

**NATIONAL MUSEUM OF  
AUSTRALIA**



## **NATIONAL MUSEUM OF AUSTRALIA**

### **Section 1: Overview, appropriations and budget measures summary**

#### **OVERVIEW**

The role of the National Museum of Australia (NMA) is to research Australian history, develop and maintain representative collections and present widely accessible programs.

In fulfilling its national role, the NMA reaches out beyond its base in Canberra, and disseminates knowledge about Australia's history and identity through both conventional means, such as travelling exhibitions and publications, and the use of innovative information and communication technologies. The NMA responds to both its visitors' needs and those of the broader Australian community by actively seeking their views and using those views to inform the development of future programs. The combination of objects, research and presentation enables the NMA to tell the stories of Australia and Australians in ways that enlighten, stimulate and inspire people.

The NMA also provides innovative and distinctive learning programs for visiting school groups and develops curriculum-based resources and programs directly to schools nationally.

#### **APPROPRIATIONS AND RESOURCING**

The total appropriation for the NMA in the 2004-05 Budget is \$40.127m.

Table 2.1.1 Total Resources for Outcome 1 shows how the 2004-05 appropriations translate to total resourcing, including revenue from non-government sources and total price of outputs.



Table 1.3: Revenue from independent sources

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**REVENUE FROM INDEPENDENT SOURCES**
**Table 1.3: Revenue from independent sources**

	Estimated revenue 2003-04 \$'000	Estimated revenue 2004-05 \$'000
<b>Departmental revenues</b>		
Sales of Goods and services	2,313	2,068
Interest	717	1,462
Other non-appropriation revenue	70	170
<b>Total estimated revenue</b>	<b>3,100</b>	<b>3,700</b>

## Section 2: Outcomes and outputs information

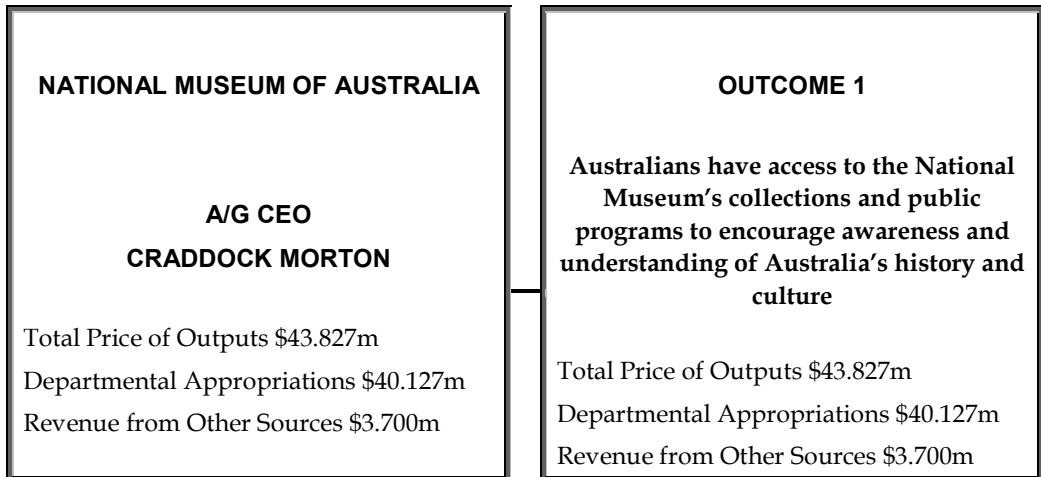
### **OUTCOMES AND OUTPUT GROUPS**

The NMA works to achieve the outcomes 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.

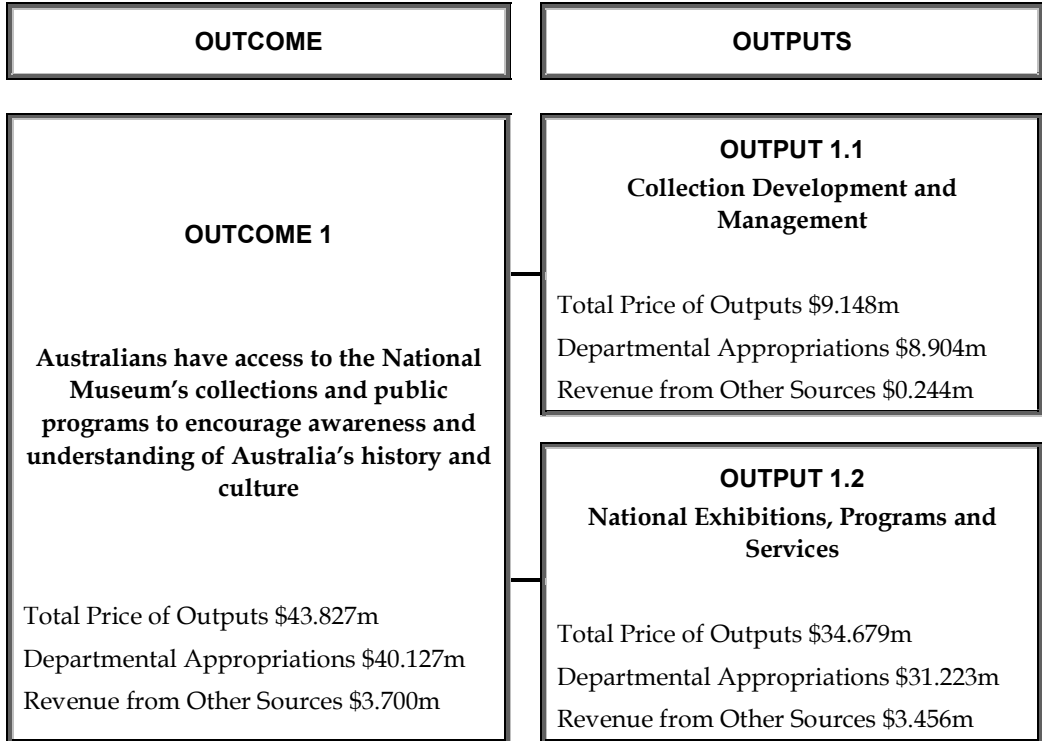
#### **Output cost attribution**

The output cost attribution model is based on the allocation of resources by individual business unit against each output. Business units are either directly attributable to an output or are allocated using an appropriate cost driver, such as staffing level and time usage.

**Map 1: Outcome structure**



**Map 2.1: Outcome 1 – contributing outputs**



Note: Revenue from Government (Appropriations) contributes 91.6% to the Total Price of Outputs for Outcome 1.

## **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 NMA’s collection includes approximately 200,000 objects covering the experience of Australia’s history and cultural heritage. The collection focuses on Indigenous cultures, Australian society and history since 1788, and Australian environmental history. The NMA 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 NMA 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 cultures in lucid and stimulating ways that engage visitors. This is achieved through exhibitions which employ innovative multimedia and design, and engage visitors in educative and stimulating experiences.

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

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

### **Measures affecting Outcome 1<sup>1</sup>**

There are no measures affecting NMA’s Outcome 1.

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<sup>1</sup> 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 administered expenses, 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 NMA).

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

	Estimated actual 2003-04 \$'000	Budget estimate 2004-05 \$'000	
<b>Departmental appropriations</b>			
Output 1.1 - Collection Development and Management	8,799	8,904	
Output 1.2 - National Exhibitions, Programs and Services	31,521	31,223	
<b>Total revenue from government (appropriations)</b>	<b>40,320</b>	<b>40,127</b>	
<b>Contributing to price of departmental outputs</b>	<b>92.86%</b>	<b>91.56%</b>	(C1)
<b>Revenue from other sources</b>			
Output 1.1 - Collection Development and Management	358	244	
Output 1.2 - National Exhibitions, Programs and Services	2,742	3,456	
<b>Total revenue from other sources</b>	<b>3,100</b>	<b>3,700</b>	
<b>Total price from departmental outputs</b>			
(Total revenue from government and from other sources)	<b>43,420</b>	<b>43,827</b>	(E1)
<hr/>			
<b>Average staffing level (number)</b>	2003-04 195	2004-05 195	

## **OUTCOME 1 — CONTRIBUTION OF OUTPUTS**

The NMA's outputs reflect its statutory responsibilities.

### **Output 1.1: Collection Development and Management**

This includes all activities that ensure the Museum has a relevant and high quality collection of objects and books together with their story. In addition, collection management includes all activities associated with maintaining the collection in appropriate condition, and ensuring it is available to be used in exhibitions and other programs to meet the Museums objectives.

### **Output 1.2: National exhibitions, programs and services,**

This relates to activities whereby visitors access objects in the collection or information about objects, and Australian history and cultures, through visiting exhibitions and attending programs throughout Australia and overseas.

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.

## PERFORMANCE INFORMATION FOR OUTCOME 1

**Table 2.2.1: Performance information for Outcome 1**

<b>Effectiveness - Overall achievement of the Outcome</b>	
Relevance of Acquisitions	Proportion of acquisitions acquired in accordance with Collection Development Framework <b>Target</b> 100%
Accessibility of National Historical Collection	Proportion of the National Historical Collection which is available for exhibition, public programs and research <b>Target</b> 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 cultures. <b>Target</b> 75%
Access to Exhibitions and programs	Number of Visitors or users of Museums exhibitions and programs (excluding web) <b>Target</b> 800,000 visitors or users of programs
<b>Performance Information for Departmental Output 1.1</b>	
Collection Development and Management	<b>Quality</b> 100% of National Historical Collection acquisitions consistent with acquisition policy 75 % of National Historical Collection stored at or above appropriate Museum standards <b>Quantity</b> 1000 conservation treatments <b>Price</b> \$9.148m (\$45.74 per Collection item)
<b>Performance Information for Departmental Output 1.2</b>	
National Exhibitions, Programs and Services	<b>Quality</b> 70% of all visitors satisfied or better 80% of school visits satisfied that schools programs meet core curriculum requirements <b>Quantity</b> 800,000 visitors or users of programs 400,000 unique visits to the web site <b>Price</b> \$34.679m (\$43.35 per visitor/user)

## **EVALUATIONS**

Outputs delivered by the NMA are evaluated on an ongoing basis, including through continuous customer surveys. 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

### **ANALYSIS OF BUDGETED FINANCIAL STATEMENTS**

#### **Departmental**

##### **The Departmental Statement of Financial Performance**

The Departmental Statement of Financial Performance reflects a minimal projected increase in operating expenses from \$43.350 million in 2003-2004 to \$43.757 million in 2003-2004 (less than 1% increase on the prior year). This minimal increase will be funded by a projected increase in non-appropriation revenues.

The increase in non-appropriation revenue from \$3.100 million to \$3.700 million is due to expected increases in interest revenues.

This minimal increase will be funded by a projected increase in non-appropriation revenues.

##### **The Departmental Statement of Financial Position**

The Departmental Statement of Financial Position reflects minimal movement in the expected net asset position of the Museum between 2003-2004 and 2004-2005. While total assets are expected to remain relatively stable (from \$274.249 million in 2003-2004 to \$273.400 million in 2004-2005), an increase in financial assets of 8% will occur with the receipt from government of further depreciation and employee entitlement funding.

Minimal variations are expected to occur between 2003-2004 and 2004-2005 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 NMA by identifying full accrual expenses and accrual revenues which highlights whether the NMA is operating at a sustainable level.

#### **Budgeted Departmental Statement of Financial Position (Balance Sheet)**

This statement shows the financial position of the NMA. It helps decision-makers to track the management of the NMA'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
<b>Revenues from ordinary activities</b>					
Revenue from Government	40,320	40,127	39,595	39,649	39,938
Goods and Services	2,313	2,068	2,005	2,005	2,006
Interest	717	1,462	1,525	1,625	1,675
Dividends	-	-	-	-	-
Revenue from sales of assets	-	-	-	-	-
Net foreign exchange gains	-	-	-	-	-
Other	70	170	170	170	170
<b>Revenues from ordinary activities</b>	<b>43,420</b>	<b>43,827</b>	<b>43,295</b>	<b>43,449</b>	<b>43,789</b>
<b>Expenses from ordinary activities (excluding borrowing costs expense)</b>					
Employees	14,162	14,341	14,494	14,498	14,500
Suppliers	18,882	18,930	18,253	18,407	18,746
Grants	-	-	-	-	-
Subsidies	-	-	-	-	-
Depreciation and amortisation	10,288	10,474	10,473	10,474	10,473
Write-down of assets	-	-	-	-	-
Value of assets sold	-	-	-	-	-
Net foreign exchange losses	-	-	-	-	-
Other	-	-	-	-	-
<b>Expenses from ordinary activities (excluding borrowing costs expense)</b>	<b>43,332</b>	<b>43,745</b>	<b>43,220</b>	<b>43,379</b>	<b>43,719</b>
Borrowing cost expense	18	12	5	-	-
Share of net profits/losses of associates and joint ventures accounted for using the equity method	-	-	-	-	-
Correction of fundamental error	-	-	-	-	-
<b>Operating surplus or deficit from ordinary activities</b>	<b>70</b>	<b>70</b>	<b>70</b>	<b>70</b>	<b>70</b>
Gain or loss on extraordinary items	-	-	-	-	-
Correction of fundamental error	-	-	-	-	-
<b>Net surplus or deficit attributable to Commonwealth</b>	<b>70</b>	<b>70</b>	<b>70</b>	<b>70</b>	<b>70</b>

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
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash	4,855	3,506	3,079	2,860	675
Receivables	930	930	929	929	929
Investments accounted for under the equity method	-	-	-	-	-
Other investments	26,920	30,920	32,920	34,920	38,920
Accrued revenues	-	-	-	-	-
Other	13	34	53	72	72
<b>Total financial assets</b>	<b>32,718</b>	<b>35,390</b>	<b>36,981</b>	<b>38,781</b>	<b>40,596</b>
<b>Non-financial assets</b>					
Land and buildings	66,202	66,130	65,475	64,819	64,163
Infrastructure, plant and equipment	39,808	38,692	37,601	36,511	35,421
Heritage and cultural assets	130,882	129,552	128,222	126,892	125,562
Inventories	635	635	635	635	635
Intangibles	3,190	2,186	3,679	5,171	6,664
Other	814	815	819	816	816
<b>Total non-financial assets</b>	<b>241,531</b>	<b>238,010</b>	<b>236,431</b>	<b>234,844</b>	<b>233,261</b>
<b>Total assets</b>	<b>274,249</b>	<b>273,400</b>	<b>273,412</b>	<b>273,625</b>	<b>273,857</b>
<b>LIABILITIES</b>					
<b>Interest bearing liabilities</b>					
Loans	465	245	19	-	-
Leases	-	-	-	-	-
Deposits	-	-	-	-	-
Overdrafts	-	-	-	-	-
Other	-	-	-	-	-
<b>Total interest bearing liabilities</b>	<b>465</b>	<b>245</b>	<b>19</b>	<b>-</b>	<b>-</b>
<b>Provisions</b>					
Employees	3,314	2,600	2,763	2,925	3,087
Capital Use Charge	-	-	-	-	-
Other	-	-	-	-	-
<b>Total provisions</b>	<b>3,314</b>	<b>2,600</b>	<b>2,763</b>	<b>2,925</b>	<b>3,087</b>
<b>Payables</b>					
Suppliers	644	659	664	664	664
Grants	-	-	-	-	-
Dividends	-	-	-	-	-
Borrowing costs	-	-	-	-	-
Other	-	-	-	-	-
<b>Total payables</b>	<b>644</b>	<b>659</b>	<b>664</b>	<b>664</b>	<b>664</b>
<b>Total liabilities</b>	<b>4,423</b>	<b>3,504</b>	<b>3,446</b>	<b>3,589</b>	<b>3,751</b>

**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
<b>EQUITY</b>					
<b>Parent equity interest</b>					
Contributed equity	2,021	2,021	2,021	2,021	2,021
Reserves	8,504	8,504	8,504	8,504	8,504
Statutory funds	-	-	-	-	-
Retained surpluses or accumulated deficits	259,301	259,371	259,441	259,511	259,581
<b>Total parent equity interest</b>	<b>269,826</b>	<b>269,896</b>	<b>269,966</b>	<b>270,036</b>	<b>270,106</b>
<b>Outside equity interest</b>					
Contributed equity	-	-	-	-	-
Reserves	-	-	-	-	-
Retained surpluses or accumulated deficits	-	-	-	-	-
<b>Total outside equity interest</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total equity</b>	<b>269,826</b>	<b>269,896</b>	<b>269,966</b>	<b>270,036</b>	<b>270,106</b>
Current liabilities	2,521	2,185	2,064	2,164	2,208
Non-current liabilities	1,902	1,319	1,382	1,425	1,544
Current assets	34,167	36,840	38,435	40,232	42,047
Non-current assets	240,082	236,560	234,977	233,393	231,810

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
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Appropriations	40,320	40,127	39,595	39,649	39,938
Goods and services	2,316	2,067	2,006	2,006	2,006
Interest	704	1,441	1,506	1,606	1,675
Dividends	-	-	-	-	-
Other	2,858	2,903	2,878	2,889	1,900
Extraordinary Items	-	-	-	-	-
<b>Total cash received</b>	<b>46,198</b>	<b>46,538</b>	<b>45,985</b>	<b>46,150</b>	<b>45,519</b>
<b>Cash used</b>					
Employees	13,906	15,055	14,332	14,336	14,338
Suppliers	19,709	19,825	19,170	19,319	18,746
Grants and subsidies	-	-	-	-	-
Borrowing costs	20	14	7	-	-
Other	1,970	1,892	1,857	1,868	1,800
Extraordinary items	-	-	-	-	-
<b>Total cash used</b>	<b>35,605</b>	<b>36,786</b>	<b>35,366</b>	<b>35,523</b>	<b>34,884</b>
<b>Net cash from/(used by) operating activities</b>	<b>10,593</b>	<b>9,752</b>	<b>10,619</b>	<b>10,627</b>	<b>10,635</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash received</b>					
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	-	-	-	-	-
<b>Total cash received</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash used</b>					
Purchase of property, plant and equipment	4,300	6,881	8,820	8,820	8,820
Purchase of financial instruments	4,000	4,000	2,000	2,000	4,000
Bills of exchange and promissory notes	-	-	-	-	-
Repayments of loans made	-	-	-	-	-
Other	-	-	-	-	-
Extraordinary items	-	-	-	-	-
<b>Total cash used</b>	<b>8,300</b>	<b>10,881</b>	<b>10,820</b>	<b>10,820</b>	<b>12,820</b>
<b>Net cash from/(used by) investing activities</b>	<b>(8,300)</b>	<b>(10,881)</b>	<b>(10,820)</b>	<b>(10,820)</b>	<b>(12,820)</b>

**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
<b>FINANCIAL ACTIVITIES</b>					
<b>Cash received</b>					
Appropriations - contributed equity	50	-	-	-	-
Proceeds from issuing financial instruments	-	-	-	-	-
Proceeds from loans	-	-	-	-	-
Other	-	-	-	-	-
Extraordinary items	-	-	-	-	-
<b>Total cash received</b>	<b>50</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash used</b>					
Repayments of debt	213	220	226	26	-
Capital use charge paid	-	-	-	-	-
Dividends paid	-	-	-	-	-
Other	-	-	-	-	-
Extraordinary items	-	-	-	-	-
<b>Total cash used</b>	<b>213</b>	<b>220</b>	<b>226</b>	<b>26</b>	<b>-</b>
<b>Net cash from/(used by) financing activities</b>	<b>(163)</b>	<b>(220)</b>	<b>(226)</b>	<b>(26)</b>	<b>-</b>
<b>Net increase in cash held</b>	<b>2,130</b>	<b>(1,349)</b>	<b>(427)</b>	<b>(219)</b>	<b>(2,185)</b>
Cash at the beginning of the reporting period	2,725	4,855	3,506	3,079	2,860
Effect of exchange rate movements on cash at the beginning of the reporting period	-	-	-	-	-
<b>Cash at the end of the reporting period</b>	<b>4,855</b>	<b>3,506</b>	<b>3,079</b>	<b>2,860</b>	<b>675</b>

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
<b>CAPITAL APPROPRIATIONS</b>					
Total equity injections	50	-	-	-	-
Total loans	-	-	-	-	-
<b>Total</b>	<b>50</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Represented by</b>					
Purchase of non-financial assets	-	-	-	-	-
Other	50	-	-	-	-
<b>Total</b>	<b>50</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>PURCHASE OF NON-FINANCIAL ASSETS</b>					
Funded by capital appropriations	-	-	-	-	-
Funded internally by departmental resources	4,370	6,951	8,890	8,890	8,890
<b>Total</b>	<b>4,370</b>	<b>6,951</b>	<b>8,890</b>	<b>8,890</b>	<b>8,890</b>

**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	4,400	61,802	-	39,808	130,882	3,191	-	240,083
Additions	-	974	-	4,810	70	1,097	-	6,951
Disposals	-	-	-	-	-	-	-	-
Revaluation increments	-	-	-	-	-	-	-	-
Recoverable amount write-downs	-	-	-	-	-	-	-	-
Net transfers free of charge	-	-	-	-	-	-	-	-
Depreciation/amortisation expense	-	(1,046)	-	(5,927)	(1,400)	(2,101)	-	(10,474)
Write-off of assets	-	-	-	-	-	-	-	-
Carrying amount at the end of year	<b>4,400</b>	<b>61,730</b>	<b>-</b>	<b>38,691</b>	<b>129,552</b>	<b>2,187</b>	<b>-</b>	<b>236,560</b>
<b>Total additions</b>								
Self funded	-	974	-	4,810	70	1,097	-	6,951
Appropriations	-	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>974</b>	<b>-</b>	<b>4,810</b>	<b>70</b>	<b>1,097</b>	<b>-</b>	<b>6,951</b>

## **NOTES TO THE FINANCIAL STATEMENTS**

The movements in aggregate classes are detailed as a preface to the financial statements.

In terms of composition of classes, the Land and Buildings (net value of \$66.130million in 2004-2005) primarily comprise the land and public facility located at Acton Peninsula in Canberra. This facility was transferred to the Museum in March 2001. Infrastructure, Plant and Equipment (\$38.692million in 2004-2005) includes exhibition fitout at the above facility. The National Historical Collection (valued at \$129.552million in 2004-2005) includes iconic objects, the world's premier bark painting collection and a wide range of historical artefacts (materials, character, and size). Overall, there is minimal movement within non-financial assets between 2003-2004 and 2004-2005.

There are no significant movements within liabilities or equities between 2003-2004 and 2004-2005.

### **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 items are those assets, liabilities, revenues and expenses in relation to an agency or authority that 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 that 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 fund the majority of payments from the Consolidated Revenue Fund (especially those that are entitlement driven or involve transfers to State governments).

### **Administered investments in controlled entities**

Each Commonwealth Department is required to show an Administered investment in each Commonwealth Authority and Company (CAC) Act 1997 entity within their portfolio. These Administered investments should be valued at the Commonwealth's ownership interest in the net assets of those CAC entities, fixed at a notional acquisition date of 30 June 1997.

### **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.

## Section 4: Purchaser/Provider and Cost Recovery arrangements

### **PURCHASER/PROVIDER ARRANGEMENTS**

The Museum does not have any purchaser/provider arrangements.

### **COST RECOVERY ARRANGEMENTS**

#### **Summary of Cost Recovery Impact Statement**

The Museum does not undertake significant cost recovery arrangements (as defined in the Commonwealth Cost Recovery Guidelines for Information Agencies issued by the Department of Finance and Administration).

Commercial activities undertaken by the Museum are undertaken within a fully competitive market place.

