

CULTURAL FACILITIES CORPORATION

Objectives

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. The organisation delivers a range of cultural services to the community by providing activities such as theatre presentations, exhibitions, and education and public programs, and through conserving and presenting significant aspects of the ACT's cultural heritage.

The Corporation aims to provide cultural leadership, excellence and innovation and to promote community involvement in activities at the Corporation's facilities.

2009-10 Priorities

Strategic and operational issues to be pursued in 2009-10 include:

- maximising visitation to, and patronage of, the Corporation's facilities through a wide range of visual arts, social history and performing arts programs including targeted audience development and community outreach;
- presenting exhibitions, education and public programs at the museums and galleries managed by the Corporation, with involvement in 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;
- undertaking the first 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; and
- undertaking priority repairs and maintenance works at the ACT Historic Places, together with priority capital upgrades and repairs and maintenance at the Canberra Theatre Centre and Canberra Museum and Gallery.

Estimated Employment Level

2008-09 Budget		2008-09 Est. Outcome	2009-10 Budget
69 ¹	Staffing (FTE)	88 ¹	86 ²

Notes:

1. The high number of casuals employed and the variations in patterns of casual employment make a definitive FTE difficult to estimate. The 2008-09 estimated outcome levels have been based on average casual FTE hours for the past 12 month period. The 2008-09 Budget level was lower as it was based on a specific pay period rather than an average over a 12 month period.
2. The reduction in the 2009-10 Budget level from the 2008-09 estimated outcome is predicted to be as a result of decreased venue hirers and subsequently decreased average casual FTE due to the economic downturn in 2009-10.

Strategic Indicators

Strategic Indicator 1

Provision of cultural leadership, excellence and innovation

The Corporation seeks to be recognised as promoting 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 2

Promotion of community involvement in activities at Corporation facilities

The Corporation seeks 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.

The Corporation also seeks to maintain and, where possible, to increase visitation to its facilities and participation in its programs, whilst recognising and balancing this with its cultural responsibilities, especially with regard to conservation.

In addition, the Corporation seeks to contribute to Canberra's economic development and attractiveness as both a business and tourist destination.

Output Classes

	Total Cost ¹		Government Payment for Outputs	
	2008-09 Est. Outcome \$'000	2009-10 Budget \$'000	2008-09 Est. Outcome \$'000	2009-10 Budget \$'000
Output Class 1: Cultural Facilities Management	13,185	13,704	7,105	7,435
Output 1.1: Cultural Facilities Corporation	13,185	13,704	7,105	7,435

Note:

1. Total cost includes depreciation of \$1.824 million in 2008-09 and \$1.905 million in 2009-10.

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 and the Nolan Gallery; 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, public programs and other events) at each site, and through the conservation and interpretation of the ACT Historic Places.

The Corporation also has responsibility for managing and developing the Civic Square precinct as a cultural focus of the ACT.

Accountability Indicators

	2008-09 Targets	2008-09 Est. Outcome	2009-10 Targets
Output Class 1: Cultural Facilities Management			
Output 1.1: Cultural Facilities Corporation			
a. Estimated number of visitors/patrons to facilities ^{1, 2}	344,000	316,000	310,000
b. Number of exhibitions at facilities managed by the Corporation ³	21	19	18
c. Number of education and public programs at facilities managed by the Corporation ⁴	350	400	400
d. Number of days venue usage at the Canberra Theatre Centre's venues ⁵	480	480	450
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 ^{6, 7}	\$20.65	\$22.48	\$23.95
g. Own sourced revenue as a proportion of total revenue for the Corporation ⁸	39%	36.9%	37.1%

Notes:

1. The reduction in the 2008-09 estimated outcome relative to the 2008-09 target relates primarily to lower than projected theatre patron numbers due to the current economic downturn. The reduction in the 2009-10 target from the 2008-09 target is recognition of the ongoing effect of the economic downturn on theatre visitors/patrons. Some impact is also expected due to periods of closure at some historic places while major capital works are undertaken.
2. This accountability indicator was originally 'Number of visitors/patrons to facilities' in the 2008-09 Budget papers. During the audit of the 2007-08 financial statements the ACT Auditor-General suggested that as the indicator is measured by multiple systems that contain a degree of unavoidable variance, a more appropriate description of the indicator is 'Estimated number of visitor/patrons to facilities'.
3. The reduction in the 2008-09 estimated outcome relative to the 2008-09 target is due to lengthier display periods for each exhibition. The reduction in the 2009-10 target from the 2008-09 target is recognition that lengthier display periods for exhibitions will continue and that a special exhibition held at Calthorpes' House in 2008-09 will not take place in 2009-10.
4. The increase in the 2008-09 estimated outcome relative to the 2008-09 target is due to high demand for education programs offered by the Corporation. The increase in the 2009-10 target from the 2008-09 target relates to a continued meeting of this demand in 2009-10.
5. The reduction in the 2009-10 target from the 2008-09 target relates to the anticipated effect of the economic downturn on theatre business.
6. The increase in the 2008-09 estimated outcome from the 2008-09 target is due to a lower projected number of visitors/patrons. The increase in the 2009-10 target from the 2008-09 target is due to a lower projected number of estimated visitor/patrons and to increased costs associated with additional repairs and maintenance, wage increases and indexation.
7. This accountability indicator was originally named 'Cost to Government per visitor/patron to facilities managed by the Corporation' in the 2008-09 Budget papers. Consistent with note 2, a more appropriate description of the indicator is 'Cost to Government per estimated visitor/patron to facilities managed by the Corporation'.
8. The decrease in the 2008-09 estimated outcome relative to the 2008-09 target, and the 2009-10 target relative to the 2008-09 target are due to projected decreases in theatre revenues from an anticipated reduction in venue hirers.

Changes to Appropriation

Changes to Appropriation - Departmental

	2008-09 Est. Out. \$'000	2009-10 Budget \$'000	2010-11 Estimate \$'000	2011-12 Estimate \$'000	2012-13 Estimate \$'000
Government Payment for Outputs					
2008-09 Budget	7,105	7,250	7,398	7,541	7,541
2009-10 Budget Policy Adjustments					
Additional Repairs and Maintenance	-	177	-	-	-
Efficiency Dividend	-	-	(37)	(38)	(38)
2009-10 Budget Technical Adjustments					
Revised Indexation Parameters	-	(9)	(9)	(9)	181
Revised Superannuation Contributions	-	17	15	14	14
2009-10 Budget	7,105	7,435	7,367	7,508	7,698

Changes to Appropriation - Departmental

	2008-09 Est. Out. \$'000	2009-10 Budget \$'000	2010-11 Estimate \$'000	2011-12 Estimate \$'000	2012-13 Estimate \$'000
Capital Injections					
2008-09 Budget	1,164	325	334	342	342
3rd Appropriation					
Canberra Theatre Centre Upgrades	44	-	-	-	-
Historic Places Upgrades	71	-	-	-	-
2009-10 Budget Policy Adjustment					
Historic Places Major Project	-	1,637	1,227	511	308
2009-10 Budget Technical Adjustments					
Revised Indexation Parameters	-	-	-	-	9
Rollover - Nolan Collection Gallery at the Canberra Museum and Gallery	(260)	260	-	-	-
2009-10 Budget	1,019	2,222	1,561	853	659

2009-10 Capital Works Program

	Estimated Total Cost \$'000	Estimated Expenditure Pre 2009-10 \$'000	2009-10 Financing \$'000	2010-11 Financing \$'000	2011-12 Financing \$'000	Expected Completion Date
New Capital Works						
Historic Places Major Project ¹	3,683	-	1,637	1,227	511	Jun 2013
Total New Works	3,683	-	1,637	1,227	511	
Capital Upgrades						
Canberra Theatre Centre	166	-	166			
ACT Museums and Galleries	148	-	148			
Historic Places	11	-	11			
Total Capital Upgrades	325	-	325			
Total New Capital Works	4,008	-	1,962	1,227	511	
Works in Progress						
Nolan Collection Gallery at the Canberra Museum and Gallery	260	-	260	-	-	Jun 2010
Total Works in Progress	260	-	260	-	-	
Total Capital Works Program	4,268	-	2,222	1,227	511	

Note:

1. \$0.308 million forecast for the 2012-13 financial year.

Cultural Facilities Corporation Operating Statement

2008-09 Budget \$'000		2008-09 Est.Outcome \$'000	2009-10 Budget \$'000	Var %	2010-11 Estimate \$'000	2011-12 Estimate \$'000	2012-13 Estimate \$'000
Income							
Revenue							
7,105	Government Payment for Outputs	7,105	7,435	5	7,367	7,508	7,698
3,873	User Charges - Non ACT Government	3,683	3,781	3	3,922	4,055	4,055
457	User Charges - ACT Government	457	457	-	457	474	474
100	Interest	100	100	-	100	100	100
39	Resources Received free of charge	39	39	-	39	39	39
11,574	Total Revenue	11,384	11,812	4	11,885	12,176	12,366
Gains							
0	Total Gains	0	0	-	0	0	0
11,574	Total Income	11,384	11,812	4	11,885	12,176	12,366
Expenses							
5,079	Employee Expenses	5,079	5,203	2	5,232	5,275	5,372
706	Superannuation Expenses	706	729	3	737	763	763
5,515	Supplies and Services	5,515	5,806	5	5,701	5,872	5,965
2,014	Depreciation and Amortisation	1,824	1,905	4	1,979	2,022	2,045
61	Other Expenses	61	61	-	61	61	61
13,375	Total Ordinary Expenses	13,185	13,704	4	13,710	13,993	14,206
-1,801	Operating Result	-1,801	-1,892	-5	-1,825	-1,817	-1,840

Cultural Facilities Corporation Balance Sheet

Budget as at 30/6/09 \$'000		Est.Outcome as at 30/6/09 \$'000	Planned as at 30/6/10 \$'000	Var %	Planned as at 30/6/11 \$'000	Planned as at 30/6/12 \$'000	Planned as at 30/6/13 \$'000
Current Assets							
732	Cash and Cash Equivalents	308	214	-31	261	359	457
705	Receivables	499	500	..	501	502	503
26	Inventories	25	25	-	25	25	25
79	Other	242	242	-	242	242	242
1,542	Total Current Assets	1,074	981	-9	1,029	1,128	1,227
Non Current Assets							
34,098	Property, Plant and Equipment	48,764	49,231	1	48,963	47,944	46,708
34,098	Total Non Current Assets	48,764	49,231	1	48,963	47,944	46,708
35,640	TOTAL ASSETS	49,838	50,212	1	49,992	49,072	47,935
Current Liabilities							
460	Payables	443	443	-	443	443	443
5	Finance Leases	13	13	-	13	13	13
1,199	Employee Benefits	1,059	1,102	4	1,145	1,188	1,231
123	Other	156	156	-	156	156	156
1,787	Total Current Liabilities	1,671	1,714	3	1,757	1,800	1,843
Non Current Liabilities							
0	Finance Leases	71	71	-	71	71	71
44	Employee Benefits	60	60	-	60	60	60
485	Other	433	434	..	435	436	437
529	Total Non Current Liabilities	564	565	..	566	567	568
2,316	TOTAL LIABILITIES	2,235	2,279	2	2,323	2,367	2,411
33,324	NET ASSETS	47,603	47,933	1	47,669	46,705	45,524
REPRESENTED BY FUNDS							
EMPLOYED							
28,165	Accumulated Funds	28,446	28,776	1	28,512	27,548	26,367
5,159	Reserves	19,157	19,157	-	19,157	19,157	19,157
33,324	TOTAL FUNDS EMPLOYED	47,603	47,933	1	47,669	46,705	45,524

Cultural Facilities Corporation Cash Flow Statement

2008-09 Budget \$'000		2008-09 Est.Outcome \$'000	2009-10 Budget \$'000	Var %	2010-11 Estimate \$'000	2011-12 Estimate \$'000	2012-13 Estimate \$'000
CASH FLOWS FROM OPERATING ACTIVITIES							
Receipts							
7,105	Cash from Government for Outputs	7,105	7,435	5	7,367	7,508	7,698
4,342	User Charges	4,152	4,250	2	4,391	4,541	4,541
100	Interest Received	100	100	-	100	100	100
509	Other Revenue	509	511	..	511	511	511
12,056	Operating Receipts	11,866	12,296	4	12,369	12,660	12,850
Payments							
5,009	Related to Employees	5,009	5,160	3	5,189	5,232	5,329
706	Related to Superannuation	706	729	3	737	763	763
5,484	Related to Supplies and Services	5,484	5,775	5	5,670	5,841	5,934
574	Other	574	576	..	576	576	576
11,773	Operating Payments	11,773	12,240	4	12,172	12,412	12,602
283	NET CASH INFLOW/ (OUTFLOW) FROM OPERATING ACTIVITIES	93	56	-40	197	248	248
CASH FLOWS FROM INVESTING ACTIVITIES							
Payments							
1,314	Purchase of Property, Plant and Equipment and Capital Works	1,409	2,372	68	1,711	1,003	809
1,314	Investing Payments	1,409	2,372	68	1,711	1,003	809
-1,314	NET CASH INFLOW/ (OUTFLOW) FROM INVESTING ACTIVITIES	-1,409	-2,372	-68	-1,711	-1,003	-809
CASH FLOWS FROM FINANCING ACTIVITIES							
Receipts							
1,164	Capital Injection from Government	1,019	2,222	118	1,561	853	659
1,164	Financing Receipts	1,019	2,222	118	1,561	853	659
1,164	NET CASH INFLOW/ (OUTFLOW) FROM FINANCING ACTIVITIES	1,019	2,222	118	1,561	853	659
133	NET INCREASE/ (DECREASE) IN CASH HELD	-297	-94	68	47	98	98
599	CASH AT BEGINNING OF REPORTING PERIOD	605	308	-49	214	261	359
732	CASH AT THE END OF THE REPORTING PERIOD	308	214	-31	261	359	457

Cultural Facilities Corporation Statement of Changes in Equity

Budget as at 30/6/09 \$'000		Est.Outcome as at 30/6/09 \$'000	Planned as at 30/6/10 \$'000	Var %	Planned as at 30/6/11 \$'000	Planned as at 30/6/12 \$'000	Planned as at 30/6/13 \$'000
33,961	Opening Balance	48,385	47,603	-2	47,933	47,669	46,705
	Accumulated Funds						
-1,801	Operating Result for the Period	-1,801	-1,892	-5	-1,825	-1,817	-1,840
	Reserves						
-1,801	Total Income And Expense For The Period	-1,801	-1,892	-5	-1,825	-1,817	-1,840
	Transactions Involving Equity Holders Affecting Accumulated Funds						
1,164	Capital Injections	1,019	2,222	118	1,561	853	659
33,324	Closing Balance	47,603	47,933	1	47,669	46,705	45,524

Notes to the Budget Statements

Significant variations are as follow:

Operating Statement

- government payment for outputs: the increase of \$0.330 million in the 2009-10 Budget from the 2008-09 estimated outcome is largely due to increased repairs and maintenance funding, wage increases and indexation.
- user charges — non ACT Government: the decrease of \$0.190 million in the 2008-09 estimated outcome from the original budget is mainly due to an expected downturn in the level of activity at Canberra Theatre Centre venues.
- employee expenses: the increase of \$0.124 million in the 2009-10 Budget from the 2008-09 estimated outcome primarily reflects wage increases.
- supplies and services: the increase of \$0.291 million in the 2009-10 Budget from the 2008-09 estimated outcome primarily reflects additional repairs and maintenance expenditure and indexation.
- depreciation and amortisation: the decrease of \$0.190 million in the 2008-09 estimated outcome from the original budget is mainly due to an increase in useful life estimates for a number of assets.

Balance Sheet

- cash and cash equivalents:
 - the decrease of \$0.424 million in the 2008-09 estimated outcome from the original budget reflect lower user charges revenue (\$0.190 million) and increased purchases of plant and equipment (\$0.240 million); and
 - the decrease of \$0.094 million in the 2009-10 Budget from the 2008-09 estimated outcome is mainly due to the Corporation internally funding some of its capital items.
- receivables: the decrease of \$0.206 million in the 2008-09 estimated outcome from the original budget primarily reflects the receipt of insurance monies.
- other current assets: the increase of \$0.163 million in the 2008-09 estimated outcome from the original budget is mainly due to higher work in progress expenditure associated with future productions at the Canberra Theatre Centre.
- property, plant and equipment:
 - the increase of \$14.666 million in the 2008-09 estimated outcome from the original budget primarily reflects an independent upward revaluation of the asset base; and
 - the increase of \$0.467 million in the 2009-10 Budget from the 2008-09 estimated outcome is mainly due to the Historic Places Major Project capital initiative.
- current and non current employee benefits: the decrease of \$0.124 million in the 2008-09 estimated outcome from the original budget primarily reflects a downward revaluation of current leave liabilities.
- other current liabilities: the increase of \$0.033 million in the 2008-09 estimated outcome from the original budget is mainly due to an increase in the amount of hirers' deposits received by the Canberra Theatre Centre.
- other non current liabilities: the decrease of \$0.052 million in the 2008-09 estimated outcome from the original budget primarily reflects a more accurate forecast based on the actual 2007-08 audited outcome.

Statement of Changes in Equity

Variances in the statement are explained in the notes above.

