

NATIONAL MUSEUM OF
AUSTRALIA

Section 1: Overview, appropriations and budget measures summary	365
Overview	365
Appropriations	365
Table 1.1: Appropriations and other revenue.....	366
Table 1.2: Summary of measures disclosed in the 2002-03 Budget.....	367
Administered capital and departmental equity injections	368
Section 2: Outcomes and outputs information.....	369
Map 1: Outcome structure.....	369
Map 2: Outcome 1 – contributing outputs	370
Changes to outcomes and outputs	370
Outcome 1 – Description	370
Measures affecting Outcome 1.....	371
Table 2.1.1: Total resources for Outcome 1	372
Outcome 1 – Contribution of outputs.....	372
Table 2.2.1: Performance information for Outcome 1.....	373
Evaluations.....	373
Section 3: Budgeted financial statements.....	374
Table 3.1: Budgeted Departmental Statement of Financial Performance	375
Table 3.2: Budgeted Departmental Statement of Financial Position	376
Table 3.3: Budgeted Departmental Statement of Cash Flows	377
Table 3.4: Departmental Capital Budget Statement.....	379
Table 3.5: Departmental Non-financial Assets – Summary of Movement	380
Notes to the Financial Statements	381
Appendix.....	383

NATIONAL MUSEUM OF AUSTRALIA

Section 1: Overview, appropriations and budget measures summary

OVERVIEW

The role of the National Museum of Australia is to research Australian history, develop and maintain representative collections and present widely accessible programs which illustrate the story of Australia.

The permanent home for the National Museum is located at Acton Peninsula, Canberra, with storage and conservation facilities located at Mitchell. The Acton facility, which opened to the public in March 2001 as the Commonwealth's flagship for the celebration of the centenary of federation, aims to be a centre of excellence in communicating knowledge and understanding of Australia's history through exhibitions and the effective use of communication technologies.

The Museum features approximately 6,600 square metres of exhibition space including a temporary exhibition gallery and the First Australians gallery dedicated to displaying and interpreting Australia's Aboriginal and Torres Strait Islander cultures and histories.

The Museum is also developing a web-based outreach program.

Over 1,000,000 visitors attended the Acton facility in its first year of operation.

APPROPRIATIONS

The total appropriation for the Museum in the 2002-03 Budget is \$69.536 million, comprising Bill No.1 appropriation of \$67.565 million and a one-off equity injection of \$1.971million.

National Museum of Australia — appropriations 2002-03

Table 1.1: Appropriations and other revenue ('000)

Outcome	Departmental (price of outputs) ('\$000)					Administered (\$'000)					
	Revenue from Government (appropriations)		Revenue from other sources ⁽⁴⁾	Price of outputs ⁽³⁾	Annual appropriations (\$'000)	Special appropriations	Total administered appropriations	Total appropriations			
Bill No. 1	Special approps	Total		Bill No. 1		Bill No. 2 (SPPs & NAOs) ⁽²⁾					
(A)	(B)	(C = A+B)	(D)	(E = C+D)	(F)	(G)	(H)	(I = F+G+H)	(J=C+I)		
1. Australians have access to the National Museum's collections and public programs to encourage awareness and understanding of Australia's history and culture	67,565	-	67,565	2,104	69,669	-	-	-	-	67,565	
			(K1) ⁽¹⁾		97.0%						
Total	67,565	-	67,565	2,104	69,669	-	-	-	(K2)⁽¹⁾	67,565	
									Departmental capital (equity injections and loans)	(K3) ⁽¹⁾	1,971
									Administered capital	(K4) ⁽¹⁾	-
									Total appropriations		69,536

- Cells C1, E1 and I1 refer to information provided in Table 2.1.1. Amounts K1, K2 to Budgeted Statement of Financial Performance, and amounts K3, K4 to Capital Budget Statements.
- Under the appropriation structure, Bill No. 2 includes Specific Purpose Payments (SPP's), New Agency Outcomes (NAO's), administered capital and departmental capital via departmental injections and loans.
- Refer to Budgeted Statement of Financial Performance for application of agency revenue.
- Revenue from other sources includes other revenue from government (for example, resources free of charge) and revenue from other sources. Non-appropriated departmental and administered revenues are details in Appendix 1.

Note: Percentage figures indicate the percentage contribution of Revenue from Government (Departmental Appropriations) to the Total Price of Outputs, by outcome.

MEASURES — AGENCY SUMMARY

Table 1.2: Summary of measures disclosed in the 2002-03 Budget

Measure	Outcome	Output affected	Appropriations budget			Appropriations forward estimate 2003-04 (\$'000)			Appropriations forward estimate 2004-05 (\$'000)			Appropriations forward estimate 2005-06 (\$'000)		
			2002-03 (\$'000)			Admin expense	Dept outputs	Total	Admin expense	Dept outputs	Total	Admin expenses	Dept outputs	Total
			Admin expenses	Dept outputs	Total									
Additional funding for the National Museum of Australia	1	1.1 & 1.2	Nil	9,000	9,000	Nil	9,200	9,200	Nil	9,400	9,400	Nil	9,600	9,600

ADMINISTERED CAPITAL AND DEPARTMENTAL EQUITY INJECTIONS AND LOANS

An equity injection of \$1.971million has been provided in the 2002-03 Budget context to fund the depreciation expense funding shortfall since opening of the new facility that was not included in appropriations. This is a one-off equity injection.

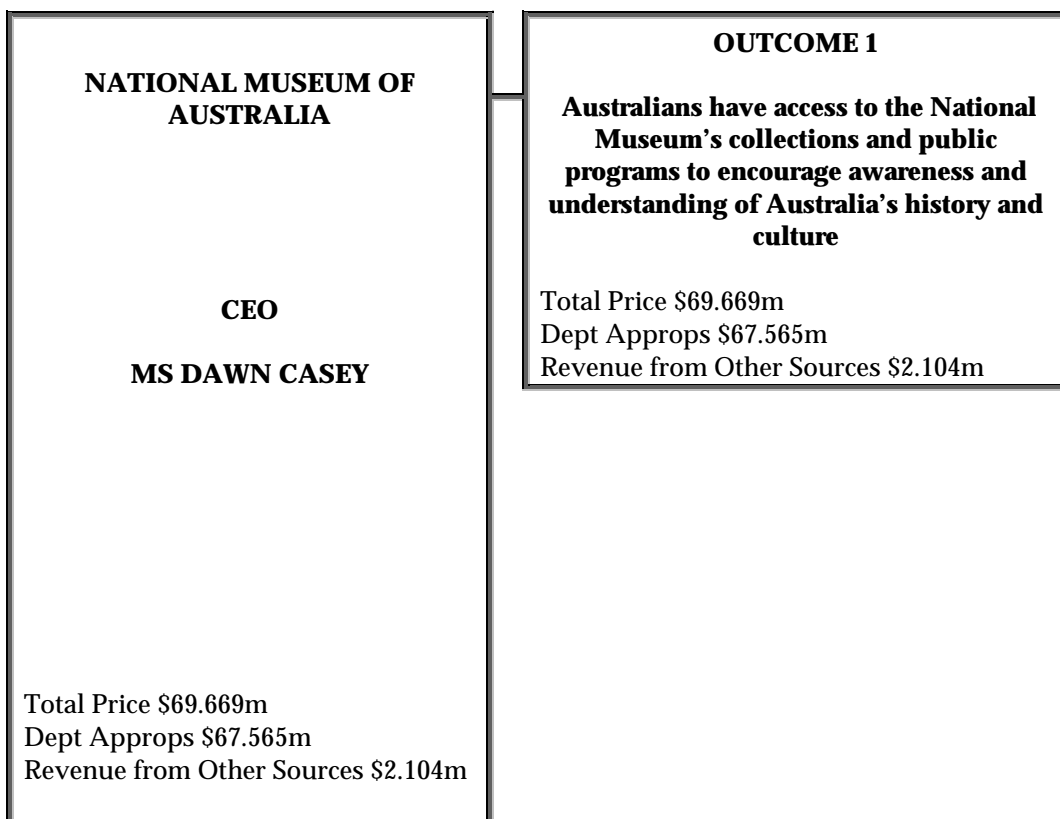
The Museum will not receive a departmental loan or administered capital during 2002-03.

Section 2: Outcomes and outputs information

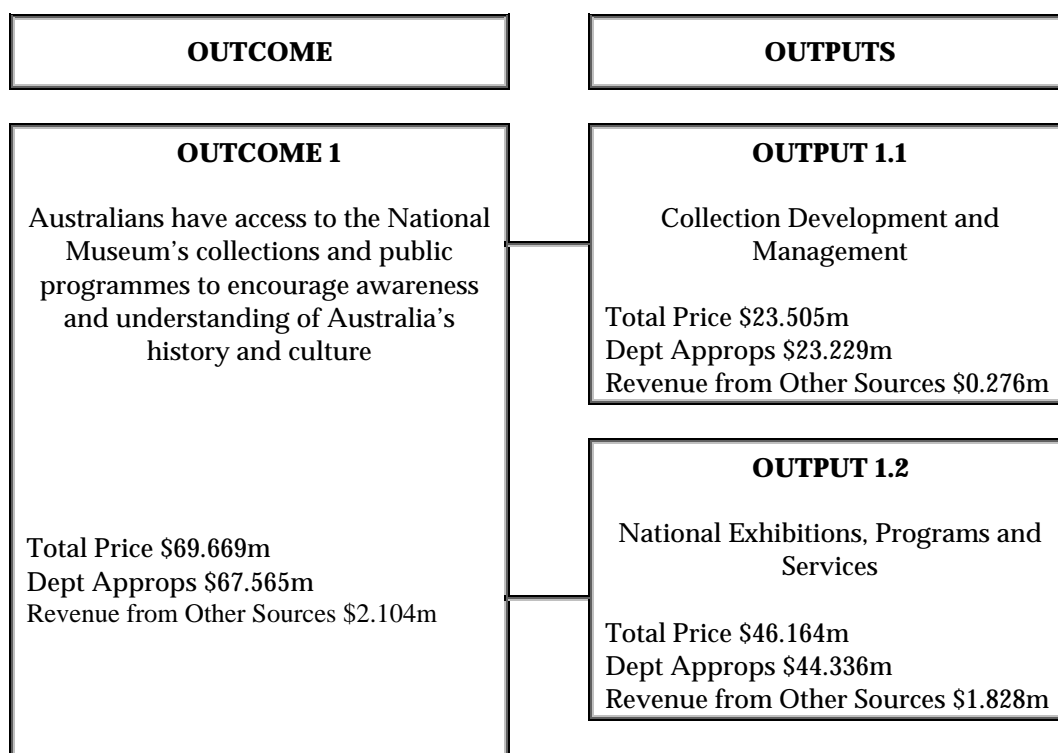
OUTCOMES AND OUTPUTS

The map on the following page shows the relationship between the Museums outcome and outputs.

Map 1: Outcome structure



Map 2: Outcome 1 – contributing outputs



Note: Revenue from Government (Appropriations) contributes 97.0% to the Total Price of Outputs for Outcome 1 for 2002-03.

CHANGES TO OUTCOMES AND OUTPUTS

There has been no change to the Museum’s outcome or outputs structure.

OUTCOME 1 — DESCRIPTION

Australians have access to the National Museum’s collections and public programs to encourage awareness and understanding of Australia’s history and culture

The National Museum’s collection includes approximately 190,000 objects covering the entire experience of Australia’s history and cultural heritage. The collection focuses on indigenous cultures, Australian society and history since 1788, Australian environmental history and the Pacific region. The Museum acquires objects through purchase, donations and transfer arrangements. The majority of acquisitions to date have been through donations with limited funds available for purchase of objects. The Museum also undertakes research into the collection and is responsible for documenting and preserving the collection for present and future generations.

The facility on Acton Peninsula, Canberra, provides a central showcase to allow visitors to explore Australia's social, cultural and environmental histories. The objective is to articulate and illuminate Australia's history and culture in lucid and stimulating ways that engage visitors. This is achieved through exhibitions which employ innovative multi-media and design, and engage visitors in an educative and stimulating experience.

Incorporated within the facility is the capability to employ a changing and evolving variety of media and programming both originating in the Museum and received from off-site. A theatre and an accompanying broadcast studio serve to project the Museum to a wider national and international audience as well as complementing the themes and events depicted in the exhibitions.

The Museum is developing a travelling exhibition program and major outreach through on-line services to ensure the Australian story is accessible throughout regional and remote Australia.

Measures affecting Outcome 1

Additional funding for the National Museum of Australia

Expenses (\$m)

	2002-03	2003-04	2004-05	2005-06
National Museum of Australia	9.0	9.2	9.4	9.6

Explanation

The Government will provide \$37.2 million for the National Museum of Australia, following a review of the Museum's first year of operation. This additional funding will ensure that the National Museum is able to maintain its current range and level of activities.

See also the related expense measures titled *Reprioritisation of funding from the Online Technical Assistance Programme* in the Department of Communications, Information Technology and the Arts section and *Reprioritisation of funding from the National Archives of Australia* and the related capital measure titled *Reprioritisation of capital expenditure from the National Archives of Australia* in the National Archives of Australia section.

OUTCOME 1 — RESOURCING

Table 2.1.1 shows how the 2002-03 appropriations translate to total resourcing for Outcome 1, including administered expenses, revenue from government (appropriation), revenue from other sources, and the total price of outputs. Cell references **C1**, **E1** and **I1** show the links back to Table 1.1 the Appropriations Table.

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

	Estimated actual 2001-02 \$'000	Budget estimate 2002-03 \$'000	
Administered appropriations			
The National Museum has no Administered Appropriations	-	-	(I1)
Total administered expenses	-	-	
Departmental appropriations			
Output 1.1 - Collection Development and Management	18,663	23,229	
Output 1.2 - National Exhibitions, Programs and Services	43,889	44,336	
Total revenue from government (appropriations)	62,552	67,565	(C1)
Contributing to price of departmental outputs	94.0%	97.0%	
Revenue from other sources			
Output 1.1 - Collection Development and Management	102	276	
Output 1.2 - National Exhibitions, Programs and Services	3,898	1,828	
Total revenue from other sources	4,000	2,104	
Total price from departmental outputs (Total revenue from government and from other sources)	66,552	69,669	(E1)
Total estimated resourcing for Outcome 1 (Total price of outputs and administered appropriations)	66,552	69,669	
	2001-02	2002-03	
Average staffing level (number)	180	180	

OUTCOME 1 — CONTRIBUTION OF OUTPUTS

The National Museum's outputs reflect its statutory responsibilities. Justification for the choice of outputs 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 outcome.

Table 2.2.1: Performance information for Outcome 1 & Evaluations

PERFORMANCE INFORMATION FOR OUTCOME 1

Table 2.2.1: Performance information for Outcome 1

Effectiveness - Overall achievement of the Outcome (Measures, indicators and targets used as appropriate)	
Relevance of Acquisitions	Proportion of acquisitions acquired in accordance with Collection Development Framework. Target 100%
Accessibility of National Historical Collection	Proportion of the National Historical Collection which is available for exhibition, public programs and research. Target 50%
The extent to which awareness and understanding is increased of Australia's history and culture	Proportion of visitors and users who indicate the Museum's exhibitions and public programs contributed to a new or different awareness or perspective on Australia's history or culture. Target 75%
Access to Exhibitions and programs	Number of Visitors or users of Museums exhibitions and programs (excluding web). Target 850,000
Performance information for departmental outputs	
Output 1.1 Collection Development and Management	Quality 100% of National Historical Collection acquisitions consistent with acquisition policy. 75% of National Historical Collection stored at or above appropriate Museum standards. Quantity 1,000 conservation treatments. Price \$23.505m (\$123.71 per Collection item).
Output 1.2 National Exhibitions, Programs and Services	Quality 70% of all visitors satisfied or better. 80% of school visits satisfied that schools programs meet core curriculum requirements. 60% of users access the web site first time. Quantity 850,000 visitors or users of programs. 400,000 unique sites use the website. Price \$46.164m (\$54.31 per visitor/user).

EVALUATIONS

Outputs delivered by the Museum are evaluated on an ongoing basis, including through substantial customer survey. The evaluation process includes formative and summative evaluations of exhibitions, public programs and school programs to increase understanding of the needs and expectations of program users.

Section 3: Budgeted financial statements

DEPARTMENTAL FINANCIAL STATEMENTS

- Budgeted Departmental Statement of Financial Performance.
- Budgeted Departmental Statement of Financial Position.
- Budgeted Departmental Statement of Cash Flows.
- Departmental Capital Budget Statements.
- Departmental Non Financial Assets — Summary of Movement.

Table 3.1: Budgeted Departmental Statement of Financial Performance

**Table 3.1: Budgeted Departmental Statement of Financial Performance
for the period ended 30 June**

	Estimated actual 2001-02 \$'000	Budget estimate 2002-03 \$'000	Forw ard estimate 2003-04 \$'000	Forw ard estimate 2004-05 \$'000	Forw ard estimate 2005-06 \$'000
Revenues from ordinary activities					
Revenues from government	62,552	67,565	67,762	67,828	67,717
Sales of goods and services	3,630	1,622	1,562	1,577	1,514
Interest	300	412	717	962	1,025
Dividends	-	-	-	-	-
Proceeds from sales of assets	-	-	-	-	-
Other	70	70	70	70	70
Total revenues from ordinary activities	66,552	69,669	70,111	70,437	70,326
Expenses from ordinary activities (excluding borrowing costs expense)					
Employees	12,361	11,652	11,904	12,074	12,226
Suppliers	18,495	19,541	19,594	19,566	19,304
Grants	-	-	-	-	-
Depreciation and amortisation	11,341	10,148	10,284	10,466	10,465
Write-down of assets	-	-	-	-	-
Value of assets sold	-	-	-	-	-
Other	-	-	-	-	-
Total expenses from ordinary activities (excluding borrowing costs expense)	42,197	41,341	41,782	42,106	41,995
Borrowing costs expense	42	25	18	12	5
Net surplus or deficit from ordinary activities	24,313	28,303	28,311	28,319	28,326
Gain or loss on extraordinary items	-	-	-	-	-
Net surplus or deficit	24,313	28,303	28,311	28,319	28,326
Capital use charge	29,313	28,233	28,241	28,249	28,256
Net surplus or deficit after capital use charge	(5,000)	70	70	70	70

**Table 3.2: Budgeted Departmental Statement of Financial Position
as at 30 June**

	Estimated actual 2001-02 \$'000	Budget estimate 2002-03 \$'000	Forw ard estimate 2003-04 \$'000	Forw ard estimate 2004-05 \$'000	Forw ard estimate 2005-06 \$'000
ASSETS					
Financial assets					
Cash	5,183	10,064	12,140	10,783	10,348
Receivables	355	296	293	293	292
Investments	4,000	6,000	10,000	14,000	16,000
Accrued revenues	-	-	-	-	-
Other	67	25	38	59	78
Total financial assets	9,605	16,385	22,471	25,135	26,718
Non-financial assets					
Land and buildings	70,494	72,457	71,807	71,735	71,079
Infrastructure, plant and equipment	46,574	41,926	37,891	35,828	33,803
National Historical Collection	126,665	126,306	125,934	125,551	125,155
Inventories	350	350	350	350	350
Intangibles	4,926	3,013	2,155	1,159	2,660
Other	203	249	251	249	251
Total non-financial assets	249,212	244,301	238,388	234,872	233,298
Total assets	258,817	260,686	260,859	260,007	260,016
LIABILITIES					
Debt					
Loans	893	686	472	252	26
Other	-	-	-	-	-
Total debt	893	686	472	252	26
Provisions and payables					
Employees	2,621	2,784	3,041	2,327	2,489
Suppliers	600	474	536	551	556
Other	9	7	5	2	-
Total provisions and payables	3,230	3,265	3,582	2,880	3,045
Total liabilities	4,123	3,951	4,054	3,132	3,071
EQUITY					
Capital	-	1,971	1,971	1,971	1,971
Reserves	2,019	2,019	2,019	2,019	2,019
Accumulated surpluses or deficits	252,675	252,745	252,815	252,885	252,955
Total equity	254,694	256,735	256,805	256,875	256,945
Current liabilities	2,002	2,000	2,279	1,537	1,662
Non-current liabilities	2,121	1,951	1,775	1,595	1,409
Current assets	10,158	16,984	23,071	25,734	27,318
Non-current assets	248,659	243,702	237,788	234,273	232,698

Table 3.3: Budgeted Departmental Statement of Cash Flows

**Table 3.3: Budgeted Departmental Statement of Cash Flows
for the period ended 30 June**

	Estimated actual 2001-02 \$'000	Budget estimate 2002-03 \$'000	Forw ard estimate 2003-04 \$'000	Forw ard estimate 2004-05 \$'000	Forw ard estimate 2005-06 \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations for outputs	62,552	67,565	67,762	67,828	67,717
Sales of goods and services	3,822	1,681	1,565	1,576	1,515
Interest	233	454	704	941	1,006
Other	994	786	888	911	921
Total cash received	67,601	70,486	70,919	71,256	71,159
Cash used					
Employees	12,150	11,489	11,648	12,788	12,064
Suppliers	20,882	20,500	20,421	20,461	20,221
Grants	-	-	-	-	-
Interest	33	27	20	14	7
Other	-	-	-	-	-
Total cash used	(33,065)	(32,016)	(32,089)	(33,263)	(32,292)
Net cash from operating activities	34,536	38,470	38,830	37,993	38,867
INVESTING ACTIVITIES					
Cash received					
Proceeds from sales of property, plant and equipment	-	-	-	-	-
Proceeds from redemption of deposits	2,000	-	-	-	-
Total cash received	2,000	-	-	-	-
Cash used					
Purchase of property, plant and equipment	1,809	2,920	870	3,451	2,870
Purchases of Intangibles	1,370	1,200	2,430	2,430	4,950
Purchases of term deposits	-	2,000	4,000	4,000	2,000
Purchases of National Historical Collection items	1,000	1,000	1,000	1,000	1,000
Total cash used	(4,179)	(7,120)	(8,300)	(10,881)	(10,820)
Net cash from investing activities	(2,179)	(7,120)	(8,300)	(10,881)	(10,820)
FINANCING ACTIVITIES					
Cash received					
Equity Injection	-	1,971	-	-	-
Proceeds from debt	-	-	-	-	-
Total cash received	-	1,971	-	-	-
Cash used					
Repayments of debt	207	207	213	220	226
Capital use and dividends paid	29,416	28,233	28,241	28,249	28,256
Other	-	-	-	-	-
Total cash used	(29,623)	(28,440)	(28,454)	(28,469)	(28,482)
Net cash from financing activities	(29,623)	(26,469)	(28,454)	(28,469)	(28,482)

**Table 3.3: Budgeted Departmental Statement of Cash Flows
for the period ended 30 June (continued)**

	Estimated actual 2001-02 \$'000	Budget estimate 2002-03 \$'000	Forw ard estimate 2003-04 \$'000	Forw ard estimate 2004-05 \$'000	Forw ard estimate 2005-06 \$'000
Net increase (decrease) in cash held	2,734	4,881	2,076	(1,357)	(435)
Cash at the beginning of the reporting period	2,449	5,183	10,064	12,140	10,783
Cash at the end of the reporting period	5,183	10,064	12,140	10,783	10,348

Table 3.4: Departmental Capital Budget Statement

Table 3.4: Departmental Capital Budget Statement

	Estimated actual 2001-02 \$'000	Budget estimate 2002-03 \$'000	Forw ard estimate 2003-04 \$'000	Forw ard estimate 2004-05 \$'000	Forw ard estimate 2005-06 \$'000
CAPITAL APPROPRIATIONS					
Total equity injections	-	(K3) 1,971	-	-	-
Total loans	-	(K3) ⁽¹⁾ -	-	-	-
Represented by					
Purchase of non-current assets	-	-	-	-	-
Other	-	1,971	-	-	-
Total	-	1,971	-	-	-
PURCHASE OF NON CURRENT ASSETS					
Funded by capital appropriation	-	-	-	-	-
Funded internally by					
Departmental resources	4,240	5,190	4,370	6,951	8,890
Total purchase of non-current assets	4,240	5,190	4,370	6,951	8,890

¹ These two lines link to (K3) in Table 1.1

Table 3.5: Departmental Non-financial Assets — Summary of Movement (Budget year 2002-03)

	Land	Buildings	Total land and buildings	National Historical Collection	Infrastructure plant and equipment	Intangibles	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Carrying amount at the start of year	4,400	66,094	70,494	126,665	46,574	4,926	248,659
Additions	-	2,650	2,650	1,070	270	1,200	5,190
Disposals	-	-	-	-	-	-	-
Revaluation increments	-	-	-	-	-	-	-
Recoverable amount w rite-dow ns	-	-	-	-	-	-	-
Net transfers free of charge	-	-	-	-	-	-	-
Depreciation/amortisation expense	-	687	687	1,429	4,918	3,113	10,147
Write-off of assets	-	-	-	-	-	-	-
Carrying amount at the end of year	4,400	68,057	72,457	126,306	41,926	3,013	243,702
Total additions							
Self funded	-	2,650	2,650	1,070	270	1,200	5,190
Appropriations	-	-	-	-	-	-	-
Total	-	2,650	2,650	1,070	270	1,200	5,190

NOTES TO THE FINANCIAL STATEMENTS

Total operating expenses in the Department Statement of Financial Performance are projected to decline by \$0.873 million from 2001-02 to 2002-03 (from \$42.239 million to \$41.366 million respectively). The reduction in expenses will be met through cost efficiencies.

The Statement of Financial Position includes an equity injection of \$1.971 million in 2002-03. This injection represents recovery of depreciation expenses following opening of the Museum which were not funded in prior years.

Departmental Financial Statements and Notes Administered Items

Under the Commonwealth's accrual budgeting framework, and consistent with Australian Accounting Standards, transactions that agencies control (departmental transactions) are separately budgeted for and reported on from transactions agencies do not have control over (Administered transactions). This ensures that agencies are only held fully accountable for the transactions over which they have control.

- Departmental assets, liabilities, revenues and expenses in relation to an agency or authority are those which are controlled by the agency. Departmental expenses include employee and supplier expenses and other administrative costs, which are incurred by the agency in providing its goods and services.
- Administered items are revenues, expenses, assets and liabilities which are managed by an agency or authority on behalf of the Government according to set Government directions. Administered expenses include subsidies, grants and personal benefit payments and Administered revenues include taxes, fees, fines and excises.

Appropriations in the Accrual Budgeting Framework

Under the Commonwealth's accrual budgeting framework, separate annual appropriations are provided for:

- Departmental price of outputs appropriations: representing the Government's purchase of outputs from agencies,
- Departmental capital appropriations: for investments by the Government for either additional equity or loans in agencies,
- Administered expense appropriations: for the estimated Administered expenses relating to an existing outcome, a new outcome or a Specific Purpose Payment to the states; and
- Administered capital appropriations: for increases in Administered equity through funding non-expense Administered payments.

Special appropriations continue under the accrual appropriation framework, and fund the majority of payments from the Consolidated Revenue Fund.

Capital Use Charge

A Capital Use Charge is levied on agencies and authorities to reflect the cost of the Commonwealth's investment in those entities. It is levied on those agencies closing Departmental net assets (equity) at a rate of 11 per cent.

Funding for the Capital Use Charge is included in agencies and authorities Departmental price of outputs appropriations. The Capital Use Charge is accounted for as a 'below Operating Result line' dividend payment.

Asset valuation

From 1 July 2002 Commonwealth agencies and authorities are required to use either the cost basis or the fair value basis to measure Property, Plant and Equipment. The shift from the deprival method of valuation to fair value should occur gradually over a three-year period. Fair value essentially reflects the current market value of an asset. See guidance from the Department of Finance and Administration on how to calculate fair value. Appendix 1: Revenues from independent sources

Revenues from independent sources

	Estimated revenue 2001-02 \$'000	Estimated revenue 2002-03 \$'000
Departmental revenue		
Sales of goods and services	3,630	1,622
Interest	300	412
Other	70	70
Total estimated revenue	4,000	2,104
