effective interest method as set out in AASB 139 *Financial Instruments: Recognition and Measurement*. Royalty revenue is recognised on an accrual basis in accordance with the substance of the relevant agreement.

**(j) PERSONNEL SERVICES EXPENSES AND OTHER LIABILITIES**

**(i) SALARIES, ANNUAL LEAVE, SICK LEAVE AND ON-COSTS**

Personnel Services related liabilities for salaries and wages, annual leave and paid sick leave that fall due wholly within twelve months of the reporting date are recognised and measured in respect of employees' services up to the reporting date at undiscounted amounts based on the amounts expected to be paid when the liabilities are settled.

Unused non-vesting sick leave does not give rise to a liability as it is not considered probable that sick leave taken in the future will be greater than the benefits accrued in the future.

The outstanding amounts of payroll tax, workers' compensation insurance premiums and fringe benefits tax, which are consequential to employment, are recognised as liabilities and expenses where the employee benefits to which they relate have been recognised.

**(ii) LONG SERVICE LEAVE AND SUPERANNUATION**

The FTO's personnel services liabilities for long service leave and superannuation are assumed by the Crown Entity via the Ministry for the Arts up to 3 March 2006 and the Department of Arts Sport and Recreation from 3 March to 30 June 2006 (refer Note 1(e)). The FTO accounts for the liability as having been extinguished resulting in the amount assumed being shown as part of 'Grants and Contributions' as 'Resources received free of charge'.

As a result of the adoption of Treasury Circular NSW TC 03/08 long service leave is measured on a present value basis. The present value method is based on the factors determined by the Government Actuary and applied to remuneration rates at year end for all employees with five or more years of service.

The Superannuation expense for the financial year is determined by using the formulae specified in the Treasurer's Directions. The expense for certain superannuation schemes (i.e. Basic Benefit and First State Super) is calculated as a percentage of the employees' salary. For other superannuation schemes (i.e. State Superannuation Fund and State Authorities Superannuation Scheme), the expense is calculated as a multiple of the employees' superannuation contributions.

**(k) INSURANCE**

The FTO's insurance activities are conducted through the NSW Treasury Managed Fund Scheme of self insurance for Government agencies. The expense (premium) is determined by the Fund Manager based on past experience.

**(l) ACCOUNTING FOR THE GOODS AND SERVICES TAX (GST)**

Revenues, expenses and assets are recognised net of the amount of GST, except where:

the amount of GST incurred by the agency as a purchaser that is not recoverable from the Australian Taxation Office is recognised as part of the cost of acquisition of an asset or as part of an item of expense.  
receivables and payables are stated with the amount of GST included.

**NEW SOUTH WALES FILM AND TELEVISION OFFICE  
NOTES ACCOMPANYING AND FORMING  
PART OF THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2006**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**(m) ACQUISITION OF ASSETS**

The cost method of accounting is used for the initial recording of all acquisitions of assets controlled by the FTO. Cost is the amount of cash or cash equivalents paid or the fair value of the other consideration given to acquire the asset at the time of its acquisition or construction or, where applicable, the amount attributed to that asset when initially recognised in accordance with the specific requirements of other Australian Accounting Standards.

Assets acquired at no cost, or for nominal consideration, are initially recognised as assets and revenues at their fair value at the date of acquisition.

Fair value is the amount for which an asset could be exchanged between knowledgeable, willing parties in an arm's length transaction.

**(n) CAPITALISATION THRESHOLDS**

Property, plant and equipment costing \$500 and above individually are capitalised.

**(o) REVALUATION OF PROPERTY, PLANT AND EQUIPMENT**

As the FTO does not own land, building or infrastructure assets, management considers it unnecessary to carry out a revaluation of physical non-current assets every five years, unless it becomes aware of any material difference in the carrying amount of any class of assets. It is considered by management that the written down value of its non-current assets (computers, plant and equipment etc) would approximately equate to market value.

As the FTO is a not-for-profit entity whose service potential is not related to the ability to generate net cash inflows, the recoverable amount test has not been applied.

**(p) DEPRECIATION OF PROPERTY, PLANT AND EQUIPMENT**

Depreciation is provided for on a straight line basis for all depreciable assets so as to write off the depreciable amount of each asset as it is consumed over its useful life to the FTO.

DEPRECIATION RATES	% RATE
Computer Equipment	25.00%
General Plant and Equipment	14.30%
Office Fit Out	Over the life of the lease

**(q) RESTORATION COSTS**

The estimated cost of dismantling and removing an asset and restoring the site is included in the cost of an asset, to the extent it is recognised as a liability.

**(r) MAINTENANCE**

The costs of day-to-day servicing costs or maintenance are charged as expenses as incurred, except where they relate to the replacement of a component of an asset, in which case the costs are capitalised and depreciated.

**(s) LEASED ASSETS**

A distinction is made between finance leases which effectively transfer from the lessor to the lessee substantially all the risks and benefits incidental to ownership of the leased assets, and operating leases under which the lessor effectively retains all such risks and benefits.

The leasing transactions of FTO are restricted to operating leases of buildings. Lease payments are recognised as expenses over the lease terms. Operating lease payments are charged to the operating statement in the periods in which they are incurred. Lease incentives are shown as a liability and amortised via a reduction in lease expenditure over the life of the lease.

**(t) RECEIVABLES – YEAR ENDED 30 JUNE 2006**

Receivables are recognised initially at fair value, usually based on the transaction cost or face value. Subsequent measurement is at amortised cost using the effective interest method, less an allowance for any impairment of receivables. Short-term receivables with no stated interest rate are measured at the original invoice amount where the effect of discounting is immaterial. An allowance for impairment of receivables is established when there is objective evidence that the entity will not be able to collect all amounts due. The amount of the allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. Bad debts are written off as incurred.

**(u) PAYABLES – YEAR ENDED 30 JUNE 2006**

These amounts represent liabilities for goods and services provided to the FTO and other amounts, including interest. Payables are recognised initially at fair value, usually based on the transaction cost or face value. Subsequent measurement is at amortised cost using the effective interest method. Short-term payables with no stated interest rate are measured at the original invoice amount where the effect of discounting is immaterial.

**(v) BUDGETED AMOUNTS**

The budgeted amounts are drawn from the budgets as formulated at the beginning of the financial year and with any adjustments for the effects of additional appropriations, s21A, s24 and / or s26 of the *Public Finance and Audit Act 1983*.

The budgeted amounts in the Operating Statement and the Cash Flow Statement are generally based on the amounts disclosed in the NSW Budget Papers (as adjusted above). However, in the Balance Sheet, the amounts vary from the Budget Papers, as the opening balances of the budgeted amounts are based on carried forward actual amounts per the audited financial statements (rather than carried forward estimates).

**(w) COMPARATIVE INFORMATION**

Comparative figures have been restated based on AEIFRS with the exception of financial instruments information, which has been prepared under the previous AGAAP Standard (AAS 33) as permitted by AASB 1.36A. The transition to AEIFRS for financial instruments information was 1 July 2005. The impact of adopting AASB 132 / 139 is further discussed in Note 1(d).

**(x) FINANCIAL INSTRUMENTS ACCOUNTING POLICY  
FOR 2004/05 COMPARATIVE PERIOD**

**INVESTMENT INCOME**

Interest revenue is recognised as it accrues. Royalty revenue is recognised on an accrual basis in accordance with the substance of the relevant agreement.

**RECEIVABLES**

Receivables are recognised and carried at cost, based on the original invoice amount less a provision for any uncollectible debts. An estimate for doubtful debts is made when collection of the full amount is no longer probable. Bad debts are written off as incurred.

**PAYABLES**

These amounts represent liabilities for goods and services provided to the FTO and other amounts, including interest. Interest is accrued over the period it becomes due.

	<b>2006</b>	<b>2005</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>2. EXPENSES EXCLUDING LOSSES</b>		
<b>(a) PERSONNEL SERVICES EXPENSES</b>		
Personnel Services Expenses		
Salaries and Wages (including Recreation Leave)	1,884	1,741
Superannuation – defined benefit plans	1	-
Superannuation – defined contribution plans	121	141
Payroll Tax on Superannuation	-	8
Long Service Leave	19	14
Workers Compensation Insurance	22	13
Payroll and Fringe Benefits Tax	76	88
	<b>2,123</b>	<b>2,005</b>

<b>(b) OTHER OPERATING EXPENSES</b>		
Advertising	27	44
Auditor's Remuneration (Audit or Review of the Financial Reports)	31	28
Communications / IT	54	56
Contractors	-	64
Consultancies	63	58
Corporate Services	97	94
External Assessors & Advisors	272	299
Hosted Workshops & Events	78	115
Insurance	10	11
Legal Fees	350	211
Maintenance	52	31
Marketing & Promotional Activity	208	180
Office & Administration Costs	180	173
Operating Lease Rental Expenses (Minimum Lease Payments)	276	301
Travel & Accommodation	260	270
Misc. Operating Expenses	43	49
	<b>2,001</b>	<b>1,984</b>

<b>(c) DEPRECIATION AND AMORTISATION</b>		
Depreciation		
Computer Equipment	25	30
General Plant and Equipment	14	9
Amortisation		
Office Fit Out	23	17
	<b>62</b>	<b>56</b>

<b>(d) GRANTS AND SUBSIDIES</b>		
Aurora Script Development Workshops	117	124
Australian Children's Television Foundation	110	110
Industry and Audience Development	739	726
New Media	73	55
Other Industry Promotion	143	136
Production Investment Fund	3,183	5,321
Project Development	959	1,089
Regional Filming Fund	346	302
Young Filmmakers Fund	259	205
	<b>5,929</b>	<b>8,068</b>

	<b>FORWARD YEARS</b>		<b>TOTAL</b>
	<b>EXPENSED</b>	<b>COMMITMENT</b>	
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Aurora Script Development Workshops	117	95	212
Australian Children's Television Foundation	110	-	110
Industry and Audience Development	739	32	771
New Media	73	-	73
Other Industry Promotion	143	53	196
Production Investment Fund	3,183	363	3,550
Project Development	959	372	1,331
Regional Filming Fund	346	88	434
Young Filmmakers Fund	259	238	497
<b>TOTAL</b>	<b>5,929</b>	<b>1,241</b>	<b>7,174</b>

**NEW SOUTH WALES FILM AND TELEVISION OFFICE**

**NOTES ACCOMPANYING AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2006**

	<b>2006</b>	<b>2005</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>3. REVENUE</b>		
<b>(a) INVESTMENT INCOME</b>		
Interest	255	295
	<b>255</b>	<b>295</b>
<b>(b) GRANTS AND CONTRIBUTIONS</b>		
Resources Received Free of Charge (refer Note 1(e))		
Superannuation	1	133
Payroll Tax	-	8
Long Service Leave	20	13
	<b>21</b>	<b>154</b>
<b>(c) OTHER REVENUE</b>		
Project Development Returns	302	428
Production Investment Returns	185	340
Others	291	153
	<b>778</b>	<b>921</b>
<b>4. GAIN/(LOSS) ON DISPOSAL OF NON-CURRENT ASSETS</b>		
Proceeds from sale of plant and equipment	-	3
Written down value of assets sold/disposed	(20)	(2)
	<b>(20)</b>	<b>1</b>
<b>5. APPROPRIATIONS</b>		
<b>RECURRENT</b>		
Total Recurrent Drawdowns from Treasury (per Summary of Compliance)	9,070	9,366
	<b>9,070</b>	<b>9,366</b>
Comprising:		
Recurrent Appropriations (per Operating Statement)	9,070	9,366
<b>TOTAL</b>	<b>9,070</b>	<b>9,366</b>
<b>CAPITAL</b>		
Total Capital Drawdowns from Treasury (per Summary of Compliance)	44	44
	<b>44</b>	<b>44</b>
Comprising:		
Capital Appropriations (per Operating Statement)	44	44
<b>TOTAL</b>	<b>44</b>	<b>44</b>
<b>6. PROGRAMS/ACTIVITIES OF THE NEW SOUTH WALES FILM AND TELEVISION OFFICE</b>		
PROGRAM 1 Objective: To promote and assist the NSW film and television industry.		
<b>7. CURRENT ASSETS – CASH AND CASH EQUIVALENTS</b>		
Cash at bank and on hand	6,115	6,386
	<b>6,115</b>	<b>6,386</b>
For the purposes of the Cash Flow Statement, cash and cash equivalents include cash on hand and cash at bank. Cash and cash equivalent assets recognised in the Balance Sheet are the same as those recognised in the Cash Flow Statements.		
<b>8. CURRENT/NON-CURRENT ASSETS - RECEIVABLES</b>		
<b>CURRENT</b>		
Sale of Goods and Services	546	45
Less: Allowance for Impairment	(40)	(40)
	<b>506</b>	<b>5</b>
GST Receivable	156	131
Accrued Interest	122	141
Revolving Fund	1,413	1,716
Less: Allowance for Impairment	(343)	(343)
	<b>1,854</b>	<b>1,650</b>
<b>NON-CURRENT</b>		
Revolving Fund	355	153
	<b>355</b>	<b>153</b>

9. NON-CURRENT ASSETS – PLANT AND EQUIPMENT

	LEASEHOLD IMPROVEMENTS \$'000	PLANT AND EQUIPMENT \$'000	TOTAL \$'000
<b>AT 1 JULY 2005</b>			
At Fair Value	490	205	695
Accumulated depreciation and impairment	(457)	(105)	(562)
<b>NET CARRYING AMOUNT</b>	<b>33</b>	<b>100</b>	<b>133</b>
<b>AT 30 JUNE 2006</b>			
At Fair Value	431	254	685
Accumulated depreciation and impairment	(9)	(142)	(151)
<b>NET CARRYING AMOUNT</b>	<b>422</b>	<b>112</b>	<b>534</b>

RECONCILIATIONS

A reconciliation of the carrying amount of each class of property, plant and equipment at the beginning and end of the current reporting period is set out below.

YEAR ENDED 30 JUNE 2006

Net carrying amount at start of year	33	100	133
Additions	431	52	483
Disposals	(19)	(1)	(20)
Net revaluation increment			
Depreciation expense	(23)	(39)	(62)
<b>NET CARRYING AMOUNT AT END OF YEAR</b>	<b>422</b>	<b>112</b>	<b>534</b>

AT 1 JULY 2004

At Fair Value	440	219	659
Accumulated depreciation and impairment	(440)	(122)	(562)
<b>NET CARRYING AMOUNT</b>	<b>-</b>	<b>97</b>	<b>97</b>

AT 30 JUNE 2005

At Fair Value	490	205	695
Accumulated depreciation and impairment	(457)	(105)	(562)
<b>NET CARRYING AMOUNT</b>	<b>33</b>	<b>100</b>	<b>133</b>

YEAR ENDED 30 JUNE 2005

Net carrying amount at start of year	-	97	97
Additions	50	44	94
Disposals	(-)	(2)	(2)
Depreciation expense	(17)	(39)	(56)
<b>NET CARRYING AMOUNT AT END OF YEAR</b>	<b>33</b>	<b>100</b>	<b>133</b>

10. RESTRICTED ASSETS

Cash at bank includes \$2,232,040 (2005 \$2,131,531). This amount represents the available cash component of the Production Loan Fund, a revolving fund of \$4 million used to assist film production by way of repayable advances secured against guaranteed payments from broadcasters, distributors and exhibitors. This balance fluctuates depending on the amount of loans outstanding at any one time.

In addition, funds of \$86,217 (2005 \$70,395) are held on behalf of investors and relate to the activities of the former Australian Films International Inc and to the former New South Wales Film Corporation. Refer Note 13.

	2006 \$'000	2005 \$'000
<b>11. CURRENT LIABILITIES – PAYABLES</b>		
Accrued Salaries and Wages	6	-
Trade Creditors	270	335
Accruals	1,387	1,275
	<b>1,663</b>	<b>1,610</b>
Personnel Services related payables (owing to the Department of Arts Sport and Recreation)		
Recreation Leave	154	168
Long Service Leave On-costs	2	2
Payroll Tax on Long Service Leave	4	4
	<b>160</b>	<b>174</b>
	<b>1,823</b>	<b>1,784</b>
Aggregate Personnel Services Related Payables		
Payables - Current	160	174
	<b>160</b>	<b>174</b>

**NEW SOUTH WALES FILM AND TELEVISION OFFICE**

**NOTES ACCOMPANYING AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2006**

	<b>2006</b>	<b>2005</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>12. CURRENT/NON-CURRENT LIABILITIES - OTHER</b>		
<b>CURRENT</b>		
Prepaid Interest – Revolving Fund Loans	44	27
Interest on Project Development Grants – payable to the Crown	25	82
Fund Held on Behalf of Investors in Motion Pictures	86	70
Lease Incentive Liability	63	-
	<b>218</b>	<b>179</b>
<b>NON-CURRENT</b>		
Lease Incentive Liability	426	-
	<b>426</b>	<b>-</b>

**13. CHANGES IN EQUITY**

	<b>ACCUMULATED FUNDS</b>		<b>TOTAL EQUITY</b>	
	<b>2006</b>	<b>2005</b>	<b>2006</b>	<b>2005</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Balance at beginning of year	6,359	7,690	6,359	7,690
<b>CHANGES IN EQUITY – OTHER THAN TRANSACTIONS WITH OWNERS AS OWNERS</b>				
<b>SURPLUS / (DEFICIT) FOR THE YEAR</b>	<b>33</b>	<b>(1,332)</b>	<b>33</b>	<b>(1,332)</b>
<b>TOTAL</b>	<b>33</b>	<b>(1,332)</b>	<b>33</b>	<b>(1,332)</b>
<b>BALANCE AT END OF YEAR</b>	<b>6,391</b>	<b>6,359</b>	<b>6,391</b>	<b>6,359</b>

**14. COMMITMENTS FOR EXPENDITURE**

(a) CAPITAL COMMITMENTS

As at 30 June 2006, the FTO had no capital commitments.

	<b>2006</b>	<b>2005</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>(b) OTHER EXPENDITURE COMMITMENTS</b>		
As at 30 June 2006, the FTO had committed the following amounts for payment within the next twelve months:		
Aurora Script Development Workshops	106	77
Project Development	409	136
Production Investment	399	302
Regional Filming Fund	97	258
Young Filmmakers Fund	261	305
Industry & Audience Development	35	6
Other Industry Promotion	58	-
<b>TOTAL</b>	<b>1,365</b>	<b>1,084</b>

The total expenditure commitments include GST of \$154,200 (\$98,598 in 04/05) which is a contingent asset for the FTO.

(c) OPERATING LEASE COMMITMENTS

Future non-cancellable operating lease rentals not provided for and payable:

Not later than one year	282	290
Later than one year and not later than five years	1,131	266
Later than five years	846	-
<b>TOTAL (INCLUDING GST)</b>	<b>2,259</b>	<b>556</b>

The lease on the FTO's premises on level 13, 227 Elizabeth Street, Sydney commenced on 1 May 2006 for a period of 8 years.

An estimated amount of \$205,000 (04/05 \$50,545) is expected to be claimed from the Australian Taxation Office as input tax credits.

**15. PROJECT DEVELOPMENT AND PRODUCTION INVESTMENT FUND**

The following table provides details of funding activities for Project Development and the Production Investment Fund. Accounting policies are detailed at Notes 1(d), 1(e) and 1(f) respectively.

	<b>GRANTS PROVIDED</b>	<b>RETURNS RECEIVED</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>PROJECT DEVELOPMENT (PERIOD ENDING)</b>		
30 June 2005	1,089	428
30 June 2006	959	183
<b>PRODUCTION INVESTMENT (PERIOD ENDING)</b>		
30 June 2005	5,321	340
30 June 2006	3,187	178

In any given year there is no correlation between Grants Provided and Returns Received. Returns are dependent upon the profitability of a project, and as such, the likelihood and the timing of returns cannot be quantified accurately.

**16. CONTINGENT LIABILITIES**

Other than commitments mentioned elsewhere in these notes, the FTO is not aware of any contingent liability associated with its operations.

**17. BUDGET REVIEW**

**NET COST OF SERVICES**

There is a variation between Net Cost of Services primarily because of an increase in returns from Script Development and Production Investment. Returns are unpredictable as they are subject to market pressures in the film and television industry. In addition there was a reduction in the funding of grants and subsidies as a number of projects were delayed until 20006/2007.

**CURRENT ASSETS**

There is no material variation in cash & cash equivalents. However, receivables increased as a result of increases from debtors, staff reimbursements and Script Development returns.

**NON-CURRENT ASSETS**

The variation between actual and budget are primarily the result of lease hold improvements caused by the NSW Film and Television Office moving to new offices in April 2006 with the fit out of the new offices being capitalised as non current assets. Significant repayments to the revolving loan facility also affected the outcome.

**CURRENT LIABILITIES**

The variation represents accrual of Production Investment expenses.

**NON-CURRENT LIABILITIES**

The increase in non-current liabilities is due to the lease incentive liability associated with the move of premises and an increase in funds held on behalf of investors in motion pictures.

**CASH FLOWS**

In general cash, flows are subject to change depending on the timing of projects, achievement of milestones and market forces that influence the timing of returns. Variation in Cash Flows from Operating Activities reflect increases in the cost of Personnel Services caused by an unexpected number of staff vacancies and a reduction in Grants and Subsidies because of delays in production. However an increase in returns from Script Development and Production Investment offset the effect to an extent. Variations in Cash flows from investing activities relate to the lease incentive and the fluctuation of payment and repayment of revolving fund advances.

**18. RECONCILIATION OF CASH FLOWS FROM OPERATING ACTIVITIES TO NET COST OF SERVICES**

	<b>2006</b>	<b>2005</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>NET CASH FROM OPERATING ACTIVITIES</b>	(111)	123
Cash flows from Government/Appropriations	9,114	9,410
Depreciation/Amortisation	62	56
Allowance for Impairment	-	-
Increase/(Decrease) in Provisions	-	28
Decrease/(Increase) In Receivables and Other Assets	(507)	75
Increase/(Decrease) in Creditors	38	884
Increase/(Decrease) in Other Liabilities	465	167
Net (gain)/loss on sale of Plant and Equipment	20	(1)
<b>NET COST OF SERVICES</b>	<b>9,081</b>	<b>10,742</b>

## **19. FINANCIAL INSTRUMENTS**

The terms, conditions and accounting policies applied by FTO in relation to financial instruments are as follows:

### **CASH**

Cash comprises cash on hand and bank balances. Bank balances within the Treasury banking system earn interest on daily bank balances at the monthly average NSW Treasury Corporation (T-Corp) 11 am unofficial cash rate adjusted for a management fee to Treasury. The average rate during the year was 4.54% (04/05 4.33%) and the rate at year end was 4.75% (04/05 4.50%).

### **RECEIVABLES**

All debtors are recognised as amounts receivable at balance date. Collectability of debtors is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. An allowance for impairment is raised when there is objective evidence that the entity will not be able to collect all amounts due. The credit risk is the carrying amount (net of any allowance for impairment). Interest is earned on Revolving Fund and Cashflow Loans debtors. The carrying amount approximates fair value.

### **MINOR CASHFLOW LOANS**

The FTO provides Minor Cashflow Loans for small amounts of funds over a stipulated period of time at an agreed rate of interest to support projects during the early production period prior to the drawdowns from the projects major funding sources. Loans must be secured by a distribution agreement or presale to a broadcaster and do not exceed the amount of the presale or guarantee. The carrying amount approximates net fair value.

### **PRODUCTION LOAN FUND (REVOLVE FUND)**

The FTO provides a Production Loan Finance fund out of a \$4 million revolving facility provided by NSW Treasury. Loans are recognised as they are drawn down by the production. They must be secured by a distribution agreement, a presale to a broadcaster or a first ranking charge on the distribution company as well as a direction deed.

The first drawdown is made net of interest, legal fees and an administration fee. Loans are shown grossed up as either current or non-current receivables depending on their repayment date. Interest is only taken up as income in the period to which it relates. The administration fee is taken up as income when the loan is made. The carrying amount approximates net fair value.

### **TRADE CREDITORS AND ACCRUALS**

The liabilities are recognised for amounts due to be paid in the future for goods and services received, whether or not invoiced. Amounts owing to suppliers (which are unsecured) are settled in accordance with the policy set out in Treasurer's Direction 219.01. If trade terms are not specified, payment is made no later than 14 days after the date of an invoice. Treasurer's Direction 219.01 allows the Minister to award interest for late payment. No interest was paid during the year (30 June 2005, \$0).

### **FUNDS HELD ON BEHALF OF INVESTORS IN MOTION PICTURES**

Royalties are received from distributors of motion pictures in accordance with the terms and conditions of the individual distribution agreement. After specified costs and expenses are deducted, these royalties are then be distributed to the original investors in the motion picture in accordance with the individual contract. Funds held on behalf of investors represent royalties received but not yet either reconciled or distributed under the terms of the contract. The carrying amount approximates net fair value.

## **20. AFTER BALANCE DATE EVENTS**

There were no events subsequent to balance date which affect the financial report.

(END OF AUDITED FINANCIAL STATEMENTS)

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Project Approvals  
Forward Approvals  
Assistance Breakdown  
Special Initiatives Approved  
Returns  
Projects in Production that have received Development Assistance

Project Approvals  
Breakdown  
Forward Approvals  
Returns  
Approvals

Approvals

Projects Funded

Projects Funded  
Broadcast Sales and Distribution Deals  
Festival Screenings and Awards

Approvals

Approvals

Projects Produced  
Pitches  
Inbound Visits

Personnel Policies & Practices

Report EEO Achievements

Report & Issues & Strategies for the FTO

Departmental Representatives on Significant Committees

(Complaints Handling)

Privacy Management Plan

Report on Occupational Health & Safety

Exceptional Movements



**APPENDIX 1A DEVELOPMENT PROJECT APPROVALS 2005-06**

<b>TITLE</b>	<b>APPLICANT</b>	<b>WRITER(S)</b>	<b>AMOUNT</b>
<b>DOCUMENTARY</b>			
Back To Country	Big Cat Films	Bronwyn Kidd	\$15,000
Bridging The Timor Sea	CIS & Associates t/a Essential Viewing	Chris Hilton	\$10,000
Cane Toads 2	Radio Pictures	Mark Lewis	\$26,200
Enta Omri: You Are My Beloved	Habibi Films	Sherine Salama	\$19,720
Headlands: Connected - The Real Matrix	Real Pictures	Annamaria Talas	\$12,000
Hector's Dream	BellaOne Productions	Kylie Grey, Liz Deep-Jones	\$19,000
Inspiring Teachers	Red Ithaka Productions	Michaela Perske, Rebecca Barry	\$10,000
Mad Morro	Jotz Productions	Kelrick Martin	\$9,600
Paris Dreaming	CIS & Associates t/a Essential Viewing	Chris Hilton	\$25,000
Saving The World?	Pony Films	Rachel Landers	\$14,000
The Book That Shook The World	Fortian Productions	Con Anemogiannis	\$16,000
The Bridge	Real Pictures	Simon Nasht	\$7,525
The Future Makers	The Future Makers	Maryella Hatfield	\$7,000
UNHCR: Behind The Scenes	Zedmedia	Laura Zusters	\$14,993
<b>TOTAL</b>			<b>\$206,038</b>
<b>FEATURE</b>			
Accidents Happen	Red Carpet Productions	Brian Carbee	\$25,000
Armageddon Girl	Porchlight Films	Joel Anderson	\$16,000
Bernadette	Teresa-Jayne Hanlon	Teresa-Jayne Hanlon	\$14,000
Black Xmas	Paul Oliver	Paul Oliver	\$14,500
Breakaway	Lawrence Stapleton	James Middleton	\$11,000
California Coming Home	Michel Moses	Michel Moses	\$14,000
Candelo	Porchlight Films	Elizabeth Mars	\$16,300
Dead Men Running	Northway Productions	Justin Fleming	\$16,000
Dogtown	Jennifer Kremmer	Jennifer Kremmer	\$12,000
Ghost Cab	Martin Edmond	Martin Edmond	\$16,000
Giants At Dawn	Pleiades Productions	Brian A. Williams, Arthur Tanaka, Geoff Murphy	\$16,000
Girl	First Fleet Entertainment	John O'Brien	\$21,500
Hear No Evil	Perpetrator Pictures	Nicole Mitchell	\$11,000
Hey Hey It's Esther Blueburger	Tama Films	Cathy Randall	\$30,000
Julie Begins	Melissa Fleur Ruth Johnson t/a Melissa Pictures	Leon Ford	\$14,000
Lenny and Venice	Eidolon	Miro Billbrough	\$14,500
Mondo	Mondo Productions	Ian David	\$15,000
Perfect Afternoon	Backpack TV Productions	James Ricketson	\$16,000
Prime Mover	Porchlight Films	David Caesar	\$27,500
Proctor Way	Brown Family Trust t/a New Town Films	Alana Valentine	\$14,000
Settling	Film Buff Productions	Luke Watling	\$14,000
Shiver	Toi-Toi Films	Christina Adreef	\$25,000
Sinksongs	Wild Eddie	Joanna Weinberg, Mark Lamprell	\$16,000
Six Weeks in Heaven	Chris Phillips	Chris Phillips	\$12,300
Snake In The Grass	Porchlight Films	Elizabeth Mars	\$19,800
South Solitary	Macgowan Films	Shirley Barrett	\$30,000
The Black Balloon	Tristram Miall Films	Jimmy Jack, Elissa Down	\$24,000
The Shark Arm Murders	Porchlight Films	Victor Gentile	\$16,000
The Wrong Girl	J H & H	Nick Hammond	\$15,000
Timing Chain	John O'Brien	John O'Brien	\$14,000
Wake	Second Sight Productions	Paulette Fisher	\$8,900
White Knuckles	Hatchling Productions	Roger Monk	\$15,000
<b>TOTAL</b>			<b>\$544,300</b>
<b>NEW FEATURE FILM WRITER'S SCHEME - ROUND 4</b>			
Familiar Strangers	Naomi Lamont	Naomi Lamont	\$12,000
Get Wet	Clare Bonhan	Clare Bonhan	\$12,000
Netball	Leah Purcell	Leah Purcell	\$12,000
The Salesman	Philipa Wootten	Philipa Wootten	\$12,000
<b>TOTAL</b>			<b>\$48,000</b>
<b>TELEMOVIE</b>			
Scorched	Essential Viewing	Tim Pye	\$20,000
<b>TOTAL</b>			<b>\$20,000</b>
<b>TELEVISION SERIES</b>			
1788	Chapman Pictures	Mac Gudgeon, Jimmy McGovern	\$24,500
East Of Everything	Hands On Heads t/a Twenty-First Century	Deb Cox, Roger Monk	\$20,000
Leading The Blind	Islay t/a Eastway Communication	Geoffrey Atherden	\$25,000
The Clinic	Blacrobi t/a Tom Blacket Media	Tom Blacket	\$16,000
The Cut	Blacrobi t/a Tom Blacket Media	John Misto	\$24,750
The Devil's Companions	Denny Lawrence	John Misto	\$10,000
<b>TOTAL</b>			<b>\$120,250</b>
<b>TOTAL ALL CATEGORIES</b>			<b>\$938,588</b>

**APPENDIX 1A DEVELOPMENT PROJECT APPROVALS 2005-06 (CONTINUED)**

APPLICANT	PROJECT	DESTINATION	PURPOSE	AMOUNT
<b>TRAVEL ASSISTANCE</b>				
Tim Brooke-Hunt	Bad Hair Rae, Chicko Space Cadet	MIPCOM /MIP Junior	Seek finance and marketplace interest	\$6,000
Charles Hannah	Unfolding Florence	Sundance International Film Festival 2006	To accompany screening	\$5,000
Marcus Gillezeau	Scorched	Small Screen Big Picture	Seek finance and marketplace interest	\$1,250
Dylan Blowen	Saving The World, Bad Mother	AIDC 2006	Seek finance and marketplace interest	\$1,500
Jeffrey Canin	Power To The People	AIDC 2006	Seek finance and marketplace interest	\$1,500
Anthony Anderson	Accidents Happen	IFP Market, New York	No Borders initiative	\$6,000
Catriona Hughes	The Wrong Girl	IFP Market, New York	No Borders initiative	\$6,000
Vincent Sheehan	Little Fish	Toronto, Strategic Partners, No Borders	To accompany screening	\$6,000
Kathryn Millard	Here Comes Charlie, The Control Group	Sunnyside of the Docs, France	Seek finance and marketplace interest	\$4,000
Sarah Nichols	Borrowed Light	SPAA Conference 2005	Seek finance and marketplace interest	\$2,500
Miriam Stein	Hey Hey It's Esther Blueburger	SPAA Conference 2005	Seek finance and marketplace interest	\$2,500
Michelle Harrison	Tender Hook	SPAA Conference 2005	Seek finance and marketplace interest	\$2,500
Martin Brown	The Evil	American Film Market	Seek finance and marketplace interest	\$7,300
Sally Regan	Axe Fall, Forbidden Lies	SPAA Conference 2005	Seek finance and marketplace interest	\$2,500
Karen Radzyner	Production slate	SPAA Conference 2005	Inside Track	\$700
Joe Weatherstone	Production slate	SPAA Conference 2005	Inside Track	\$700
Nick Torrens	The Men Who Would Conquer China	Input 2006 Festival	To accompany screening	\$1,532
Susan Mackinnon	4, Global Haywire	Sunnyside of the Docs, France	Seek finance and marketplace interest	\$6,000
Leah Churchill-Brown	Suburban Mayhem	Cannes	To accompany screening	\$14,000
John Janson-Moore	Kidnapped	IDFA, Amsterdam	To accompany screening	\$4,000
Jackie O'Sullivan	Father Lands	Cannes	Seek finance and marketplace interest	\$6,000
Louise Smith	The Square	Cannes	Seek finance and marketplace interest	\$6,000
Emile Sherman,	Candy	Berlin Internation	To accompany screening	\$7,500
Margaret Fink		Film Festival		
Flordeliz Bonifacio	Production slate	SPAA Fringe	To attend conference	\$1,500
<b>TOTAL</b>				<b>\$102,482</b>

**APPENDIX 1B DEVELOPMENT FORWARD APPROVALS FOR 2006-07**

TITLE	APPLICANT	WRITER(S)	AMOUNT
<b>DOCUMENTARY</b>			
The Light On The Hill	Con Anemogiannis	Con Anemogiannis	\$20,000
<b>FEATURE</b>			
Talk Shit and Dance Like A Girl	Big Wave Films	David Hely	\$24,000
Six Weeks In Heaven	Chris Phillips	Chris Phillips	\$14,000
<b>TRAVEL TO SUNNY SIDE OF THE DOC</b>			
13 Moons	Ruth Cullen	Ruth Cullen	\$4,000
<b>TOTAL</b>			<b>\$62,000</b>

**APPENDIX 1C DEVELOPMENT ASSISTANCE BREAKDOWN 2005-06**

NUMBER OF APPLICATIONS*	180	
NUMBER FUNDED	81	
	<b>SPEND</b>	
	<b>%</b>	
Features	\$592,300	56.89
Documentary	\$206,038	19.79
Television Series	\$120,250	11.55
Telemovie	\$20,000	1.92
Travel	\$102,482	9.84
<b>TOTAL</b>	<b>\$1,041,070</b>	<b>100.00</b>

\* Includes NFFWS4, Inside Track, No Borders and Headlands.

**APPENDIX 1D DEVELOPMENT SPECIAL INITIATIVES APPROVED 2005-06**

PROJECT TITLE	APPLICANT	COMPANY
<b>HOTHOUSE DEVELOPMENT INITIATIVE</b>		
Production Slate	Mary Ellen Mullane, Jessica Douglas-Henry	Iris Pictures
<b>HEADLANDS INTENSIVE DOCUMENTARY WORKSHOP</b>		
Connected - The Real Matrix	Annamaria Talas	Real Pictures
<b>NO BORDERS 2005-06</b>		
Accidents Happen	Anthony Anderson	Red Carpet Productions
Wrong Girl, The	Catriona Hughes	J, H & H
<b>NO BORDERS 2006-07</b>		
South Solitary	Marian Macgowan	Macgowan Films
<b>SPAA - INSIDE TRACK 2005</b>		
Production Slate	Joe Weatherstone	Joe Weatherstone
Production Slate	Karen Radzyner	Radhart Pictures

**APPENDIX 1E DEVELOPMENT RETURNS 2005-06**

TITLE	PRINCIPAL	INTEREST	ROYALTIES
Auctioning Airds	\$15,555	\$1,750	
Bastard Boys	\$26,400	\$6,744	
Book That Shook The World, The	\$16,000	\$473	
Clubland	\$15,800	\$1,725	
Home Song Stories	\$6,000	\$556	
Hothouse Development Initiative			\$4,244
Lantana			\$208
Me Myself and I			\$4,670
Naked On The Inside	\$15,500	\$1,813	
Piano, The			\$6,651
Priscilla Queen Of The Desert			\$1,015
Secret World of Sleepwalkers, The	\$15,298	\$8,000	
Shine			\$39
Strictly Ballroom			\$212
Suburban Mayhem	\$46,500	\$2,763	
Tears			\$440
Travel Assistance - Leah Churchill Brown (Suburban Mayhem)	\$3,952	\$204	
Travel Assistance - Phillip Bowman (Muddle Headed Wombat)	\$5,000	\$1,221	
<b>TOTAL</b>	<b>\$166,005</b>	<b>\$25,249</b>	<b>\$17,479</b>

**APPENDIX 1F DEVELOPMENT PROJECTS IN PRODUCTION THAT HAVE RECEIVED DEVELOPMENT ASSISTANCE 2005-06**

PROJECT	APPLICANT	COMPANY	DETAILS	DEVELOPMENT ASSISTANCE	PRODUCTION INVESTMENT
Suburb For Sale	Anne Delany	Anne Delany	Script Development	\$15,555	
Double Trouble	Priscilla Collins	CAAMA	Script Development	\$33,400	\$243,000
First Australians	Rachel Perkins	Blackfella Films	Script Development	\$80,000	\$400,000
Forbidden Lies	Sally Regan	Liberty Productions	Script Development	\$18,500	\$160,000
Naked On The Inside	Ian Walker	Ian Walker T/A Sow's Ear Pictures	Script Development	\$15,500	\$60,000
4	Susan MacKinnon	Susan MacKinnon	Travel Assistance	\$6,000	\$70,000
Clubland	Rosemary Blight	RB Films	Travel Assistance	\$5,000	\$400,000
Ten Empty	Brendan Cowell	Brendan Cowell	Script Development	\$11,500	\$65,000
Bastard Boys	Raymond Quint	Decade Films	Script Development	\$26,400	\$400,000
Hey Hey It's Esther Blueburger	Cathy Randall	Tama Films	Script Development	\$30,000	
The Home Song Stories	Liz Watts	Porchlight Films	Travel Assistance	\$5,500	
Mortified	Phillip Bowman	Enjoy Entertainment	Travel Assistance	\$6,000	

**APPENDIX 2A PRODUCTION INVESTMENT PROJECT APPROVALS 2005-06**

PROJECT	APPLICANT	PRODUCER(S)	DIRECTOR	AMOUNT
<b>ANIMATED SERIES</b>				
I Got A Rocket!	SLR Productions	Suzanne Ryan	Glenn Kirkpatrick	\$200,000
				<b>\$200,000</b>
<b>DOCUMENTARY</b>				
A Common Humanity	Bluegreen Media	Helen Panckhurst, Chris Tuckfield, Catherine Cresswell	Chris Tuckfield	\$80,000
Bomb Squad	Lemur Films	Sylvia Wilczynski	Kim Mordaunt	\$80,000
Elvis Lives in Parkes	Fusion Films/Big Island Pictures	Noelene Hayes, Melissa Fox	Anthony Mullins	\$45,000
First Australians	First Nation Films	Rachel Perkins, Darren Dale	Rachel Perkins, Beck Cole	\$400,000
Flour Sugar Tea (NIDF 8)	Virus Media	Enda Murray	Lee Willis-ardler	\$36,000
Forbidden Lie\$	Liberty Productions	Sally Regan	Anna Broinowski	\$160,000
Growing Up & Going Home	Iris Pictures	Mary-Ellen Mullane	Belinda Mason	\$80,000
Junction House Blues	Seacoast Productions	Russell Vines, Tracylee Arestides, Andrew Arestides	RusselVines	\$35,000
Man Who Saved A Million Brains, The	Dragonet Films	Kate Riedl	Kate Riedl	\$20,000
Naked On The Inside	Magic/Real Picture Company	Ian Walker	Kim Farrant	\$60,000
Nurse Maggie	Heathfilm	Jonathon Heath, Rebecca Heath	Jonathon Heath, Rebecca Heath	\$35,000
One Of The Lucky Ones	Bob Pictures	Judi McCrossin	Wendy Chandler	\$50,000
Passion Of Gina Sinozich, The	Vagabond Films	Sylvie Le Clezio, Angela Higgins	Olivia Rousset	\$26,000
Prodigal Son, The	Jotz Productions	Tom Zubrycki	Tony Radevski	\$15,000
Real Top Guns	Network Media	Greg Quail	Greg Quail	\$40,000
Unfolding Florence	Becker Entertainment	Sue Clothier, Charles Hannah	Gillian Armstrong	\$80,000
When The Natives Get Restless (NIDF8)	RB Films	Melissa Johnson	Adrian Wills	\$36,000
				<b>\$1,278,000</b>
<b>DOCUMENTARY DRAMA</b>				
Floating Brothel	CIS & Associates t/a Essential Viewing	Sonja Armstrong	Mark Lewis	\$92,000
				<b>\$92,000</b>
<b>FEATURE</b>				
Blacktown	Horrorshow	Kriv Stenders	Kriv Stenders	\$22,000
Clubland	RB Films	Rosemary Blight	Cherie Nowlan	\$400,000
Razzle Dazzle	Wild Eddie Films	Jodi Matterson	Darren Ashton	\$211,000
Romulus My Father	Arenafilm	Robert Connolly, John Maynard	Richard Roxburgh	\$375,000
Crocodile Dreaming	Samson Productions	Sue Milliken	Darlene Johnson	\$40,000
				<b>\$1,048,000</b>
<b>TELEMOVIE</b>				
BlackJack: The Trilogy 5, 6 & 7	Jigsaw Entertainment	Nick Murray	Peter Andrikidis, Kate Woods	\$400,000
Stepfather Of The Bride	RB Films	Kylie du Fresne, Ian Collie	Roger Hodgman	\$150,000
				<b>\$550,000</b>
<b>TELEVISION SERIES</b>				
Blue Water High - Series 2	Northside Productions	Noel Price, Dennis Kiely	Marcus Code, Ralph Strasser, Chris Martin Jones	\$300,000
Double Trouble	CAAMA	Terry Jennings	Catriona McKenzie, Danielle MacLean, Steven McGregor	\$243,000
Two Twisted	Two Twisted	Helen Watts, Bryan Brown, Karen Radzyner	Brendon Donovan, Tony D'Aquino, Jody Dwyer, Nick Parsons, Kate Riedl, Paul Middleditch, Nick Tomnay, Rachel Ward, Graeme Burfoot, Stuart McDonald, Glendyn Ivin, Kelly Schilling, Tim Bullock,	\$250,000
Bastard Boys	Flying Cabbage Productions	Ray Quint, Brett Popplewell	Ray Quint	\$400,000
				<b>\$1,193,000</b>
				<b>\$4,361,000</b>

## APPENDIX 2B PRODUCTION INVESTMENT BREAKDOWN 2005-06

APPLICATIONS RECEIVED 2005-06:	38
APPLICATIONS FUNDED:	30

TYPE	#	APPROVALS	% OF TOTAL SPEND
Documentary	17	\$1,278,000	29.30
Documentary Drama	1	\$92,000	2.12
Animated Series	1	\$200,000	4.59
Feature	5	\$1,048,000	24.03
Telemovie	2	\$550,000	12.61
Television Series	4	\$1,193,000	27.35
<b>TOTAL</b>		<b>\$4,361,000</b>	

## APPENDIX 2C PRODUCTION INVESTMENT FORWARD APPROVALS FOR 2006-07

PROJECT	APPLICANT	PRODUCER(S)	DIRECTOR(S)	TYPE	AMOUNT
Disgrace	Wild Strawberries	Anna Maria Monticelli, Steve Jacobs, Emile Sherman	Steve Jacobs	Feature	\$200,000
\$9.99	\$9.99	Emile Sherman, Amir Harel	Tatia Rosenthal	Feature	\$275,000
4	Vast Productions	Joanna Buggy, Tim Slade	Tim Slade	Documentary	\$70,000
Death Defying Acts	Macgowan Lupovitz Films	Marian Macgowan, Chris Curling	Gillian Armstrong	Feature	\$200,000
Major Crime	Knapman Wyld Television	Steve Knapman, Kris Wyld	Peter Andrikidis	TV Series	\$300,000
In My Father's Country	Mayfan	Graeme Isaac	Tom Murray	Documentary	\$80,000
Ten Empty	Dragonfly Pictures	Naomi Wenck	Anthony Hayes	Feature	\$65,000
					<b>\$1,190,000</b>

## APPENDIX 2D PRODUCTION INVESTMENT RETURNS 2005-06

INVESTMENT RETURNS	\$176,909
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## APPENDIX 2E PRODUCTION LOAN FUND APPROVALS 2005-06

APPLICANT / PROJECT	TYPE	AMOUNT APPROVED
Two Twisted	Television series	\$385,000
Razzle Dazzle	Feature	\$398,250
<b>TOTAL</b>		<b>\$783,250</b>

## APPENDIX 3 READERS AND BUDGET ANALYSTS 2005-06

### READERS

May-brit	Akerholt	Maree	Delofski	Catherine	Marciniak	Safina	Uberoi
Martha	Ansara	Liz	Doran	Nerida	Moore	Steven	Vidler
John	Armstrong	Wesley	Enoch	Margot	Nash	Lynne	Vincent McCarthy
Miro	Bilbrough	Louise	Fox	Julie	Nimmo	Ian	Walker
Annette	Blonski	Veronica	Gleeson	John	O'Brien	Georgia	Wallace-Crabbe
Sue	Castrique	Glenda	Hambly	Nick	Parsons	Alicia	Walsh
Belinda	Chayko	Frank	Hatherley	Isabel	Perez	Martin	Williams
Pauline	Clague	Kate	Kennedy White	David	Rapsey	Greg	Woodland
Warren	Coleman	Susan	Lambert	Tim	Richards	Alexa	Wyatt
Stephen	Davis	Rachel	Landers	Peter	Sainsbury	Tom	Zubrycki
Jenny	Day	Melissa	Lucashenko	Victoria	Treole		

### BUDGET ANALYSTS

Sandra	Alexander	Carolyn	Johnson	Mary-Ellen	Mullane	Sally	Regan
Anne	Bruning	Rachel	Landers	Helen	Panckhurst	Avril	Stark
Jenny	Day	Fotini	Manikakas	Isabel	Perez	Georgia	Wallace-Crabbe

### NFFW SCHEME 4 ASSESSORS

Charlie	Carman	Pauline	Clague	Stephen	Davis	Nerida	Moore
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### NFFW SCHEME 4 CONSULTANTS

Charlie	Carman	Lynne	Vincent McCarthy	Nerida	Moore	Peter	Sainsbury
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#### APPENDIX 4 AURORA APPROVALS 2005-06

TITLE	WRITER	PRODUCER	DIRECTOR	AMOUNT
Borrowed Light	Karen Borger	Sarah Nichols	Karen Borger	\$ 35,000
Girl	John O'Brien	Rowan Maher/Darryl Robinson	John O'Brien	\$ 35,000
Satellite Boy	Catriona McKenzie	David Jowsey	Catriona McKenzie	\$ 35,000
The Roseville Story	Alexandra Long	Greg Duffy/Jeremy Sims	Samantha Lang	\$ 35,000
Under The Dash	Lynn-Maree Danzey	Susan MacKinnon	Lynn-Maree Danzey	\$ 35,000
<b>TOTAL</b>				<b>\$ 175,000</b>

#### AURORA ASSESSORS

Prue	Adams (FTO)	Jacqueline Perske	Geoff Stier
Sally	Browning (FTO)	Vincent Sheehan	Duncan Thompson

#### APPENDIX 5 REGIONAL FILMING FUND PROJECTS FUNDED 2005-06

PROJECTS	TYPE	PRODUCTION COMPANY/ APPLICANT	REGIONS	REGIONAL NSW SPEND	JOBS	AMOUNT FUNDED
Middle of Nowhere*	Feature	WBP Backpacker Ltd	Northern Rivers Byron Bay	457,713	62 crew +50 extras	100,000
Elvis Lives in Parkes	Television Documentary	Fusion Films & Big Island Pictures Pty Ltd	Central West Parkes	34,813	7 cast +160 extras	8,088
Supernova Series two*	Television Series	Fox World Australia Pty Ltd	Broken Hill Silverton	223,504	7 crew+4 cast +97 extras	78,226
A Good Man*	Television Documentary	Divana Films	North East Bundarra	26,055	7 cast +10 extras	9,118
The Sexual Life of Us*	Television Documentary	Iguana Film Productions Pty Ltd	Regional NSW Rockley, Cowra, Bathurst, Foster West Gosford, Cambelltown	11,923	1 crew +20 extras	4,173
<b>TOTAL</b>				<b>754,008</b>	<b>425 CASUAL</b>	<b>199,605</b>

\* denotes estimated regional spend & employment of film on original application - final RFF questionnaire and cost report not yet received.

Final figures can vary from pre-production estimates. Consequently the amount granted to productions may also vary.

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#### APPENDIX 6A YOUNG FILMMAKERS FUND PROJECTS FUNDED 2005-06

TITLE	APPLICANT	TYPE	AMOUNT
<b>ROUND 18</b>			
Lost Things Found	Dan Creighton	Short Animation	\$30,000
Bubble	Madeleine Hetherton, Linda Micsko	Short Drama	\$30,000
Hero	Adrian Van De Velde, Jamie Hilton	Short Drama	\$30,000
Lullaby	Raen Fraser, Dinusha Ratnaweera	Short Drama	\$30,000
<b>TOTAL</b>			<b>\$120,000</b>

#### ROUND 19

Crossbow	David Michod, Angie Fielder	Short Drama	\$30,000
Len's Love Story	Michaela Kalowski, Sonia Whiteman	Short Drama	\$30,000
The Mouse That Ate My Brain	Nicholas Goldsworthy, Phillip Middleton	Short Drama	\$15,000
Summer Breaks	Sean Kruck, Caroline Barry	Short Drama	\$30,000
<b>TOTAL</b>			<b>\$105,000</b>

#### MARKETING ALLOWANCES

Monster	Jennifer Kent	Short Drama	\$4,500
Atomic Confessions	Kathy Aigner	Documentary	\$3,000
Small Boxes	Kristina Ceyton, Rene Hernandez	Short Drama	\$2,500
Brother	Galvin Scott Davis	Short Drama	\$2,500
A Natural Talent	Tamara Popper, Louise Fox	Short Drama	\$1,000
The Beach	Alexandra Eva Hassim, Ridwan Hassim	Short Drama	\$1,500
<b>TOTAL</b>			<b>\$15,000</b>

#### ASSESSORS

ROUND 18 – Husein Alicajic, Miro Bilbrough (FTO), Kath Shelper, Lynne Vincent, Safina Uberoi

ROUND 19 – Linda Tizard (FTO), Ruth Cullen, Mel Flanagan, Jennifer Kent, Martin Williams

## APPENDIX 6B YOUNG FILMMAKERS FUND BROADCAST SALES AND DISTRIBUTION DEALS 2005-06

Contact, Arkles Entertainment  
Deluge, ABC2  
Fetch, ABC2  
Gate, ABC2  
Tulip, ABC2  
The Great Dark, ABC2  
Le Violincelle, SBS

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## APPENDIX 6C YOUNG FILMMAKERS FUND FESTIVAL SCREENINGS AND AWARDS 2005-06

### ADRIFT

Sydney Film Festival, Dendy Awards 2006

### AEROSOL

Rhode Island Encore Screenings, USA 2006  
Prague Short Film Festival, Czech Republic 2006  
FirstGlance Hollywood, USA 2005  
Queens International Film Festival, USA 2005  
Ghent International Film Festival, Belgium 2005  
Scottsdale International Film Festival, USA 2005  
New England Film & Video Festival, USA 2005  
Raindance International Film Festival, UK 2005  
ARPA International Film Festival, USA 2005  
International Family Film Festival, USA 2005  
Palm Springs International Film Festival, USA 2005  
International Family Film Festival, USA 2005  
Rhode Island Film Festival, USA 2005  
Hayden Orpheum, Sydney 2005  
Bayside Film Festival, Melbourne 2005  
YFF Sydney Film Festival, Sydney 2005  
Jackson Hole Film Festival, USA 2005  
Private Screening, Fox Studios, Sydney 2005  
Feature Theatre, Auckland, NZ 2005  
Paramount Theatre, Wellington, NZ 2005  
Camperdown Theatre, Wellington, NZ 2005

### A NATURAL TALENT

Flickerfest 2006  
Showtime interview and excerpts from film 2006  
Jameson Award 2006  
London Australian Film Fest (alongside The Proposition) 2006  
Berlin Asia Pacific Film Fest 2006  
Asia Pacific Society Film Fest (NYC) 2006

### ARRANGING LOVE

Heart of Gold Film Festival 2006

### A WONDERFUL DAY

Down Under Wonders - Australia Week Los Angeles, USA 2005  
Amsterdam Gay and Lesbian Film Festival, Netherlands 2005  
Long Island International Gay and Lesbian Film Festival, USA 2005  
Miami Gay and Lesbian Film Festival, USA 2005  
Minneapolis Lesbian and Gay Film Festival, USA 2005  
Kingston, Ontario Lesbian and Gay Film Festival, Canada 2005  
Tucson Arizona Lesbian and Gay Film Festival, USA 2005  
London International Gay and Lesbian Film Festival, UK 2005  
London Tour - Across 40 cities in UK including Dublin 2005  
Torino International Gay and Lesbian Film festival, Italy 2005  
Commonwealth Film Festival, UK 2005  
Queer Up North - Cultural Festival Manchester, UK 2005  
Pinkapple Film Festival Zurich, Switzerland 2005  
Brussels Gay and Lesbian Film Festival, Belgium 2005  
Boston Gay and Lesbian Film Festival, USA 2005  
Santa Cruz Lesbian and Gay Film Festival, USA 2005  
Connecticut Gay and Lesbian Film Festival, USA 2005  
New Orleans Gay and Lesbian Film Festival, USA 2005  
Outfest Los Angeles, USA 2005  
Oslo International Gay and Lesbian Film Festival, Norway 2005  
Tokyo Gay and Lesbian Film Festival, Japan 2005  
Mostra Lambda, Barcelona Film Festival, Spain 2005  
Mix Brasil Sao Paulo, Brazil 2005

### BROTHER

Seattle International Film Festival, Washington, USA 2006  
Newport International Film Festival, California, USA 2006  
Beverly Hills Film Festival, USA 2006 - best short film, best editor  
(in competition with all formats including features, docos)  
Silver Lake Film Festival, USA 2006 - best short film-foreign award  
Cinequest Film Festival, USA 2006  
Phoenix Film Festival, USA 2006  
SPAA 2005  
Sydney Film Festival 2005

### CONTEMPORARY CASE STUDIES

Festival Int. du Film d'Amiens France, Videonale Bonn, Germany 2005

### DELUGE

Prague Short Film Festival - 2005  
SOYA (Spirit of Youth) Awards - winner 2005  
YFF Screenings/Sydney Film Festival 2005  
In The Realm of the Senses - 2005

### GABRIEL

Giffoni Hollywood Film Festival, USA 2005- Selected Best of the Fest  
St Kilda Film Festival, Australia 2005  
Flickerfest International Short Film Festival, Australia 2004  
Mailbu Film Festival, USA 2005  
Dances with Films, USA 2005  
Newport Beach Film Festival, USA 2005  
Alice in the City, Italy 2005  
YFF Screenings/Sydney Film Festival 2005

### GATE

Writer/director of this project, Peter Carstairs,  
won the Tropfest Feature Program Award

### I REMEMBER 1948

Flickerfest 2005

## APPENDIX 6C YOUNG FILMMAKERS FUND FESTIVAL SCREENINGS AND AWARDS 2005-06 (CONTINUED)

### LE VIOLONCELLE

Jackson Hole International Film Festival 2005  
Paris Film Festival 2005  
Flickerfest 2005  
Australian Film Festival, London, UK 2005  
St. Kilda Film Festival 2005  
Festival Archipelago, Rome, Italy 2005  
Bayside Film Festival, Melbourne 2005  
YFF Screenings/Sydney Film Festival 2005

### LIFE STUDY (AKA PAPER & SAND)

Sydney Film Festival, Dendy awards 2006

### MONSTER

Karlovy Vary festival, Czech Republic 2006  
Fantasy Film Fest - starts in Berlin & tours 8 German cities 2006  
FTO parliamentary screening 2006  
Hamburg International Film Festival 2006  
Jacksonville Film Festival, USA 2006  
St Kilda Film Festival 2006  
Chicago Horror Film Festival, USA 2006  
Odyssee Fest, Texas, USA 2006  
Maryland Film Festival, USA 2006  
London Australian Film Festival (alongside feature 'Wolf Creek') 2006  
Commonwealth Film Festival, Manchester, UK 2006  
Philadelphia Film Festival 2006  
Newport Beach Festival 2006  
Aspen Shortsfest 2006 - jury prize for Certificate for Distinctive Achievement, Audience Favourite Award  
South by Southwest Film Fest, Texas, USA 2006  
Slamdance, USA 2006 (runs alongside Sundance)  
Flickerfest 2006  
Australian Screen Sound Guild - best sound for a short film - 2005  
Interfilm Berlin - International Short Film Festival - Nov 2005  
Sydney Film Festival main program 2005  
Montreal Film Festival 2005  
Telluride Film Festival 2005  
Palm Springs Film Festival 2005

### SMALL BOXES

Aspen Filmfest - April 2006  
Sydney Film Festival - Dendy Awards 2006

### THE BEACH

Dubrovnik Film Festival, Croatia 2006

### THE EYE INSIDE

Sydney Film Festival, June 2006  
St Kilda Film Festival, June 2006 - Best Director & Best Achievement in Cinematography  
Flickerfest 2006  
YFF Screenings/Sydney Film Festival 2005  
AFI Awards nomination - Best Short Fiction Film 2005

### THE GREAT DARK

Down Under Wonders - Egyptian Theatre Hollywood 2005  
YFF Screenings/Sydney Film Festival 2005

### THE SCREE

YFF Screenings/Sydney Film Festival 2005

### TRANSIENT

Commonwealth Film Festival, Manchester, UK 2006  
Flickerfest 2006  
Berlin International Film Festival 2005  
Sydney Mardi Gras Film Festival 2005  
Melbourne Queer Film Festival 2005  
Inside Out: Toronto Gay and Lesbian Film Festival 2005  
St Kilda Film Festival, Melbourne 2005  
Bendigo Queer Film Festival 2005  
Kings Cross Arts Festival, Sydney 2005  
Miami Gay and Lesbian Film Festival, 2005  
Pink Apple Film Festival, Switzerland, 2005  
Out Takes, New Zealand 2005  
NewFest 2005: The New York Lesbian, Gay, Bisexual, & Transgender Film Festival  
Frameline 2005: San Francisco Gay and Lesbian Film Festival  
52nd Sydney Film Festival 2005  
Fitzroy Shorts, Melbourne 2005  
Milwaukee GLBT Film Festival 2005  
Austin Gay and Lesbian Film Festival 2005  
Q Film Festival, Jakarta, Indonesia 2005  
Southwest Gay and Lesbian Film Festival 2005  
In the Realm of the Senses, Bali 2005  
Lesbian & Gay Film Festival, Karlsruhe 2005  
Queer Film Festival, Bremen 2005  
Hamburg Gay and Lesbian Film Festival 2005  
Hannover Gay and Lesbian Film Festival 2005  
Equinox Film Festival, Melbourne 2005  
Mix Brazil Film & Video Festival 2005 - screening in Sao Paulo, Porte Allegre, Brasilia, Rio De Janeiro  
Madrid Gay and Lesbian Film Festival 2005  
Nomination, Teddy Award Berlin International Film Festival 2005  
Audience Choice Award, My Queer Career Sydney Mardi Gras Film Festival 2005  
City of Melbourne Best Short film award, Melbourne Queer Film Festival 2005  
Audience Choice Award, Melbourne Queer Film Festival 2005  
Nomination, Best Director Equinox Film Festival 2005  
Audience Choice Award, Capital Queer Film Festival, Canberra 2005

### VEND

Brainwash Drive-In/Bike-In Movie Festival in Oakland, California 2006  
St. Kilda Film Festival - June 2006, Best Short Film

### WOBEGONG

Sydney Film Festival - June 2006 - screens with Call Me Mum  
Dendy Opera Quays - Feb 2006

## APPENDIX 7 DIGITAL FX TRAINEESHIPS

### ROUND 10 TRAINEES

Brendan Carmody  
In Oh Ryu  
Julius Garofali  
Chris Bradley

### HOST ORGANISATION

Animal Logic  
Animal Logic  
Forest Interactive  
Fuel International

### ROUND 10 ASSESSORS

Jackie D'Arcy  
Shilo McClean  
Mike Seymour

**APPENDIX 8 INDUSTRY & AUDIENCE DEVELOPMENT APPROVALS 2005-06**

ORGANISATION	PROJECT	AMOUNT
Australian Film & Television and Radio School	Scriptwriting Award 2006	\$2,000
Australian Film Institute	Judging Screenings	\$40,000
Australian Film Institute	Chauvel Feasibility Study	\$10,000
Australian Guild of Screen Composers	Workshops	\$5,000
Australian International Documentary Conference	AIDC 2006 Conference	\$7,500
Australian Screen Directors Association	Conference	\$7,500
Australian Screen Directors Association	Screen Culture Program	\$19,000
Australian Teachers of Media Inc.	ATOM Study Guides	\$8,000
Australian Teachers of Media Inc.	Metro Magazine	\$10,000
Australian Writers Guild	Kids Media Workshops	\$3,500
Australian Writers Guild	Membership Services	\$10,000
Australian Writers Guild	Working Words on Screen	\$10,000
Cinewest	8th Alburn Int. Film & Video Festival for Children	\$8,000
Cinewest	Screen Culture & Audience Development	\$20,000
dLux Media Arts	d>ART 2005-06	\$12,000
dLux Media Arts	Media Arts Future Screen	\$12,000
dLux Media Arts	Tour dLux	\$10,000
Flickerfest P/L	Festival 2006	\$16,500
Flickerfest P/L	Touring Festival 2006	\$9,000
Gwydir Shire Council	Roxy 70th Anniversary	\$3,000
IF Media	Inside Film Magazine	\$10,000
IF Media	Lexus If Awards	\$17,000
Information & Cultural Exchange	Emerging Communities	\$10,000
Mayfan P/L	Single Shot Cinema Workshop	\$2,100
Metro Screen	Lester Bostock Mentor Scheme	\$30,000
Metro Screen	Metro Mobile Unit	\$55,000
Metro Screen	Metro Mobility	\$45,000
Metro Screen	Metro Screen Membership	\$20,000
Metro Screen	Metro Screen Business Review 06-09	\$20,000
Metro Screen	Multiculture Mentor Scheme	\$30,000
Northern Rivers Screenworks Ltd	Zoom	\$10,000
Northern Rivers Writers Centre	Byron Bay Writers Festival 2006	\$10,000
Octapod Association, The	Electrofringe	\$13,000
Open City Incorporated	Real Time & Onscreen Magazine	\$6,000
Popcorn Taxi	Popcorn Taxi	\$10,000
Queer Screen	Mardi Gras Film Festival 2006	\$10,000
Queer Screen	Queer Doc	\$4,000
Quick Flicks Central Coast Inc	Short Film Festival	\$3,000
Screen Producers' Association of Australia	20th Annual SPAA Conference	\$10,000
Screen Producers' Association of Australia	3rd Annual SPAA Mart	\$10,000
Screen Producers' Association of Australia	SPAA Fringe 2005	\$4,000
Short Sited Film Festival	Film Festival & Retrospective	\$3,000
Sydney Film Festival	53rd Sydney Film Festival	\$150,000
Sydney Film Festival	53rd Sydney Film Festival	\$45,000
Sydney Film Festival	Travelling Film Festival	\$25,000
TropFest Events Pty Ltd	Tropfest Festival 2006	\$20,000
University of Technology, Sydney	Golden Eye Awards	\$2,000
<b>TOTAL</b>		<b>\$797,100</b>

**ASSESSORS**

Ellenor Cox  
Jane Cruickshank  
Richard Kuipers  
Sue McCreadie (FTO)  
Brendan Smith (FTO)

**AUSTRALIAN CHILDREN'S TELEVISION FOUNDATION**
**\$110,000**
**APPENDIX 9 SPECIAL INITIATIVES APPROVALS 2005-06**

Sydney Film Festival	SFF Booking Guide	\$40,000
Sydney Film Festival	SFF Business Development	\$20,000

**APPENDIX 10A  
PRODUCTION LIAISON  
PROJECTS PRODUCED**
**LOCAL FEATURES**

Monkey Puzzle\*  
Clubland  
West\*  
Razzle Dazzle\*  
Ravenswood aka Guests\*  
Suburban Mayhem\*  
Footy Legends  
Solo (Project Greenlight)  
Hunt Angels (Docu-drama)\*

**LOCAL TELEMOVIES**

Blackjack Trilogy\*  
Stepfather of the Bride  
The Silence

**CO-PRODUCTIONS**

Middle Of Nowhere\*  
Supernova: Series 2\*  
Tripping Over

**OVERSEAS FEATURES**

Superman Returns (US)\*  
Khule Asman Ke Neeche aka  
Under The Open Sky (India/Pakistan)\*

**OVERSEAS TV SERIES**

One Fine Day (Korea)\*

**TV DRAMA SERIES**

Home & Away  
All Saints  
Blue Water High  
Two Twisted\*  
Headland\*  
The Alice  
Love My Way

**OVERSEAS REALITY TV SERIES**

Real World v Road Rules (US)\*  
I'm A Celebrity Get Me Out Of Here (UK)

**LOCAL DOCUMENTARIES**

Elvis Goes To Parkes\*  
A Good Man  
A Colourful Life  
The Prodigal Son (aka Broken)  
Growing Up & Going Home  
Floating Brothel\*  
Naked On The Inside  
One Of The Lucky Ones

**YFF SHORT FILMS**

Wobbegong  
Checkpoint  
Vend  
The Beach  
Prada Handbag  
Smile For Me

\*Projects that received FTO assistance through the Production Liaison Unit.

## APPENDIX 10B PRODUCTION LIAISON PITCHES 2005-06

TITLE	PRODUCER	OUTCOME
In Bloom	Warner/Fox Searchlight	Considering locations
Real World v Road Rules	Bunim-Murray/MTV	Shot in Byron Bay
The Giver	Walden Media	Considering Locations
The Whole Bird Flies	-	Considering Locations
Easy Virtue	Fragile Films	Scouting NSW
Ripley's Believe It or Not	Paramount	Considering locations elsewhere
Terminator IV	C2	Considering locations
The Water Diary	LDM Productions	Shot in south-eastern NSW
Out Of The Rough	Firebrand Productions	Considering locations elsewhere
Underdog	Spyglass Entertainment	Decided not to shoot in Australia
South Solitary	McGowan Films	Considering Locations
Legend Hunters	Green Trousers	Considering locations
Tale of Two Sisters	Dreamworks	Considering locations
Jumper	New Regency	Considering locations
There Will Be Blood	Universal	Looking at Texas and New Mexico
30 Days of Night	Mandate Pictures	Considering locations
The Waterhorse	Beacon Pictures	Considering locations
Untitled ABC	Sony Pictures Television	Considering locations
The High Seas	Together Again Films	Considering locations
Wedding Daze	Media 8/Tristar Pictures	Looking to shoot in South Carolina
Without Remorse	Paramount	Considering locations
Chronicles of Narnia: Prince Caspian	Disney/Walden Media	Looking at Czech Republic, New Zealand and Australia
Monkey Wrench Gang	Columbia	Considering locations
One Fine Day	Apple Tree Productions/MBC	Shot in Newcastle and Sydney
Where The Wild Things Are	Warner Bros	Shooting in Victoria
Desert Song	Borderland Productions	Still in development
The Spiderwick Chronicles	Paramount	Decided to shoot in Canada
Winged Boy	Gold Circle Film	Considering locations
Sydney White & The Seven Dorks	20th Century Fox	Considering locations
White Horse Society	Imx communications	Considering locations
The Company	Sony Pictures	Considering locations
The Starter Wives	NBC/Universal	Considering locations
The Jacaranda Tree	-	Considering locations
The Secret Lives of Working Wives	Fox World Australia	Considering locations
Under The Open Sky	Filmology	Shot in Sydney and midnorth coast of NSW
Apney	Glamour Entertainment	Considering locations
The Honeymoon	Pritish Nandy Communications	Considering locations
Den of Thieves	New Line/Fox	Considering locations
The Clock Tower	The Mayhem Project	Considering locations

## APPENDIX 10C PRODUCTION LIAISON INBOUND VISITS 2005-06

FTO hosted Geoff Murphy (Director) on a trip to Cowra in order to do research for 'Giants At Dawn'. Brian Williams and Deborah Wrightson also attended – August, 2005

FTO hosted Justin Booth from Bunim-Murray who scouted Byron Bay for the MTV show 'Real World v Road Rules'. As a result, they filmed the show in the Northern Rivers region in September and October 2006 – August, 2005

FTO hosted David Starke (Senior V.P. Physical Production) from Twentieth Century Fox who was scouting Sydney for locations that can double as US locations – February, 2006

FTO hosted 17 Nova Scotian Producers and Directors visiting Australia on a trade mission. They did a tour of Fox Studios, met with relevant industry bodies and took part in a networking event with local producers seeking co-production opportunities. – February, 2006

FTO facilitated Rahul Sughand (Producer) and Anil Sharma (Director) from Glamour Entertainment who were scouting Sydney for the Indian feature film 'Apney' – February, 2006

FTO hosted In-Seoun Park (Producer) and Mr Shin (Director) as well as other production personnel from Apple Tree Productions who were scouting Newcastle and Sydney for a Korean TV series, 'One Fine Day'. They ended up filming in both of these locations during March and April 2006 – February, 2006

FTO provided advice and facilitated Indian filmmakers who scouted Sydney and the Mid North Coast for the Indian/Pakistani co-production, 'Under The Open Sky' (Khulay Asman Kay Neechay). They filmed in both of these regions throughout April – March, 2006

FTO hosted James Bissell, Gregory Goodman and Mark Watters who were evaluating NSW locations for the Paramount feature 'The Spiderwick Chronicles' – April, 2006

FTO met with Lynda Obst to discuss the 'Sydney to Hobart' yacht race film that is currently in development – May, 2006

FTO hosted John Bruno (VFX Supervisor/Director) as an official Ausfilm inbound. John toured Fox Studios and Sydney post and VFX houses – June, 2006

## APPENDIX 11 HUMAN RESOURCES PERSONNEL POLICIES & PRACTICES 2005-06

The FTO continues to demonstrate its support for flexible working practices. All staff are given access to development opportunities and the entitlements afforded under the Office's personnel policies. All staff are informed and aware of the FTO's policies, which promote equal employment opportunity.

## APPENDIX 12 CONSULTANTS

CATEGORY	NUMBER OF ENGAGEMENTS	TOTAL COST
<b>CONSULTANCIES UNDER \$30,000</b>		
Management Services	11	45,356
Organisational Review	4	11,020
IT	3	6,525
<b>TOTAL CONSULTANCIES LESS THAN \$30,000</b>	<b>18</b>	<b>62,901</b>
<b>CONSULTANCIES OVER \$30,000</b>		
No consultancies during the year	0	\$0
<b>TOTAL CONSULTANCIES MORE THAN \$30,000</b>	<b>0</b>	<b>\$0</b>
<b>TOTAL CONSULTANCIES</b>		<b>62,901</b>

## APPENDIX 13 STAFF STRUCTURE A FOUR YEAR COMPARISON

CLASSIFICATION AND GRADING	STAFF NUMBERS AS AT	30/6/03	30/6/04	30/6/05	30/6/06
Senior Executive (SES2)		1	1	1	1
Senior Officer 1		0	0	0	1
Clerk Grade 11/12		2	2	3	2
Clerk Grade 9/10		2	2	3.6	2.6
Clerk Grade 7/8		7	7	3.9	2.6
Clerk Grade 5/6		1	1	1	2.5
Clerk Grade 3/4		5	6	7.2	6.6
Clerk Grade 1/2		1	2	1.4	2.6
<b>TOTAL</b>		<b>19</b>	<b>21</b>	<b>21.1</b>	<b>20.9</b>

### STAFF STRUCTURE SENIOR EXECUTIVE SERVICE

SES LEVEL	POSITION TITLE	SEX
2	Chief Executive*	Female

#### NOTES

1. Includes staff on maternity leave

\* Jane Smith has been Chief Executive since April 1997. She holds a B.A. In Psychology and History from Flinders University, SA, and a Post-Graduate Diploma in Criminology from Melbourne University.

## APPENDIX 14 EQUAL EMPLOYMENT OPPORTUNITY REPORT EEO ACHIEVEMENTS

Being a small agency, there is limited opportunity for major achievements or outcomes in EEO. As such, the FTO has no specific planned outcomes or priorities in EEO. Wherever possible, the FTO adheres to and follows the key outcomes identified for public sector employment, specifically: a diverse and skilled workforce; improved employment access and participation for EEO group members; and a workplace culture displaying fair practices and behaviours.

TRENDS IN THE REPRESENTATION OF EEO GROUPS 1 EEO GROUP	BENCHMARK OR TARGET	% OF TOTAL STAFF			
		2003	2004	2005	2006
Women	50%	74%	76%	79%	87%
Aboriginal people and Torres Strait Islanders	2%	0%	0%	0%	0%
People whose first language was not English	20%	12%	5%	10%	10%
People with a disability	12%	0%	0%	0%	0%
People with a disability requiring work-related adjustment	7%	0%	0%	0%	0%

TRENDS IN THE DISTRIBUTION OF EEO GROUPS 3 EEO GROUP	BENCHMARK OR TARGET	DISTRIBUTION INDEX			
		2003%	2004%	2005	2006
Women	100	n/a	n/a	n/a	n/a
Aboriginal people and Torres Strait Islanders	100	0	0	n/a	n/a
People whose first language was not English	100	n/a	n/a	n/a	n/a
People with a disability	100	0	0	n/a	n/a
People with a disability requiring work-related adjustment	100	0	0	n/a	n/a

#### NOTES

1. Staff numbers are as at 30 June.

2. Excludes casual staff.

3. The Distribution Index is not calculated where EEO group or non-EEO group numbers are less than 20.

## APPENDIX 15 ACCOUNTS PAYABLE PERFORMANCE

### AGED ANALYSIS AT THE END OF EACH QUARTER

QUARTER	CURRENT	LESS THAN 30 DAYS	BETWEEN 30 AND 60 DAYS OVERDUE	BETWEEN 60 AND 90 DAYS OVERDUE	MORE THAN 90 DAYS OVERDUE
September	\$128,240	\$34,801	-	\$180	\$49
December	\$37,254	\$2,061	\$79,797	-	\$29,199
March	\$59,955	\$70,992	\$145	\$145	\$101,247
June	\$480,056	\$399	\$10,600	\$44,168	\$28,050

These amounts do not include accruals of expenses for which no claim for payment had been made at the end of the quarter.

### AMOUNT AND VALUE OF ACCOUNTS PAID BY THE FTO ON TIME EACH QUARTER.

QUARTER ENDING	TARGET	% PAID ON TIME	PAID ON TIME	TOTAL PAID
30 September 2005	90%	95.6%	2,820,905	2,950,028
31 December 2005	90%	95.9%	2,726,088	2,842,374
31 March 2006	90%	96.7%	2,961,504	3,061,298
30 June 2006	90%	90.2%	1,910,808	2,118,264

During 2005-06 there were no instances where penalty interest was paid in accordance with Section 18 of the Public Finance and Audit (General) Regulation 1995.

The FTO is committed to improving payment performance during 2006-07.

## APPENDIX 16 GOVERNMENT ENERGY MANAGEMENT POLICY

### CORPORATE COMMITMENT

The FTO is committed to energy management principles and to achieving sustained reduction in energy use. Reduced energy consumption, greater use of 'green' energy technologies and buying energy economically are all integral to this objective.

The FTO is a small office-based agency situated at one location. It neither owns nor manages buildings, does not have a vehicle fleet and does not manufacture goods. The FTO uses standard office equipment such as computers and photocopiers. As such, the avenues for energy conservation are limited.

### PERFORMANCE

The table below details the energy usage and costs for the FTO over the past three years. The percentage decrease achieved in energy use and in costs exceeds the goals set out in the FTO's Plan and also that for the whole-of-government target.

The FTO's energy usage:

	2003-04	2004-05	2005-06	% CHANGE
KWh	52,132	43,597	42,792	- 2 %
Cost *	\$5,600	\$4,900	5,210	+ 6 %

\*excluding GST

## APPENDIX 17 ETHNIC AFFAIRS PRIORITIES STATEMENT REPORT & ISSUES AND STRATEGIES FOR THE FTO

In accordance with requirements under the Ethnic Affairs Commission Amendment Act 1996, the FTO has implemented an Ethnic Affairs Priorities Statement (EAPS).

The Office is committed to building on the State's culturally diverse society through its programs of assistance. The FTO has identified priority areas of opportunity within core business to incorporate the principles of cultural diversity. These include:

access to information on FTO programs and activities

data capture

key decision making processes

staff training

training for community applicants

loans and grants criteria

audience development

industry development

liaison with key government bodies.

These key issues and their recommended strategies are based on delivering outcomes against three key result areas covering (1) social justice, (2) community harmony and (3) cultural and economic opportunities. FTO's core business operates largely under the key result area of economic and cultural opportunities.

APPENDIX 17 ETHNIC AFFAIRS PRIORITIES STATEMENT REPORT & ISSUES AND STRATEGIES FOR THE FTO (CONTINUED)

ETHNIC AFFAIRS INITIATIVE	STRATEGIES/TASK	PERFORMANCE INDICATORS	OUTCOMES ACHIEVED
Access to Information.	Continue to provide publications in languages other than English.	Number of specific publications and publicity materials.	Promotional brochures available in Chinese, Japanese and Korean. Assistance provided to Production Services companies from China, Thailand, Japan, Korea and India.
Industry Development	Broaden the pool of individuals involved in industry development programs, particularly encouraging people from diverse backgrounds.	Collaboration with organisations that are active within NESB communities. Proportion of readers from NESB or culturally diverse backgrounds.	Supported Metro Screen's Multicultural Mentor Scheme and Lester Bostock Mentor Scheme. Readership database includes wide diversity and industry expertise.
Industry Development	Extend links with multicultural arts associations to provide information and increase access of filmmakers of non-English speaking background to FTO programs.	Relevant funding programs (eg Young Filmmakers Fund) publicised in publications identified as having a significantly diverse readership. Initiatives to promote awareness of FTO programs and services to filmmakers from culturally and linguistically diverse backgrounds.	Filmmakers from culturally and linguistically diverse backgrounds were targeted through the promotion of FTO grant programs in publications with a significant culturally diverse readership. Links and partnerships with Western Sydney-based community cultural development and arts organisations such as Information and Cultural Exchange (ICE), Casula Powerhouse, the Campbelltown Arts Centre and SWITCH. Multimedia Access Centre and programs delivered by dLux Media Arts.
Data Capture	Improve the collection of data on ethnicity of applicants in order to support accountability and improved performance.	Data capture method effective.	All applicants to the FTO's script development programs are requested to complete a data ethnicity sheet. This information is entered into a database to track performance in this area.
Staff Training	Provide staff with tailored skills development on cross cultural issues and use of language services.	All staff understand EAPS principles.	EAPS principles included in staff handbook provided to all employees and used for staff inductions. Understanding of cultural diversity included in all new position descriptions.
Loans & Grants Criteria	Continue to make core decisions on the basis of cultural creativity in funding projects that resonate for a range of audiences.	Scripts and projects supported reflect cultural diversity. Industry & Audience Development projects supported reflect cultural diversity.	Ongoing cultural assessment by project assessors in selecting material for investment to ensure that where possible contemporary/diverse culture is reflected in cinema/television production. The FTO works to a diverse range of government policies and priorities, including NESB, and makes every attempt to support projects and events that reflect the cultural diversity of Australian audiences and practitioners. Translator services offered to filmmakers from NESB background on as needs basis
Audience Development	Explore opportunities for funding multicultural audience development in the industry.	Participation in events supporting multicultural ideals.	Supported in 2005-06 Information and Cultural Exchange Emerging Communities program for newly arrived migrant communities, 8th Auburn International Film & Video Festival for Children & Young Adults; Metro Screen Multicultural Mentor Scheme; Cinewest and Screen Culture Program.
Liaise with key Government bodies	Participate in policy debates with key Commonwealth and State agencies which impact on funding culturally diverse projects.	Continuing contact across portfolio to liaise on multicultural program development. Cooperative implementation of specific strategies.	FTO liaison with Western Sydney Unit at Ministry for the Arts has resulted in increased support from Treasury for a Western Sydney strategy, which took effect in 2002-03, and has led to additional support for audience development activities.

## APPENDIX 18 SERVICES TO WOMEN

The NSW Government published its Action Plan for Women in November 1996. The key objectives of this plan are:

to reduce violence against women;  
to promote safe and equitable workplaces which are responsible to all aspects of women's lives;  
to maximise the interests of women in micro-economic reform;  
to promote the position of women in society;  
to improve access to educational/training opportunities for women; and  
to improve the health and quality of life for women.

*Key objective 1: Promoting workplaces that are equitable, safe and responsive to all aspects of women's lives*

The FTO's performance under this key objective is documented in Appendix 14 – Equal Employment opportunity.

*Key objective 2: Promoting the position of women in all aspects of society*

All programs of assistance offered by the FTO are open to women. In 2005-06 support and funding was provided to women in the following programs:  
Development Assistance–78 applications funded, 38 were women  
Production Investment–30 applications funded, 26 were women  
Young Filmmakers Fund–8 applications funded, 7 were women

\* The majority of applications are joint applications.

### FURTHER INFORMATION ON WOMEN'S STRATEGIES

For further information on women and FTO programs and policies directly affecting them, please contact the FTO: (02) 9264 6400 or Email: [fto@fto.nsw.gov.au](mailto:fto@fto.nsw.gov.au)

## APPENDIX 19 RISK MANAGEMENT

The FTO's insurance requirements are covered by the Treasury Managed Fund, a self insurance scheme administered by the GIO. This inclusive scheme covers workers compensation, property and public liability.

## APPENDIX 20 FREEDOM OF INFORMATION

The FTO received two new FOI requests in 2005-06. There were no outstanding requests from previous years. The requested information was granted in full in one case and in part in other as part of the documentation requested was deemed to be exempt matter. Assessed cost for all completed requests was \$360. FOI fees received were \$130. One discount was allowed due to financial hardship. Both applications were processed within 21 days. Total processing time was 12 hours.

## APPENDIX 21 DISABILITY ACTION PLAN

Consistent with its obligations under the Disability Services Act 1993 and to the industries in which it operates, the FTO has a Disability Action Plan. The broad objectives of this plan are to ensure that people with disabilities have equality of access and are able to participate in opportunities that are available to people without disabilities.

The NSW Film and Television Office has achieved the following under the Disability Action Plan:

Relocated in 2005-06 to new premises that are physically accessible and have suitable facilities for the disabled  
Promoted positive community attitudes by promoting access and participation in FTO activities by people with disabilities and promoting positive experiences.  
Where possible, use of external facilities that have ensured physical access for people with disabilities  
Undertaken staff training to include disability awareness  
Adhered to the principles of equity and access in recruitment including data collection

During 2006-07, the Office will review its Disability Action Plan and develop strategies for implementation in 2007-08.

## APPENDIX 22 OVERSEAS TRAVEL

### AUGUST 2005

Robin Clifton, Manager, Production Liaison Unit: Travelled to Glasgow and London to attend Film Commission Fundamentals and Cineposium run by Association of Film Commissioners International and to meet with film production companies in London.

### SEPTEMBER 2005

Sally Browning, Manager, Development and Investment: Travelled to New York to attend the No Borders Co-Production Market as part of the Australia and New Zealand Partnership delegation and to Los Angeles to attend meetings with agents for the new television initiative Switchbox.

### OCTOBER 2005

Jane Smith, Chief Executive: Travelled to United Kingdom and France to attend Ausfilm event in London and follow up meetings about potential European production opportunities for NSW and meetings with prospective Switchbox and Aurora advisers in London. Travelled to MIPCOM TV market to discuss production and financing opportunities and assess trends in television production. Presented at script workshop at St Tropez Australian and NZ Film festival which is a major French marketing event for Australian films.

### JANUARY 2006

Jane Smith, Chief Executive: Travelled to Los Angeles to encourage producers to shoot and post produce in NSW and to liaise with international filmmakers about their availability as advisers for Aurora and Switchbox.

### FEBRUARY 2006

Sally Browning, Manager Development and Investment: Travelled to UK and Germany to attend the European Film Finance Summit, Berlin; the European Film Market (EFM), the Berlin co-production market and the Berlin International Film Festival for the premiere of the FTO funded film Candy. Attended meetings for Aurora and Switchbox in London.

### MARCH 2006

Robin Clifton, Manager, Production Liaison Unit: Travelled to United Arab Emirates (UAE) to participate in a Trade Mission organised by NSW State and Regional Development (DSRD) and led by the DSRD Director-General, Mr Loftus Harris. Travelled to the People's Republic of China to attend Filmmakers networking/marketing event in Beijing organised by The Australian Embassy, Austrade and Ausfilm, and to attend Hong Kong Filmmart and HAF seminars in Hong Kong.

### APRIL 2006

Robin Clifton, Manager, Production Liaison Unit: Travelled to Los Angeles to represent NSW on the Ausfilm stand at Locations Expo 2006 Trade Show and to represent NSW at networking/marketing events promoting filming in New South Wales.

### MAY 2006

Jane Smith, Chief Executive: Travelled to London and Cannes to represent the NSW Film industry & NSW government at the Cannes Market and Film Festival. Trip allowed the FTO to promote and support films conceived and produced in NSW which were screening at the festival, and to meet with agents about advisers for Aurora and explore interest in advisers for Switchbox.

### JUNE 2006

Jane Smith, Chief Executive: Travelled to Shanghai, China, as a VIP guest of the Shanghai Film Festival where there were three Australian films in panorama. The purpose was to develop interest in Australian film and television programs in this strong emerging market.

## APPENDIX 23 DEPARTMENTAL REPRESENTATIVES ON SIGNIFICANT COMMITTEES

### JANE SMITH CHIEF EXECUTIVE

AusFILM Board and Policy Committee  
Screen Finance Group  
Sydney Film Support Team

### ROBIN CLIFTON MANAGER, PRODUCTION LIAISON

AusFILM Marketing Committee

## APPENDIX 24 GUARANTEE OF SERVICE

### SERVICE STANDARDS

Responses to correspondence within three weeks of receipt;  
 Telephone inquiries to be addressed within two working days  
 or progress advice to be given in each period of three working  
 days where the matter is unable to be resolved quickly;  
 Decisions on script and project applications, in normal circumstances,  
 to be made within 4-6 weeks of receipt of the application;  
 The advice to script and project applications, in normal circumstances,  
 to be made within three working days of the decision;  
 The advice to tender applicants of their success or otherwise  
 within three working days of the approval of recommendations;  
 Whenever sought, general information of the Office's activities (ie brochures,  
 guidelines etc) to be provided within one week of the written or verbal request;  
 Discretion and confidentiality of customers' projects and requests  
 to be maintained.

### CONTACT

With a small staff and limited resources, it is not always possible for the FTO to provide immediate information and advice, but every endeavour is made to do so.

### CONFIDENTIALITY

The staff of the FTO are required to maintain and keep confidential to the FTO all confidential information, which they receive in the course of their employment with the FTO relating the affairs of the FTO, the affairs of clients of the FTO or any other party which has dealings with the FTO. This extends to information gained by employees, the confidentiality of which is not readily apparent. Specifically, staff of the FTO must not express or inadvertently disclose any confidential information relating to the FTO or its clients or any party dealing with the FTO to any third party without the prior approval of the Chief Executive.

## APPENDIX 25 FTO PUBLICATIONS

### OUR STATE YOUR WORLD

Promotional DVD with 16 page booklet.

## APPENDIX 26 BOARD MEETINGS

The Board of the FTO met on ten occasions during the year. One of these was held by teleconference.

Meetings attended by Board Members:

SHANE SIMPSON	Attended 5	Eligible 5
DR NEAL BLEWETT	Attended 5	Eligible 5
ANDREW MASON	Attended 10	Eligible 10
SUE MASTERS	Attended 4	Eligible 5
ROBERT CONNOLLY	Attended 7	Eligible 10
LIBBY RHYS-JONES	Attended 8	Eligible 10
TROY LUM	Attended 8	Eligible 10
ROSS GIBSON	Attended 8	Eligible 10
PENNY CHAPMAN	Attended 4	Eligible 5

## APPENDIX 27 STATUTORY AMENDMENTS

The amendments commenced on 1 July 2005.

## APPENDIX 28 MAJOR WORKS IN PROGRESS

Nil to report

## APPENDIX 29 REVIEWS AND AUDITS UNDERTAKEN

Script Development  
 Receipts/Distributions/Feature Films

## APPENDIX 30 CONSUMER RESPONSE (COMPLAINTS HANDLING)

The FTO received one complaint this year relating to guidelines and funding. The issues have been reviewed.

## APPENDIX 31 PRIVACY MANAGEMENT PLAN

As required by the Privacy and Personal Information Protection Act 1998, to protect the privacy of individuals from the inappropriate collection, storage, use and disclosure of personal information by NSW Public Sector agencies, the FTO has developed a Privacy Management Plan. The Plan identifies the personal information the FTO maintains and outlines the way in which the FTO complies with the requirements of the Act. Personal information maintained by the FTO relates mainly to the various programs of financial assistance the Office administers.

## APPENDIX 32 REPORT ON OCCUPATIONAL HEALTH AND SAFETY

Two workers compensation claim were carried over from the previous reporting period. During this reporting period, one claim resulted in a cost of \$810. This claim was finalised on 12/08/05.

No further claims have been lodged.

There were no work-related illnesses or prosecutions under the Occupational Health and Safety Act 1983.

## APPENDIX 33 WAGES & SALARIES EXCEPTIONAL MOVEMENTS

In January 2005 the Government accepted a settlement in relation to the PSA public sector salary claim for employees covered under the Crown Employees (Public Sector - Salaries Jan 2002) Award. The settlement provided for salary increases of 4% per annum over 4 years backdated to 1 July 2004.

## APPENDIX 34 RECYCLING REPORT

The FTO's waste paper was collected on a regular basis for recycling. Recycled paper was used where possible in photocopiers and laser printers.

## APPENDIX 35 REVIEW OF CREDIT CARD USE

No irregularities in the use of corporate credit cards have been recorded during the year. I certify that credit card use in the New South Wales Film and Television Office has been in accordance with Premier's Memoranda and Treasurer's Directions.

Jane Smith  
 Chief Executive

## APPENDIX 36 ELECTRONIC SERVICE DELIVERY

Initiatives undertaken by the FTO include publication of important information, including all funding guidelines and application forms, on the website and implementation of electronic funds transfer for payment of grants.

## APPENDIX 37 COST OF ANNUAL REPORT

Total cost of producing FTO Annual Report 2005-06 was \$20,034 (exclusive of GST). 500 copies were printed.

Electronic copies of the FTO Annual Report can be obtained from [www.fto.nsw.gov.au](http://www.fto.nsw.gov.au).

\$9.99 (film) 35–36  
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