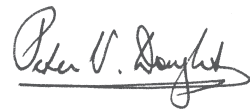# MEDIA THAT MOVE US
06/07 ANNUAL REPORT

acmi
australian centre
for the moving image

Lynne Kosky MP
Minister for the Arts
Parliament House
Melbourne VIC 3000

Dear Minister,

I am pleased to present the 2006-07 Annual Report
of the Australian Centre for the Moving Image.
Copies of the report will be submitted for tabling
in each House of Parliament in accordance with the
provisions of the Financial Management Act 1994.

Yours faithfully,

Peter Doughty
Acting President
October 2007

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AUSTRALIAN CENTRE FOR THE MOVING IMAGE

TOP
Acting ACMI
Board President,
Peter Doughty

'Through its public and learning programs, ACMI has established a deep engagement with local communities, enabling individuals and groups to develop their own creative expression through the moving image as they move from cultural consumer to creator.'

PETER DOUGHTY, ACTING PRESIDENT

PRESIDENT'S REPORT

A unique institution at the heart of Melbourne's meeting place, Federation Square, the Australian Centre for the Moving Image (ACMI) celebrates, explores and promotes the cultural and creative richness of the moving image.

ACMI is the place to experience how the moving image in all its forms – film, television, games, new media and art – is changing our lives. Through a vibrant array of major exhibitions, film programs, live events, creative workshops, public and education programs, ACMI delivers unsurpassed diversity in ways to engage its audiences with the moving image.

Through its public and learning programs, ACMI has established a deep engagement with local communities, enabling individuals and groups to develop their own creative expression through the moving image as they move from cultural consumer to creator.

ACMI has recorded another dynamic year of growth in 2006-07. It was a period that saw impressive advances in the clarity, range, quality and vibrancy of ACMI's content and services; the broadening of its profile and appeal to wider audiences; and the strengthening of its connections within peer cultural, learning and industry networks.

During 2006-07 a number of strategic objectives and milestones have been achieved by the organisation, led by Director Tony Sweeney and his Executive team, driven by a multi-stage program of growth under the banner of *The Way Forward*.

The major outcomes of this strategy in both programming and organisational performance are detailed in this Annual Report but, suffice to say that for ACMI 2006-07 was both a year of consolidation and a period of substantial growth.

In five short years, ACMI has established a reputation as one of the world's leading moving image centres and is today firmly recognised for its commitment to bringing excellence and innovation in world film and digital media to local audiences, interstate and international visitors.

ACMI is also expanding its unique, independent voice based on an agenda of cultural leadership, innovation, partnerships and reaching out to the widest range of audiences. This approach is increasingly being used as a benchmark by like-minded institutions across the world as a platform for sustainable growth. Staying in this coveted position is a challenge welcomed by the Board and by ACMI's staff and volunteers.

As always, major challenges remain in our quest to maintain ACMI's position as a leading international centre for the moving image. Further opportunities for collaboration with major sponsors and alliance partners will support ACMI's achievement of its strategic objectives. This will create new opportunities for more community and business sector participation in, and positive contribution to, ACMI's ongoing success.

As you will read throughout this report, the ACMI team has delivered another outstanding year of programming, screen culture leadership and industry engagement.

On behalf of the Board, I offer our sincere thanks to the Executive team, staff and volunteers of ACMI for ensuring that the more than 500,000 people who visited us in 2006-07 experienced a positive, stimulating and meaningful cultural experience.

Our thanks also go to Dr Ziggy Switkowski who retired from the Board Presidency in 2006 following a period of sound leadership and advocacy; and to Dr Patricia Edgar whose support for ACMI was invaluable through a crucial period of planning and growth.

In 2006-07, we welcomed three new members to the Board: the Hon Dr Race Matthews, Ricci Swart and Rhonda O'Donnell. Together with the existing members they have made a valuable contribution during what has been a period of significant development and evolution for ACMI. Our thanks also go to Carolyn Kirby whose service on the Board was greatly appreciated.

Finally, to the Minister for the Arts, Lynne Kosky, (the Hon Mary Delahunty to December 2006), her Cabinet colleagues and Arts Victoria, who continue to recognise and value ACMI's integral role in the cultural fabric of Melbourne and Victoria, our sincere thanks and appreciation for another year of strong support.

As ACMI continues on the pathway to fully delivering its original vision to be the leading international moving image centre, we look forward to enriching the social and cultural life of all who encounter its wonderful experiences.

Peter Doughty
Acting President

'Connecting decision makers, existing and emergent talent, and passionate cinephile audiences is a crucial role for us, ensuring ACMI is a hub for authoritative debate about screen culture in Australia.'

TONY SWEENEY, DIRECTOR

DIRECTOR'S REPORT

As the moving image becomes more and more ubiquitous, so too does our voracity to consume it in every aspect of our daily lives.

Traditional forms such as cinema on the big-screen and TV on the small screen are as vibrant as ever, with computer games now firmly established on a similar scale.

The rapid shift in audience habit from passive cultural consumer to active cultural producer (think *You Tube*, *Myspace*, *Second Life* and *Facebook*) adds energetic new dimensions to the role of the moving image in our personal lives and wider society.

As the leading cultural institution celebrating and championing the moving image in all its diversity - film, television, games, new media and art – ACMI is at the heart of our love affair with the media that move us.

We are a truly unique cultural institution within Australia, and an integral part of Melbourne's international positioning as a vibrant, dynamic and innovative creative city.

2005-06 was year of major changes at ACMI, with upgrades to our Federation Square facilities, and the introduction of enriched and expanded program offers. In 2006-07, these changes bore a proliferation of fruit.

The new ACMI Lounge and ACMI Shop recorded growth in performance in their first full year of operation. Our improved program offer, designed to reach out to broader audiences, has seen us directly engage with more than 500,000 visitors, many of those experiencing us for the first time.

It was another sensational year of ACMI programming in 2006-07. Our film programs delivered audiences the best in world cinema, enriching our view and connection with other cultures and societies, while celebrating what is uniquely Australian.

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RIGHT
Lynne Kosky, MP, Minister for the Arts & Tony Sweeney, ACMI Director

OUR SUCCESS HAS PAVED THE WAY FOR US TO MOVE INTO THE NEXT STAGE

'Our cultural collaborations stretched to all corners of the globe as we reached out to arts institutions worldwide to jointly deliver projects and programming. Key partners included the Centre Pompidou in Paris, the Barbican and Hayward galleries in London, the Museum of Modern Art in New York and Pixar Animation Studios in San Francisco.'

TONY SWEENEY, DIRECTOR

TOP RIGHT
Elyse Klaidman, Dean of Art, Pixar University, on stage at the *Pixar: 20 Years of Animation* opening night

ACMI is the Melbourne home of independent film, must-see cinema, screen culture events and eleven of the best film festivals in Australia. We presented eighteen Australian premieres amongst a diverse cinema program that included 160 foreign language films.

Our commitment to engage with industry more intensely has seen us partner with organisations such as the Australian Film Institute, Australian Film Commission, National Film and Sound Archive and Film Victoria to present a year of talks, forums and networking opportunities.

Connecting decision makers, existing and emergent talent, and passionate cinephile audiences is a crucial role for us, ensuring ACMI is a hub for authoritative debate about screen culture in Australia.

A highlight of our commitment to screen culture was the introduction of *Australian Perspectives*, a program strand acting as a pacesetter in unearthing hot new Australian talent. This important initiative provides our brightest new filmmaking talent with crucial opportunities to have their work seen on the big screen.

Our strategy of positioning major exhibitions as a flagship offer delivered striking results in 2006-07 as we set new records for attendances for both paid and free entry exhibitions. Reflecting the multiplicity of our audiences, the year's exhibitions covered the gamut of moving image culture spanning five centuries.

Our celebration of 50 years of television in Australia, *TV50*, became our most popular free entry exhibition ever, attracting 92,000 visitors. It was followed by an exquisite and fascinating look at pre-cinema media in *Eyes Lies and Illusions*, our most popular paid exhibition with more than 50,000 visitors. And for media art lovers, we presented one of the largest surveys of video art ever seen in Australia in *Centre Pompidou Video Art 1965-2005*, an extraordinary survey of masterworks from the entire 40-year history of the art form.

The fourth of our major exhibitions, *Pixar: 20 Years of Animation*, opened in June 2007 when ACMI became the second of Melbourne's leading cultural institutions to join the exclusive and successful Melbourne Winter Masterpieces series.

In its opening weekend, this behind the scenes look at the art and artistry of the world's most successful animation studio, broke records for a paid exhibition at ACMI, attracting close to 15,000 people in its first week.

For ACMI to join the National Gallery of Victoria in delivering the Melbourne Winter Masterpieces series is testament to our growing stature as a unique and world-class cultural centre delivering outstanding international programming.

In 2006-07 we engaged with diverse communities across Victoria through our public and educational programs, exploring how the moving image is created and consumed. We connected with close to 30,000 students and teachers in meaningful and stimulating screen culture activity and discussion throughout the year.

We reinforced our international reputation as Australia's leader in digital storytelling through a year of moving and powerful projects that produced over 200 short films by individuals and groups in regional and rural communities across Victoria.

There was incredible diversity in the issues explored through ACMI Digital Storytelling, including archiving of individual and community experiences of the Gippsland bushfires, moving personal accounts from the stolen generation, and themes of identity and settlement through migration.

2006-07 was a year in which we significantly developed our corporate partnerships.

We secured our most substantial line-up of presenting partners for *Pixar: 20 Years of Animation* and our biggest single corporate partnership was announced in June as we welcomed BigPond on board as our Major Partner – Games. The centrepiece of our relationship with BigPond is a world-first competition, *Project Joystick*, to discover the next big thing in Australian video games.

Our cultural collaborations stretched to all corners of the globe as we reached out to arts institutions worldwide to jointly deliver projects and programming. Key partners included the Centre Pompidou in Paris, the Barbican and Hayward galleries in London, the Museum of Modern Art in New York and Pixar Animation Studios in San Francisco.

In all, it has been another year of outstanding achievements for ACMI.

I thank the Board and staff of ACMI, our valued partners and supporters, and in particular the Victorian Government for enabling us to grow so rapidly as a central part of the Melbourne cultural experience.

The successes of 2006-07 have paved the way for us to move into the next major phase of growth – the redevelopment of our ground floor spaces and the introduction of a major new gallery telling the story of the moving image in Australia, past, present and future.

This interactive and immersive exhibition will offer visitors a vibrant and exciting cultural experience that will permeate the ground floor and central atrium space in a way that is both organic and alive for the audience.

On completion in 2008, the gallery, added to our already-unique range of facilities and program offers, will firmly position ACMI as the world's leading centre devoted to *the* art form of the twenty-first century - the moving image.

Tony Sweeney
Director

2006-07: A YEAR OF HIGHLIGHTS

> Audience attendance at paid exhibitions jumps by 65% from the staging of *Kubrick: Inside the mind of a visionary filmmaker* to *Eyes Lies & Illusions*

> Audience attendance at free entry exhibitions soars by 76% from *Contemporary Commonwealth 2006* to *TV50*

> ACMI attracts more than 500,000 visitors for second consecutive year

> Home to 11 of Melbourne's most popular and respected film festivals

> Over 25,000 students engaged in ACMI screen education programs

> *Eyes Lies and Illusions* sets record for ACMI paid exhibitions attracting over 51,000 visitors

> TV50 sets new record for free ACMI exhibitions attendances attracting 92,000 visitors

> ACMI joins the prestigious Melbourne Winter Masterpieces series with *Pixar: 20 Years of Animation*, breaking all opening weekend box office records for previous paid ACMI exhibitions

> BigPond signs on as ACMI's Major Partner - Games

> Funding confirmed for ACMI's new ground floor gallery - a permanent exhibition celebrating the history and future of the moving image

> ACMI partners BigPond to discover the next big thing in Aussie games through *Project Joystick*

> Audience appreciation of ACMI exhibitions averaged 92%

> ACMI's Focus On cinema program features 10 Australian premieres

> ACMI's First Look cinema program presents 8 Australian premiere screenings

> 30% of all ACMI exhibition audiences attend as a family group while 15% are students

'First and last impressions count, so the way in which we engage with our audiences is vital to the overall visitor experience. At ACMI, we always aim to excite our audiences and partners, offering them distinctive and unique experiences, and everything we do, we do with a spirit of energy, style and fun.'

LUCY ROFFEY, COMMERCIAL AND PLANNING DIRECTOR

> ACMI profiled in national and international media via 1,616 media hits, or four a day

> Museum's Australia Design Award winner for *Eyes Lies and Illusions*

> ACMI produces over 200 Digital Stories working with diverse communities across Australia

> ACMI's unique Games Lab attracts 48,000 visitors

> More than 160 foreign language films screened

> ACMI partners prestigious international peers including; Hayward Gallery, London; Barbican, London; MOMA, New York; Pixar Animation Studio, San Francisco; and Centre Pompidou in Paris to deliver world-class exhibitions in Melbourne

> 38% of visitors to ACMI exhibitions come from outside Melbourne

> ACMI Box Office income increased by 18%

> Venue Hire revenue increased by 87%

ACMI ATTRACTED MORE THAN 500,000 VISITORS

> *'We love to work with people who share our passion and excitement for creating vibrant cultural spaces that genuinely engage audiences in ways that offer extraordinary experiences rather than the everyday.'*
>
> AB ROGERS, AB ROGERS DESIGN

ACMI – STRATEGIC DIRECTION

Since opening our doors in 2002, we've been focussed on establishing, then cementing, our world-class positioning as one of the leading international moving image centres.

Following an initial period of start up, we set our sights on mapping out the future and defining the road ahead. Guiding our journey is an ambitious growth program driven by a strategy based on an agenda of cultural leadership, innovation, partnerships and broadening our audiences. This strategy is called *The Way Forward*.

The Way Forward – Stage 1 included:

Physical changes to the building spaces, introduction of a new visual identity and improved way-finding signage that enhances the visitor experience.

Relocation of the ACMI Lending Collection from offsite.

Redevelopment and launch of the new ACMI Lounge and the new ACMI Shop.

In 2006-07, the next major phase of the project, Stage 2, commenced.

The Way Forward - Stage 2

This stage involves the most significant component of the next major phase of our growth.

It centres on the redevelopment of our ground floor, the introduction of a bold entrance statement creating a strong sense of arrival, improved way-finding, and the creation of a new gallery featuring a permanent exhibition celebrating 100 years of the moving image - its past, present and future.

The new gallery represents a momentous step into the future.

We're creating the world's most extraordinary exhibition celebrating the history and future of the moving image in all its forms - film, television, games, new media and art.

This landmark gallery will be a major cultural drawcard for Melbourne, offering audiences, including families, tourists and students, an exciting, immersive, engaging and entertaining free year-round experience.

The Victorian Government has continued its strong support of ACMI in 2006-07 by funding the delivery of Stage 2.

This led to an international Expression of Interest (EOI) process in January to secure an external party for exhibition design services. At its conclusion, the world's most awarded and recognised designers from the UK, USA, Europe and Australia had responded.

In June 2007 we appointed London's Ab Rogers Design in partnership with one of Australia's most awarded architects, Melbourne's Denton Corker Marshall, to work with us in delivering the project.

Ab Rogers is recognised for his vibrant and playful approach to design and the production of sophisticated and engaging gallery environments. His focus on finding a perfect blend of form and content in design will help us realise a truly unique gallery for the 21st century.

Denton Corker Marshall is renowned for its landmark major projects including the Melbourne Exhibition Centre, Melbourne Museum and the Melbourne Gateway.

The new gallery will open in 2008.

ACMI's Corporate Plan 2007-10 seeks to deliver five key strategic objectives:

- To cement ACMI as a world-class international culture and tourism destination at which to experience excellence and new ideas in film, television, games, new media and art.

- To position ACMI as a centre of excellence in media literacy and research, which fosters creative skills, new talent, and opportunities for formal and informal learning.

- To position ACMI as a state-of-the-art hub for promoting innovation in screen and digital media content through creative-industry collaborations and professional networks.

- To build and engage diverse audiences, especially Australian communities, in exploring and personally creating the media that drive modern life.

- To ensure a robust, sustainable business and operating plan, with diverse funding sources.
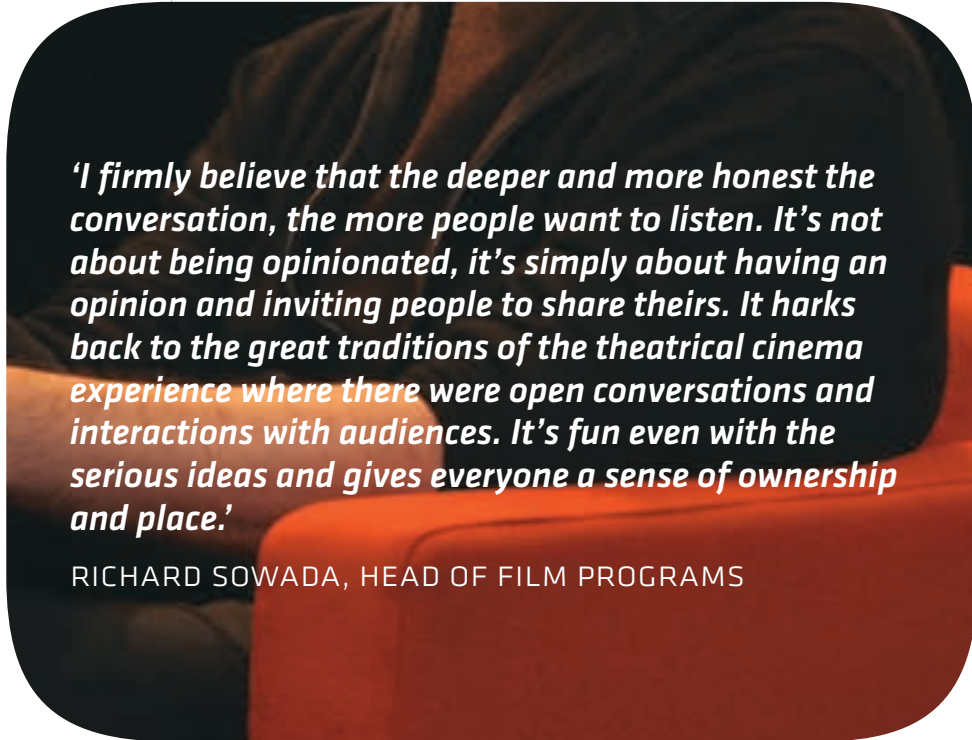
'I firmly believe that the deeper and more honest the conversation, the more people want to listen. It's not about being opinionated, it's simply about having an opinion and inviting people to share theirs. It harks back to the great traditions of the theatrical cinema experience where there were open conversations and interactions with audiences. It's fun even with the serious ideas and gives everyone a sense of ownership and place.'

RICHARD SOWADA, HEAD OF FILM PROGRAMS

FILM PROGRAMS

FILM PROGRAMS

There truly is no place like ACMI for film.

With an annual program of outstanding Australian and international cinema and an unparalleled calendar of premieres and screen culture events - we're home to arguably Melbourne's most popular and respected film festivals.

Despite the prolific penetration of the moving image through omnipresent outlets like the mobile phone and iPod, the cinema remains the only place to get the ultimate film experience.

In 2006-07, our two state of the art cinemas screened the very best of Australian and world film to diverse audiences right in the heart of Melbourne. We engaged more broadly with audiences too, creating new fans while nurturing our most passionate and loyal devotees.

Matched to exceptional on-screen content, our audiences experienced an annual program of industry talks, forums and master-classes that broadened their encounter with screen culture beyond the cinema.

In developing our cultural partnerships, we focussed on cultivating a range of relationships with screen culture organisations that cemented existing arrangements with partner festivals and allowed us to champion new or fledgling events.

We work with partners to maximise outcomes and we assist in structuring business strategies, managing event logistics and seeking out potential national collaborations. This approach has seen increased box office returns in our 2007 partner festivals - in some cases by as much as 30%.

We worked with organisations such as the Australian Film Institute, Australian Film Commission, National Film and Sound Archive, Australian Film, Television and Radio School, Film Victoria, Victorian College of the Arts, Open Channel and the Media Entertainment and Arts Alliance to deliver industry seminars, free and paid screenings, networking opportunities and audience engagement.

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LEFT
Pan's Labyrinth
Focus on Guillermo
del Toro

THERE TRULY IS NO PLACE LIKE ACMI FOR FILM

Partner Festivals

As a Government funded agency dedicated to celebrating and enhancing Australian screen culture, our motivation is in ensuring audiences are offered diverse, engaging and outstanding cinema experiences.

So, we're proud to be the natural home in Melbourne for film festivals, screen culture events and cinema that matters. Whether it's through our programming or via our ongoing support of Melbourne's established and emerging film festivals, collectively our world cinema offer is second to none.

We value our partner festivals and work them to ensure they have a home in which to grow and flourish, both cultural and commercially, for the long term. We also appreciate the opportunity to collaborate with respected and energetic organisations and individuals that contribute positively to Melbourne's cultural fabric.

Our 2006-07 partner festivals:

- Melbourne Queer Film Festival
- La Mirada: Jewels of Spanish Cinema
- Little Big Shots Children's Film Festivall
- Melbourne International Animation Festival
- Melbourne International Film Festival
- Australian Film Institute (AFI) Awards Judges Screenings
- Melbourne Latin American Film Festival
- Hola Mexican Film Festival
- Melbourne Cinematheque
- Russian Resurrection Film Festival
- Festival of Jewish Cinema

In The Thick Of The Action

To ensure we stay on top of the trends, get access to the exclusive prints, the newly restored classics and the first run premieres, our Film Program team is constantly engaged with distributors and film festivals in Australia and across the globe. Attendance at international trade shows and festivals is an integral way we stay ahead of the pack and in 2006-07, we had a presence on the ground at:

Torino Film Festival (Turin)
Toronto International Film Festival
International Film Festival Rotterdam
Berlin Film Festival
South by Southwest Film Festival
(Austin, Texas)

Our Film Program team is also regularly invited to contribute to juries or assessment panels for film festivals or industry events, including the Melbourne International Film Festival, Australian International Documentary Conference and the Australian Film Institute (AFI) Awards.

A Film Addict's Paradise

For the voracious film addict, our cinema program offers year-round entertainment you won't see anywhere else.

Reflecting the multicultural fabric of Melbourne and our own commitment to engaging with diverse audiences, we screened a sensational array of international cinema in 2006-07, with more than 160 foreign language films from countries as far and wide as Serbia, Russia, Mexico and Bulgaria, to Italy, Hong Kong, Ethiopia and Iceland.

Focus On

Our Focus On season's provide comprehensive retrospective programs that allow audiences to rediscover celebrated filmmakers, directors or genres, and to embrace both the history and future of cinema.

The 2006-07 Focus On seasons included rare imported prints, ten Australian premiere screenings and the opportunity for audiences to examine and debate in detail the works of celebrated filmmakers.

Focus on Robert Altman and Raymond Carver
August 2006

This season comprised a selection of films directed and adapted from a range of literary sources by American auteur Robert Altman alongside an international selection of short films adapted from the works of American writer Raymond Carver.

Focus On Robert Altman and Raymond Carver featured the premiere documentary *Luck, Trust & Ketchup: Robert Altman in Carver Country* and the 20th anniversary screening of *Feathers*, directed by Australian filmmaker, John Ruane.

A condensed version of the ACMI season successfully toured to Sydney.

Focus On Alfred Hitchcock
September 2006

More than 80 years since his first foray into silent cinema, Alfred Hitchcock remains one of cinemas most influential auteurs.

With a number of magnificent restorations becoming available, we commemorated the 80th anniversary of the release of Hitchcock's classic silent film *The Lodger* with a dedicated season of his works.

It allowed his films to be experienced for the first time by new audiences and for hardened fans to be reacquainted with the 'master of suspense' through these seminal works on the big screen.

Focus on Christine Vachon
October 2006

A celebration of the films of Christine Vachon - the highly prolific producer of some of the most original independent films of the last two decades including *Kids*, *Happiness*, *Go Fish*, *Safe*, *Velvet Goldmine*, *Hedwig & the Angry Inch*, *I Shot Andy Warhol*, *Poison*, *A Dirty Shame*, and the Oscar-winning *Boys Don't Cry*.

Focus on Christine Vachon captured the daring, singular stamp of her vision, which saw her build an international reputation as an 'auteur producer' known for bringing offbeat and subversive stories of sexual politics to the screen.

Focus on Pedro Almodovar
November 2006

To celebrate the Australian release of *Volver*, the film that reunited acclaimed filmmaker Pedro Almodóvar with his original heroine Carmen Maura; we paid tribute to the award-winning director in a dedicated program.

The season featured works celebrating the three famous leading ladies synonymous with Almodovar's extravagantly styled and intoxicating cinema: Maura, Victoria Abril and Penélope Cruz.

Focus on Pedro Almodovar toured to Sydney and Brisbane where it was a critical and box office success.

Focus on Tezuka
December 2006

Covering a broad-spectrum of issues and styles, the celebrated and much loved anime of Japanese artist Osamu Tezuka featured in this dedicated *Focus On* season, coinciding with an exhibition of his work at the National Gallery of Victoria.

Renowned for his capacity to combine outwardly cute characters with powerful post-nuclear sentiments, Tezuka's iconic animation afforded the viewer an insight into the perplexing mutations and narrative contortions associated with post-war Japanese culture.

Focus On Tezuka toured to Sydney.

Focus on Movie Magic
January 2007

Programmed to complement our exhibition, *Eyes Lies and Illusions*, *Focus on Movie Magic* explored how the spectacle of cinema astonished audiences with its magic over a century - from the wonder of Technicolor and the breaking of taboos to the miracle of seeing the world in miniature.

Focus on Movie Magic featured the Melbourne premiere of a hand tinted archive print of La Chute de la Maison Usher (*Fall of the House of Usher*) accompanied by a live musical score.

Focus On Land and Freedom
February 2007

In *Focus on Land and Freedom*, we examined the potency of emotion in this cinematic exploration of idealism and the human spirit.

Through a program that paid testament to the immigrant and the explorer, *Focus on Land and Freedom* featured numerous Australian premieres including Florian Henckel von Donnersmarck's *The Lives of Others*, Francisco Vargas Quevedo's *The Violin*, Yousaf Ali Khan's *Almost Adult*, and Ronit Avni and Julia Bacha's *Encounter Point*.

Focus On Guillermo del Toro
April 2007

A dedicated cinema season featuring the six feature films from celebrated and revered auteur Guillermo del Toro. This *Focus On* season explored in vivid and explosive detail how a self-confessed special effects geek from Mexico reinvigorated the fantasy horror genre of film to become the finest living exponent of fabulist cinema.

A highlight of the season was a program of Guillermo del Toro's personal favourite gothic horror films and a rare theatrical screening of George A. Romero's cult horror piecer, *Martin* (1977), which screened in a pristine 35mm print lent exclusively to ACMI by the film's producer, Richard P. Rubinstein.

Focus on Punk
May 2007

Riding the coattails of a resurgent punk culture, we presented a rare collection of some of the most famous (or infamous) features and documentaries capturing a subculture that pushed music and its connection with politics and culture to the edge.

With seriously rare content that looked brilliant on the big screen at ACMI, *Focus on Punk* featured rare and never before seen works in a sold out and critically acclaimed season created by author and underground film aficionado, Jack Sargeant.

Focus On Isabelle Huppert
June 2007

This fabulous *Focus On* season celebrated three decades in the rich career of Isabelle Huppert, the French film and stage icon.

With a program of twenty feature films, from her star-making role in Claude Goretta's *The Lacemaker* (1977), for which she was awarded a Best Newcomer BAFTA, to her typically audacious performance in Christophe Honore's provocative *Ma Mere* (2004). International filmmakers represented in the season included Claude Chabrol, Michael Haneke, Paul Cox, Hal Hartley, Maurice Pialat and Francois Ozon.

The season was accompanied by an exhibition of photographic portraits of Isabelle Huppert by international photographers.

EMBRACING THE HISTORY AND FUTURE OF GREAT WORLD CINEMA

Australian Perspectives

We continually strive to find new and interesting ways to engage audiences with both archival and classic Australian film.

Building on the tradition of our *Great Australian Cinema* program, *Australian Perspectives* was born in 2007 to embrace newer works and to provide greater access to high quality screen time for contemporary or emerging Australian filmmakers.

A key to its initial success was a spirited level of collaboration with both industry and practitioners in addition to an open call for submissions from independent filmmakers to submit works to the program.

The evolution from *Great Australian Cinema* to *Australian Perspectives* had an immediate impact with audience attendances from 2005-06 to 2006-07 increasing by over 50%.

Freaky Fridays

Featuring the enigmatic, the anti-establishment, the quirky, the outrageous and movies that are so wrong, they're right; *Freaky Fridays: Late Night Cult* offers an eclectic program of exotic and cult films for Melbourne's night owls.

Screening late on Friday nights, this weekly season, devoted to presenting rare and unusual films and documentaries, screened extraordinary works in 2006-07 from collections around the world including the work of Russ Meyer and Roger Corman and a focus on animation.

Kids' Flicks

Designed to develop tomorrow's cinema audiences today, *Kids' Flicks* provides a wider breadth and depth of children's film programming than often found in the commercial or mainstream theatrical circuit.

Kids' Flicks is a weekly program of Australian and international live action and animated feature films screening in morning and afternoon sessions on Sundays. In 2006 a new programming element was introduced, *Kids' Flicks by Request*, where audiences request their favourite films to be programmed as part of the season. During school holiday periods *Kids' Flicks* screens Monday to Friday.

'We know that Freaky Fridays is for those with a taste for the more 'exotic' and we continue to scour collections internationally to bring works that are so wrong they're right. They are the real thing from the deepest darkest recesses of the human mind and it shows.'

RICHARD SOWADA, HEAD OF FILM PROGRAMS

First Look

Each month we showcase the best of recent world cinema and classic film restorations in our *First Look* series.

Audiences are presented with a superb international program of exclusive-to-ACMI cinema, which allows us to screen a wide range of foreign language titles, ensuring we talk directly to diverse communities throughout Melbourne.

First Look Australian premieres

- *Jesus Camp*
  Oscar Nominated Documentary

- *In the Shadow of the Light*
  Direct from Rotterdam Film Festival

- *Day Night, Day Night*
  Direct from Cannes Film Festival

- *Old Joy*
  Direct from Berlin Film Festival

- *Pine Flat*
  Direct from Berlin Film Festival

- *The Beales of Grey Gardens*
  Direct from Toronto Film Festival

- *Klimt*
  Direct from Torino Film Festival

- *Zidane: A 21st Century Portrait*
  Direct from Cannes and Toronto Film Festivals

Seniors' Cinema

Our cinema lovers have diverse tastes and passions so when it comes to our programming, we're careful to offer audiences, no matter what their age, excellence in choice.

Drawing on the best of Australian and international film, *Seniors' Cinema* features well-crafted, character-driven stories, elegant period dramas, quirky comedies and fascinating documentaries. We also curate and present the annual *Seniors' Film Festival*, a five-day festival of films produced in association with the Department for Victorian Communities as a feature of the Victorian Seniors' Festival.

Seniors' Cinema continued to grow with increasing popularity in 2006-07 surpassing audience targets.

RIGHT
The Proposition
Seniors' Cinema

'The response to the quality of works on show for the seniors program is always surprising and is a testament to the depth of the audience here at ACMI. It continues to be one our strongest programs and because of its intelligence and depth, it goes well beyond attracting audiences of more mature years.'

ROBERTA CIABARRA, FILM PROGRAMMER

A DISCERNING AND GROWING AUDIENCE OF FILM LOVERS

'I enjoy witnessing the intensity of engagement our programs elicit from people, whether aged 5 or 85 - the joy they get from seeing themselves or something they've made come to life on screen, or the even greater pleasure of seeing their work on exhibition. What people do here can, and does, change lives.'

GAEL MCINDOE, HEAD OF PUBLIC PROGRAMS

PUBLIC PROGRAMS AND EDUCATION

PUBLIC PROGRAMS

One of the things that makes ACMI distinctive is that we provide rich opportunities for people of all ages to become cultural creators, not just cultural consumers.

Our belief in media literacy and the central importance of the moving image in our daily lives means we engage people as viewer, critic, creator and exhibitor.

Our diverse range of Public Programs draw upon an extensive and fertile palette of industry talks and forums, creative workshops and education and learning programs that offer a suite of complementary experiences for audiences.

One of most significant outcomes in 2006-07 was the delivery of a resoundingly successful series of talks and forums in support of our major exhibitions that generated opportunities for learning and professional development while positively contributing to Australian screen culture.

Our international reputation as a centre of excellence in digital storytelling was enhanced through an extensive program of workshops within ACMI and in the regions that resulted in hundreds of Australians of diverse age and background documenting and sharing memories and experiences.

And our exceptional annual calendar of screen education programs allowed us to reach literally thousands of students and teachers, engaging them passionately and meaningfully in debate and discussion about moving image culture and screen literature.

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RIGHT
ACMI's Screen
Adventures program
transforms particpants
to digital worlds

ALLOWING PEOPLE OF ALL AGES TO BECOME CULTURAL CREATORS

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RIGHT
Pitcha This Digital Storytelling Project

Digital Storytelling

Our Digital Storytelling program actively engages people across Victoria, whether as individuals or in groups, in the art and practice of the moving image.

It is a powerful form of media expression that enables individuals and communities to archive and reclaim their personal cultures and stories while exploring their artistic creativity and sharing experiences with others.

The central premise of Digital Storytelling is to ensure participants are empowered and supported to tell their stories using the potent mediums of their own voice and a rich archive of image and memory.

Digital Storytelling on the Road

In 2006-07 our Digital Storytelling program hit the road to capture personal stories from regional Victorian communities.

Stories of bushfire survival, living with the impact of drought and the process of restoring identity for the Stolen Generation, are some of the intensely personal subjects explored in this collection.

Digital Storytelling on the Road offers an amazing insight into the collective memory of Victorians with stories from a diverse group of storytellers, both individual and groups, across the regions.

Koorie Open Door Education (KODE digital stories)

In partnership with the Koorie Open Door Education (KODE) program, we coordinated a series of digital storytelling workshops within regional Victorian schools in Mildura, Robinvale and Swan Hill.

Presented in partnership with the Koorie Heritage Trust, the workshops provided a platform for young indigenous students to document their personal life experiences resulting in a fascinating and genuinely moving insight into the culture of indigenous young people and the issues relevant to them in contemporary rural Australia.

ENABLING PEOPLE TO TELL THEIR PERSONAL STORIES

From the Ashes: Stories from the Gippsland Bush Fires

In a remarkable ACMI-lead program, *From the Ashes: Stories from the Gippsland Bush Fires* was delivered in partnership with Latrobe City Council.

Developed as an integral part of the community's Bushfire Recovery Program, it allowed participants to archive their personal experience of the bushfires that swept through remote areas of Toongabbie, Cowwar and Buchan in December 2006.

The collection of stories was then screened throughout regional Gippsland, playing a significant role in the healing and recovery process for the broader community.

Bringing Them Home

The Bringing Them Home project was specifically and carefully developed to provide a safe and supportive environment for the documentation of the personal and moving stories of members of the stolen generation.

This program, delivered by ACMI with the Mildura Aboriginal Corporation and the Koorie Heritage Trust, produced a powerful collection of stories documenting life-changing events and experiences that resulted from one of the nation's most controversial and divisive social policies.

Pitcha This

In partnership with Sista Girl Productions and VicHealth, our Public Programs team hit the road in 2006-07 travelling to six regional Victorian indigenous communities to capture the personal autobiographical stories of the locals.

The stories were screened as part of Naidoc Week celebrations and now form part of the living ACMI and Koorie Heritage Trust collections.

Western Stories: Expressions for the Future

In 2006-07, we increased our support for Western Chances, a group in Melbourne's western suburbs focused on building partnerships and programs to support the development of skills, the building of pride and self esteem and enhancement of employment opportunities for young people.

We conduct two workshops a year where young students from Melbourne's west can document personal stories of life experience. The result is an inspirational collection of works from young people who through the opportunity to tell their story help build a bridge to their future.

Our relationship with Western Chances has so far generated up to 80 powerful digital stories.

Train the Trainer

As Australia's centre for excellence in Digital Storytelling, not only are we leaders in the delivery of programming, we're also playing a leadership role in skilling communities in the technical process of digital storytelling via a train-the-trainer program.

The Digital Storytelling Train the Trainer program places participants in the workshop environment to explore first hand the processes involved in producing an autobiographical story and the challenges that they may confront.

In 2006, our Digital Storytelling expertise was utilised in Perth at the Fremantle Film and Television Institute and in Canberra at the Tugeranong Art Centre where Train The Trainer programs were delivered to support both organisations in setting up their own digital storytelling programs.

And for the Victorian Cultural Network (VCN), we delivered a series of workshops to stimulate the formation of Digital Storytelling groups in regional Victorian communities, and in particular Mildura, Bendigo and Gippsland.

Enduring Stories: Migrant Memories

Immigration has been a significant factor in Australia's history and the creation of digital stories of migration help us celebrate the diversity of communities across Victoria and to recognise their invaluable contribution to our social fabric and identity.

In producing the *Enduring Stories: Migrant Memories* collection we were able to work closely with Melbourne's diverse ethnic backgrounds, including the Jewish, Turkish and Lebanese communities, exploring the themes of heritage, family, settlement, identity and memory.

Talks and Forums

Part of our role is to engage the community in the art of the moving image and one way we do this is via a program of informative, insightful and entertaining talks and forums.

TV50

The presentation of the *TV50* exhibition in 2006 was the first major talks and forums series developed by Public Programs and was delivered in two formats - *Lounge Critic* and the *Behind The Scenes* series.

Lounge Critic featured *Graeme on Graham* a celebration of the legendary career of Graham Kennedy by author and actor Graeme Blundell, *Rewind Fast Forward*, a history of Australian comedy with Steve Vizard, Peter Moon and Michael Veitch and, *Australian Story*, a rare behind the scenes look at the ABC documentary program.

The Sunday afternoon *Behind the Scenes* series took an intimate and anecdotal look at how television was made in Australia as key industry practitioners and pioneers shared insights on their roles, the programs and how TV changed through 50 years of broadcast.

Centre Pompidou Video Art 1965-2005

In this series of talks and forums, Australian writers, curators and artists came together to discuss and debate how video art has reflected, explored and challenged us over 40 years.

With a specific focus on Australian video art, a series of talks were delivered on Sunday afternoons exploring a broad range of topics including the use of pastiche and montage, how documentary formats developed as installation works, the challenge of writing about video art and the prospect of choosing a seminal video artwork.

Pixar: 20 Years of Animation

In the opening week of this blockbuster international exhibition, Public Programs developed a series of exclusive talks offering a once in a lifetime opportunity to hear from Pixar executives and artists about the digital animation studio's extraordinary success.

The series of master-classes featured industry focused talks and presentations from matt artists, sculptors and animators, all of which had worked on the worldwide smash hit features, *Toy Story*, *Finding Nemo*, *Monsters, Inc. The Incredibles* and *Cars*

The sold out sessions, including forums hosted by Melbourne animation identities Malcolm Turner and Peter Viska, explored the creative disciplines of animation and how Pixar artists bring character and story to life on the big screen.
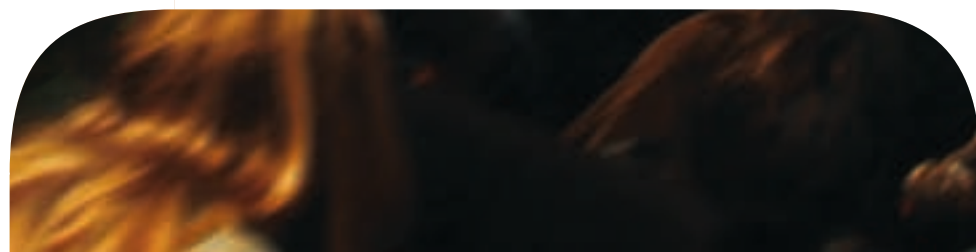
AN ENGAGING AND SUCCESSFUL SERIES OF TALKS AND FORUMS

Screen Education

In an environment increasingly mediated by the moving image, central to understanding and navigating our world is screen literacy – the ability to read, understand, analyse, explain, create and appreciate the ways in which screen texts make meaning.

Our Screen Education team delivers unique learning programs that encourage dynamic thinking, interaction and purposeful screen literacy activities.

Throughout 2006-07 we delivered a total of 527 Screen Education programs, reaching 25,874 students and 4,832 teachers.

Teacher Seminars

These dynamic educator programs have evolved over time from the more traditional 'screen as text programs', or film analysis, to programs that actively engage with emergent media forms such as video games, new media and video art.

They reflect current curriculum practice but aim to extend the paradigm, encouraging teachers to embrace new literacies that are critically important for the next generation of learners.

In 2006-07, ACMI delivered 28 Teacher Seminar Programs with 860 teachers attending.

Student workshops

ACMI Screen Education has long been recognised for excellence in the delivery of screen theory programs, but our facilities enable us to augment text-based learning with hands on production.

These intensive full-day experiences for students of all ages act as powerful instigators for creative production. Our capacity to provide a full 'educational arc', from theory to production to exhibition and back to theory, provides a meaningful and robust educational engagement for students in a creative context.

Our workshops provide access to both facilities and educational resources that may not be readily available in schools or the local community. The Screen Education team also travels to schools that are unable to attend ACMI workshops, or to schools that have on-site facilities but require educational expertise to deliver programming.

In 2006-07, ACMI delivered 87 Student Workshops engaging 2,282 students and 214 teachers.

'With the increasing prevalence of social media technologies it is time to re-think how we engage with students and to reinvigorate the way we approach education, taking into account the new types of 'Gen-Y' learners and our increasing need to embrace the emergent languages that underpin 'their' learning.'

BRETT MCLENNAN, SCREEN EDUCATION MANAGER
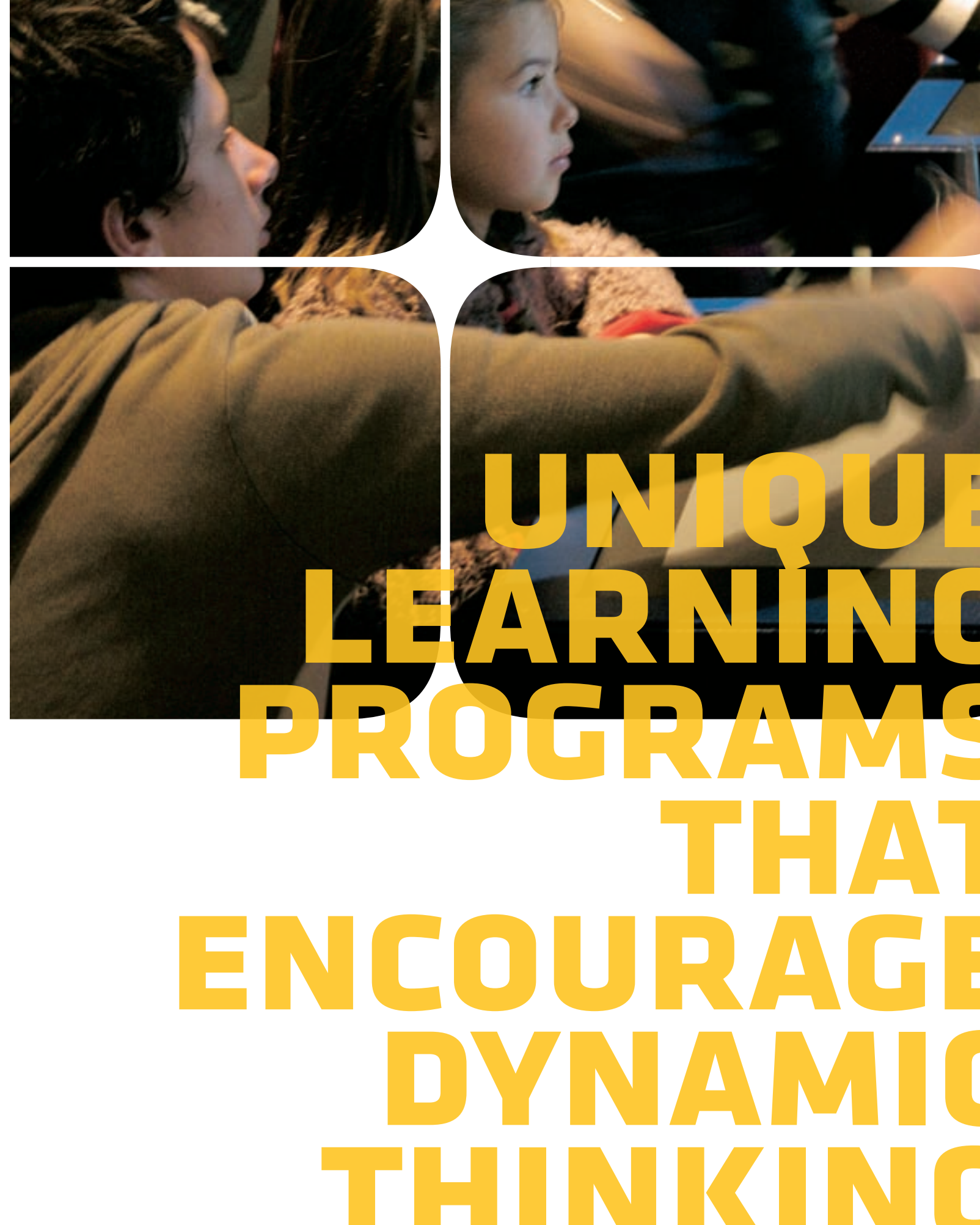
UNIQUE LEARNING PROGRAMS THAT ENCOURAGE DYNAMIC THINKING

TOP RIGHT
Some of the more than 25,000 students visiting ACMI each year

Teacher Workshops

In a sister program to the Student Workshops, we engaged Victorian teachers in a diverse range of hands on production based programs and workshops on moving image culture.

These workshops are designed to enhance teacher abilities and to skill them to undertake practical production teaching with their students while providing a process by which the key new media literacies can be adopted and delivered into the classroom environment.

A highlight of the 2006-07 Teacher Workshops was a partnership program with the State Government Department of Education. The *Virtual History* project brought together teachers from a range of Victorian schools to produce a comprehensive DVD resource that uses teacher-lead production techniques to assist the teaching of history.

In 2006-07, ACMI delivered 10 Teacher Workshops engaging 101 teachers and 20 students.

Student Screenings and Screening Lectures

Victorian students are increasingly engaged with the screen as a primary source of information and communication.

Supporting students to develop the ability to speak and understand the language of the screen provides them with key competencies to underpin both their formal and social learning capacity. This program utilises traditional and new moving image texts in response to the focus of current and emerging curriculum.

In 2006-07, ACMI delivered 123 student screenings and lectures with 10,087 students and 882 teachers participating.

Student Festivals

Celebrating the creative talents and endeavours of Australian students is the focus of our festivals program, designed to showcase the best student moving image work being produced nationally.

Key festival programs provide an outlet for student works created in the classroom and in our production programs within the content exhibited in the Memory Grid, providing an ongoing resource for students and teachers.

Screen It, our annual national moving image competition for primary and secondary students, showcases the best animation, live action, mobile phone and games content. In 2006 it achieved 207 registrations nationally with an estimated 3,105 participants taking part in schools across Australia.

Top Screen, in conjunction with Victorian Curriculum and Assessment Authority, presents the best work from Victorian VCE media and VET Multimedia students. In 2006, we delivered 12 Top Screen screening sessions, experienced by 2957 students and 163 teachers.

In partnership with Media Giants, Screen Education supports *Little Big Shots*, an international children's film festival, through the production of a comprehensive education kit and delivery of master classes, which engaged with 1401 students in 2006-07.

Education Publications

Screen Education has a strong commitment to the provision of quality educational resources for Australian schools.

These quality publications reinforce the expertise of our Screen Education team and support students and teachers to transfer the skills and learning from ACMI Screen Education Programs into the classroom. And with our publications produced in both print and online form, we reach Australian schools regardless of location.

In 2006-07 we produced an ACMI Study Guide for the Australian feature film, *Look Both Ways* and *Screen It* Education Resources.

Our Educators In The Field

Our Screen Education team is regularly invited to contribute to industry and education publications and forums, deliver keynote speeches, attend or present at seminars, and deliver conference papers on the variety of program activities we deliver.

In 2006-07, members of the Screen Education team contributed to the following conferences:

- ATOM National Conference
- E-Portfolio National Conference
- LT06 Conference
- Department of Education CeLL Education Conference

'Screen Adventures is the perfect combination of fun and technology designed to give kids of all ages an experience of using traditional storytelling techniques and genre while immersing themselves in a green screen television studio. Every workshop has a different outcome and the kids get an opportunity to act, sing and jump around in fantastic and magical virtual worlds. The most satisfying thing for us is seeing how much their imagination just comes alive.'

LISETTA MOSCARDO, SCREEN EVENTS COORDINATOR

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RIGHT
ACMI's popular Screen
Adventures program

Screen Adventures

Screen Adventures is a wonderful hands-on workshop where kids discover the behind the scenes movie making process in our state of the art studio space.

In 2006-07, this popular interactive program attracted hundreds of children and families in performance-based workshops where they're transformed into their favourite character or super hero and are immersed into digital worlds.

This experience provides an opportunity to learn about the cutting edge green-screen chroma key technology used in television and film production to create special effects.

In 2006-07, school groups, individuals, families and organisations such as Diabetes Camps Victoria took part in Screen Adventures workshops.

LEARNING AND PLAYING IN DIGITAL WORLDS

Games

The ACMI Games Lab is the first dedicated permanent exhibition space in a major institutional culture centre designated to exploring videogames as cultural artefacts.

Games offer audiences an entirely new relationship with the screen, as they become the dominant new form of screen culture.

More than just providing rich environments for storytelling and engagement, videogames explore new social and spatial paradigms and are fast becoming a space where more and more of us spend our recreational time.

With the exponential growth in popularity over 35 years, videogames have become a major cultural reference point in our society and providing future opportunity for audiences to directly engage with games will be an integral element of the new ground floor ACMI gallery.

In 2006-07 48,330 people visited the Games Lab.

Scoot

Scoot explored the potential for location-based games to work across multiple Melbourne cultural facilities in a fun and educational experience.

Produced by ACMI and funded by the Victorian Cultural Network, *Scoot* employed the web and mobile phones as tools for play in real and virtual worlds. Players experienced *Scoot* as a treasure hunt where clues arrived on their mobile phone or online and were answered via sms text message.

Scoot explored the capacity of mixed technology for developing relationships between people and space for new purposes: enhancing cultural participation and cultural capital. Whilst the treasure hunt format physically leads people through spaces, the interactive elements and puzzles help engage players within each site.

As a means of introducing people to Melbourne's cultural centres, *Scoot* encouraged players to explore the individual sites and to ultimately take them to spaces they may never have been before.

Through Scoot, we created an opportunity to work collaboratively with the National Gallery of Victoria, Melbourne Museum and the Victorian Arts Centre to deliver a dynamic play-based family experience. In 2006-07, Scoot attracted 310 playing groups of between 2 and 10 participants.

Best of the Independent Games Festival

The Games Lab offers visitors a hands-on experience of gameplay via a constantly changing series of exhibitions designed to explore game cultureas well as the history of games, including the annual *Best of the Independent Games Festival* (IGF).

The IGF was established in 1998 in San Francisco to encourage innovation and to recognise the best of the world's independent game developers in the same way that the Sundance Film Festival honours indy filmmakers.

Each year, we bring together the best of the IGF entries in an exhibition that allows Australian audiences to experience the latest worldwide industry developments and celebrate games culture.

Hits of the 80s - Games that Rocked the World

Few people are aware that Australia has a vibrant videogame development industry and that in the 1980s Melbourne's Beam Software, our first game developer, was responsible for creating a number of seminal and international hits and laid the foundation for the strength of today's industry.

The million selling text adventure *The Hobbit* and the genre defining *The Way of the Exploding Fist* were exhibited alongside hardware such as the Spectrum ZX computer, the Commodore 64 and the original Nintendo Famicom, in an ACMI-curated exhibition dedicated to the games pioneers in *Hits of the 80s – Games That Rocked The World*.

'The pleasures of videogames are many from the kinaesthetic, the synaesthetic and the intellectual to the satisfaction of problem solving, the act of working together for a shared gaol, the joy of mayhem, the total engagement of flow and of course a lashing of good old fashioned fun.'

HELEN STUCKEY, SCREEN EVENTS PROGRAMMER (GAMES)

'The Memory Grid is a celebration of short form video, showcasing important stories and stylistic experimentation that inspires and educates while providing opportunities for people to exhibit their work and be part of our moving image heritage. It has become a meeting place, a regular haunt for those interested in screen culture in Melbourne while also providing a barometer for the kind of exciting production that happens in Australia for our overseas tourists.'

KIM MONTGOMERY, CONTENT DEVELOPMENT MANAGER

Machinima Film Festival

As part of our commitment to thinking critically about games within a cultural context, we focus on the ubiquitous creativity of games as personified in the player/producer culture of mods and machinima in the Machinima Film Festival, which forms a part of our annual games calendar.

Machinima (muh-sheen-eh-mah) is filmmaking within real-time 3D virtual environments - a new form of filmmaking that uses computer games technology to 'shoot' film. Its creators use existing game characters and environments as actors and sets for a type of virtual puppetry complete with voice-overs, while others make use of games engine technology to build unique characters and worlds to animate and film in real time.

Parents, Kids & Videogames – What's the Score? - A Parents Guide to Videogames

Following the prolific growth of video games as part of popular culture, parental concern at the significant degree of child engagement with games began to emerge as an issue amongst Australian parents.

In response to this and as a leading authority on games and games culture, ACMI commissioned a user-friendly parent's guide to video games from Anthony Hetrih, an experienced games writer and member of the Classification Review Board.

Parents, Kids & Videogames – What's the Score? - A Parents Guide to Videogames helps parents understand the kind of games their kids are playing, the differing characteristics of games and gameplay while offering parent-friendly descriptions of commercial games.

In 2006-07 the guide was downloaded from our website 27,709 times.

Memory Grid

One of the distinctive elements of the ACMI experience is the interactive exhibition space, the *Memory Grid*. It features an ever-growing program of film, video and interactive work from the tertiary and education sector, including VCE students and the Australian Film, Television and Radio School, through to independent producers and our own programs such as Digital Storytelling.

It provides audiences with a unique opportunity to intimately engage with self-generated content, short films, documentaries and animation. And with the global explosion in the production of self-generated content, creating future environments for its consumption will be a key component in the new ground floor ACMI gallery.

In 2006, the Memory Grid was listed in the City of Melbourne publication, *Culture Secrets*, as one of Melbourne's most unique cultural experiences and between January and June 2007 Memory Grid content was viewed on-demand more than 78,000 times.

MAP

Like Memory Grid, our Memory and Place (MAP) project is a way to explore the collective memory of Victoria through the moving image.

Short films, ranging from contemporary video to archival film footage, are stored in MAP containing a strong sense or 'memory' of the place where they were made. By navigating an interactive map of Victoria visitors can watch visual memories on demand and experience a place through the camera.

Between January and June 2007, viewers accessed MAP on-demand on over 12,000 occasions.
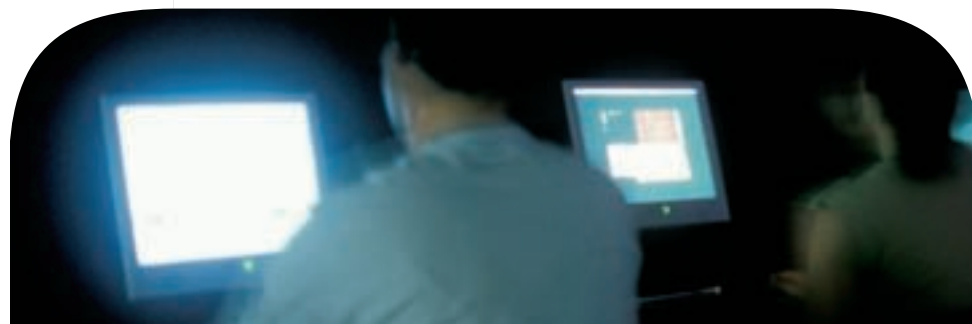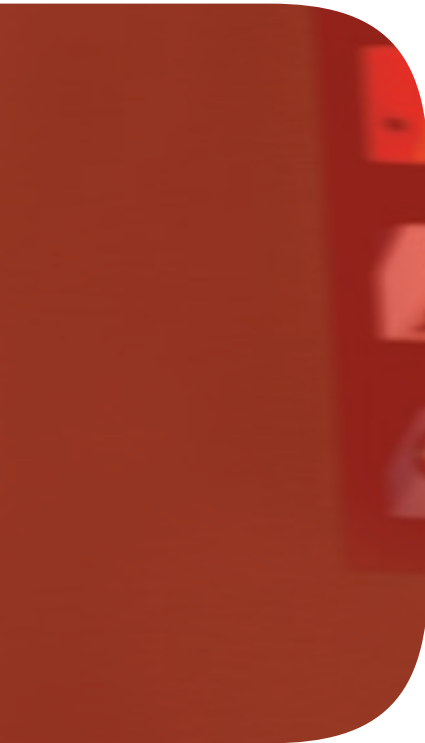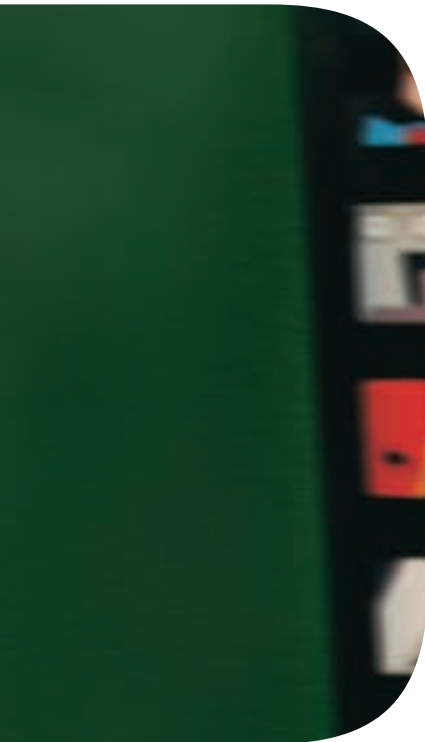
'It is particularly gratifying to be involved in producing a dynamic series of exhibitions that engage, excite and develop diverse audiences for the moving image arts. There is something very special about a gallery full of visitors from all ages, each connecting in a personal way to the artworks, yet all beaming with a shared sense of delight, curiosity and inspiration as they journey through the space.'

ALESSIO CAVALLARO, SENIOR CURATOR

From left to right:
Alessio Cavallaro, Senior Curator & Chris Harris, Exhibitions Manager

EXHIBITION PROGRAMS

EXHIBITION PROGRAMS

One of the most exciting things about ACMI is that you get to see the very best of moving image art and culture from around the world without leaving Melbourne. In 2006-07 we delivered our most diverse and successful calendar of major exhibitions to date.

Our strategy of profiling and positioning exhibitions as a flagship ACMI offer set new records for audience attendance, enhanced our international reputation, drew significant acclaim and substantially contributed to our increased national and international profile.

The four major exhibitions presented were incredibly diverse. They provided a fascinating insight into the relationships between, and our experiences of, the aesthetic, historical, and technological developments in moving image art over 500 years.

From the perceptual trickery of Renaissance times to pre-cinematic optical inventions, the advent of television and the emergence of video art, to the traditional artistic skills and processes that combine with technology in digital animation - we entertained, informed, inspired and considerably broadened our audience reach.

In 2006-07 we continued to collaborate with some of the world's most respected cultural institutions in Exhibitions program delivery, including the Hayward Gallery (London), Centre Pompidou (Paris), Barbican (London) and MOMA (New York).

TV50
June to October 2006

Developed to commemorate the 50th anniversary of broadcasting television in Australia, *TV50* celebrated the past, present and future of this ubiquitous form of moving image and its impact on our daily lives.

From the plasma screen that takes pride of place in the living room to the portability and popularity of *mobisodes* accessed through a mobile phone - television continues to dominate and influence our way of seeing the world.

Broadcast technology provides a fluid and persuasive mechanism for transmitting ideas, and television has played a pivotal role in shaping our national identity.

TV50 was an instant hit with audiences and at the end of its run in September 2006 it had become our most successful exhibition attracting over 90,000 people, a 76% increase over the previous free entry exhibition.

Presenting classic television moments, rare props, sets and objects, the interactive and mobile future of television, and a dramatic 748-monitor NEC TV Wall - *TV50* was a thematic A to Z of Australian television history.

As well as being the most successful exhibition staged at ACMI, *TV50* broadened our reach. It encouraged repeat visitation, attracted diverse audiences from families to school groups and provided an opportunity for industry connection as we collaborated with every major Australian television network in the curatorial process.

'For me, taking an exciting and internationally recognised exhibition like Pixar: 20 Years of Animation or Centre Pompidou's Video Art 1965-2005 and re-designing it for ACMI's distinctive exhibition space is one of our biggest challenges. We strive to achieve the best possible presentation standard for all exhibitions, no matter where it may have been seen before, while also ensuring they have a unique ACMI flavour and reflect our individual personality as a leading international moving image centre.'

CHRIS HARRIS, EXHIBITIONS MANAGER

RIGHT
Eyes, Lies & Illusions

Eyes Lies & Illusions
November 2006 to February 2007

Following the success of *TV50*, we presented the world's largest collection of pre-cinematic media to Australian audiences in *Eyes Lies & Illusions*.

The archaeology of the moving image reveals a captivating history of ideas, scientific invention and technical wizardry. Devices of wonder such as the magic lantern and the zoetrope were designed to entertain, surprise, deceive and enhance visual perception and for the audiences of today, decades after their creation, they remain equally as fascinating.

Eyes Lies & Illusions was drawn from the remarkable collection of German experimental filmmaker Werner Nekes, who began collecting in the mid-sixties and has amassed a collection of more that 25,000 historical objects, books, prints, instruments and optical ephemera.

Over 500 of these were presented in the exhibition alongside commissioned works by ACMI from twelve contemporary Australian and international artists inspired by the creative and imaginary power of illusion.

Together, they explored the art and science of visual perception from the Renaissance to the present day - vividly re-imagining a time before the inception of cinema.

From November 2006 to February 2007, *Eyes Lies & Illusions*, a paid-entry exhibition, attracted 51,000 visitors – a 61% increase in visitation over the previous paid entry exhibition.

Centre Pompidou Video Art 1965-2005
March to May 2007

Testimony to the diversity of our Exhibitions program, we followed the success of *Eyes Lies and Illusions*, with one of the largest surveys of video art ever seen in Australia in *Centre Pompidou Video Art 1965-2005*.

This major international exhibition from the Centre Pompidou in Paris traced the evolution of the video image in contemporary art and explored the aesthetic possibilities of video as a creative medium.

It featured works by artists who significantly influenced the development of video art, including Nam June Paik, Bruce Nauman, and Bill Viola, as well as works by a younger generation of innovative artists such as Isaac Julien and Pierre Huyghe.

Divided into four sections, *Imaginary Television*, *Identity Issues*, *From Videotape to Installation and Post-Cinema*, the exhibition followed the historical development of video art, highlighting the intergenerational dialogues, connections, and patterns of influence between the artists.

A truly international collaboration, *Centre Pompidou Video Art: 1965 – 2005* established a strong association between ACMI and the Musée national d'art moderne, Centre Pompidou in Paris, and LORDCulture in London, paving the way for future partnership projects.

From March to May 2007, it attracted more than 31,000 visitors to ACMI.

THE WORLD'S BEST WORKS THE MASTERS AND THE INNOVATORS

**Pixar: 20 Years of Animation
Opened June 2007**

From the beginnings of cinema, animation has proven to be one of the most popular forms of the moving image.

In an Australian exclusive exhibition presented at ACMI as part of Melbourne Winter Masterpieces 2007, *Pixar: 20 Years of Animation* is a unique behind the scenes exploration of the creative processes of the world's most successful digital animation studio.

Focussing on the distinctive style, techniques and virtuosity of the artists, this major international exhibition explores Pixar's dedication to the fundamental art and artistry of animation.

The San Francisco based Pixar Animation Studios has established itself over two decades as the master innovator in the field of animation with its phenomenally successful computer animated feature films, *Toy Story* (1995), *A Bug's Life* (1998), *Toy Story 2* (1999), *Monsters, Inc.* (2001), *Finding Nemo* (2003), *The Incredibles* (2004), *Cars* (2006), and *Ratatouille* (2007).

Comprising hundreds of sketches, drawings, paintings, concept art, colorscripts, sculptures, projections, interactive kiosks, and two spectacular large-scale installations, the *Toy Story Zoetrope* and *Artscape*, the exhibition reveals Pixar's vision in fascinating detail.
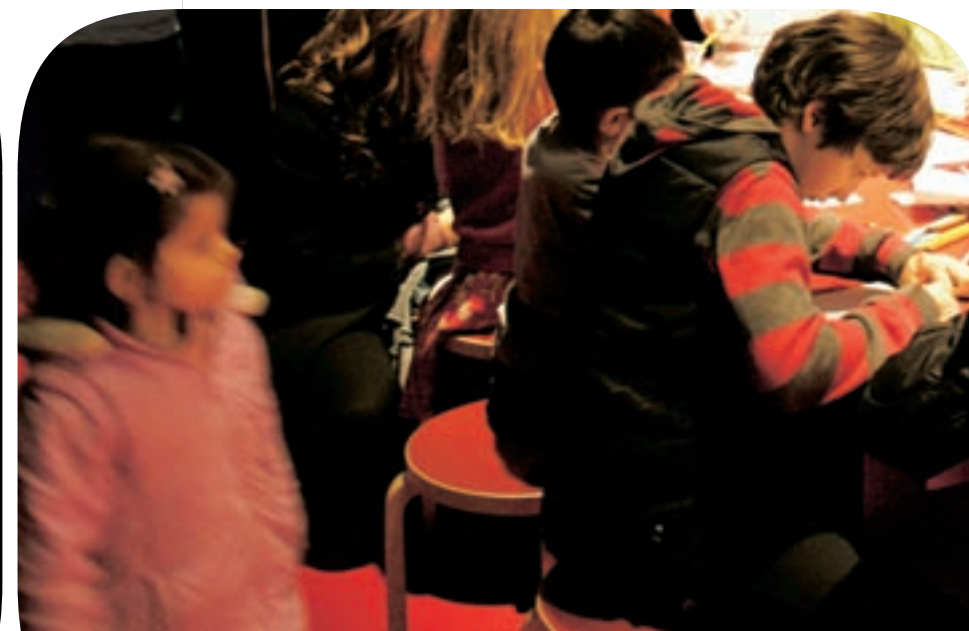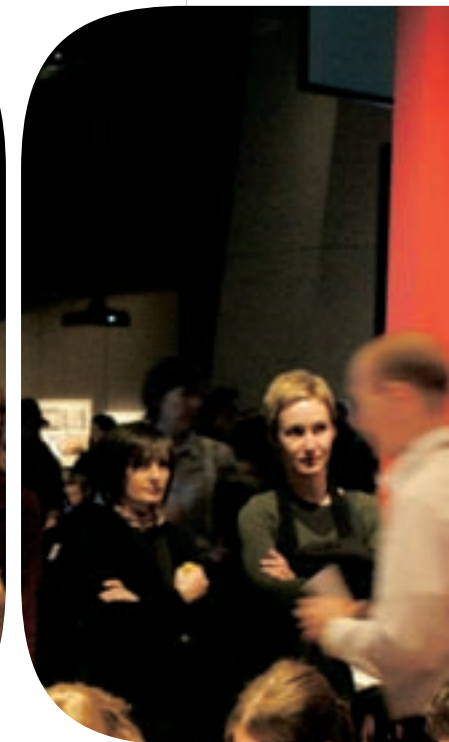
In its opening weekend in June 2007, *Pixar: 20 Years of Animation* broke all records for paid exhibition attendances at ACMI, set new sales records in the ACMI Shop and included a sold out program of talks and forums featuring Pixar artists.

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BELOW
*Pixar: 20 Years of
Animation*

ABOUT US

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TOP
(FROM LEFT TO RIGHT)
Judy Turner
Development and
Partnerships Director

Pixar artist Paul Topolos,
Lynne Kosky, Minister
for the Arts, Jerome
Ranft, Pixar sculptor,
the Hon John Brumby,
Victorian Treasurer
(as at June 28, 2007),
Tony Sweeney, ACMI
Director and Elyse
Klaidman, Dean of
Art and Film, Pixar
University

OUR PARTNERS

At ACMI we've long recognised the value of working with key external partners to deliver world-class cultural and learning experiences for Victorians and visitors alike.

Our approach has always been focused on securing like-minded individuals and corporate partners who share in our vision to become the world's leading moving image centre and for Melbourne to strengthen its position as Australia's creative capital.

Following our success in securing corporate partnerships in 2005-06, including a major relationship with NEC for *TV50*, in 2006-07 we implemented a more strategic approach to broadening sources of financial support to include corporate, philanthropic as well as private donations.

A key element of this strategy was to increase engagement with potential partners through a comprehensive calendar of networking functions, briefings and meetings with corporate and Government stakeholders.

For the delivery of the Melbourne Winter Masterpieces exhibition *Pixar: 20 Years of Animation* and complementary programming at ACMI (from June 2007), we welcomed aboard our most extensive group of presenting partners.

These included some of the most recognised names in Australia including:

- The Victorian Government
- Victorian Major Events Company
- Arts Victoria
- GTV Channel Nine
- Herald Sun
- Schenker Logistics
- Accor Hotel Group - Novotel Melbourne On Collins
- Tourism Victoria
- City of Melbourne
- Melbourne Airport
- US Embassy (Australia)
- Porsche Cars
- Disney/Buena Vista International
- Pixar Animation Studios

These organisations worked closely with us in the planning and delivery of the Australian exclusive exhibition, which broke all pre-existing records for ACMI opening weekend attendances in June 2007.

The successful association between presenting partners for Pixar: 20 Years of Animation was undoubtedly a major contributor to the success of the exhibition opening and provides an excellent foundation from which future collaborations can be created or built upon.

Project Joystick

Our most significant corporate partnership was announced in June 2007 with BigPond coming on board as ACMI's Major Partner – Games.

This alliance provides us with a national corporate identity that recognises ACMI is not only a major cultural institution, but is a respected player in the massive culture and industry of games in Australia. The partnership will see BigPond supporting all of our major games related activities, including the ACMI Games Lab, the popular *Independent Games Festival* and our forthcoming international major exhibition, *Game On* (March 2008).

At the centre of the BigPond relationship is a unique national competition to identify and create the next big thing in Australian games. *Project Joystick* was launched by ACMI and BigPond in June 2007 and will result in the development of a new Australian video game from a winning entry chosen from concepts put forward by young gamers around the country.

Recognised for its uniqueness and the role it will play in supporting the development of the independent games industry in Australia, *Project Joystick* also provided ACMI with unprecedented national profile and increased exposure to the online and gaming communities.

'Our Events team provides excellence in customer service to a diverse range of clients that utilise ACMI spaces to deliver their activities, functions, festivals and events. In building collaborative relationships, the team works creatively and professionally in helping bring the ideas and objectives of partners and hirers to reality.'

TAMARA JUNGWIRTH, BUSINESS DEVELOPMENT MANAGER

BELOW RIGHT
Opening night of
*Centre Pompidou Video
Art 1965-2005*

OUR EVENTS

In 2006-07 corporate and private events at ACMI spanned the educational, social and celebratory as well as workshops, conferences and seminars. As a host venue, our spaces attracted increasing interest with venue hire revenue growing in 2006-07 by 87%.

Our Events team produced over 100 private, commercial or corporate events for clients including, Ernst and Young, SBS Australia, NEC, Canon Australia, Sony Pictures Releasing and Buena Vista Home Entertainment.

As a major supporter of the film industry we host independent filmmakers and production companies for film premieres, cast and crew screenings, and post-production test screenings. And as Melbourne's home of fine film festivals, we're regularly the scene of opening and closing night events.

We continued to be a preferred location for academic and industry awards ceremonies in 2006-07, including end of semester and end of financial year awards nights for organisations such as the Victorian College of the Arts, RMIT and Swinburne University.

In 2006 the Events team joined the ACMI Business Development unit in a move designed to streamline processes and procedures and create diversification and innovation in product and service offer.

Increased emphasis was placed on having detailed and useful information for clients readily accessible online, with Event Terms and Conditions as well as application forms available around the clock to potential hirers.

We undertook a review of existing contractual arrangements with partner festivals to identify areas for improvement in process and procedure and to create positive and mutually beneficial conditions for longer-term relationships.

This included the introduction of new and improved contracts and agreements and the capacity for entering multi-year arrangements, adding certainty and security for planning and delivery.

In 2006-07, the Events team managed the ongoing relationships and successful delivery of 11 partner festivals (see page 16 for details).

As well as delivering industry and corporate events for external clients, we also project manage and deliver our own events such as film season and exhibition openings, program launches and stakeholder functions with catering provided by the ACMI Lounge.

'For any organisation, the foundation of its performance is in the strength of its people and we have a dedicated team who are not only professional in their approach to everything they do, they're also passionate and committed to ACMI and its future.'

JANET RILEY, HEAD OF HUMAN RESOURCES

OUR PEOPLE

Each person that works at ACMI, whether as paid member of staff or volunteer, is drawn here by a passion for the moving image and a genuine desire to actively engage with audiences and partners - sharing dialogue, ideas and experiences that inspire and stimulate.

It is fundamental to the ACMI experience.

Underpinning our workforce is a set of corporate values that express our personality as a major cultural institution. They define who we are and what we stand for. They capture our promise to audiences and stakeholders and they are at the heart of everything we do.

Our team is made up of people from a diverse range of cultural and linguistic backgrounds, with women comprising 56.32% of our workforce and over 50% of the Executive Team. A full breakdown of our workforce can be found on page 77.

Reflecting our commitment to continuous improvement, we offered learning and development opportunities for employees throughout the year, providing access to a diverse range of training programs and study leave for professional development.

In total 48 training programs (1,258 training hours) were offered across the organisation while eight of our team undertook post-graduate courses of study.

We continued to offer an Employee Assistance Program in 2006-07 to employees to provide counseling and support to staff in the various stages of their professional and personal lives.

Seminars on issues such as superannuation and the provision of free flu injections featured in 2006-07 in a suite of activities designed to support the health and well being of our team.

Executive Team 2006-07

Standing (from left to right):

Richard Sowada
Head of Film Programs

Elly Bloom
Marketing & Communications Director

Gael McIndoe
Head of Public Programs

Judy Turner
Development & Partnerships Director

Seated (from left to right):

Lucy Roffey
Commercial & Planning Director

Janet Riley
Head of Human Resources

Michael Parry
Head of Media Technology

Tony Sweeney
Director

Absent:

Mike Stubbs
Head of Exhibition Programs
(until 24 April 2007)

Board Team 2006-07

Back Row:
Dion Appel
The Hon Dr Race Matthews
Dan Pearce

Front Row:
Rhonda O'Donnell
Natalie Miller OAM
Peter Doughty (Acting President)
Ricci Swart
Annette Blonski

Absent:
Tony Phillips
Carolyn Kirby
(until 30 September 2006)
Dr Ziggy Switkowski,
(President until 25 November 2006)

Organisational Chart

1. Head of Film Programs
   Richard Sowada

2. Head of Exhibition Programs
   Mike Stubbs (until 24 April 2007)

3. Head of Public Programs
   Gael McIndoe

4. Head of Media Technology
   Michael Parry

5. Marketing & Communications Director
   Elly Bloom

6. Development & Partnerships Director
   Judy Turner

7. Commercial & Planning Director
   Lucy Roffey

FILM PROGRAMS ①	> FILM PROGRAM > FILM FESTIVAL PARTNERSHIPS
EXHIBITION PROGRAMS ②	> SPECIAL EXHIBITIONS > ART/MEDIA COMMISSIONS
PUBLIC PROGRAMS ③	> EDUCATION > TALKS & FORUMS > CREATIVE WORKSHOPS > ACMI COLLECTION
MEDIA TECHNOLOGY ④	> AUDIO VISUAL > INFORMATION COMMUNICATION TECHNOLOGY > MEDIA ASSET MANAGEMENT
MARKETING & COMMUNICATIONS ⑤	> MARKETING > COMMUNICATIONS > DESIGN
DEVELOPMENT & PARTNERSHIPS ⑥	> SPONSORSHIP > PHILANTHROPY > PARTNERSHIPS
COMMERCIAL & OPERATIONS ⑦	> VISITOR SERVICES > FACILITIES > TRADING
PLANNING & RESOURCES ⑦	> FINANCE > CORPORATE AFFAIRS > HUMAN RESOURCES

MINISTER FOR THE ARTS — ACMI BOARD — DIRECTOR/CEO

> **'Cultural sector volunteers offer an invaluable contribution to organisations such as ACMI through their passionate championing of the arts to audiences and their advocacy of our programs, exhibitions and events to Victorians and visitors alike.'**
>
> JIM POUSSARD, VOLUNTEER PROGRAM MANAGER

In the Workplace

In line with our commitment to providing a harmonious, fair and positive work environment for staff, we reviewed our policies on Equal Opportunity, Managing Diversity and Prevention of Bullying and Violence in the Workplace in 2006-07 and implemented a Grievance and Complaints Resolution Policy.

We facilitated staff training sessions by the Victorian Equal Opportunity and Human Rights Commission on the application of Equal Employment Opportunity (EEO) and appointed an ACMI Equal Opportunity Contact Officer to provide advice and assistance to staff.

Our Occupational Health, Safety & Environment Committee continued the process of reviewing relevant practices across the organisation and overseeing the implementation of a risk management program whilst continuing to facilitate staff consultation.

During 2006-07 there were 3 WorkCover claims and 32 days lost as a result of industrial accidents during the reporting period. The percentage of sick leave days taken versus ordinary hours decreased slightly from 0.021% to 0.016% during the reporting period.

The ACMI Consultative Committee met regularly throughout 2006-07. There were no days lost as a result of industrial disputes and there were no formal grievances lodged.

The Victorian Public Sector Code of Conduct applies to all staff and provides guidance for addressing ethical issues such as conflict of interest.

Volunteers – a vital part of the ACMI visitor experience

The contribution of volunteers to the ACMI visitor experience is invaluable.

Like their employed counterparts, volunteers bring passion for arts and culture and a love of the moving image to their role. They add value to the organisation's commitment to customer service and play an active role in ensuring a visit to ACMI is a memorable one – for all the right reasons.

Within our public spaces, volunteers add significantly to the visitor experience, helping audiences understand and enjoy our offers including film programs and exhibitions and the diverse opportunities available within our interactive spaces.

Volunteers play a hands-on role in the delivery of the annual calendar of public and education programming, while also contributing positively to a broad range of behind the scenes roles that help ensure smooth and effective front of house delivery.

In 2006-07, 190 volunteers contributed over 9,800 hours of service assisting in a range of diverse roles over and above being friendly, knowledgeable and helpful guides, including; exhibition research, management of school group visits, and cinema ushering.

Two volunteers, Christine Dyton and James Mason were recognised for a major milestone in 2006-07, reaching 1,000 hours of volunteer service.

Additional highlights in the Volunteer Program in 2006-07 include the revision of weekly rostering to allow volunteer support of ACMI programming within key operating hours and the decision by a group of volunteers to create and produce a short film for the Pigdon 5-Minute Film Festival.

OUR AUDIENCES

Whether between ourselves or with our audiences, our communications are driven by a desire to know more and to grow and evolve (ACMI Values).

Our Marketing and Communications (M&C) Group leads the organisation's communications, marketing, audience research, advertising, website, design and stakeholder (including government) activities.

M&C plays a critical role in engaging actively and meaningfully with existing and new audiences and connecting with diverse communities of interest - locally, nationally and internationally.

Communications

The day-to-day activity of the Communications Team is crucial in maintaining the profile of ACMI programs, events, activities and people amongst external audiences.

In 2006-07, the Communications Team generated 1,616 media hits in metropolitan, state, national, international and online media – an average of four per day across the year.

Highlights 2006-07

All Focus On cinema seasons achieved major editorial features in the Age newspaper including four EG cover stories

Increased media perception of ACMI as a leading authority on games culture with major features in the Age, on ABC Radio National, ABC TV's The 7.30 Report, Hyper Magazine, PC Powerplay, IGN website, Hot Hits nationally syndicated FM radio program

Profiles on ACMI programming in major national magazines including Vogue, Voyeur – Virgin Blue in-flight magazine, Desktop, Qantas Australian Way, Jetstar Magazine, Age Melbourne Magazine, Digital Media World, Empire, IF Magazine, Encore, The Australian Newspaper – Review, and Art Australia Monthly

Television coverage of ACMI programming on Showtime Movie News, 9AM with David and Kim, Today, ABC TV Sunday Arts, Postcards, Mornings with Kerri-Anne and Sky News

Significant interstate press coverage for *Pixar: 20 Years of Animation* including the Sun Herald, Brisbane Courier Mail, the Canberra Times and the West Australian

'The last year has seen a focus on the exhibition program as a "flagship" offer to our audiences and one that has enabled us to more easily communicate the breadth of activities we undertake through creative cross promotions and packaging of events and programs. Coupled with our ever present positive profile in the media, it is getting harder and harder to miss what is on at ACMI'

ELLY BLOOM, MARKETING AND COMMUNICATIONS DIRECTOR

RIGHT
Internal banners for
the _TV50_ exhibition

Marketing

This year we developed and adopted organisation-wide vision and values statements that are at the core of everything we do.

In 2006-07, as they continued to permeate the organisation, they begun to closely mesh with our brand, finding expression in design outputs and in the messaging of all marketing and communications activities.

Continued refinement of the ACMI visual identity and planning towards a new membership program has meant Customer Relationship Management (CRM) and online offers were a focus in 2006-07.

Media partnerships with the Herald Sun, Gold FM and Channel 9 enabled us to substantially increase the reach and volume of mass marketing for exhibitions and in 2006-07, our highest visitation for exhibitions, with around 30% of all audiences being families.

The marketing campaign for TV50 was awarded the Arts Victoria's Portfolio Leadership Award for Marketing/Audience Development. Data collection initiatives continued to be undertaken with the aim of converting the large number of first time attendees to exhibitions in 2006-07 into regular customers.

We continued to improve the functionality of our website in 2006-07. The rebuilding of our online calendar of events dramatically improved its useability resulting in an immediate increase in customers exploring multiple events. New richer and interpretative content continues to be added too, enhancing the depth of the learning resources and encouraging return visitation.

Building on the successful implementation of regular audience research in 2005-06, we remained focused into 2006-07 on improving our knowledge and understanding of our customers.

Most visitors to ACMI come from Melbourne while a strong 30% are from elsewhere.

In 2006-07 the average visitor to exhibitions is equally likely to be male or female, likely to live in an inner-Melbourne suburb, likely to have a bachelor degree or higher and tends to work full time. On average, we attract a strong percentage of students to our exhibitions of 15%.

Design

Responsible for the delivery of design outputs across the organisation, the work of the Design team has been integral in cementing our brand presence in the marketplace.

Since the creation and launch of our refreshed logo and visual identity in 2005, it has been implemented across all outlets and applications from stationary, corporate and marketing collateral, exhibition design and signage.

Highlights 2006-07

* Museums Australia Multimedia Publications Design Awards 2007:

  Winner
  Eyes, Lies & Illusions Flipbook Program Calendar of Events and brochure

  Winner
  Eyes, Lies & Illusions motion graphics Multimedia

  Winner
  Eyes, Lies & Illusions
  Invitation

* Australian Graphic Design Association Awards:

  Winner
  White Noise (2005 ACMI exhibition)
  Visual Identity

* Multi-layered highly successful campaigns designed in-house for _TV50_, _Eyes Lies & Illusions_, and _Pixar: 20 Years of Animation_

* In-house production of ACMI television commercials for _TV50_, _Eyes Lies &Illusions_ and _Pixar: 20 Years of Animation_

'Media Technology is not only at the heart of what ACMI celebrates and explores, it plays a fundamental role in everything we offer our audiences by supporting the business of the organisation while innovating as part of program delivery.'

MICHAEL PARRY, HEAD OF MEDIA TECHNOLOGY

OUR PLACE

Being a unique cultural centre focused firmly on the moving image, technology underpins everything we do. And like the subject we celebrate, technology too is constantly evolving.

Our Media Technology team plays an integral role in the provision of functions that deliver our audience experiences. This ranges from audio-visual, technical, engineering and lighting in our exhibition and studio spaces, to projection in our cinemas, or the infrastructure that drives our business – each is a vital component. The team also strongly supports our partner festivals and a wide range of external hire events by providing audio and visual services.

In 2006-07 Media Technology supported the installation of all programmed exhibitions and events in the Screen Gallery, Memory Grid and Games Lab, and the screening of literally hundreds of feature films, shorts and documentaries that make up our own cinema program and those of festival partners and hirers.

Highlights 2006-07:

The installation and commissioning of a new state of the art VOIP telephony system

A multi-year strategic plan for Media Technology was developed guiding the use of technology and its management across all areas of ACMI

We completed a significant replacement and renewal program for our ICT infrastructure, which will provide for greater efficiencies in both actual system performance and economics. One key visible outcome of this process was the migration of our public website to a new platform that has resulted in a significantly faster and responsive online user experience

Media Technology has been a key contributor along with other ACMI business units in the development of the State Government's Victorian Cultural Network project

We support the delivery of programming at other cultural institutions through the lending of Media Technology resources and in 2006-07 we assisted the following organisations:

- Centre for Contemporary Photography
- Monash Gallery (MUMA)
- Kings ARI
- Heide Museum of Contemporary Art
- Public Records Office
- State Library of Victoria
- National Gallery of Victoria
- Museum of Contemporary Art (MCA)
- Australian Centre for Contemporary Art (ACCA)
- Museum Victoria

The ACMI Lounge

An integral part of any cultural institution, the ACMI Lounge in its first full year of operation in 2006-07 has grown to become a successful Federation Square eatery and a core element of the screen culture experience at ACMI.

More than just a restaurant and bar, in 2006-07 the ACMI Lounge grew its reputation as a venue for music and culture in its own right and it provided catering services to external hirers and featured as a hub for partner film festivals.

Private event catering was a significant area of growth for the Lounge accounting for 22% of total income.

The ACMI Shop

During its first full trading year in 2006-07, the ACMI Shop provided quality retail product to customers seeking specialist cinema focused merchandise, hard to find movies on DVD, world cinema, film history and children's educational toys and gift sets.

People from all over Australia made use of ACMI's special order service in 2006-07, fulfilling numerous requests for hard-to-find or specialist books and DVDs and with our major exhibitions enjoying increasing popularity, new lines of program specific merchandise were created to complement the visitor experience.

The ACMI Collection

The ACMI Collection's origins date back to the State Film Centre collection, which was established in Melbourne in 1946.

Since that time is has grown through both focussed acquisition policies and via donation of other significant film collections from bodies such as the Victorian Department of Education, the Australian Children's Film and Television Foundation, the Australian Film Television and Radio School, and various foreign embassies.

Following the birth of ACMI in 2002, media collecting activity broadened to include Australian and international new media art, commissioned works, user created content and computer games and now includes 3D objects, posters, still images and archival material.

A comprehensive review of the ACMI Collection is now underway and will consider issues of future access and use in relation to the new ground floor gallery and exhibition.

As a lasting legacy from the 2006 exhibition *TV50*, ACMI acquired the nationally significant historical collection of Australian television artefacts from Melbourne industry veterans Bob Philips and Judy Banks. This collection, which was threatened with disbandment, is now preserved for future generations as part of the ACMI Collection.

PERFORMANCE SUMMARY

Key Performance Indicators

	30 June 07	30 June 2006	30 June 2005
Active visitation	506,635	509,558	422,505
Online visitation	3,680,202	3,657,973	1,682,794

Notes (Key Performance Indicators)

• Active user attendance at ACMI program offers was slightly less than the previous year, this was mainly due to the positive impact of the Commonwealth Games on ACMI's visitation in March 2006. After allowing for the impact of the Commonwealth Games general visitation to ACMI's programs in fact increased from the previous year.

• Website traffic has stabilised at 3.6M after a period of rapid growth from 2004-2006.

Financial Summary of Results

	30 June 2007 $	30 June 2006 $	30 June 2005 $	30 June 2004 $	30 June 2003 $
Revenue from Government	17,377,908	16,995,000	16,674,887	15,843,228	15,911,051
Depreciation equivalent funding (capital funding)	2,192,358	4,345,000	700,000	532,000	4,566,000
Capital asset charge	1,675,000	1,634,000	1,113,165	1,416,534	1,344,187
Self generated revenue	5,326,089	3,562,130	2,450,255	2,974,517	2,473,078
Total revenue	26,571,355	26,536,130	20,938,307	20,766,279	24,294,316
Operating surplus/ (deficit) before depreciation & capital funding	576,326	452,049	733,633	779,340	(1,724,187)
Result from operating activities after depreciation & capital funding	(418,135)	394,108	(3,898,853)	(4,079,098)	(918,794)
Cash flow from operating activities	3,374,393	4,684,193	2,351,556	(282,043)	(636,374)
Total assets	29,430,492	29,408,416	28,189,843	31,472,172	37,501,986
Total liabilities	3,061,612	2,621,400	2,151,257	1,534,734	3,485,450

Notes (Summary of Financial Results)

• ACMI received $2.2M capital funding in 2006-07. The majority of this funding was toward the development of ACMI's new permanent exhibition on the ground floor, 100 Years of the Moving Image. In addition, ACMI received capital funds to implement humidity control in the Screen Gallery to meet international gallery standards allowing ACMI to go forward with exhibitions such as *Pixar: 20 Years of Animation*.

• Self-generated revenue increased significantly from the previous financial year mainly as a result of the opening of new commercial facilities including the ACMI Shop and ACMI Lounge. These facilities were opened in March 2006, and had their first full year of successful operations in the 2006-07 financial year.

• In addition, strong attendances at ACMI's ticketed exhibitions, *Eyes Lies and Illusions*, and *Pixar: 20 Years of Animation* contributed to the increase in revenue.

• The operating result before depreciation expense and capital funding (depreciation equivalent funding) is a more accurate measure of ACMI's financial performance as ACMI does not receive full funding of its depreciation expense annually. Consequently ACMI may report an operating loss equivalent to its depreciation expense in any year this funding is not received. The result before depreciation and capital funding shows a surplus of $576,326. The result after depreciation expense and capital funding of ($418,135) is the net result of depreciation equivalent funding received of $2.2M offset by ACMI's depreciation expense for the year of $3.2M (refer operating statement Page 82).

ADMINISTRATIVE REPORTING REQUIREMENTS

Establishment, function and powers

In performing its functions and exercising its powers, ACMI is subject to the direction and control of the Minister. During the period of this report, the Ministers responsible were Mary Delahunty (to 1 December 2006) and Lynne Kosky (from 1 December 2006).

Film Act 2001

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

a) to promote and exhibit, whether in Victoria or elsewhere, the moving image to the public or to any sector of the public;

b) to develop, control, manage, operate and promote ACMI and any facilities under the control of ACMI;

c) to promote, whether in Victoria or elsewhere, ACMI as a national centre for the creation and exhibition of the moving image and promotion of events or activities including festivals, conferences, publications or exhibitions, where film or other screen-based programs are made, seen or discussed;

d) to establish, maintain, conserve, develop, promote and exhibit, whether in Victoria or elsewhere, the collection of moving images;

e) to make, whether in Victoria or elsewhere, any item from the collection of moving images available for study or loan to persons or institutions, subject to any conditions that ACMI determines;

f) to promote, whether in Victoria or elsewhere, public education and discussion with reference to the moving image;

g) to develop and create, whether in Victoria or elsewhere, exhibitions of the moving image;

h) to develop and create, whether in Victoria or elsewhere, materials for educational or other programs conducted by ACMI;

i) to conduct, whether in Victoria or elsewhere, research and development in relation to the moving image;

j) to develop relationships or enter into partnerships with other organisations, including government bodies, whether in Victoria or elsewhere, to promote public education in relation to the moving image.

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

1. ACMI has power to do all things necessary or convenient to be done for or in connection with, or as incidental to, the performance of its functions.

2. Without limiting sub-section 1, ACMI may, in connection with the performance of its functions:

   a) enter into contracts, agreements or arrangements with any person or body and do everything, including the payment of money, that is necessary or expedient for carrying the contracts, agreements or arrangements into effect;

   b) subject to this Act, acquire, hold and dispose of real or personal property;

   c) be a member of a body corporate, association, partnership, trust or other body;

   d) form, or participate in the formation of, a body corporate, association, partnership, trust or other body;

   e) enter into a joint venture with another person or other persons;

   f) do all things necessary or convenient to be done for, or in connection with, a joint venture in the performance of its functions;

   g) accept gifts, grants, bequests and devises made to it and act as trustee of money or other property vested in it on trust;

   h) provide consultancy and project management services;

   i) acquire, or enter into agreements or arrangements with respect to the acquisition of, the copyright, or an interest in the copyright, in any film, television or multimedia program;

   j) make available for public use items from the collection of moving images.

Freedom of Information

Contact
Principal Officer: Antony Sweeney (Chief Executive Officer)

Freedom of Information Officer: Jillian McGarry (Corporate Affairs Coordinator)

Access to information under the *Freedom of Information Act 1982* may be made in writing to:

Freedom of Information Officer
Australian Centre for the Moving Image
PO Box 14, Flinders Lane, Vic 8009.
Telephone: (03) 8663 2252
Fax: (03) 8663 2275

This section of the report contains information that is required to be published annually under Part II of the *Freedom of Information Act 1982* (*FoI Act*). Further information on FoI can be obtained from the *FoI Act*, the various regulations made under that Act and www.foi.vic.gov.au.

Freedom of Information (FoI) Services
The Australian Centre for the Moving Image (ACMI) met its responsibilities for implementing the Government's Freedom of Information policy. ACMI received and actioned no requests during 2006-07.

Making a Request
The *FoI Act* gives members of the public the right to apply for access to information in documentary form held by ACMI.

Documents that are maintained in the possession of ACMI include:

- Internal working papers of ACMI
- Correspondence from ministers and members of Parliament, government departments and agencies, members of the public and the private sector
- Records relating to accounts
- Personnel and salary records
- Organisation and accommodation records.

Requests for Access to Documents
Access to documents (as defined in section 5 of the *FoI Act*) may only be obtained through a request in writing (under section 17 of the *FoI Act*) addressed to ACMI's FoI Officer.

Applications should be as specific as possible to enable the FoI Officer to identify relevant documents as quickly and efficiently as possible. A $21.50 FoI application fee should accompany each request. The application fee may be waived in cases where payment would cause an applicant financial hardship. When an applicant seeks a waiver of this fee, the request should indicate the grounds on which a waiver is being sought (for example, low income).

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

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

Section 21 of the *FoI Act* requires that all reasonable steps be taken to enable an applicant to be notified of a decision concerning the release of documents as soon as practicable. It must be no later than 45 days after the day on which the request is received by ACMI.

What information is released?

ACMI can refuse to release a document if it contains information that is exempt under the *FoI Act*. Documents can be exempt in full or exempt parts can be deleted with the remainder of the document released. ACMI will notify the applicant of his or her appeal rights if access is denied to a document or to part of a document.

The *FoI Act* outlines general categories of information that are exempt. This includes: information relating to the personal affairs of third parties; information provided in confidence; information that if released might endanger the lives or physical safety of individuals; Cabinet documents; commercial-in-confidence information; and internal working documents the release of which would be contrary to the public interest.

Decisions are made under *FoI Act* by the Chief Executive Officer or in line with sections 26 and 51 of the *FoI Act*.

Charges Under the FoI Act

Section 22 of the *FoI Act* outlines the principles for the levy or waiver of charges required to be paid by an applicant to ACMI, before access to a document is given. Charges are:

Photocopy fee - $0.20 per A4 page

Search fee - $20 per hour or part thereof

Supervision fee - $5 per 15 minutes or part thereof (where a document is inspected by an applicant)

Deposits – a deposit of $25 may be required if the calculated charge does not exceed $100 or a deposit of 50 per cent of the calculated charge, where that charge exceeds $100.

Some charges may be waived in certain circumstances. An example might be where the applicant is impecunious and the request concerns access to a document relating to his or her personal affairs.

Whistleblowers Protection Act 2001

This section of the report contains information that is required to be published annually under section 104 of the *Whistleblowers Protection Act 2001* ('the Act').

The current procedures established by the Australian Centre for the Moving Image under Part 6 of the Act can be found on page 75 of this report.

The Australian Centre for the Moving Image has received no disclosures during the year.

The Australian Centre for the Moving Image has not referred any disclosures to the Ombudsman for determination as to whether they are public interest disclosures during the year.

The Ombudsman has not referred any disclosed matters to the Australian Centre for the Moving Image during the year.

The Australian Centre for the Moving Image has not referred any disclosed matters to the Ombudsman to investigate during the year.

The Ombudsman has not taken over any investigation of disclosed matters from the Australian Centre for the Moving Image during the year.

The Australian Centre for the Moving Image has made no request under section 74 of the Act to the Ombudsman to investigate disclosed matters during the year.

The Australian Centre for the Moving Image has not declined to investigate a disclosed matter during the year.

There have been no disclosed matters that were substantiated on investigation. There has been no action required to be undertaken arising from an investigation, since there have been no investigations.

The Ombudsman has not made any recommendation under the Act that relates to the Australian Centre for the Moving Image.

Protected Disclosure Co-ordinator
Rupert Burns
Telephone: (03) 9651 0037

Protected Disclosure Officers
Janet Riley
Telephone: (03) 8663 2269
Email: Janet.Riley@acmi.net.au

Gael McIndoe
Telephone: (03) 8663 2425
Email: Gael.McIndoe@acmi.net.au

Correspondence to:
Australian Centre for the Moving Image
PO Box 14 Flinders Lane VIC 8009

All correspondence, phone calls and emails from internal or external whistleblowers will be referred to the Protected Disclosure Co-ordinator.

Where a person is contemplating making a disclosure and is concerned about approaching the Protected Disclosure Co-ordinator or a Protected Disclosure Officer in the workplace, he or she can call the relevant officer and request a meeting in a discreet location away from the workplace.

A disclosure about improper conduct or detrimental action by the Australian Centre for the Moving Image or its employees, may also be made directly to the Ombudsman:

The Ombudsman Victoria
Level 3, 459 Collins Street (North Tower)
Melbourne VIC 3000 (DX 210174)
Internet: www.ombudsman.vic.gov.net.au
Email: ombudvic@ombudsman.vic.gov.au
Telephone: (03) 9613 6222
Toll Free: 1800 806 314
Ombudsman: Dr George Brouwer

National Competition Policy

ACMI is committed to competitive neutrality principles, which are taken into account in all activities.

Implementation of the Victorian Industry Participation Policy (VIPP)

In October 2003, the Victorian Parliament passed the *Victorian Industry Participation Policy Act 2003*. The Act requires public bodies and Departments to report on the implementation of the Victorian Industry Participation Policy (VIPP). The Act applies to tenders above $3 mil for metropolitan and $1 mil for country areas. ACMI did not commence or complete any contracts during 2006-07 to which the VIPP applies.

Consultancies

During the reported period ACMI entered into 3 consultancies each costing less than $100,000 (excluding GST). The total cost of these consultancies was $28,250.

There were no consultancy agreements entered into during the reporting period for amounts greater than $100,000 (excluding GST).

Building Act 1993

ACMI does not have any land or buildings and thus has no responsibilities under the *Building Act 1993*.

Disclosure Of Major Contracts

ACMI did not enter into any contracts greater than $10 million in 2006-07.

Additional Information Available On Request

The following information relating to ACMI, relevant to the 2006-07 financial year, has been prepared and is available to the Minister, Members of Parliament and the public on request (subject to Freedom of Information requirements, if applicable). Details about some of the following matters have already been disclosed within this Report of Operations.

- Declarations of pecuniary interests duly completed by all relevant officers
- Details of publications produced by ACMI about the activities of ACMI and where they can be obtained
- Details of changes in prices, fees, charges, rates and levies charged by ACMI for its services
- Details of any research and development activities undertaken by ACMI that are not otherwise covered either in the Report of Operation or in a document which contains the financial report and Report of Operations
- Details of overseas visits undertaken including a summary of the objectives and outcomes of each visit.
- Details of major promotional, public relations and marketing activities undertaken by ACMI to develop community awareness of the services provided by ACMI.
- Details of assessments and measures undertaken to improve the occupational health and safety of employees, not otherwise detailed in the Report of Operations
- A general statement on industrial relations within ACMI and details of time lost through industrial accidents and disputes, which is not otherwise detailed in the Report of Operations
- A list of major committees sponsored by ACMI, the purposes of each committee and the extent to which the purposes have been achieved

There were no major external reviews carried out on the entity during the 2006-07 financial year.

Declaration Of Pecuniary Interests

All relevant staff completed declarations of interest applicable to 2006-07.

Public Administration Act 2004

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

- Employment decisions are based on merit;
- Employees are treated fairly and reasonably;
- Equal Employment Opportunity is provided; and
- Employees have a reasonable avenue of redress against unfair or unreasonable treatment.

Workforce Data

| | at 30 June 2007 | | | at 30 June 2006 | | |
	Male	Female	Total	Male	Female	Total
Executive	1	2	3	1	1	2
Ongoing	49	68	117	44	60	104
Fixed Term	12	23	35	2	17	19
Casual	18	20	38	14	6	20
Total	80	113	193	61	84	145
Total (FTE)	56.75	78.65	135.4	45.40	65.59	110.99

Note:
The increase in staffing since the last reporting date is attributable to 5 key factors, namely:

- Additional staff associated with the delivery of *Pixar: 20 Years of Animation*, a major charged exhibition;
- Conversion of casual employees to on-going employment;
- Growth in staffing in the ACMI Shop reflecting a steady increase in trading;
- Project based positions, in particular reflecting ACMI's delivery of its programs into regional Victoria, and support to a partnership with Big Pond in the delivery of Project Joystick; and
- Vacancies filled in the reporting period.

Executive Staff and Executive Vacancies

	at 30 June 2007	at 30 June 2006
Executive employees	3	2
Vacancies	0	1
Total	3	3

Audit Committee Members

The Audit Committee consisted of the following non-executive directors:
Peter Doughty (Chair)
Annette Blonski (until 31.01.07)
Dan Pearce
Rhonda O'Donnell (from 01.02.07)

An exemption was obtained from the Minister for Finance from the obligations arising from Direction Number 2.2 (m) of the Financial Management Compliance Framework (FMCF) which prohibits the Chair of the Responsible Body also Chairing the Audit Committee for the 2006-07 financial year.

DISCLOSURE INDEX

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

FINANCIAL STATEMENTS

Financial Statements Declaration

We certify that the attached financial statements for ACMI have been prepared in accordance with standing Direction 4.2 of the *Financial Management Act 1994*, applicable Financial Reporting Directions, Australian Accounting Standards and other mandatory professional reporting requirements.

We further state that, in our opinion, the information set out in the Operating Statement, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and notes to and forming part of the financial statements, presents fairly the financial transactions during the year ended 30 June 2007 and financial position of ACMI at 30 June 2007.

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

Peter Doughty
Acting President
Melbourne
6 September 2007

Antony Sweeney
Chief Executive Officer
Melbourne
6 September 2007

Lucy Roffey
Commercial and Planning Director
Melbourne
6 September 2007

Operating statement for the financial year ended 30 June 2007

	Note	2007	2006
		$	$
INCOME			
Revenue	2(b)	3,976,885	2,162,091
Government grants	2(a)	21,245,266	22,974,000
Sponsorship	2(c)	359,110	399,595
Other income	2(c)	990,094	1,000,444
TOTAL INCOME		26,571,355	26,536,130
EXPENSES			
Employee benefits expense	3(a)	(9,347,698)	(8,898,390)
Rental and associated outgoings expense	3(b)	(3,990,316)	(3,978,522)
Operating costs		(8,618,410)	(7,214,654)
Cost of goods for resale		(171,247)	(13,515)
Capital asset charge		(1,675,000)	(1,634,000)
Depreciation and amortisation expense	3(c)	(3,186,819)	(4,402,942)
TOTAL EXPENSES		(26,989,490)	(26,142,022)
NET RESULT FOR THE PERIOD		(418,135)	394,108

The above operating statement should be read in conjunction with the accompanying notes included on pages 85 to 103.

Please note that this statement reflects all gains and losses for the reporting period, recognised and displayed in accordance with Australian Accounting Standards and the Directions of the Minister for Finance, irrespective of the amounts and timing of cash flows which are set out on Page 84.

Balance sheet as at 30 June 2007

	Note	2007	2006
		$	$
CURRENT ASSETS			
Cash and cash equivalents	15(a)	4,977,116	3,931,426
Receivables	5	498,196	632,060
Inventories	6	185,938	48,642
Prepayments	7	124,839	298,720
Other		0	38,349
TOTAL CURRENT ASSETS		5,786,089	4,949,197
NON-CURRENT ASSETS			
Property, plant and equipment	8	12,442,113	13,195,941
Collections	8	9,232,200	9,232,200
Intangible assets	9	1,970,091	2,031,078
TOTAL NON-CURRENT ASSETS		23,644,404	24,459,219
TOTAL ASSETS		29,430,493	29,408,416
CURRENT LIABILITIES			
Payables	10	2,076,622	1,790,310
Provisions	11	837,090	693,834
TOTAL CURRENT LIABILITIES		2,913,712	2,484,144
NON-CURRENT LIABILITIES			
Provisions	11	147,900	137,256
TOTAL NON-CURRENT LIABILITIES		147,900	137,256
TOTAL LIABILITIES		3,061,612	2,621,400
NET ASSETS		26,368,881	26,787,016
EQUITY			
Contributed capital	17(b)	28,241,185	28,241,185
Asset revaluation reserve	17(a)	4,682,922	4,682,922
Accumulated losses	17(c)	(6,555,226)	(6,137,091)
TOTAL EQUITY		26,368,881	26,787,016
Commitments for expenditure	13		

The above balance sheet should be read in conjunction with the accompanying notes included on pages 85 to 103.

Statement of changes in equity for the financial year ended 30 June 2007

	Note	2007	2006
		$	$
TOTAL EQUITY AT THE BEGINNING OF THE FINANCIAL YEAR		26,787,016	26,038,586
Asset revaluation	17(a)	0	354,322
Net income recognised directly in equity		0	354,322
Net result for the period	17(c)	(418,135)	394,108
Total recognised income and expense for the period		(418,135)	748,430
TOTAL EQUITY AT THE END OF THE FINANCIAL YEAR		26,368,881	26,787,016

The above statement of changes in equity should be read in conjunction with the accompanying notes included on pages 85 to 103.

Cash flow statement for the financial year ended 30 June 2007

	Note	2007	2006
		$	$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
Government grants (note 2(a))		19,052,908	18,629,000
State - depreciation equivalent funding (note 2(a))		2,192,358	4,345,000
Interest received		267,553	303,503
Goods and services tax recovered from the ATO		858,406	1,178,268
Other income		3,249,221	3,112,755
Payments			
Salaries and associated costs		(9,192,866)	(8,640,124)
Operations		(13,053,186)	(14,244,209)
Net cash flows from operating activities	16(b)	3,374,394	4,684,193
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment for property plant & equipment and collection acquisitions		(2,345,001)	(5,735,048)
Proceeds from sale of property, plant and equipment		51,428	0
Payment for intangible assets		(35,132)	(6,311)
Net cash flows used in investment activities		(2,328,705)	(5,741,359)
Net increase/(decrease) in cash and cash equivalents		1,045,689	(1,057,166)
Cash and cash equivalents at beginning of the financial year		3,931,426	4,988,592
Cash and cash equivalents at the end of the financial year	16(a)	4,977,115	3,931,426

The above cash flow statement should be read in conjunction with the accompanying notes included on pages 85 to 103.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2007

NOTE 1: SUMMARY OF ACCOUNTING POLICIES

(a) Statement of compliance

This financial report is a general purpose financial report which has been prepared on an accrual basis in accordance with the *Financial Management Act 1994*, applicable Australian Accounting Standards, Interpretations and other mandatory professional requirements. Accounting Standards include Australian equivalents to International Financial Reporting Standards (A-IFRS).

The financial report was authorised for issue by Lucy Roffey (Commercial and Planning Director - Australian Centre for the Moving Image) on 6 September 2007.

(b) Basis of preparation

The financial report has been prepared on a historical cost basis, except for the revaluation of certain non-current assets and financial instruments. Cost is based on the fair values of the consideration given in exchange for assets.

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision, and future periods if the revision affects both current and future periods.

Judgments made by management in the application of A-IFRS that have significant effects on the financial statements and estimates with a risk of material adjustments in the next year are disclosed throughout the notes in the financial statements.

Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

The accounting policies set out below have been applied in preparing the financial statements for the year ended 30 June 2007 and the comparative information presented for the year ended 30 June 2006.

(c) Reporting entity

The Australian Centre for the Moving Image (ACMI) is an administrative agency acting on behalf of the Crown.

The financial statements include all the controlled activities of ACMI. ACMI has no controlled entities.

(d) Objectives and funding

ACMI was established under the *Film Act 2001* with the objectives to promote, educate, and exhibit the moving image in all its forms, and is predominantly funded by accrual based Parliamentary appropriations for the provision of outputs. Appropriations are received by the Department of Premier and Cabinet who provide them to ACMI in the form of grants.

(e) Events after reporting date

Assets, liabilities, income or expenses arise from past transactions or other past events. Where the transactions result from an agreement between ACMI and other parties, the transactions are only recognised when the agreement is irrevocable at or before balance date. Adjustments are made to amounts recognised in the financial statements for events which occur after the reporting date and before the date the statements are authorised for issue, where those events provide information about conditions which existed at the reporting date. Note disclosure is made about events between the balance date and the date the statements are authorised for issue where the events relate to condition which arose after the reporting date and which may have a material impact on the results of subsequent years.

(f) Goods and services tax (GST)

Income, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the balance sheet.

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

(g) Income recognition

Amounts disclosed as revenue are, where applicable, net of returns, allowances, duties and taxes. Revenue is recognised for each of ACMI's major activities as follows:

Revenue

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

Revenue from the provision of services for memberships, venue hire, cinema screenings, exhibition programs and other public programs is recognised when the service has been delivered.

(g) Income recognition (continued)
Other income
Other income consists of sponsorship, in-kind revenue, grant and project funding, gains/losses on disposal of property, plant and equipment and sundry income. Any gain or loss on disposal is recognised at the date control of the asset is passed to the buyer and is determined after deducting from the proceeds the carrying value of the asset at that time.

Sponsorship is recognised when services are delivered.

Grant income
Grants are recognised as income when ACMI gains control of the underlying assets. This is generally upon receipt.

Interest revenue
Interest revenue is recognised on a time proportionate basis that takes into account the effective yield on the financial asset.

In-kind revenue
Resources received free of charge or for nominal consideration are recognised at their fair value.

(h) Expenses
Employee benefits
Employee benefits expenses include all costs related to employment including wages and salaries, leave entitlements, redundancy payments and superannuation contributions. These are recognised when incurred, except for contributions in respect of defined benefit plans.

Superannuation
Defined contribution plans
Contributions to defined contribution superannuation plans are expensed when incurred.

Defined benefit plans
The amount charged to the operating statement in respect of defined benefit plan superannuation represents the contributions made by ACMI to the superannuation plan in respect to the current services of current ACMI staff. Superannuation contributions are made to the plans based on the relevant rules of each plan.

ACMI does not recognise any defined benefit liability in respect of the superannuation plan because ACMI has no legal or constructive obligation to pay future benefits relating to its employees; its only obligation is to pay superannuation contributions as they fall due. The Department of Treasury and Finance administers and discloses the State's defined benefit liabilities in its financial report.

Depreciation
Depreciation is provided on property, plant and equipment. Depreciation is generally calculated on a straight-line basis so as to write off the net cost or other revalued amount of each asset over its expected useful life to its estimated residual value. Leasehold improvements are depreciated over the period of the lease or estimated useful lives, whichever is the shorter, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period.

The depreciation rates used for each class of assets were as follows:

	2007	2006
Class of fixed asset	Depreciation rate (p.a.)	Depreciation rate (p.a.)
Audio visual equipment	25.00%	25.00%
Computers	33.33%	33.33%
Furniture and fittings	20.00%	20.00%
Office equipment	20.00%	20.00%

Given the unique nature of the Collections, depreciation is not recognised as the service potential of these cultural assets cannot be estimated reliably, however their impairment is assessed annually as at the reporting date.

Amortisation
Intangible assets with finite useful lives are amortised on a systematic (typically straight-line) basis over the asset's useful life. Amortisation begins when the asset is available for use, that is, when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each annual reporting period. In addition, an assessment is made at each reporting date to determine whether there are indicators that the intangible asset concerned is impaired. If so, the assets concerned are tested as to whether their carrying value exceeds their recoverable amount.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually or whenever there is an indication that the asset may be impaired. The useful lives of intangible assets that are not being amortised are reviewed each period to determine whether events and circumstances continue to support an indefinite useful life assessment for that asset.

In-kind expenditure
Resources provided free of charge or for nominal consideration are recognised at their fair value.

Capital asset charge
The capital asset charge is imposed by the Department of Treasury and Finance and represents the opportunity cost of capital invested in the non-current physical assets used in the provision of outputs. The charge is calculated on the carrying amount of non-current physical assets (excluding cultural assets).

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

All other assets are assessed annually for indications of impairment, except for:
• inventories (refer note 1(i));
• financial assets (refer note 1(i));

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

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

Leases
Lease payments for operating leases, where substantially all the risks and benefits of ownership remain with the lessor, are charged as expenses in the periods in which they are incurred.

Operating costs
Operating costs generally represent the day-to-day running costs, including maintenance costs, incurred in the normal operations of ACMI. These items are recognised as an expense in the reporting period in which they are incurred. The carrying amount of any inventories held for distribution is expensed when distributed.

(i) Assets
All non-current assets controlled by ACMI are reported in the balance sheet.

Cash and cash equivalents
Cash and cash equivalents comprise cash on hand and cash at bank, and investments in money market instruments, which are readily convertible to known amounts of cash.

Receivables
Receivables consist predominantly of debtors in relation to goods and services and GST input tax credits recoverable.

All ACMI's debtors and other receivables are recorded at amortised cost less impairment.

A provision for doubtful receivables is made when there is objective evidence that the debts will not be collected. Bad debts are written off when identified.

Inventories
Inventories are measured on an item-by-item basis at the lower of cost and net realisable value. ACMI does not have high value, low volume inventory items, therefore measurement is based on the "weighted average cost" method of measurement.

Financial assets
Financial assets at fair value through profit or loss
Investments in money market instruments, are stated at fair value, with any resultant gain or loss recognised in the profit and loss.

Intangible assets
Intangible assets represent identifiable non-monetary assets without physical substance. ACMI currently has two types of intangible assets, namely, software and the Exhibition Collection, which is a digital moving image collection.

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

Software has a finite useful life and is amortised over its useful life as follows:

Software   2.5 years

The Exhibition Collection has an indefinite useful life and therefore is not amortised, but is reviewed each reporting period to determine whether events and circumstances continue to support an indefinite useful life assessment, in addition to assessment of impairment.

The Collection was independently revalued as at 30 June 2006. The valuation was undertaken by Graeme Addicott (FAPI, FRICS, MPJA), Principal Valuer of Australian Valuation Office in the Federal Government.

(i) Assets (continued)
Property, plant and equipment
Leasehold improvements, plant and equipment are measured at cost less accumulated depreciation and impairment.

Revaluations of non-current physical assets
Non-current physical assets measured at fair value are revalued in accordance with FRD 103B. This revaluation process normally occurs every five years, based upon the asset's Government Purpose Classification. Revaluation increments or decrements arise from differences between carrying value and fair value.

Cultural assets of Film, Object and Lending Collections are measured at fair value and revalued in accordance with FRD 103B. Valuations of the Film Collection and the Object Collection were undertaken as at 30 June 2006 and based on market value by independent valuers approved under the Federal Government's Cultural Gifts Program and checked by Graeme Addicott (FAPI, FRICS, MPIA), Principal Valuer of Australian Valuation Office in the Federal Government, who also revalued the Lending Collection on the basis of Depreciated Replacement Cost.

Revaluation increments are credited directly to equity in the revaluation reserve, except that, to the extent that an increment reverses a revaluation decrement in respect of that class of asset previously recognised as an expense in the net result, the increment is recognised as income in determining the net result.

Revaluation decrements are recognised immediately as expenses in the net result, except that, to the extent that a credit balance exists in the revaluation reserve in respect of the same class of assets, they are debited to the revaluation reserve.

Revaluation increases and revaluation decreases relating to individual assets within an asset class are offset against one another within that class but are not offset in respect of assets in different classes.

Revaluation reserves are not normally transferred to accumulated surplus on de-recognition of the relevant asset.

(j) Liabilities
Payables
Payables consist predominantly of creditors and other sundry liabilities.

Payables are recognised when ACMI becomes obliged to make future payments resulting from the purchase of goods and services.

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

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

When some or all of the economic benefits required to settle a provision are expected to be recognised from a third party, the receivable is recognised as an asset if it is virtually certain that recovery will be received and the amount of the receivable can be measured reliably.

Employee benefits
(i) Wages and salaries, annual leave and sick leave
Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave expected to be settled within 12 months of the reporting date are recognised in the provision for employee benefits in respect of employee services up to the reporting date, classified as current liabilities and measured at their nominal values.

Those liabilities that are not expected to be settled within 12 months are recognised in the provision for employee benefits as current liabilities, measured at present value of the amounts expected to be paid when the liabilities are settled using the remuneration rate expected to apply at the time of settlement.

(ii) Long service leave
Liability for long service leave (LSL) is recognised in the provision for employee benefits.
• Current liability - unconditional LSL (representing 7 or more years of continuous service for VPS staff and 10 and more years of continuous service for executives) is disclosed as a current liability even where ACMI does not expect to settle the liability within 12 months because it will not have the unconditional right to defer the settlement of the entitlement should an employee take leave within 12 months. The components of this current LSL liability are measured at:
  - present value – the component that ACMI does not expect to settle within 12 months; and
  - nominal value - component that ACMI expects to settle within 12 months.

• Non-current liability – conditional LSL (representing less than 7 years of continuous service for VPS staff and 10 and more years of continuous service for executives) is disclosed as a non-current liability. There is an unconditional right to defer the settlement of the entitlement until the employee has completed the requisite years of service. This non-current LSL liability is measured at present value.

(iii) Employee benefits on-costs
Employee benefits on-costs (payroll tax, workers compensation, superannuation, annual leave and LSL accrued while on LSL taken in service) are recognised and included with LSL employee benefits.

(k) Commitments
Commitments include those operating, capital and other outsourcing commitments arising from non-cancellable contractual or statutory sources and are disclosed at their nominal value.

(l) Contingent assets and contingent liabilities
Contingent assets and contingent liabilities are not recognised in the balance sheet, but are disclosed by way of a note and, if quantifiable, are measured at nominal value.

(m) Equity
Contributions by owners
For additions to net assets which have been designated as contributions by owners are recognised as contributed capital. Other transfers that are in the nature of contributions or distributions have also been designated as contributions by owners.

(n) Cash flow statement
For the purposes of the cash flow statement, cash comprises cash on hand, cash at bank and highly liquid investments with short periods to maturity that are readily convertible to cash on hand and are subject to an insignificant risk of changes in value.

(o) Foreign currency
All foreign currency transactions during the financial year are brought to account using the exchange rate in effect at the date of the transaction. Foreign monetary items at reporting date are translated at the exchange rate existing at reporting date. Non-monetary assets and liabilities carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined.

Exchange differences are recognised in profit or loss in the period in which they arise.

(p) Functional and presentation currency
The functional and presentation currency of ACMI is the Australian dollar.

(q) Rounding of amounts
Amounts in the financial report have been rounded to the nearest dollar, unless otherwise stated.

(r) New accounting standards and interpretations
Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2007 reporting period. The Department of Treasury and Finance assesses the impact of these new standards and advises ACMI and other entities of their applicability and early adoption where applicable. As at 30 June 2007, the following standards and interpretations had been issued but were not mandatory for financial years ending 30 June 2007. ACMI has not, and does not intend to, adopt these standards early.

Standard / Interpretation	Summary	Applicable for annual reporting periods beginning or ending on	Impact on ACMI's financial statements
AASB 7 *Financial Instruments: Disclosures.*	New standard replacing disclosure requirements of AASB 132.	Beginning 1-Jan-07	AASB 7 is a disclosure standard so will have no direct impact on the amounts included in ACMI's financial statements. However, the amendments will result in changes to the financial instrument disclosures included in ACMI's financial report.
AASB 2005-10 *Amendments to Australian Accounting Standards* [AASB 132, AASB 101, AASB 114, AASB 117, AASB 133, AASB 139, AASB 1, AASB 4, AASB 1023 and AASB 1038].	Amendments arise from the release in August 2005 of AASB 7 *Financial Instruments: Disclosures.*	Beginning 1-Jan-07	As above.
AASB 101 *Presentation of Financial Statements* (revised).	Removes Australian specific requirements from AASB 101, including the Australian illustrative formats of the income statement, balance sheet and statement of changes in equity which entities were previously 'encouraged' to adopt in preparing their financial statements.	Beginning 1-Jan-07	Impact on presentation not expected to be significant.
Interpretation 10 *Interim Financial Reporting and Impairment.*	Equivalent to IFRIC 10 of the same name. Concludes that where entity has recognised an impairment loss in an interim period in respect of goodwill or an investment in either an equity instrument or a financial asset carried at cost, that impairment should not be reversed in subsequent interim financial statements nor in annual financial statements.	Beginning 1-Nov-06	ACMI does not publish interim financial results, so there is no impact.

NOTE 1: SUMMARY OF ACCOUNTING POLICIES (CONTINUED)

(r) New accounting standards and interpretations (continued)

Standard / Interpretation	Summary	Applicable for annual reporting periods beginning or ending on	Impact on ACMI's financial statements
Interpretation 12 *Service Concession Arrangements.*	AASB approved an Australian Interpretation 12, equivalent to IFRIC 12, applying to private sector operators, but is silent on accounting by public sector grantors. The AASB intends to consider how public sector grantors should account for service concession arrangements, and will appoint an advisory panel to make recommendations.	Beginning 1-Jul-08	The impact of any changes that may be required cannot be reliably estimated and is not disclosed in the financial statements.
AASB 2007-2 *Amendments to Australian Accounting Standards arising from AASB Interpretation 12.*	Amendments arise from the release in February 2007 of Interpretation 12 *Service Concession Arrangements.*	Beginning 1-Jul-08	As above.
AASB 8 *Operating Segments.*	Supersedes AASB 114 *Segment Reporting.*	Beginning 1-Jan-09	Not applicable.
AASB 2007-3 *Amendments to Australian Accounting Standards arising from AASB 8* [AASB 5, AASB 6, AASB 102, AASB 107, AASB 119, AASB 127, AASB 134, AASB 136, AASB 1023 and AASB 1038].	An accompanying amending standard, also introduced consequential amendments into other Standards.	Beginning 1-Jan-09	Impact expected to be not significant.
Interpretation 4 *Determining whether an Arrangement contains a Lease* [revised].	Where arrangements might fall both within this Interpretation and Interpretation 12, Interpretation 12 will take precedence. As advised above, Interpretation 12 only applies to the private sector operation and the AASB is still considering public sector accounting for these arrangements.	Beginning 1-Jan-08	May or may not lead to certain arrangements being reclassified. At this stage, the financial impact is unknown as it depends on whether there are arrangements being reclassified.
Interpretation 129 *Service Concession Arrangements: Disclosures* [revised].	Operator to disclose revenue and profit.	Beginning 1-Jan-08	ACMI is not an operator of service concession, so there will be no impact on disclosures.

NOTE 2: INCOME

		2007	2006
		$	$
(a)	**Revenue from government**		
	Government grants:		
	Government grants - Department of Premier and Cabinet	17,377,908	16,995,000
	State - capital asset charge	1,675,000	1,634,000
		19,052,908	18,629,000
	State - depreciation equivalent funding	2,192,358	4,345,000
		21,245,266	22,974,000
(b)	**Other revenue**		
	Interest from financial institutions	267,553	303,503
	Memberships	133,393	176,132
	Venue hire - screen culture, corporate and government	913,694	488,118
	Programming - box office receipts	1,237,365	1,050,263
	Commercial operations	1,424,880	144,077
		3,976,885	2,162,091
(c)	**Other income**		
	Sponsorship and in-kind revenue	359,110	399,595
	Grants and project funding	882,155	904,257
	Gain/(loss) on disposal of property, plant and equipment	51,428	(7,186)
	Other income	56,511	103,373
		1,349,204	1,400,040

NOTE 3: EXPENSES

			2007	2006
			$	$
(a)	**Employee benefit:**			
	Post employment benefits:			
	Defined contribution plans		(639,089)	(601,895)
	Defined benefit expense		(32,661)	(15,572)
			(671,750)	(617,467)
	Termination benefits		0	(155,169)
	Other employee benefits		(8,675,948)	(8,125,754)
			(9,347,698)	(8,898,390)
(b)	**Operating lease rental expenses**			
	Minimum lease payments		(2,577,084)	(2,486,867)
	Equipment rental		(139,198)	0
	Outgoings		(1,274,034)	(1,491,655)
			(3,990,316)	(3,978,522)
(c)	**Depreciation and amortisation**			
	Audio visual equipment		(754,726)	(1,685,352)
	Computer equipment		(292,416)	(1,180,863)
	Office equipment		(50,986)	(53,697)
	Furniture and fittings		(105,226)	(47,638)
	Lending collection		0	(1,397)
			(1,203,354)	(2,968,947)
	Amortisation			
	Leasehold improvements		(1,887,346)	(1,309,370)
	Software		(96,119)	(124,624)
			(1,983,465)	(1,433,994)
			(3,186,819)	(4,402,941)

NOTE 4: CORRECTION OF ERROR

Correction of error in recording Long Service Leave (LSL) in the previous financial year
Due to the incorrect assumptions used for the calculation of the LSL entitlements, the current and non-current components of the LSL entitlements for the year ended 30 June 2006 were understated and overstated by $250,589 and $250,589 respectively. This error had the effect of understating current liabilities by $250,589 and overstating non-current liabilities by $250,589.

The error as described above has been corrected by restating each of the affected financial statement line items for the prior year.

NOTE 5: RECEIVABLES

	2007	2006
	$	$
Current		
Trade debtors (i)	356,066	264,492
Provision for doubtful debts (i)	(2,086)	(9,225)
	353,980	255,267
GST input tax credit recoverable	139,284	337,345
Interest receivable	4,932	9,448
Other receivables	0	30,000
	144,216	376,794
Total receivables	498,196	632,060

(i) The average credit period on sales of goods is 30 days. An allowance has been made for estimated irrecoverable amounts from the sale of goods, determined by reference to past default experience. The movement in the allowance of $7,139 was recognised in the operating result for the current financial year.

NOTE 6: INVENTORIES

	2007	2006
	$	$
Current		
ACMI shop inventory & publications on hand	185,938	48,642
	185,938	48,642

NOTE 7: OTHER ASSETS

	2007	2006
	$	$
Current other assets		
Prepayments	124,839	298,720
	124,839	298,720

Classification by 'Purpose Groups' (a) - Carrying amounts

	2007	2006
	$	$
Sub-classification by Nature (a)		
Buildings		
Leasehold improvements - at cost	17,376,294	15,550,482
Less: accumulated depreciation	(6,185,382)	(4,298,036)
Plant and equipment		
At cost	16,342,125	16,688,166
Less: accumulated depreciation	(15,090,924)	(14,744,671)
Collections at fair value	9,232,200	9,232,200
Total property plant and equipment	21,674,313	22,428,141

Note:
(a) Property, plant and equipment are classified primarily by the 'purpose' for which the assets are used, according to one of five 'Purpose Groups' based upon Government Purpose Classifications (GPC). All assets within a 'Purpose Group' are further subcategorised according to the asset's nature' (i.e. buildings, plant and equipment, etc), with each subcategory being classified as a separate class of asset for financial reporting purposes.

Movements in carrying amounts

	Leasehold improvements at Cost $		Plant and equipment at Cost $		Collections at fair value $		total $	
	2007	2006	2007	2006	2007	2006	2007	2006
Opening balance	11,252,446	7,646,220	1,943,495	4,221,142	9,232,200	8,830,274	22,428,141	20,697,636
Additions	1,825,812	4,925,751	519,189	727,911	0	49,000	2,345,001	5,702,662
Disposals	0	(10,155)	(8,129)	(38,008)	0	0	(8,129)	(48,163)
Net revaluation increments / decrements	0	0	0	0	0	354,322	0	354,322
Depreciation expense	(1,887,346)	(1,309,370)	(1,203,354)	(2,967,550)	0	(1,396)	(3,090,700)	(4,278,316)
Impairment loss	0	0	0	0	0	0	0	0
Closing balance	11,190,912	11,252,446	1,251,201	1,943,495	9,232,200	9,232,200	21,674,313	22,428,141

The following useful lives of assets are used in the calculation of depreciation:
Leasehold improvements   6.25 - 9.75 years
Plant and equipment   3 - 5 years

	2007	2006
	$	$
Aggregate depreciation allocated, recognised as an expense during the year:		
Leasehold improvements	1,887,346	1,309,370
Plant and equipment	1,203,354	2,967,550
Collections	0	1,396
	3,090,700	4,278,316

Cultural assets carried at fair value
An independent valuation of ACMI's collections was performed by valuers approved under the Cultural Gifts Program and Australian Valuation Office to determine the fair value of the collections as discussed in note 1(h) and 1(i). The valuation, which conforms to Australian Valuation Standards, was determined by reference to the amounts for which assets could be exchanged between knowledgeable willing parties in an arm's length transaction, or based on depreciated replacement cost. The valuation was based on independent assessments. The effective date of the valuation is 30 June 2006.

NOTE 9: INTANGIBLE ASSETS

	Capitalised Software Development $		Exhibition Collection $		Total $	
	2007	2006	2007	2006	2007	2006
Gross carrying amount						
Opening balance	520,174	513,863	1,912,176	1,868,472	2,432,350	2,382,335
Additions	35,132	6,311	0	43,704	35,132	50,015
Disposals	0	0	0	0	0	0
Impairment losses charged to net result	0	0	0	0	0	0
Closing balance	555,306	520,174	1,912,176	1,912,176	2,467,482	2,432,350
Accumulated amortisation and impairment						
Opening balance	(401,272)	(276,648)	0	0	(401,272)	(276,648)
Amortisation expense (i)	(96,119)	(124,624)	0	0	(96,119)	(124,624)
Disposals	0	0	0	0	0	0
Impairment losses charged to net result	0	0	0	0	0	0
Closing balance	(497,391)	(401,272)	0	0	(497,391)	(401,272)
Net book value at the end of the financial year	57,915	118,902	1,912,176	1,912,176	1,970,091	2,031,078

Note:
(i) Amortisation expense is included in the line item 'depreciation and amortisation expense' in the operating statement.

Significant intangible assets
ACMI has a cultural asset, Exhibition Collection, which is a digital moving image collection and was revalued at 30 June 2006. The collection has an indefinite useful life and is therefore not amortised, but is reviewed each reporting period to determine whether events and circumstances continue to support this assessment, in addition to the assessment of impairment.

NOTE 10: PAYABLES

	2007	2006
	$	$
Current payables		
Trade creditors (i)	1,512,750	1,002,059
Accrued expenses	516,592	719,070
Customer deposits	8,578	25,693
Other	38,702	43,488
	2,076,622	1,790,310

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

NOTE 11: PROVISIONS

	2007	2006
	$	$
Current		
Employee benefits (note 11(a))	837,090	693,834
	837,090	693,834
Non-current		
Employee benefits (note 11(a))	147,900	137,256
	147,900	137,256
Total provision	984,990	831,090

(a) Employee benefits

	2007	2006
	$	$
Current employee benefits:		
Annual leave entitlements	420,586	400,141
Unconditional long service leave entitlements	416,504	293,693
	837,090	693,834
Current employee benefits that:		
Are expected to be utilised within 12 months after the end of the reporting period	462,236	429,510
Are expected to be utilised more than 12 months after the end of the reporting period	374,854	264,324
	837,090	693,834
Non-current		
Conditional long service leave entitlements	147,900	137,256
	147,900	137,256
Total employee benefits	984,990	831,090

NOTE 12: LEASES

Leasing arrangements
Operating leases relate to the rental of premises, computer equipment and storage with lease terms of between 3 to 10 years, with an option to extend. All operating lease contracts contain market review clauses in the event that ACMI exercises its option to renew. ACMI does not have an option to purchase the leased assets at the expiry of the lease period.

	2007	2006
	$	$
Non-cancellable operating leases payable		
Not longer than 1 year	2,922,652	2,786,060
longer than 1 year and not longer than 5 years	12,367,843	14,226,374
longer than 5 years	1,535,288	2,547,936
	16,825,783	19,560,370

NOTE 13: COMMITMENTS FOR EXPENDITURE

The following commitments have not been recognised as liabilities in the financial statements:
Capital and other commitments predominantly relate to Federation Square building alterations and future contracted exhibitions.

		2007	2006
		$	$
(a)	**Capital expenditure commitments**		
	Not later than one year	899,948	287,236
	Later than one year but not later than five years	223,624	0
	Later than five years	0	0
		1,123,572	287,236
(b)	**Other commitments**		
	Not longer than 1 year	469,148	88,497
	Longer than 1 year and not longer than 5 years	92,067	0
	Longer than 5 years	0	0
		561,215	88,497
	Total commitments for expenditure	1,684,77	375,733

NOTE 14: CONTINGENT ASSETS AND CONTINGENT LIABILITIES

	2007	2006
	$	$
Contingent Assets	0	0
	0	0
Contingent liabilities		
Notice of dispute (a)	72,000	0
	72,000	0

Note:
(a) A notice of dispute has been received in relation to capital works that were completed in 2006.

(a) Financial risk management objectives

ACMI's activities expose it primarily to the financial risks in changes in foreign currency exchange rates and interest rates. ACMI does not enter into derivative financial instruments to manage its exposure to interest rate and foreign currency risk.

ACMI does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes. The use of financial derivatives is governed by the ACMI's policies approved by the board of directors, which provide written principles on the use of financial derivatives.

The policies for managing these risks are discussed in more detail below.

(b) Significant accounting policies

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

(c) Interest rate risk

ACMI's exposure to interest rate risks and the effective interest rate risks of financial assets and financial liabilities, both recognised and unrecognised at reporting date are as follows:

Financial instruments 2007	Weighted average effective interest Rate %	At the floating interest rate 30 June 2007	Non-interest bearing 30 June 2007	Total carrying amount as per balance sheet 30 June 2007
(i) Financial assets				
Cash and cash equivalents	6.23%	1,989,340	5,809	1,995,149
Trade and other receivables	0	0	623,036	623,036
Investments	6.23%	2,981,967	0	2,981,967
Total financial assets		4,971,307	628,845	5,600,152
(ii) Financial liabilities				
Creditors	0	0	2,076,622	2,076,622
Provisions for employee benefits	0	0	984,989	984,989
Total financial liabilities		0	3,061,611	3,061,611

Financial instruments 2006	Weighted average effective interest Rate %	At the floating interest rate 30 June 2006	Non-interest bearing 30 June 2006	Total carrying amount as per balance sheet 30 June 2006
(i) Financial assets				
Cash and cash equivalents	5.42%	943,879	4,300	948,179
Trade and other receivables	0	0	930,781	930,781
Investments	5.56%	2,983,246	0	2,983,246
Total financial assets		3,927,125	935,081	4,862,206
(ii) Financial liabilities				
Creditors	0	0	1,790,310	1,790,310
Provisions for employee benefits	0	0	831,090	831,090
Total financial liabilities		0	2,621,400	2,621,400

(d) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to ACMI. ACMI has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral where appropriate, as a means of mitigating the risk of financial loss from defaults. ACMI measures credit risk on a fair value basis.

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

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

Credit risk associated with trade receivables is managed as follows:
- By advancing credit under payment terms of 30 days; and
- Debt collection policies and procedures.

(e) Credit card facility

ACMI uses Westpac Visa Card facilities.
Amount of facility $200,000
Currency: AUD
Amount of facility unused as at 30 June 2007 was $200,000.

(f) Fair value

Unless otherwise stated, each class of financial asset and financial liability is recognised in the balance sheet at net fair value. The aggregate net fair value of financial assets and financial liabilities, both recognised and unrecognised, at balance date, are as follows:

	Total carrying amount and aggregate net fair value as recognised in the balance sheet 30 June 2007	Total carrying amount and aggregate net fair value as recognised in the balance sheet 30 June 2006
(i) Financial assets		
Cash	1,995,148	948,179
Receivables	623,036	930,781
Investments	2,981,966	2,983,246
Total financial assets	5,600,150	4,862,206
(ii) Financial liabilities		
Creditors	2,076,622	1,790,310
Total financial liabilities	2,076,622	1,790,310

The following methods and assumptions are used to determine the net fair values of financial assets and financial liabilities:

Recognised financial instruments

Cash and Investments:	The carrying amount approximates fair value because of their short term maturity.
Receivables and payables:	The carrying amount approximates fair value.

NOTE 16: CASH FLOW INFORMATION

		2007	2006
		$	$
(a)	**Reconciliation of cash and cash equivalents**		
	Total cash and cash equivalents disclosed in the balance sheet	4,977,115	3,931,426
	Bank overdraft	0	0
	Balance as per cash flow statement	4,977,115	3,931,426
(b)	**Reconciliation of net result for the period to net cash flows from operating activities**		
	Net result for the period	(418,135)	394,108
	Non-cash movements:		
	(Gain)/Loss on sale or disposal of non-current assets	(43,299)	36,844
	Depreciation and amortisation of non-current assets	3,186,819	4,402,941
	Impairment of non-current assets	0	0
	Movements in assets and liabilities:		
	(Increase)/decrease in current receivables	103,864	(75,998)
	(Increase)/decrease in current inventories	(137,296)	(48,642)
	(Increase)/decrease in other current assets	242,228	(495,203)
	(Increase)/decrease in current payables	286,312	367,046
	(Increase)/decrease in current provisions	143,256	86,649
	(Increase)/decrease in non-current provisions	10,644	16,448
	Net cash flows from operating activities	3,374,393	4,684,193

NOTE 17: MOVEMENTS IN EQUITY

		2007	2006
		$	$
(a)	**Reserves**		
	Asset revaluation	4,682,922	4,682,922
		4,682,922	4,682,922
	Asset revaluation reserve:		
	Balance at the beginning of the financial year	4,682,922	4,328,600
	Revaluation increments/(decrements) (note 8)	0	354,322
	Balance at end of financial year	4,682,922	4,682,922
(b)	**Contribution by owners**		
	Balance at the beginning of financial year	28,241,185	28,241,185
	Balance at end of financial year	28,241,185	28,241,185
(c)	**Accumulated surplus**		
	Balance at the beginning of the financial year	(6,137,091)	(6,531,199)
	Adjustments on adoption of AASB 132 and AASB 139 (note 1 (u))	0	0
	Restated balance at beginning of financial year	(6,137,091)	(6,531,199)
	Net Result	(418,135)	394,108
	Other appropriations	0	0
	Balance at end of financial year	(6,555,226)	(6,137,091)

NOTE 18: EX-GRATIA PAYMENTS

Ex-gratia payments were granted to an employee on termination of employment.

	2007	2006
	$	$
ACMI has made the following ex-gratia payments:		
Ex-gratia payments	0	45,000

NOTE 19: RESPONSIBLE PERSONS

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

Names
The persons who held the positions of Ministers and Accountable Officer in the Department of Premier and Cabinet are as follows:

Minister for Arts	The Honourable Mary Delahunty MLA	1 July 2006 to 1 December 2006
Minister for Arts	The Honourable Lynne Kosky MLA	1 December 2006 to 30 June 2007
Accountable Officer	Antony Sweeney, Chief Executive Officer	1 July 2006 to 30 June 2007

Governing Board
Mr Peter Doughty (Acting President), appointed to the governing body on 20 December 2006
Ms Annette Blonski
Mr Dan Pearce
Ms Natalie Miller OAM
Mr Dion Appel
Mr Tony Phillips
The Hon Dr Race Mathews appointed to the governing body on 24 October 2006
Ms Rhonda O'Donnell appointed to the governing body on 24 October 2006
Ms Ricci Swart appointed to the governing body on 24 October 2006

Resignations
Dr Ziggy Switkowski, resigned from the governing body on 25 November 2006
Ms Carolyn Kirby's term of office on the governing body expired on 30 September 2006

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

Accountable Officer
Remuneration received or receivable by the Accountable Officer in connection with the management of ACMI during the reporting period was in the range:

$260000 - $269,999 ($240,000-$249,999)

Total remuneration of responsible persons	2007 No.	2006 No.
Income band		
$240,000 - 249,999	0	1
$260,000 - 269,999	1	0
Total numbers	1	1

Amounts relating to Ministers are reported in the financial statements of the Department of Premier and Cabinet.

NOTE 19: RESPONSIBLE PERSONS (CONTINUED)

Related party transactions included in the reconciliation amount:

Payments to related parties

Entity	Transaction details	30 June 2007	30 June 2006
		$	$
Holding Redlich (Dan Pearce)	Legal fees	15,274	315,915
Melbourne International Film Festival (Dan Pearce)	Tickets & promotional items	600	765
	Reimbursement	20,194	21,644
Sharmill Films (Natalie Miller)	Film hire	1,227	936
Total		37,295	339,260

Receipts from related parties

Entity	Transaction details	30 June 2007	30 June 2006
		$	$
Melbourne International Film Festival (Dan Pearce)	Venue Hire	37,668	36,300
Western Chances (Carolyn Kirby)	Digital Story Telling funding	24,475	10,000
Total		62,143	46,300

The above transactions with related parties were carried on under normal commercial terms with full disclosure of any conflicts of interest following due process.

Amounts relating to Ministers are reported in the financial statements of the Department of Premier and Cabinet.

NOTE 20: REMUNERATION OF EXECUTIVES

The number of executive officers, other than Ministers and Accountable Officers, and their total remuneration during the reporting period are shown in the first two columns in the table below in their relevant income bands. The base remuneration of executive officers is shown in the third and fourth columns.

Base remuneration is exclusive of bonus payments, long-service leave payments, redundancy payments and retirement benefits.

Income band	Total Remuneration		Base Remuneration	
	2007	2006	2007	2006
	No.	No.	No.	No.
$120,000 - 129,999	0	1	0	1
$140,000 - 149,999	0	0	1	0
$160,000 - 169,999	1	0	0	0
Total numbers	1	1	1	1

NOTE 21: REMUNERATION OF AUDITORS

	2007	2006
	$	$
Victorian Auditor General's Office		
Audit or review of the financial report	24,420	24,090
Other non-audit services	0	0
	24,420	24,090

NOTE 22: SUBSEQUENT EVENTS

ACMI has no material or significant events occurring after the reporting date.

Victoria
The Place To Be