

**AUSTRALIAN NATIONAL
MARITIME MUSEUM**

AUSTRALIAN NATIONAL MARITIME MUSEUM

Section 1: Overview, appropriations and budget measures summary

OVERVIEW

The role of the Australian National Maritime Museum (ANMM) is to acquire, manage and maximise accessibility to Australia's maritime heritage.

The Museum brings maritime heritage to life and preserves it for future generations through:

- national leadership and international collaboration;
- programs and products that are creative, inclusive, enjoyable and memorable;
- research, acquisition, conservation, interpretation, outreach and education; and
- fostering traditional skills and practices.

A commercial arm of the Museum focuses on generation of revenue from non-government sources.

Our outcome relates to enriching people's lives by promoting knowledge, appreciation and enjoyment of Australia's relationship with its waterways and the sea.

APPROPRIATIONS AND RESOURCING

The total appropriation for the ANMM in the 2004-05 Budget is \$20.386m.

Table 1.3: Revenue from independent sources &
Administered capital and departmental equity injections and loans

REVENUE FROM INDEPENDENT SOURCES

Table 1.3: Revenue from independent sources

	Estimated revenue 2003-04 \$'000	Estimated revenue 2004-05 \$'000
Departmental revenues		
Sales of goods and services	4,888	4,949
Interest	300	300
Other	471	595
Total estimated revenue	5,659	5,844

ADMINISTERED CAPITAL AND DEPARTMENTAL EQUITY INJECTIONS AND LOANS

The ANMM has no administered capital and is not budgeted to receive departmental equity injections or loans in 2004-05.

Section 2: Outcomes and outputs information

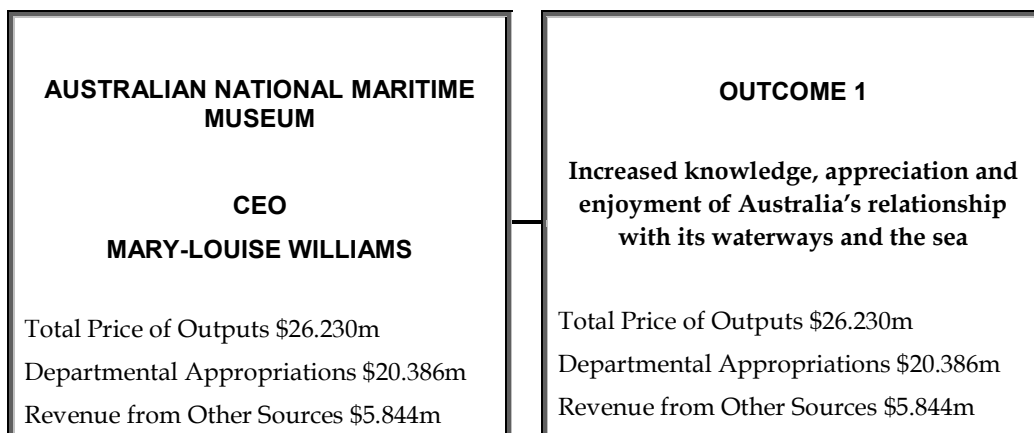
OUTCOMES AND OUTPUT GROUPS

The ANMM works to achieving the outcome specified by Government. The following section provides an agency overview, and then each outcome is discussed in turn. The map on the following page shows the relationship between the outcomes.

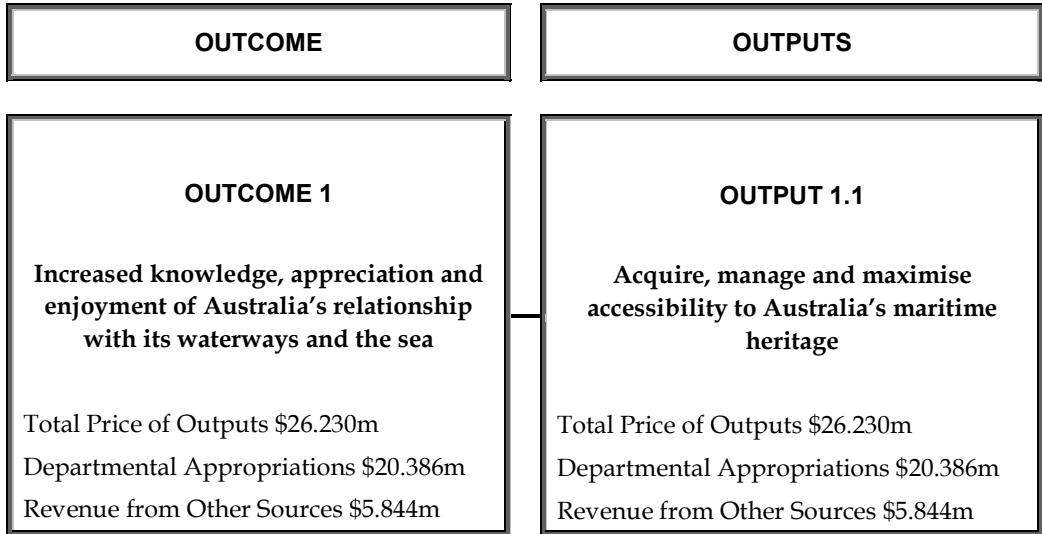
Output cost attribution

The Museum has only one outcome and one output due to the interdependence of each function within the Museum and, accordingly, does not need to allocate overheads and other expenses between outputs.

Map 1: Outcome structure



Map 2: Outcome 1 – contributing outputs



Note: Revenue from Government (Appropriations) contributes 77.7% to the Total Price of Outputs for Outcome 1.

CHANGES TO OUTCOMES AND OUTPUTS

There have been no changes to outcomes and outputs reported last year.

OUTCOME 1 — DESCRIPTION

Increased knowledge, appreciation and enjoyment of Australia’s relationship with its waterways and the sea

The Museum enhances access to, and participation in, maritime heritage through a range of activities such as:

- exhibition of themes/items (permanent and temporary), both coordinated in-house and on loan from national/international institutions;
- public programs conducted for both school children and for adults;
- commercial activities to extend the economic self-sufficiency, and raise the profile of, the Museum;
- special projects, including joint ventures and sponsorships;
- research into historical events and the background and role/use of collection items; and
- acquisition of museum collection items.

Ongoing operations increase the public’s knowledge and enjoyment due to the continual changes of exhibitions within the Museum, accessibility to specialist lectures and publications.

Measures affecting Outcome 1¹

There are no measures affecting the ANMM’s Outcome 1.

¹ This relates to measures disclosed in the 2004-05 Budget context (that is, measures agreed since the *Mid-Year Economic and Fiscal Outlook* (MYEFO)).

OUTCOME 1 — RESOURCING

Table 2.1.1 shows how the 2004-05 Budget appropriations translate to total resourcing for Outcome 1, including revenue from government (appropriation), revenue from other sources, and the total price of outputs. Cell references **C1** and **E1** show the links back to Table 1.1 (the Appropriations and Other Revenue Table for the ANMM).

Table 2.1.1: Total resources for Outcome 1 (\$'000)

	Estimated actual 2003-04 \$'000	Budget estimate 2004-05 \$'000
Departmental appropriations		
Output 1.1 - Acquire, manage and maximise accessibility to Australia's maritime heritage	19,930	20,386
Total revenue from government (appropriations)	19,930	20,386
Contributing to price of departmental outputs	77.9%	77.7% (C1)
Revenue from other sources		
Output 1.1 - Acquire, manage and maximise accessibility to Australia's maritime heritage	5,659	5,844
Total revenue from other sources	5,659	5,844
Total price from departmental outputs	25,589	26,230
(Total revenue from government and from other sources)		(E1)
Total estimated resourcing for Outcome 1	25,589	26,230
(Total price of outputs and administered appropriations)		
	2003-04	2004-05
Average staffing level (number)	99	100

OUTCOME 1 — CONTRIBUTION OF OUTPUTS

The Australian National Maritime Museum’s output reflects the range and diversity of the various functions performed within this small agency in the delivery of Museum services and products to the public and the Parliament.

In determining how best to measure the performance of the Museum in this respect we have selected a single measure to describe our selected outcome and output. Our Annual Report, however, contains several performance measures of the Museum’s activities, ranging from acquisitions and research, to exhibitions and public programs, to commercial activities and administration.

Justification for the outputs chosen to achieve Outcome 1 is described in Table 2.2.1. The table provides information on the strategies chosen to deliver Outcome 1, and shows the links between the outputs and the outcome.

Table 2.2.1: Performance information for Outcome 1 & Evaluations

PERFORMANCE INFORMATION FOR OUTCOME 1

Table 2.2.1, below, lists the performance information that the Australian National Maritime Museum will use to assess the level of achievement of its Outcome during 2004-05. The table shows the efficiency of the outputs in contributing to Outcome 1. Information shown is both quantitative and qualitative.

Achievement of planned performance will be reported in the Annual Report of the Australian National Maritime Museum for 2004-05.

Table 2.2.1: Performance information for Outcome 1

Effectiveness - Overall achievement of the Outcome	
Access to, and interaction with, Australia's maritime heritage	<p>Interactions with the Museum promote learning about Australia's maritime heritage.</p> <p>Permanent, temporary and touring exhibitions promote cultural diversity and other social, economic and environmental interests within Australia and abroad.</p> <p>Public programs appeal to target groups, and are accessible onsite and offsite</p> <p>Multimedia programs reach and inform target groups.</p> <p>Involvement of community, industry and government in the Museum's operations through sponsorship, venue hire, donations and other fund-raising and commercial activities.</p>
Performance Information for Departmental Outputs	
Output 1.1	Quality
Acquire, manage and maximise accessibility to Australia's maritime heritage	40% of visitors are repeat visitors 93% of visitors are satisfied
	Quantity
	1,300,000 interactions by visitors
	Price
	\$20.18 per interaction/visitor Total price of outputs \$26.230m

EVALUATIONS

Internal audits and evaluations of operational units are conducted on a continual basis within the Museum. Visitor surveys are conducted on a periodic basis. These reports are not publicly available.

Auditor-General Reports tabled to Parliament are reviewed by the Council's Audit Committee for issues of relevance to the Museum.

Section 3: Budgeted financial statements

ANALYSIS OF BUDGETED FINANCIAL STATEMENTS

Departmental

Statement of Financial Performance

The expressed loss reflects the increased cost of insurance premiums based on prior years' experience.

The depreciation estimates for 2003-04 and 2004-05 are subject to revaluation and it is expected that a technical adjustment will be required to align these estimates with the revalued asset base during the additional estimates update later this year.

Minimal variations are expected to occur between 2003-04 and 2004-05 in the Museum's financial statements apart from those disclosed above.

BUDGETED FINANCIAL STATEMENTS

Departmental financial statements

Budgeted Departmental Statement of Financial Performance (Operating Statement)

This statement provides a picture of the expected financial results for the ANMM by identifying full accrual expenses and accrual revenues which highlights whether the ANMM is operating at a sustainable level.

Budgeted Departmental Statement of Financial Position (Balance Sheet)

This statement shows the financial position of the ANMM. It helps decision-makers to track the management of the ANMM's assets and liabilities.

Budgeted Departmental Statement of Cash Flows

Budgeted cash flows, as reflected in the statement of cash flows, provides important information on the extent and nature of cash flows by categorising them into expected cash flows from operating activities, investing activities and financing activities.

Departmental Capital Budget Statements

Shows all planned departmental capital expenditure (capital expenditure on non-financial assets), whether funded either through capital appropriations for additional equity or borrowings, or from funds from internal sources.

Departmental Non Financial Assets — Summary of Movement

Shows budgeted acquisitions and disposals of non-financial assets during the budget year.

Table 3.1: Budgeted departmental statement of financial performance for the period ended 30 June

	Estimated actual 2003-04 \$'000	Budget estimate 2004-05 \$'000	Forward estimate 2005-06 \$'000	Forward estimate 2006-07 \$'000	Forward estimate 2007-08 \$'000
Revenues from ordinary activities					
Revenue from Government	19,930	20,386	20,461	20,525	20,603
Goods and Services	4,888	4,949	4,893	4,946	4,946
Interest	300	300	300	300	300
Dividends	-	-	-	-	-
Revenue from sales of assets	-	-	-	-	-
Net foreign exchange gains	-	-	-	-	-
Other	471	595	495	495	495
Revenues from ordinary activities	25,589	26,230	26,149	26,266	26,344
Expenses from ordinary activities (excluding borrowing costs expense)					
Employees	7,088	7,221	7,333	7,380	7,380
Suppliers	10,410	10,877	10,690	10,595	10,595
Grants	30	30	30	30	30
Subsidies	-	-	-	-	-
Depreciation and amortisation	7,200	7,500	7,500	7,500	7,500
Write-down of assets	-	-	-	-	-
Value of assets sold	-	-	-	-	-
Net foreign exchange losses	-	-	-	-	-
Other	-	-	-	-	-
Expenses from ordinary activities (excluding borrowing costs expense)	24,728	25,628	25,553	25,505	25,505
Borrowing cost expense	974	854	725	570	570
Share of net profits/losses of associates and joint ventures accounted for using the equity method	-	-	-	-	-
Correction of fundamental error	-	-	-	-	-
Operating surplus or deficit from ordinary activities	(113)	(252)	(129)	191	269
Gain or loss on extraordinary items	-	-	-	-	-
Correction of fundamental error	-	-	-	-	-
Net surplus or deficit attributable to Commonwealth	(113)	(252)	(129)	191	269

Table 3.2: Departmental statement of financial position

**Table 3.2: Budget departmental statement of financial position
as at 30 June**

	Estimated actual 2003-04 \$'000	Budget estimate 2004-05 \$'000	Forward estimate 2005-06 \$'000	Forward estimate 2006-07 \$'000	Forward estimate 2007-08 \$'000
ASSETS					
Financial assets					
Cash	3,439	5,814	8,002	10,333	10,333
Receivables	115	115	115	115	115
Investments accounted for under the equity method	500	500	500	500	500
Other investments	-	-	-	-	-
Accrued revenues	-	-	-	-	-
Other	-	-	-	-	-
Total financial assets	4,054	6,429	8,617	10,948	10,948
Non-financial assets					
Land and buildings	78,821	75,336	71,848	68,355	68,355
Infrastructure, plant and equipment	18,981	18,336	17,584	16,837	16,837
Heritage and cultural assets	9,109	9,211	9,311	9,410	9,410
Inventories	100	100	100	100	100
Intangibles	247	247	247	247	247
Other	-	-	-	-	-
Total non-financial assets	107,258	103,230	99,090	94,949	94,949
Total assets	111,312	109,659	107,707	105,897	105,897
LIABILITIES					
Interest bearing liabilities					
Loans	14,984	13,238	11,263	9,033	9,033
Leases	-	-	-	-	-
Deposits	100	104	100	100	100
Overdrafts	-	-	-	-	-
Other	-	-	-	-	-
Total interest bearing liabilities	15,084	13,342	11,363	9,133	9,133
Provisions					
Employees	2,201	2,334	2,467	2,600	2,600
Capital Use Charge	-	-	-	-	-
Other	-	-	-	-	-
Total provisions	2,201	2,334	2,467	2,600	2,600
Payables					
Suppliers	856	1,038	997	1,017	1,017
Grants	-	-	-	-	-
Dividends	-	-	-	-	-
Borrowing costs	-	-	-	-	-
Other	-	-	-	-	-
Total payables	856	1,038	997	1,017	1,017
Total liabilities	18,141	16,714	14,827	12,750	12,750

**Table 3.2: Budget departmental statement of financial position
as at 30 June (continued)**

	Estimated actual 2003-04 \$'000	Budget estimate 2004-05 \$'000	Forward estimate 2005-06 \$'000	Forward estimate 2006-07 \$'000	Forward estimate 2007-08 \$'000
EQUITY					
Parent equity interest					
Contributed equity	1,000	1,000	1,000	1,000	1,000
Reserves	25,199	25,199	25,199	25,199	25,199
Statutory funds	-	-	-	-	-
Retained surpluses or accumulated deficits	66,972	66,746	66,681	66,948	66,948
Total parent equity interest	93,171	92,945	92,880	93,147	93,147
Outside equity interest					
Contributed equity	-	-	-	-	-
Reserves	-	-	-	-	-
Retained surpluses or accumulated deficits	-	-	-	-	-
Total outside equity interest	-	-	-	-	-
Total equity	93,171	92,945	92,880	93,147	93,147
Current liabilities	3,157	3,476	3,564	3,717	3,717
Non-current liabilities	14,984	13,238	11,263	9,033	9,033
Current assets	4,154	6,529	8,717	11,048	11,048
Non-current assets	107,158	103,130	98,990	94,849	94,849

Table 3.3: Departmental statement of cash flows

**Table 3.3: Budgeted departmental statement of cash flows
for the period ended 30 June**

	Estimated actual 2003-04 \$'000	Budget estimate 2004-05 \$'000	Forward estimate 2005-06 \$'000	Forward estimate 2006-07 \$'000	Forward estimate 2007-08 \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	20,064	20,386	20,461	20,525	20,603
Goods and services	4,749	5,117	4,984	5,159	5,159
Interest	300	300	300	300	300
Dividends	-	-	-	-	-
Other	664	612	359	202	202
Extraordinary Items	-	-	-	-	-
Total cash received	25,777	26,415	26,104	26,186	26,264
Cash used					
Employees	6,949	6,975	7,085	7,227	7,373
Suppliers	11,406	10,965	10,696	10,533	10,761
Grants and subsidies	30	30	30	30	30
Borrowing costs	998	881	756	605	443
Other	-	-	-	-	-
Extraordinary items	-	-	-	-	-
Total cash used	19,383	18,851	18,567	18,395	18,607
Net cash from/(used by) operating activities	6,394	7,564	7,537	7,791	7,657
INVESTING ACTIVITIES					
Cash received					
Proceeds from sales of property, plant and equipment	-	-	-	-	-
Proceeds from sales of financial instruments	-	-	-	-	-
Bills of exchange and promissory notes	-	-	-	-	-
Repayments of loans made	-	-	-	-	-
Other	-	-	-	-	-
Extraordinary items	-	-	-	-	-
Total cash received	-	-	-	-	-
Cash used					
Purchase of property, plant and equipment	10,585	3,470	3,405	3,265	5,200
Purchase of financial instruments	-	-	-	-	-
Bills of exchange and promissory notes	-	-	-	-	-
Repayments of loans made	-	-	-	-	-
Other	-	-	-	-	-
Extraordinary items	-	-	-	-	-
Total cash used	10,585	3,470	3,405	3,265	5,200
Net cash from/(used by) investing activities	(10,585)	(3,470)	(3,405)	(3,265)	(5,200)

**Table 3.3: Budgeted departmental statement of cash flows
for the period ended 30 June (continued)**

	Estimated actual 2003-04 \$'000	Budget estimate 2004-05 \$'000	Forward estimate 2005-06 \$'000	Forward estimate 2006-07 \$'000	Forward estimate 2007-08 \$'000
FINANCIAL ACTIVITIES					
Cash received					
Appropriations - contributed equity	-	-	-	-	-
Proceeds from issuing financial instruments	-	-	-	-	-
Proceeds from loans	-	-	-	-	-
Other	-	-	-	-	-
Extraordinary items	-	-	-	-	-
Total cash received	-	-	-	-	-
Cash used					
Repayments of debt	1,502	1,719	1,944	2,195	2,457
Capital use charge paid	-	-	-	-	-
Dividends paid	-	-	-	-	-
Other	-	-	-	-	-
Extraordinary items	-	-	-	-	-
Total cash used	1,502	1,719	1,944	2,195	2,457
Net cash from/(used by) financing activities	(1,502)	(1,719)	(1,944)	(2,195)	(2,457)
Net increase in cash held	(5,693)	2,375	2,188	2,331	-
Cash at the beginning of the reporting period	9,632	3,939	6,314	8,502	10,833
Effect of exchange rate movements on cash at the beginning of the reporting period	-	-	-	-	-
Cash at the end of the reporting period	3,939	6,314	8,502	10,833	10,833

Table 3.4: Departmental capital budget statement

Table 3.4: Departmental capital budget statement

	Estimated actual 2003-04 \$'000	Budget estimate 2004-05 \$'000	Forward estimate 2005-06 \$'000	Forward estimate 2006-07 \$'000	Forward estimate 2007-08 \$'000
CAPITAL APPROPRIATIONS					
Total equity injections	-	-	-	-	-
Total loans	-	-	-	-	-
Previous years' outputs appropriation	134	-	-	-	-
Total	134	-	-	-	-
Represented by					
Purchase of non-financial assets	-	-	-	-	-
Other	134	-	-	-	-
Total	134	-	-	-	-
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations	-	-	-	-	-
Funded internally by departmental resources	10,585	3,470	3,405	3,265	3,265
Total	10,585	3,470	3,405	3,265	3,265

Table 3.5: Departmental non-financial assets — summary of movement (Budget year 2004-05)

	Land	Buildings	Specialist military equipment	Other infrastructure plant and equipment	Heritage and cultural assets	Computer Software	Other intangibles	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Carrying amount at the start of year	10,175	68,643	-	18,983	9,110	-	347	107,258
Additions	-	500	-	2,869	101	-	-	3,470
Disposals	-	-	-	-	-	-	-	-
Revaluation increments	-	-	-	-	-	-	-	-
Recoverable amount write-downs	-	-	-	-	-	-	-	-
Net transfers free of charge	-	(1,019)	-	1,021	-	-	-	2
Depreciation/amortisation expense	(158)	(2,805)	-	(4,537)	-	-	-	(7,500)
Write-off of assets	-	-	-	-	-	-	-	-
Carrying amount at the end of year	10,017	65,319	-	18,336	9,211	-	347	103,230
Total additions								
Self funded	-	500	-	2,869	101	-	-	3,470
Appropriations	-	-	-	-	-	-	-	-
Total	-	500	-	2,869	101	-	-	3,470

NOTES TO THE FINANCIAL STATEMENTS

In acknowledging its Asset Management responsibilities, the Museum is continuing to develop a Site Master Plan (“the Plan”) to address the deficiencies in the as-built elements of the Museum and certain infrastructural deficiencies. The Plan also seeks to ensure that these works are undertaken in an integrated and co-ordinated manner.

Accordingly, the Museum is applying a substantial element of its depreciation funding to the strategic and long-term enhancement of its major capital assets in accordance with its long-held approach to ensuring depreciation funding is applied to maintaining the value of the Museum’s asset base as a whole.

The construction costs of the Wharf 7 building were externally funded by a 12-year commercial loan at a fixed interest rate of 6.9%. Loan repayments are reflected in interest costs and in debt repayments.

Section 4: Purchaser/Provider and Cost Recovery arrangements

PURCHASER/PROVIDER ARRANGEMENTS

Cross Agency Overview

The ANMM does not undertake purchase/provider arrangements with other agencies.

COST RECOVERY ARRANGEMENTS

Summary of Cost Recovery Impact Statement

The ANMM does not have significant cost recovery arrangements.