

# CULTURAL FACILITIES CORPORATION

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## Purpose

The vision of the Cultural Facilities Corporation (the Corporation) is to be a cultural leader in the ACT community and region. The Corporation's primary objective is to enrich the cultural life of people living in, and visiting, the ACT and region by managing its facilities and delivering its programs in a creative, professional, and business-like manner.

The Corporation's functions include the performing arts, the visual arts, social history and cultural heritage management. It seeks to provide high quality cultural experiences based on the arts and heritage resources that it holds in trust for the people of Canberra.

## 2011-12 Priorities

Strategic and operational issues to be pursued in 2011-12 include:

- maximising visitation to, and patronage of, the Corporation's facilities/programs through a wide range of visual arts, social history and performing arts programs including targeted audience development and community outreach;
- presenting exhibitions, education and community programs at the museums and galleries managed by the Corporation, with involvement in preparations for the Centenary of Canberra in 2013, and in other significant events and festivals, and participation in a range of partnerships with other cultural organisations;
- presenting a varied program of performing arts productions at the Canberra Theatre Centre;
- replacing The Playhouse chillers in order to ensure a continuing high level of comfort for patrons, performers and staff; and
- undertaking the third year of a multi-year capital project comprising a package of conservation/upgrade works needed to bring the ACT Historic Places managed by the Corporation (Lanyon, Calthorpes' House and Mugga Mugga) up to a sound condition and to protect their structural integrity and heritage values into the future.

## Business and Corporate Strategies

Specific business and corporate strategies underpinning the above priorities, which will be pursued in 2011-12 include:

- continuing to provide a range of cultural services to the community through activities such as theatre presentations, exhibitions, and education and community programs, and through conserving and presenting significant aspects of the ACT's cultural heritage;
- contributing to the vision and strategic themes of the *Canberra Plan* especially in terms of supporting Canberra's development as a creative, vibrant city;
- taking a significant role in the approach to the Centenary of Canberra in 2013;
- engaging actively with the community in telling the many stories of Canberra;
- connecting with other cultural facilities, organisations and experiences, including through strategic partnerships;
- seeking to manage the key strategic risk that impacts on the Corporation's financial position, the variability and unpredictability of the performing arts business; and

- implementing a budget strategy that seeks to place the Corporation's finances on a sound and sustainable basis into the future. The Corporation's 2011-12 budget strategy will, in particular, address a further 0.5 per cent whole of Government efficiency dividend applied in the 2010-11 Budget and effective from 2011-12, together with the savings initiative.

### Estimated Employment Level

2009-10 Actual Outcome		2010-11 Budget	2010-11 Est. Outcome	2011-12 Budget
86	Staffing (FTE)	81	77 <sup>1</sup>	74 <sup>1</sup>

**Note:**

1. The high number of casuals employed and the variations in patterns of casual employment make a definitive FTE difficult to estimate. The 2011-12 Budget and 2010-11 estimated outcome FTE have been calculated on the basis of expectations of staffing, especially casual employment, at these times.

### Strategic Objectives and Indicators

#### Strategic Objective 1

Providing cultural leadership, excellence and innovation

The Corporation's objective is to be recognised as providing cultural leadership in the ACT, including through the development of strategic partnerships. The Corporation also seeks to ensure that the activities and programs at its facilities are recognised for their excellence, innovation, and diversity.

#### Strategic Indicator 1: Quality of programs and activities

The quality of the Corporation's programs and activities is demonstrated by factors such as: the inclusion of major national and international performing arts companies in programming at the Canberra Theatre Centre; the featuring of major Canberra region artists and of significant Canberra region social history themes, in the exhibition schedule of the Canberra Museum and Gallery; and the management of the Historic Places in accordance with ACT heritage legislation.

#### Strategic Objective 2

Promoting community involvement in the Corporation programs and activities

The Corporation's objective is to develop increased awareness of its facilities and activities amongst the ACT community and visitors to Canberra, and to ensure a strong community orientation, with proud and willing community support.

#### Strategic Indicator 2: Extent of community participation in, and support for, cultural programs and activities

Visitation to Corporation facilities and participation in Corporation programs is maximised, including local performing arts usage of Canberra Theatre Centre venues. This community visitation and participation is balanced with the Corporation's cultural responsibilities, especially with regard to conservation of the Historic Places. Community support for the Corporation's activities is further demonstrated by the extent of sponsorship, donations and volunteer hours contributed.

## Output Classes

	Total Cost <sup>1</sup>		Government Payment for Outputs	
	2010-11 Est. Outcome \$'000	2011-12 Budget \$'000	2010-11 Est. Outcome \$'000	2011-12 Budget \$'000
<b>Output Class 1: Cultural Facilities Management</b>	14,277	14,414	7,440	7,414
<b>Output 1.1: Cultural Facilities Corporation</b>	14,277	14,414	7,440	7,414

**Note:**

1. Total cost includes depreciation of \$1.979 million in 2010-11 and \$2.028 million in 2011-12.

### *Output Description*

The Cultural Facilities Corporation manages a number of the ACT's major cultural assets, comprising:

- the Canberra Theatre Centre;
- the Canberra Museum and Gallery (CMAG), including the Nolan Collection Gallery @ CMAG; and
- the ACT Historic Places (Lanyon, Calthorpes' House and Mugga Mugga).

In managing these facilities, the Corporation provides a range of cultural services to the community through the provision of activities (performing arts presentations, exhibitions, education programs, community programs and other events) at each site and through the conservation and interpretation of the ACT Historic Places.

## Accountability Indicators

	2010-11 Targets	2010-11 Est. Outcome	2011-12 Targets
<b>Output Class 1: Cultural Facilities Management</b>			
<b>Output 1.1: Cultural Facilities Corporation</b>			
a. Estimated number of visitors/patrons to facilities <sup>1</sup>	302,100	272,818	285,100
b. Number of exhibitions at facilities managed by the Corporation <sup>2</sup>	18	19	20
c. Number of education and community programs at facilities managed by the Corporation	440	423	440
d. Number of days venue usage at the Canberra Theatre Centre's venues <sup>3</sup>	690	607	620
e. Customer satisfaction with quality of services provided by the Corporation, as measured by annual survey	80%	>80%	80%
f. Cost to Government per estimated visitor/patron to facilities managed by the Corporation <sup>4</sup>	\$24.63	\$27.27	\$26.00
g. Own sourced revenue as a proportion of total revenue for the Corporation <sup>5</sup>	37.5%	39.8%	40.5%

### Notes:

1. The decrease in the 2010-11 Estimated Outcome from the 2010-11 Target is mainly due to lower than projected theatre patrons, consistent with the wider performing arts industry and with a more general reduction in consumer spending. The decrease in the 2011-12 Target from the 2010-11 Target is due to the expectation that levels of theatre patronage in 2011-12 will be similar to outcomes in 2010-11.
2. The increase in the 2010-11 Estimated Outcome from the 2010-11 Target is due to an additional exhibition at the Canberra Museum and Gallery. The increase in the 2011-12 Target from the 2010-11 Target is mainly due to further additional exhibitions at the Canberra Museum and Gallery in the lead up to the Centenary of Canberra.
3. The decrease in the 2010-11 Estimated Outcome from the 2010-11 Target is due to lower than projected theatre venue hires. The decrease in the 2011-12 Target from the 2010-11 Target is due to the expectation that levels of theatre usage in 2011-12 will be similar to outcomes in 2010-11.
4. The increase in the 2010-11 Estimated Outcome from the 2010-11 Target is due to a lower estimated number of visitors/patrons in 2010-11. The increase in the 2011-12 Target from the 2010-11 Target is due to a lower estimated number of visitors/patrons in 2011-12.
5. The increase in the 2010-11 Estimated Outcome from the 2010-11 Target is due to higher than expected non-Government user charges in 2010-11. The increase in the 2011-12 Target from the 2010-11 Target is due to the expectation that the non-Government user charges in 2011-12 will continue at similar high level.

## Changes to Appropriation

### Changes to Appropriation - Controlled

Government Payment for Outputs	2010-11	2011-12	2012-13	2013-14	2014-15
	Est. Out.	Budget	Estimate	Estimate	Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>2010-11 Budget</b>	<b>7,440</b>	<b>7,597</b>	<b>7,769</b>	<b>7,892</b>	<b>7,892</b>
<b>2011-12 Budget Policy Adjustments</b>					
Replacement of The Playhouse Chillers	-	-	10	10	10
Revised Wages Parameters		27	106	108	110
Savings Initiative		(228)	(234)	(237)	(241)
<b>2011-12 Budget Technical Adjustment</b>					
Revised Indexation Parameters	-	18	18	19	167
<b>2011-12 Budget</b>	<b>7,440</b>	<b>7,414</b>	<b>7,669</b>	<b>7,792</b>	<b>7,938</b>

### Changes to Appropriation - Controlled

Capital Injections	2010-11	2011-12	2012-13	2013-14	2014-15
	Est. Out.	Budget	Estimate	Estimate	Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>2010-11 Budget</b>	<b>1,686</b>	<b>853</b>	<b>659</b>	<b>360</b>	<b>360</b>
<b>FMA 16B Rollover from 2009-10</b>					
Rollover – Historic Places Major Project	348	-	-	-	-
<b>2011-12 Budget Policy Adjustments</b>					
Replacement of The Playhouse Chillers	-	230	-	-	-
<b>2011-12 Budget Technical Adjustments</b>					
Capital Upgrades Indexation	-	-	-	-	9
<b>2011-12 Budget</b>	<b>2,034</b>	<b>1,083</b>	<b>659</b>	<b>360</b>	<b>369</b>

## 2011-12 Capital Works Program

	Estimated Total Cost \$'000	Estimated Expenditure Pre 2011-12 \$'000	2011-12 Financing \$'000	2012-13 Financing \$'000	2013-14 Financing \$'000	Physical Completion Date
<b>Capital Upgrades</b>						
Canberra Theatre Centre	202	-	202			
Canberra Museum and Gallery and Historic Places	140	-	140			
<b>Total Capital Upgrades</b>	<b>342</b>	<b>-</b>	<b>342</b>			
<b>Total New Works</b>	<b>342</b>	<b>-</b>	<b>342</b>			
<b>Works in Progress</b>						
Historic Places Major Project	3,683	2,864	511	308	-	Jun 2013
<b>Total Works in Progress</b>	<b>3,683</b>	<b>2,864</b>	<b>511</b>	<b>308</b>	<b>-</b>	
<b>Total Capital Works Program</b>	<b>4,025</b>	<b>2,864</b>	<b>853</b>	<b>308</b>	<b>-</b>	

**Cultural Facilities Corporation  
Operating Statement**

<b>2010-11 Budget \$'000</b>		<b>2010-11 Est.Outcome \$'000</b>	<b>2011-12 Budget \$'000</b>	<b>Var %</b>	<b>2012-13 Estimate \$'000</b>	<b>2013-14 Estimate \$'000</b>	<b>2014-15 Estimate \$'000</b>
	<b>Income</b>						
	<b>Revenue</b>						
7,440	Government Payment for Outputs	7,440	7,414	..	7,669	7,792	7,938
3,922	User Charges - Non ACT Government	4,422	4,546	3	4,565	4,585	4,600
457	User Charges - ACT Government	457	474	4	474	474	474
55	Interest	55	60	9	65	71	71
39	Resources Received Free of Charge	39	39	-	39	39	39
<b>11,913</b>	<b>Total Revenue</b>	<b>12,413</b>	<b>12,533</b>	<b>1</b>	<b>12,812</b>	<b>12,961</b>	<b>13,122</b>
	<b>Gains</b>						
<b>0</b>	<b>Total Gains</b>	<b>0</b>	<b>0</b>	<b>-</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>11,913</b>	<b>Total Income</b>	<b>12,413</b>	<b>12,533</b>	<b>1</b>	<b>12,812</b>	<b>12,961</b>	<b>13,122</b>
	<b>Expenses</b>						
5,305	Employee Expenses	5,491	5,402	-2	5,556	5,615	5,675
748	Superannuation Expenses	745	781	5	793	793	794
5,701	Supplies and Services	6,001	6,142	2	6,234	6,317	6,417
1,979	Depreciation and Amortisation	1,979	2,028	2	2,074	2,074	2,074
61	Other Expenses	61	61	-	61	61	61
<b>13,794</b>	<b>Total Ordinary Expenses</b>	<b>14,277</b>	<b>14,414</b>	<b>1</b>	<b>14,718</b>	<b>14,860</b>	<b>15,021</b>
<b>-1,881</b>	<b>Operating Result</b>	<b>-1,864</b>	<b>-1,881</b>	<b>-1</b>	<b>-1,906</b>	<b>-1,899</b>	<b>-1,899</b>
<b>-1,881</b>	<b>Total Comprehensive Income</b>	<b>-1,864</b>	<b>-1,881</b>	<b>-1</b>	<b>-1,906</b>	<b>-1,899</b>	<b>-1,899</b>

## Cultural Facilities Corporation Balance Sheet

Budget as at 30/6/11 \$'000		Est.Outcome as at 30/6/11 \$'000	Planned as at 30/6/12 \$'000	Var %	Planned as at 30/6/13 \$'000	Planned as at 30/6/14 \$'000	Planned as at 30/6/15 \$'000
<b>Current Assets</b>							
502	Cash and Cash Equivalents	246	304	24	367	436	505
360	Receivables	577	578	..	579	580	581
22	Inventories	24	24	-	24	24	24
126	Other	154	154	-	154	154	154
<b>1,010</b>	<b>Total Current Assets</b>	<b>1,001</b>	<b>1,060</b>	<b>6</b>	<b>1,124</b>	<b>1,194</b>	<b>1,264</b>
<b>Non Current Assets</b>							
49,026	Property, Plant and Equipment	49,525	48,730	-2	47,465	45,901	44,346
116	Capital Works in Progress	0	0	-	0	0	0
<b>49,142</b>	<b>Total Non Current Assets</b>	<b>49,525</b>	<b>48,730</b>	<b>-2</b>	<b>47,465</b>	<b>45,901</b>	<b>44,346</b>
<b>50,152</b>	<b>TOTAL ASSETS</b>	<b>50,526</b>	<b>49,790</b>	<b>-1</b>	<b>48,589</b>	<b>47,095</b>	<b>45,610</b>
<b>Current Liabilities</b>							
306	Payables	429	429	-	429	429	429
23	Finance Leases	26	26	-	26	26	26
1,324	Employee Benefits	1,353	1,413	4	1,457	1,501	1,545
176	Other	227	227	-	227	227	227
<b>1,829</b>	<b>Total Current Liabilities</b>	<b>2,035</b>	<b>2,095</b>	<b>3</b>	<b>2,139</b>	<b>2,183</b>	<b>2,227</b>
<b>Non Current Liabilities</b>							
104	Finance Leases	76	76	-	76	76	76
90	Employee Benefits	111	113	2	115	116	117
383	Other	329	329	-	329	329	329
<b>577</b>	<b>Total Non Current Liabilities</b>	<b>516</b>	<b>518</b>	<b>..</b>	<b>520</b>	<b>521</b>	<b>522</b>
<b>2,406</b>	<b>TOTAL LIABILITIES</b>	<b>2,551</b>	<b>2,613</b>	<b>2</b>	<b>2,659</b>	<b>2,704</b>	<b>2,749</b>
<b>47,746</b>	<b>NET ASSETS</b>	<b>47,975</b>	<b>47,177</b>	<b>-2</b>	<b>45,930</b>	<b>44,391</b>	<b>42,861</b>
<b>REPRESENTED BY FUNDS EMPLOYED</b>							
28,612	Accumulated Funds	28,734	27,936	-3	26,689	25,150	23,620
19,134	Reserves	19,241	19,241	-	19,241	19,241	19,241
<b>47,746</b>	<b>TOTAL FUNDS EMPLOYED</b>	<b>47,975</b>	<b>47,177</b>	<b>-2</b>	<b>45,930</b>	<b>44,391</b>	<b>42,861</b>



## Cultural Facilities Corporation Cash Flow Statement

2010-11 Budget \$'000		2010-11 Est.Outcome \$'000	2011-12 Budget \$'000	Var %	2012-13 Estimate \$'000	2013-14 Estimate \$'000	2014-15 Estimate \$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>							
<b>Receipts</b>							
7,440	Cash from Government for Outputs	7,440	7,414	..	7,669	7,792	7,938
4,391	User Charges	4,891	5,032	3	5,051	5,071	5,086
55	Interest Received	55	60	9	65	71	71
511	Other Revenue	511	511	-	511	511	511
<b>12,397</b>	<b>Operating Receipts</b>	<b>12,897</b>	<b>13,017</b>	<b>1</b>	<b>13,296</b>	<b>13,445</b>	<b>13,606</b>
<b>Payments</b>							
5,251	Related to Employees	5,431	5,341	-2	5,511	5,571	5,631
748	Related to Superannuation	745	781	5	793	793	794
5,670	Related to Supplies and Services	5,970	6,111	2	6,203	6,286	6,386
576	Other	576	576	-	576	576	576
<b>12,245</b>	<b>Operating Payments</b>	<b>12,722</b>	<b>12,809</b>	<b>1</b>	<b>13,083</b>	<b>13,226</b>	<b>13,387</b>
<b>152</b>	<b>NET CASH INFLOW/ (OUTFLOW) FROM OPERATING ACTIVITIES</b>	<b>175</b>	<b>208</b>	<b>19</b>	<b>213</b>	<b>219</b>	<b>219</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>							
<b>Payments</b>							
1,836	Purchase of Property, Plant and Equipment and Capital Works	2,184	1,233	-44	809	510	519
<b>1,836</b>	<b>Investing Payments</b>	<b>2,184</b>	<b>1,233</b>	<b>-44</b>	<b>809</b>	<b>510</b>	<b>519</b>
<b>-1,836</b>	<b>NET CASH INFLOW/ (OUTFLOW) FROM INVESTING ACTIVITIES</b>	<b>-2,184</b>	<b>-1,233</b>	<b>44</b>	<b>-809</b>	<b>-510</b>	<b>-519</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>							
<b>Receipts</b>							
1,686	Capital Injection from Government	2,034	1,083	-47	659	360	369
<b>1,686</b>	<b>Financing Receipts</b>	<b>2,034</b>	<b>1,083</b>	<b>-47</b>	<b>659</b>	<b>360</b>	<b>369</b>
<b>1,686</b>	<b>NET CASH INFLOW/ (OUTFLOW) FROM FINANCING ACTIVITIES</b>	<b>2,034</b>	<b>1,083</b>	<b>-47</b>	<b>659</b>	<b>360</b>	<b>369</b>
<b>2</b>	<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>	<b>25</b>	<b>58</b>	<b>132</b>	<b>63</b>	<b>69</b>	<b>69</b>
<b>500</b>	<b>CASH AT BEGINNING OF REPORTING PERIOD</b>	<b>221</b>	<b>246</b>	<b>11</b>	<b>304</b>	<b>367</b>	<b>436</b>
<b>502</b>	<b>CASH AT THE END OF THE REPORTING PERIOD</b>	<b>246</b>	<b>304</b>	<b>24</b>	<b>367</b>	<b>436</b>	<b>505</b>

**Cultural Facilities Corporation  
Statement of Changes in Equity**

Budget as at 30/6/11 \$'000		Est.Outcome as at 30/6/11 \$'000	Planned as at 30/6/12 \$'000	Var %	Planned as at 30/6/13 \$'000	Planned as at 30/6/14 \$'000	Planned as at 30/6/15 \$'000
<b>Opening Equity</b>							
28,807	Opening Accumulated Funds	28,564	28,734	1	27,936	26,689	25,150
19,134	Opening Asset Revaluation Reserve	19,241	19,241	-	19,241	19,241	19,241
<b>47,941</b>	<b>Balance at the Start of the Reporting Period</b>	<b>47,805</b>	<b>47,975</b>	<b>..</b>	<b>47,177</b>	<b>45,930</b>	<b>44,391</b>
<b>Comprehensive Income</b>							
-1,881	Operating Result for the Period	-1,864	-1,881	-1	-1,906	-1,899	-1,899
<b>-1,881</b>	<b>Total Comprehensive Income</b>	<b>-1,864</b>	<b>-1,881</b>	<b>-1</b>	<b>-1,906</b>	<b>-1,899</b>	<b>-1,899</b>
<b>0</b>	<b>Total Movement In Reserves</b>	<b>0</b>	<b>0</b>	<b>-</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Transactions Involving Owners Affecting Accumulated Funds</b>							
1,686	Capital Injections	2,034	1083	-47	659	360	369
<b>1,686</b>	<b>Total Transactions Involving Owners Affecting Accumulated Funds</b>	<b>2,034</b>	<b>1083</b>	<b>-47</b>	<b>659</b>	<b>360</b>	<b>369</b>
<b>Closing Equity</b>							
28,612	Closing Accumulated Funds	28,734	27,936	-3	26,689	25,150	23,620
19,134	Closing Asset Revaluation Reserve	19,241	19,241	-	19,241	19,241	19,241
<b>47,746</b>	<b>Balance at the End of the Reporting Period</b>	<b>47,975</b>	<b>47,177</b>	<b>-2</b>	<b>45,930</b>	<b>44,391</b>	<b>42,861</b>

### Notes to the Budget Statements

Significant variations are as follows:

#### *Operating Statement*

- user charges - non ACT Government:
  - the increase of \$0.5 million in the 2010-11 estimated outcome from the original budget is mainly due to higher than budgeted income at the Canberra Theatre Centre; and
  - the increase of \$0.124 million in the 2011-12 Budget from the 2010-11 estimated outcome is mainly due to increased income from activity at the Canberra Theatre Centre.

- employee expenses:
  - the increase of \$0.186 million in the 2010-11 estimated outcome from the original budget is mainly due to increased salaries associated with the higher than budgeted income at the Canberra Theatre Centre.
- supplies and services:
  - the increase of \$0.3 million in the 2010-11 estimated outcome from the original budget is mainly due to increased costs relating to higher than budgeted income at the Canberra Theatre Centre; and
  - the increase of \$0.141 million in the 2011-12 Budget from the 2010-11 estimated outcome is mainly due to variations in the Canberra Theatre Centre's operating costs.

#### *Balance Sheet*

- cash and cash equivalents:
  - the decrease of \$0.256 million in the 2010-11 estimated outcome from the original budget is due to 2009-10 audited outcome flow-on effects; and
  - the increase of \$0.058 million in the 2011-12 Budget from the 2010-11 estimated outcome is due to positive cash flows from operations.
- receivables: the increase of \$0.217 million in the 2010-11 estimated outcome from the original budget is due to 2009-10 audited outcome flow-on effects.
- other current assets: the increase of \$0.028 million in the 2010-11 estimated outcome from the original budget is mainly due to an increase in the number of Canberra Theatre Centre shows disclosed as work in progress at year end.
- property, plant and equipment:
  - the increase of \$0.499 million in the 2010-11 estimated outcome from the original budget is due to 2009-10 audited outcome flow-on effects; and
  - the decrease of \$0.795 million in the 2011-12 Budget from the 2010-11 estimated outcome is mainly due to a reduction in the rate of asset replacement, partially offset by the replacement of The Playhouse chillers for \$0.230 million.
- capital works in progress: the decrease of \$0.116 million in the 2010-11 estimated outcome from the original budget is due to 2009-10 audited outcome flow-on effects.
- current payables: the increase of \$0.123 million in the 2010-11 estimated outcome from the original budget is mainly due to 2009-10 audited outcome flow-on effects.

#### *Cash Flow Statement*

Variations in the statement are explained in the notes above.

#### *Statement of Changes in Equity*

Variations in the statement are explained in the notes above.

