

**OFFICE OF
FILM AND LITERATURE
CLASSIFICATION**

Section 1: Overview and Appropriations

Overview

The role of the Office of Film and Literature Classification (OFLC) is to assist adults to make informed decisions about films, publications and computer games which they, or those in their care may see, read, or play by providing classification advice which is consistent with community standards. The OFLC also enables the film, publishing, and computer games industries to produce and market their products in accordance with public classification standards and pre-set conditions of sale and exhibitions.

Appropriations

The total appropriations for the OFLC in the 2000–01 Budget is \$6.341m. Table 1.1 shows appropriations (2000–01) and other revenue by outcome.

Administered capital and departmental equity injections and loans

No administered capital or agency loans are included in the 2000–01 appropriation, or are planned for the forward years to 2003–04. The OFLC has an appropriation for a departmental equity injection of \$0.308m in the year 2000–01.

Office of Film and Literature Classification - Appropriations 2000–01

Table 1.1 Appropriations and other revenue (\$'000)

Outcome	Departmental (price of outputs)					Administered				Total appropriations
	Revenue from government (appropriations)			Revenue from other sources	Price of outputs	Annual appropriations		Special approps	Total administered appropriations	
	Bill 1	Special approps	Total			Bill 1	Bill 2 (SPPs & NAOs)			
	(A)	(B)	(C=A+B)	(D)	(E= C+D)	(F)	(G)	(H)	(I=F+G+H)	(J=C+I)
Australians make informed decisions about films, publications and computer games which they, or those in their care may view, read or play.	5 410	–	5 410 93.7%	363	5 773	–	623	–	623	6 033
Total	5 410	–	5 410	363	5 773	–	623	–	623	6 033
Departmental capital (equity injections and loans)									308	
Administered capital									–	
Total appropriations									6 341	

Notes:

- Columns C, D, E and I refer to information provided in Table 2.1.
- Under the appropriation structure, Bill 2 includes Specific Purpose Payments (SPP)'s, New Agency Outcomes (NAO's), administered capital and departmental capital via departmental injections and loans.
- Refer to Budgeted Departmental Operating Statement for application of agency revenue.
- Revenue from other sources includes other revenue from government (eg resources free of charge) and revenue from other sources (eg sales of goods and services). Non-appropriated departmental and administered revenues are detailed in Appendix 1.
- Percentage figure indicates the percentage contribution of revenue from government (departmental appropriations) to the total price of outputs, by outcome.
- The OFLC is considering measures to increase non-appropriated revenues by \$0.100m in the 2000–01 financial year. As consideration of these measures was subsequent to the preparation of the budget papers, the estimate for "Revenue from other sources" (Column D) exceeds the Budget figure by \$0.100m.

Section 2: Outcome and Outputs Information

Outcome and outputs

The Office of Film and Literature Classification has one outcome:

Australians make informed decisions about films, publications and computer games which they, or those in their care may view, read or play.

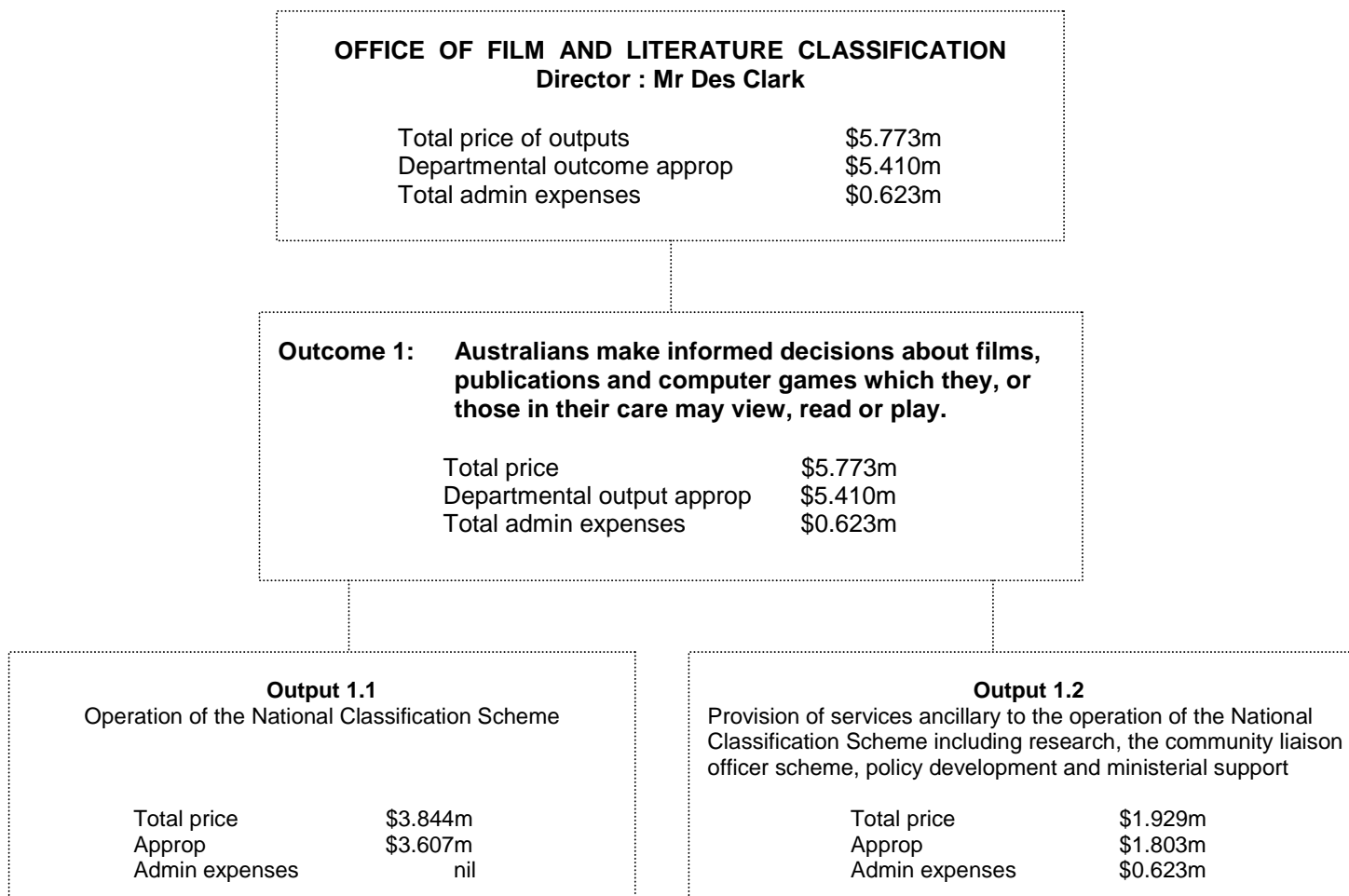
There are two outputs for OFLC's outcome:

- *Operation of the National Classification Scheme*
- *Provision of services ancillary to the operation of the National Classification Scheme including research, the community liaison officer scheme, policy development and ministerial support*

Financial and non financial information is provided as follows:

- Map 2.1 - details outcome and output resourcing and illustrates the relationship between the outcome and contributing outputs.
- Table 2.1 - details financial information for outcome 1.
- Table 2.2 - details non-financial information for outcome 1.

Map 2.1 Outcome and outputs



Outcome 1: Australians make informed decisions about films, publications and computer games which they, or those in their care may view, read or play.

The Government is committed to the principle that adults should be able to read, hear and see what they want, whilst minors should be protected from material likely to harm or disturb them, and everyone should be protected from exposure to unsolicited material that they find offensive.

The OFLC seeks to assist adults make informed decisions about films, publications and computer games which they, or those in their care may see, read, or play by providing classification advice which is consistent with community standards. In addition, the delivery of this sub-program enables the film, publishing, and computer games industries to produce and market their products in accordance with public classification standards and pre-set conditions of sale and exhibition.

Resourcing

Table 2.1 shows how the 2000–01 appropriations translate to total resourcing for the OFLC outcome: revenue from government (appropriations), revenue from other sources and the total price of the output.

Table 2.1 Total resources for outcome 1 (\$'000)

	Estimated Actual 1999–2000 (\$'000)	Budget Estimate 2000–01 (\$'000)
Administered appropriations		
Payments to States and Territories	#619	623
Total administered expenses	619	623
Departmental appropriations		
Output 1.1 – Operation of the National Classification Scheme	3 589	3 607
Output 1.2 – Provision of services ancillary to the operation of the National Classification Scheme including research, the community liaison officer scheme, policy development and ministerial support.	1 794	1 803
Total revenue from government (appropriations) contributing to price of departmental outputs	5 383	5 410
	95.3%	93.7%
Revenue from other sources		
Output 1.1 – Operation of the National Classification Scheme	137	237
Output 1.2 – Provision of services ancillary to the operation of the National Classification Scheme including research, the community liaison officer scheme, policy development and ministerial support.	126	126
Total revenue from other sources	263	363
Total price of departmental outputs <i>(Total revenue from government and other sources)</i>	5 646	5 773
Total estimated resourcing for outcome 1 <i>(Total price of outputs and administered expenses)</i>	6 265	6 396
Average Staffing Level (number)	44	50

The amount payable to the States and Territories in 1999–00 (\$619 000) exceeds the appropriation by approximately \$12 000. An application for funding from the Advance to the Minister for Finance and Administration to cover the shortfall is pending.

Contribution of outputs

The OFLC's outputs 'Operation of the National Classification Scheme and 'Provision of services ancillary to the Scheme' – reflect the Government's view that adults should be able to make informed decisions about material which they or those in their care, may read, view or play, and that everyone is protected from exposure to unsolicited material that they find offensive.

Performance information

Table 2.2 provides information on the strategies chosen to deliver the outcome, and shows the links between the output and the outcome.

Table 2.2 Performance information for outcome 1

Effectiveness — overall achievement of the outcome	
<i>Effectiveness indicators</i>	<i>Measures</i>
Australian's make informed decisions about films, publications and computer games which they, or those in their care may view, read or play	<ul style="list-style-type: none"> Classifications issued for publications, films and computer games submitted Complaints received from consumers
Ongoing operation of the National Classification Scheme	
There are no specific performance requirements associated with the administered payments made to the States and Territories for their part in the National Classification Scheme.	
Performance information for departmental outputs	
Output 1.1	<i>Quality:</i>
Operation of the National Classification Scheme	<ul style="list-style-type: none"> Timeliness – classification decisions within 20 business days of receiving a valid application; and certificates issued within 30 days of a decision Consistency of decisions with general community standards on the basis of consumer complaints and research Client satisfaction with performance measures by complaints about services provided Accuracy of information provided or published
	<i>Quantity:</i>
	<ul style="list-style-type: none"> Decisions made Certificates issued Complaints/requests for information handled Classification (education or research) projects conducted and reports published Training activities conducted Information provided and presentations made
	<i>Price: \$3.844m</i>
Output 1.2	<i>Quality:</i>
Provision of services ancillary to the operation of the National Classification Scheme.	<ul style="list-style-type: none"> Correspondence, briefs, submissions and papers completed within required deadlines Satisfaction of the Minister and staff Satisfaction of the censorship Ministers and officials participating in the National Classification Scheme Client satisfaction measured by the volume of complaints about services or information provided
	<i>Quantity:</i>
	<ul style="list-style-type: none"> Ministerial correspondence processed Briefs, submissions and papers prepared Projects and activities conducted (ancillary to the classification process) Advices issued Inspections conducted Breaches identified
	<i>Price: \$1.929m</i>

Evaluation

Information on planned evaluation activity that relates to this outcome is included in Table 2.2 and the results will be shown in the OFLC's Annual Report.

Competitive tendering and contracting

Contracts for work contributing to the outcome, for example in the commission of research, are let in accordance with competitive tendering processes.

Section 3: Budgeted Financial Statements

Table 3.1 Departmental Operating Statement (for the year ended 30 June)

	Notes	Estimated Actual 1999–00 \$'000	Budget Estimate 2000–01 \$'000	Forward Estimate 2001–02 \$'000	Forward Estimate 2002–03 \$'000	Forward Estimate 2003–04 \$'000
OPERATING REVENUE						
Revenues from government		5 383	5 410	5 442	5 475	5 508
Sales of goods and services		254	354	514	754	754
Interest		9	9	9	9	9
Total operating revenues <i>(before abnormal items)</i>		5 646	5 773	5 965	6 238	6 271
OPERATING EXPENSES						
Employees		3 024	3 273	3 583	3 661	3 661
Suppliers		1 843	1 727	1 627	1 846	1 869
Depreciation and amortisation		508	508	528	538	548
Interest	1	78	72	34	–	–
Total operating expenses		5 453	5 580	5 772	6 045	6 078
Operating surplus or (deficit) before abnormal and extraordinary items		193	193	193	193	193
Abnormal and extraordinary items		–	–	–	–	–
Operating surplus or (deficit) after abnormal and extraordinary items		193	193	193	193	193
Capital use charge paid	2	193	193	193	193	193
Operating surplus or (deficit) after abnormal and extraordinary items and CUC		–	–	–	–	–

Table 3.2 Departmental Balance Sheet (as at 30 June)

	Notes	Estimated Actual 1999–00 \$'000	Budget Estimate 2000–01 \$'000	Forward Estimate 2001–02 \$'000	Forward Estimate 2002–03 \$'000	Forward Estimate 2003–04 \$'000
ASSETS						
Financial assets						
Cash		64	196	88	551	1 024
Receivables	3	308	–	–	–	–
Total financial assets		372	196	88	551	1 024
Non-financial assets						
Land and buildings		1 651	1 481	1 311	1 141	971
Infrastructure, plant and equipment		1 446	1 183	900	607	304
Inventories		3	3	3	3	3
Other		123	123	123	123	123
Total non-financial assets		3 223	2 790	2 337	1 874	1 401
Total Assets		3 595	2 986	2 425	2 425	2 425
LIABILITIES						
Debt						
Other		1 320	681	120	120	120
Total debt		1 320	681	120	120	120
Provisions and payables						
Employees		626	656	656	656	656
Suppliers		37	37	37	37	37
Total provisions and payables		663	693	693	693	693
Total liabilities		1 983	1 374	813	813	813
EQUITY						
Capital		308	308	308	308	308
Reserves	4	330	330	330	330	330
Accumulated surpluses or (deficits)		974	974	974	974	974
Total equity		1 612	1 612	1 612	1 612	1 612
Current liabilities		1 174	1 044	483	473	473
Non-current liabilities		809	330	330	340	340
Current assets		498	322	214	677	1 150
Non-current assets		3 097	2 664	2 211	1 748	1 275

Table 3.3 Departmental Statement of Cash Flows (for the year ended 30 June)

	Estimated Actual 1999–00 \$'000	Budget Estimate 2000–01 \$'000	Forward Estimate 2001–02 \$'000	Forward Estimate 2002–03 \$'000	Forward Estimate 2003–04 \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations for outputs	5 383	5 410	5 442	5 475	5 508
Sales of goods and services	254	354	514	754	754
Interest	9	9	9	9	9
Total cash received	5 646	5 773	5 965	6 238	6 271
Cash used					
Employees	2 974	3 243	3 583	3 661	3 661
Suppliers	1 843	1 727	1 627	1 846	1 869
Total cash used	4 817	4 970	5 210	5 507	5 530
Net cash from operating activities	829	803	755	731	741
INVESTING ACTIVITIES					
Cash received					
Proceeds from sales of property, plant and equipment	–	–	–	–	–
Total cash received	–	–	–	–	–
Cash used					
Purchase of property, plant and equipment	400	75	75	75	75
Total cash used	400	75	75	75	75
Net cash from investing activities	(400)	(75)	(75)	(75)	(75)
FINANCING ACTIVITIES					
Cash Received					
Other	–	308	–	–	–
Total cash received	–	308	–	–	–
Cash used					
Repayments of debt	177	711	595	–	–
Capital use and dividends paid	193	193	193	193	193
Total cash used	370	904	788	193	193
Net cash from financing activities	(370)	(596)	(788)	(193)	(193)
Net increase in cash held	59	132	(108)	463	473
Cash at the beginning of the reporting period	5	64	196	88	551
Cash at the end of the reporting period	64	196	88	551	1 024

Table 3.4 Departmental Capital Budget Statement

	Estimated Actual 1999-00 \$'000	Budget Estimate 2000-01 \$'000	Forward Estimate 2001-02 \$'000	Forward Estimate 2002-03 \$'000	Forward Estimate 2003-04 \$'000
CAPITAL APPROPRIATIONS					
Total equity injections	–	308	–	–	–
Total loans	–	–	–	–	–
Represented by:					
Purchase of non-current assets	–	–	–	–	–
Other	–	308	–	–	–
Total	–	308	–	–	–
PURCHASE OF NON-CURRENT ASSETS					
Funded by capital appropriations	–	–	–	–	–
Funded internally by departmental resources	–	75	–	–	–

Table 3.5 Departmental Non-Financial Assets — Summary of Movement for Budget Year 2000–01

	Land	Buildings	Total land and buildings	Other infrastructure plant and equipment	Total infrastructure plant and equipment	Intangibles	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Gross value							
<i>As at 1 July 2000 (opening)</i>	–	1 833	1 833	2 270	2 270	–	4 103
Additions	–	–	–	75	75	–	75
Disposals	–	–	–	–	–	–	–
Other movements	–	–	–	–	–	–	–
<i>As at 30 June 2001 (closing)</i>	–	1 833	1 833	2 345	2 345	–	4 178
ACCUMULATED DEPRECIATION							
<i>As at 1 July 2000 (opening)</i>	–	182	182	824	824	–	1 006
Disposals	–	–	–	–	–	–	–
Charge for the reporting period	–	170	170	338	338	–	508
Other movements	–	–	–	–	–	–	–
<i>As at 30 June 2001 (closing)</i>	–	352	352	1 162	1 162	–	1 514
Net book value as at 30 June 2001 (closing book value)	–	1 481	1 481	1 183	1 183	–	2 664
Net book value as at 1 July 2000 (opening book value)	–	1 651	1 651	1 446	1 446	–	3 097
TOTAL ADDITIONS							
Self funded	–	–	–	75	75	–	75
Appropriations	–	–	–	–	–	–	–
Total	–	–	–	75	75	–	75

Table 3.6 Statement of Administered Revenues and Expenses (for the year ended 30 June)

	Estimated Actual 1999-00 \$'000	Budget Estimate 2000-01 \$'000	Forward Estimate 2001-02 \$'000	Forward Estimate 2002-03 \$'000	Forward Estimate 2003-04 \$'000
OPERATING REVENUE					
Non-taxation					
Revenues from government	619	623	638	654	671
Total non-taxation	619	623	638	654	671
Total operating revenues	619	623	638	654	671
OPERATING EXPENSES					
Grants	619	623	638	654	671
Total operating expenses	619	623	638	654	671
Abnormal and extraordinary items	-	-	-	-	-
Net contribution or cost to the budget outcome	-	-	-	-	-
Transfers to the official public account					
Amount remitted from administered revenues	-	-	-	-	-
Net surplus or deficit	-	-	-	-	-

Statement of Administered Assets and Liabilities (as at 30 June)

The OFLC has no statement of administered assets and liabilities.

Table 3.7 Administered Cash Flows (for the year ended 30 June)

	Estimated Actual 1999-00 \$'000	Budget Estimate 2000-01 \$'000	Forward Estimate 2001-02 \$'000	Forward Estimate 2002-03 \$'000	Forward Estimate 2003-04 \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	619	623	638	654	671
Total cash received	619	623	638	654	671
Cash used					
Grants	619	623	638	654	671
Total cash used	619	623	638	654	671
Net cash from operating activities	-	-	-	-	-
INVESTING ACTIVITIES					
Cash received					
Other	-	-	-	-	-
Total cash received	-	-	-	-	-
Cash used					
Other	-	-	-	-	-
Total cash used	-	-	-	-	-
Net cash from investing activities	-	-	-	-	-
FINANCING ACTIVITIES					
Cash received					
Other	-	-	-	-	-
Total cash received	-	-	-	-	-
Cash used					
Other	-	-	-	-	-
Total cash used	-	-	-	-	-
Net cash from financing activities	-	-	-	-	-
Net increase in cash held					
Cash at the beginning of the reporting period	-	-	-	-	-
Cash at the end of the reporting period	-	-	-	-	-

Administered Capital Budget Statement

During the period covered by these statements, the OFLC does not have an appropriation for equity injection, loans, or appropriations for administered capital.

Notes to the Financial Statements

1. Interest expenses relate to forward borrowing facility financed by the Department of Finance and Administration.
2. Capital use charge is calculated at 12% of the net assets at the end of the financial year.
3. Receivables represent 1998–99 appropriation carryover received in 2000–01.
4. Reserve arose from revaluation of plant and equipment during 1998–99.

Appendix 1**Non-appropriation departmental revenue**

	Estimated Revenue 1999–2000 \$'000	Estimated Revenue 2000–01 \$'000
Contribution from States and Territories for CLO scheme	122	122
Provision of new cost recoverable services	132	232
Interest	9	9
Total Estimated Revenue	263	363