

# CULTURAL FACILITIES CORPORATION

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## Objectives

The Corporation's primary objective is to add value to the cultural life of the ACT and region by delivering high quality arts and heritage services, through professional management of its facilities.

The Corporation undertakes the management of a number of cultural assets. The operations of the Corporation are funded by a combination of user charges, payments from the Government, and revenue generated by the Corporation's performing arts businesses and programs, and by admission fees and activities associated with museums and galleries.

## 1999-2000 Highlights

Strategic and operational issues to be pursued in 1999-2000 include:

- encouraging community involvement in a wide range of arts and heritage activities;
- developing a greater commercial focus;
- achieving a positive balance between social benefits and financial costs;
- providing unique cultural experiences for visitors to Canberra;
- providing cultural leadership;
- providing new services, in particular a \$0.050m Events/Activities Program to develop the cultural focus of Civic Square; and
- undertaking a package of measures for increasing revenue, and for cost containment, which provides for a net improvement in operating results progressively through 1999-2000, and the forward years.

<b>Budget Summary</b>	<b>1999-2000 Planned \$000</b>
<b>Government Appropriations</b>	
• Service payments from General Government	6 124
• Capital injections	354
<b>Own Sourced Revenues</b>	
• User charges	2 480
• Interest revenue	30
<b>Services Provided</b>	
• Delivery of Arts and Heritage services	9 665

## Cultural Facilities Corporation Operating Statement

1998-99 Budget \$'000		1998-99 Est.Outcome \$'000	1999-00 Budget \$'000	Var %	2000-01 Estimate \$'000	2001-02 Estimate \$'000	2002-03 Estimate \$'000
<b>Revenue</b>							
4 053	User Charges - Non ACT Government	2 269	2 480	9	2 517	2 554	2 591
6 054	User Charges - ACT Government	6 054	6 124	1	6 248	6 372	6 466
30	Interest	30	30	-	30	30	30
<b>10 137</b>	<b>Total Revenue</b>	<b>8 353</b>	<b>8 634</b>	<b>3</b>	<b>8 795</b>	<b>8 956</b>	<b>9 087</b>
<b>Expenses</b>							
3 943	Employee Expenses	3 443	3 498	2	3 531	3 564	3 595
231	Superannuation Expenses	280	284	1	288	291	295
5 697	Administrative Expenses	4 433	4 619	4	4 686	4 753	4 792
1 159	Depreciation and Amortisation	1 159	1 161	..	1 184	1 184	1 184
167	Other Expenses	98	103	5	107	111	115
<b>11 197</b>	<b>Total Expenses</b>	<b>9 413</b>	<b>9 665</b>	<b>3</b>	<b>9 796</b>	<b>9 903</b>	<b>9 981</b>
<b>-1 060</b>	<b>Operating Result</b>	<b>-1 060</b>	<b>-1 031</b>	<b>3</b>	<b>-1 001</b>	<b>-947</b>	<b>-894</b>
<b>25 737</b>	<b>Accumulated Funds - Start of Period</b>	<b>18 884</b>	<b>17 906</b>	<b>-5</b>	<b>17 229</b>	<b>16 228</b>	<b>15 281</b>
138	Capital Injections	82	354	332	0	0	0
<b>24 815</b>	<b>Accumulated Funds - End of Period</b>	<b>17 906</b>	<b>17 229</b>	<b>-4</b>	<b>16 228</b>	<b>15 281</b>	<b>14 387</b>

**Cultural Facilities Corporation  
Statement Of Financial Position**

Budget as at 30/6/99 \$'000		Est.Outcome as at 30/6/99 \$'000	Planned as at 30/6/00 \$'000	Var %	Planned as at 30/6/01 \$'000	Planned as at 30/6/02 \$'000	Planned as at 30/6/03 \$'000
<b>Current Assets</b>							
140	Cash	185	200	8	268	390	565
296	Receivables	392	392	-	392	392	392
75	Inventories	17	17	-	17	17	17
65	Other	83	83	-	83	83	83
<b>576</b>	<b>Total Current Assets</b>	<b>677</b>	<b>692</b>	<b>2</b>	<b>760</b>	<b>882</b>	<b>1 057</b>
<b>Non Current Assets</b>							
24 852	Property, Plant and Equipment	18 233	17 551	-4	16 492	15 433	14 374
50	Capital Works in Progress	50	50	-	50	50	50
<b>24 902</b>	<b>Total Non Current Assets</b>	<b>18 283</b>	<b>17 601</b>	<b>-4</b>	<b>16 542</b>	<b>15 483</b>	<b>14 424</b>
<b>25 478</b>	<b>TOTAL ASSETS</b>	<b>18 960</b>	<b>18 293</b>	<b>-4</b>	<b>17 302</b>	<b>16 365</b>	<b>15 481</b>
<b>Current Liabilities</b>							
101	Creditors	98	98	-	98	98	98
260	Employee Entitlements	312	312	-	312	312	312
26	Other	62	62	-	62	62	62
<b>387</b>	<b>Total Current Liabilities</b>	<b>472</b>	<b>472</b>	<b>-</b>	<b>472</b>	<b>472</b>	<b>472</b>
<b>Non Current Liabilities</b>							
276	Employee Entitlements	393	403	3	413	423	433
<b>276</b>	<b>Total Non Current Liabilities</b>	<b>393</b>	<b>403</b>	<b>3</b>	<b>413</b>	<b>423</b>	<b>433</b>
<b>663</b>	<b>TOTAL LIABILITIES</b>	<b>865</b>	<b>875</b>	<b>1</b>	<b>885</b>	<b>895</b>	<b>905</b>
<b>24 815</b>	<b>NET ASSETS</b>	<b>18 095</b>	<b>17 418</b>	<b>-4</b>	<b>16 417</b>	<b>15 470</b>	<b>14 576</b>
<b>REPRESENTED BY FUNDS EMPLOYED</b>							
24 815	Accumulated Funds	17 906	17 229	-4	16 228	15 281	14 387
0	Reserves	189	189	-	189	189	189
<b>24 815</b>	<b>TOTAL FUNDS EMPLOYED</b>	<b>18 095</b>	<b>17 418</b>	<b>-4</b>	<b>16 417</b>	<b>15 470</b>	<b>14 576</b>

**Cultural Facilities Corporation  
Cashflow Statement**

1998-99 Budget \$'000		1998-99 Est.Outcome \$'000	1999-00 Budget \$'000	Var %	2000-01 Estimate \$'000	2001-02 Estimate \$'000	2002-03 Estimate \$'000
<b>155</b>	<b>CASH AT BEGINNING OF REPORTING PERIOD</b>	<b>200</b>	<b>185</b>	<b>-7</b>	<b>200</b>	<b>268</b>	<b>390</b>
	<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>						
	<b>Receipts</b>						
10 108	User Charges	8 324	8 604	3	8 765	8 926	9 057
30	Interest Received	30	30	-	30	30	30
<b>10 138</b>	<b>Operating Receipts</b>	<b>8 354</b>	<b>8 634</b>	<b>3</b>	<b>8 795</b>	<b>8 956</b>	<b>9 087</b>
	<b>Payments</b>						
3 972	Related to Employees	3 713	3 772	2	3 809	3 845	3 881
5 762	Related to Administration	4 433	4 619	4	4 686	4 753	4 791
294	Other	98	103	5	107	111	115
<b>10 028</b>	<b>Operating Payments</b>	<b>8 244</b>	<b>8 494</b>	<b>3</b>	<b>8 602</b>	<b>8 709</b>	<b>8 787</b>
<b>110</b>	<b>NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES</b>	<b>110</b>	<b>140</b>	<b>27</b>	<b>193</b>	<b>247</b>	<b>300</b>
	<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>						
	<b>Payments</b>						
263	Purchase of Property, Plant and Equipment	557	479	-14	125	125	125
<b>263</b>	<b>Investing Payments</b>	<b>557</b>	<b>479</b>	<b>-14</b>	<b>125</b>	<b>125</b>	<b>125</b>
<b>-263</b>	<b>NET CASH INFLOW/(OUTFLOW) FROM INVESTING ACTIVITIES</b>	<b>-557</b>	<b>-479</b>	<b>14</b>	<b>-125</b>	<b>-125</b>	<b>-125</b>
	<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>						
	<b>Receipts</b>						
138	Capital Injection from Government	432	354	-18	0	0	0
<b>138</b>	<b>Financing Receipts</b>	<b>432</b>	<b>354</b>	<b>-18</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>138</b>	<b>NET CASH INFLOW/(OUTFLOW) FROM FINANCING ACTIVITIES</b>	<b>432</b>	<b>354</b>	<b>-18</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>-15</b>	<b>NET INCREASE/(DECREASE) IN CASH HELD</b>	<b>-15</b>	<b>15</b>	<b>200</b>	<b>68</b>	<b>122</b>	<b>175</b>
<b>140</b>	<b>CASH AT THE END OF THE REPORTING PERIOD</b>	<b>185</b>	<b>200</b>	<b>8</b>	<b>268</b>	<b>390</b>	<b>565</b>

## Notes to the Budget Statements

### *Operating Statement*

Significant variations are as follows:

- user charges - ACT Government: the increase in 1999-2000 of \$0.070m is due to CPI related increases (\$0.106m) and funding transferred from other ACT agencies for functions previously provided free of charge (\$0.067m). These increases are offset by a funding reduction resulting from accommodation rationalisation (\$0.103m);
- user charges - non ACT Government: the increase in 1999-2000 of \$0.211m is a result of a range of initiatives to increase revenue. They are below budget in 1998-99, reflecting a change in the level and type of activity at the Theatre, particularly the lack of joint venture opportunities. However, this is matched by reductions in employee (\$0.451m) and administrative (\$1.333m) expenses, resulting in no net impact on the operating result in 1998-99; and
- administrative expenses: the increase (\$0.186m) reflects the cost of new undertakings such as developing Civic Square as a cultural precinct/focus for the Territory (\$0.050m) and expected IT modernisation costs (\$0.245m) offset by efficiency gains.

### *Statement of Financial Position*

- The significant factor impacting on the balance sheet is a transfer of capital works building expenditure related to the Canberra Museum and Gallery project within Civic Square's North Building to the Office of Asset Management (\$6.076m) in 1998-99.

## Capital Works

	Estimated Total Cost \$m	Expenditure Previous Years \$m	1999-2000 Estimated Expenditure \$m	1999-2000 Financing 1999-2000 \$m	Expected Completion Date
<b>New Capital Works</b>					
Civic Square Development	0.200	-	0.200	0.200	Feb 2000
Minor New Works - Acoustic Modifications	0.087	-	0.087	0.087	June 2000
Emergency Warning System	0.042	-	0.042	0.042	June 2000
Replace Water Tanks	0.025	-	0.025	0.025	June 2000
<b>Total Capital Works</b>	<b>0.354</b>	<b>-</b>	<b>0.354</b>	<b>0.354</b>	

