

# CULTURAL FACILITIES CORPORATION

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

## 2007-08 Priorities

Strategic and operational issues to be pursued in 2007-08 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, in order to achieve a target of 344,000 visitors and patrons;
- 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;
- celebrating, with special activities and events, a number of significant anniversaries for the organisation and the facilities it manages, including the Corporation's 10<sup>th</sup> anniversary and the 80<sup>th</sup> birthday of Calthorpes' House in 2007, and the 10<sup>th</sup> anniversaries of The Playhouse and the Canberra Museum and Gallery in 2008;
- continuing to undertake repairs and maintenance works, which include repairs and collection management works at the three Historic Places managed by the Corporation (Lanyon, Calthorpes' House and Mugga Mugga), works to address occupational health and safety issues, a package of conservation works at the Historic Places, and priority maintenance needs at the Canberra Theatre Centre in order to ensure its ongoing functionality, including repairs to the Canberra Theatre's orchestra pit; and
- acquiring a major collection of Canberra souvenirs, memorabilia and social history items which will be used by the Canberra Museum and Gallery in a range of exhibitions, education programs and other activities relating to Canberra's history, especially in the years leading up to the Centenary of Canberra in 2013.

## Estimated Employment Level

	2006-07 Est. Outcome	2007-08 Budget
Staffing (FTE)	70	68

## Output Classes

	Total Cost <sup>1</sup>		Government Payment for Outputs	
	2006-07 Est. Outcome (\$'000)	Budget 2007-08 (\$'000)	2006-07 Est. Outcome (\$'000)	Budget 2007-08 (\$'000)
<b>Output Class 1:</b>				
<b>Cultural Facilities Management</b>	12,074	12,788	6,434	6,869
<b>Output 1.1:</b>				
<b>Cultural Facilities Corporation</b>	12,074	12,788	6,434	6,869

### Notes:

1 Total cost includes depreciation of \$1.554 million in 2006-07 and \$1.694 million in 2007-08.

### *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 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 Historic Places.

## **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.

## Accountability Indicators

	2006-07 Targets	2006-07 Est. Outcome	2007-08 Targets
<b>Output Class 1: Cultural Facilities Management</b>			
<b>Output 1.1: Cultural Facilities Corporation</b>			
a. Number of visitors/patrons to facilities	323,500	344,000	344,000
b. Number of exhibitions at facilities managed by the Corporation <sup>1</sup>	32	28	25
c. Number of education and public programs at facilities managed by the Corporation <sup>2</sup>	485	500	400
d. Number of days venue usage at the Canberra Theatre Centre's venues	430	450	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 visitor/patron to facilities managed by the Corporation <sup>3</sup>	\$19.81	\$18.70	\$19.96
g. Own sourced revenue as a proportion of total revenue for the Corporation	36%	39%	39%

### Notes

1. The reduction in the 2007-08 target from the 2006-07 target relates primarily to a decision to consolidate the Canberra Museum and Gallery's exhibition program and focus on fewer, longer-running exhibitions.
2. The reduction in the 2007-08 target from the 2006-07 target and the 2006-07 estimated outcome reflects a decision to consolidate the number of programs offered and to concentrate on providing fewer programs but with more participants in each.
3. The increase in the 2007-08 target from the 2006-07 estimated outcome reflects an increase in the government payment for outputs in 2007-08, mainly due to a one-off injection of funding for repair and maintenance requirements.

## Changes To Appropriation

### Changes to Appropriation - Departmental

	2006-07	2007-08	2008-09	2009-10	2010-11
Government Payment for Outputs	Est. Out.	Budget	Estimate	Estimate	Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>2006-07 Budget</b>	<b>6,410</b>	<b>6,499</b>	<b>6,638</b>	<b>6,771</b>	<b>6,771</b>
<b>2007-08 Budget Policy Adjustments</b>					
Wage Outcome	24	78	135	167	168
Additional Repairs and Maintenance Funding	-	261	-	-	-
<b>2007-08 Budget Technical Adjustments</b>					
Revised Indexation Parameters	-	-	-	-	136
Shared Services Centre SLA Adjustment	-	31	40	47	47
<b>2007-08 Budget</b>	<b>6,434</b>	<b>6,869</b>	<b>6,813</b>	<b>6,985</b>	<b>7,122</b>

### Changes to Appropriation - Departmental

	2006-07	2007-08	2008-09	2009-10	2010-11
Capital Injections	Est. Out.	Budget	Estimate	Estimate	Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>2006-07 Budget</b>	<b>3,261</b>	<b>300</b>	<b>300</b>	<b>300</b>	<b>300</b>
<b>2007-08 Budget Policy Adjustments</b>					
Collection Acquisition Funding	-	100	-	-	-
<b>2007-08 Budget Technical Adjustments</b>					
Capital Upgrades Indexation	-	8	16	24	32
<b>2007-08 Budget</b>	<b>3,261</b>	<b>408</b>	<b>316</b>	<b>324</b>	<b>332</b>

## 2007-08 Capital Works Program

### Departmental

	Estimated Total Cost \$'000	Estimated Expenditure Pre 2007-08 \$'000	2007-08 Financing \$'000	2008-09 Financing \$'000	2009-10 Financing \$'000	Expected Completion Date
<b>Capital Upgrades</b>						
Capital Upgrade Funding	308	-	308			
<b>Total Capital Upgrades</b>	<b>308</b>	<b>-</b>	<b>308</b>			
<b>Total Departmental Capital Works</b>	<b>308</b>	<b>-</b>	<b>308</b>			

**Cultural Facilities Corporation  
Operating Statement**

<b>2006-07 Budget \$'000</b>		<b>2006-07 Est.Outcome \$'000</b>	<b>2007-08 Budget \$'000</b>	<b>Var %</b>	<b>2008-09 Estimate \$'000</b>	<b>2009-10 Estimate \$'000</b>	<b>2010-11 Estimate \$'000</b>
<b>Income</b>							
<b>Revenue</b>							
6,410	Government Payment for Outputs	6,434	6,869	7	6,813	6,985	7,122
3,720	User Charges - Non ACT Government	3,777	3,837	2	3,873	3,971	3,972
248	User Charges - ACT Government	248	457	84	457	457	457
120	Interest	120	105	-13	100	100	100
39	Resources Received free of charge	39	39	-	39	39	39
<b>10,537</b>	<b>Total Revenue</b>	<b>10,618</b>	<b>11,307</b>	<b>6</b>	<b>11,282</b>	<b>11,552</b>	<b>11,690</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>10,537</b>	<b>Total Income</b>	<b>10,618</b>	<b>11,307</b>	<b>6</b>	<b>11,282</b>	<b>11,552</b>	<b>11,690</b>
<b>Expenses</b>							
4,823	Employee Expenses	5,010	4,837	-3	4,972	5,057	5,092
702	Superannuation Expenses	732	698	-5	714	726	726
4,853	Supplies and Services	4,717	5,498	17	5,322	5,495	5,598
1,554	Depreciation and Amortisation	1,554	1,694	9	1,694	1,694	1,694
61	Other Expenses	61	61	-	61	61	61
<b>11,993</b>	<b>Total Ordinary Expenses</b>	<b>12,074</b>	<b>12,788</b>	<b>6</b>	<b>12,763</b>	<b>13,033</b>	<b>13,171</b>
<b>-1,456</b>	<b>Operating Result</b>	<b>-1,456</b>	<b>-1,481</b>	<b>-2</b>	<b>-1,481</b>	<b>-1,481</b>	<b>-1,481</b>

**Cultural Facilities Corporation  
Balance Sheet**

Budget as at 30/6/07 \$'000		Est.Outcome as at 30/6/07 \$'000	Planned as at 30/6/08 \$'000	Var %	Planned as at 30/6/09 \$'000	Planned as at 30/6/10 \$'000	Planned as at 30/6/11 \$'000
<b>Current Assets</b>							
784	Cash and Cash Equivalents	1,131	1,270	12	1,403	1,509	1,615
520	Receivables	1,241	1,242	..	1,243	1,244	1,245
111	Inventories	28	28	-	28	28	28
21	Other	273	273	-	273	273	273
<b>1,436</b>	<b>Total Current Assets</b>	<b>2,673</b>	<b>2,813</b>	<b>5</b>	<b>2,947</b>	<b>3,054</b>	<b>3,161</b>
<b>Non Current Assets</b>							
35,082	Property, Plant and Equipment	34,274	33,138	-3	31,910	30,690	29,478
<b>35,082</b>	<b>Total Non Current Assets</b>	<b>34,274</b>	<b>33,138</b>	<b>-3</b>	<b>31,910</b>	<b>30,690</b>	<b>29,478</b>
<b>36,518</b>	<b>TOTAL ASSETS</b>	<b>36,947</b>	<b>35,951</b>	<b>-3</b>	<b>34,857</b>	<b>33,744</b>	<b>32,639</b>
<b>Current Liabilities</b>							
278	Payables	444	444	-	444	444	444
420	Employee Benefits	1,103	1,180	7	1,249	1,292	1,335
55	Other	161	161	-	161	161	161
<b>753</b>	<b>Total Current Liabilities</b>	<b>1,708</b>	<b>1,785</b>	<b>5</b>	<b>1,854</b>	<b>1,897</b>	<b>1,940</b>
<b>Non Current Liabilities</b>							
519	Employee Benefits	5	5	-	6	6	6
0	Other	521	521	-	522	523	524
<b>519</b>	<b>Total Non Current Liabilities</b>	<b>526</b>	<b>526</b>	<b>-</b>	<b>528</b>	<b>529</b>	<b>530</b>
<b>1,272</b>	<b>TOTAL LIABILITIES</b>	<b>2,234</b>	<b>2,311</b>	<b>3</b>	<b>2,382</b>	<b>2,426</b>	<b>2,470</b>
<b>35,246</b>	<b>NET ASSETS</b>	<b>34,713</b>	<b>33,640</b>	<b>-3</b>	<b>32,475</b>	<b>31,318</b>	<b>30,169</b>
<b>REPRESENTED BY FUNDS EMPLOYED</b>							
30,469	Accumulated Funds	29,936	28,863	-4	27,698	26,541	25,392
4,777	Reserves	4,777	4,777	-	4,777	4,777	4,777
<b>35,246</b>	<b>TOTAL FUNDS EMPLOYED</b>	<b>34,713</b>	<b>33,640</b>	<b>-3</b>	<b>32,475</b>	<b>31,318</b>	<b>30,169</b>



**Cultural Facilities Corporation  
Cash Flow Statement**

2006-07 Budget \$'000		2006-07 Est.Outcome \$'000	2007-08 Budget \$'000	Var %	2008-09 Estimate \$'000	2009-10 Estimate \$'000	2010-11 Estimate \$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>							
<b>Receipts</b>							
6,410	Cash from Government for Outputs	6,434	6,869	7	6,813	6,985	7,122
3,980	User Charges	4,037	4,306	7	4,342	4,440	4,441
120	Interest Received	120	105	-13	100	100	100
492	Other Revenue	492	508	3	509	511	511
<b>11,002</b>	<b>Operating Receipts</b>	<b>11,083</b>	<b>11,788</b>	<b>6</b>	<b>11,764</b>	<b>12,036</b>	<b>12,174</b>
<b>Payments</b>							
5,504	Related to Employees	5,665	5,458	-4	5,616	5,740	5,775
4,823	Related to Supplies and Services	4,702	5,468	16	5,291	5,464	5,567
557	Other	557	573	3	574	576	576
<b>10,884</b>	<b>Operating Payments</b>	<b>10,924</b>	<b>11,499</b>	<b>5</b>	<b>11,481</b>	<b>11,780</b>	<b>11,918</b>
<b>118</b>	<b>NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES</b>	<b>159</b>	<b>289</b>	<b>82</b>	<b>283</b>	<b>256</b>	<b>256</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>							
<b>Payments</b>							
3,411	Purchase of Property, Plant and Equipment	5,333	558	-90	466	474	482
<b>3,411</b>	<b>Investing Payments</b>	<b>5,333</b>	<b>558</b>	<b>-90</b>	<b>466</b>	<b>474</b>	<b>482</b>
<b>-3,411</b>	<b>NET CASH INFLOW/(OUTFLOW) FROM INVESTING ACTIVITIES</b>	<b>-5,333</b>	<b>-558</b>	<b>90</b>	<b>-466</b>	<b>-474</b>	<b>-482</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>							
<b>Receipts</b>							
3,261	Capital Injection from Government	3,261	408	-87	316	324	332
<b>3,261</b>	<b>Financing Receipts</b>	<b>3,261</b>	<b>408</b>	<b>-87</b>	<b>316</b>	<b>324</b>	<b>332</b>
<b>3,261</b>	<b>NET CASH INFLOW/(OUTFLOW) FROM FINANCING ACTIVITIES</b>	<b>3,261</b>	<b>408</b>	<b>-87</b>	<b>316</b>	<b>324</b>	<b>332</b>
<b>-32</b>	<b>NET INCREASE/(DECREASE) IN CASH HELD</b>	<b>-1,913</b>	<b>139</b>	<b>107</b>	<b>133</b>	<b>106</b>	<b>106</b>

**Cultural Facilities Corporation  
Cash Flow Statement**

<b>2006-07 Budget \$'000</b>		<b>2006-07 Est.Outcome \$'000</b>	<b>2007-08 Budget \$'000</b>	<b>Var %</b>	<b>2008-09 Estimate \$'000</b>	<b>2009-10 Estimate \$'000</b>	<b>2010-11 Estimate \$'000</b>
<b>816</b>	<b>CASH AT BEGINNING OF REPORTING PERIOD</b>	<b>3,044</b>	<b>1,131</b>	<b>-63</b>	<b>1,270</b>	<b>1,403</b>	<b>1,509</b>
<b>784</b>	<b>CASH AT THE END OF THE REPORTING PERIOD</b>	<b>1,131</b>	<b>1,270</b>	<b>12</b>	<b>1,403</b>	<b>1,509</b>	<b>1,615</b>

## Cultural Facilities Corporation Statement of Changes in Equity

Budget as at 30/6/07 \$'000		Est.Outcome as at 30/6/07 \$'000	Planned as at 30/6/08 \$'000	Var %	Planned as at 30/6/09 \$'000	Planned as at 30/6/10 \$'000	Planned as at 30/6/11 \$'000
33,383	<b>Opening Balance</b>	32,850	34,713	6	33,640	32,475	31,318
	<b>Accumulated Funds</b>						
-1,456	Operating Result for the Period	-1,456	-1,481	-2	-1,481	-1,481	-1,481
	<b>Reserves</b>						
-1,456	<b>Total Income And Expense For The Period</b>	-1,456	-1,481	-2	-1,481	-1,481	-1,481
	<b>Transactions Involving Equity Holders Affecting Accumulated Funds</b>						
3,261	Capital Injections	3,261	408	-87	316	324	332
58	Inc/Dec in Net Assets due to Admin Restructure	58	0	-100	0	0	0
35,246	<b>Closing Balance</b>	34,713	33,640	-3	32,475	31,318	30,169

### Notes to the Budget Statements

Significant variations are as follows:

#### *Operating Statement*

- government payment for outputs: the increase of \$0.435 million in the 2007-08 Budget from the 2006-07 estimated outcome is mainly due to a one-off injection of funding for repair and maintenance requirements.
- user charges – ACT Government: the increase of \$0.209 million in the 2007-08 Budget from the 2006-07 estimated outcome is mainly due to the full-year effect of the rental income received from the Department of Territory and Municipal Services for the Civic Library.
- supplies and services: the increase of \$0.781 million in the 2007-08 Budget from the 2006-07 estimated outcome is mainly due to increased spending on repairs and maintenance and increased costs of services relating to theatre activities.
- depreciation and amortisation: the increase of \$0.140 million in the 2007-08 Budget from the 2006-07 estimated outcome is due mainly to the full year impact of the completion of the Civic Library and Link Project and Canberra Theatre Centre Access Improvements.

## *Balance Sheet*

- cash: the increase of \$0.347 million in the 2006-07 estimated outcome from the original budget mainly relates to cash advances paid to the Corporation for the Civic Library and Link Project. The \$0.139 million increase in the 2007-08 Budget from the 2006-07 estimated outcome is due to an improved operating result (before depreciation) in 2007-08.
- current receivables: the increase of \$0.721 million in the 2006-07 estimated outcome from the original budget reflects an increase in payments due to the Corporation as at 30 June 2006, mainly in relation to box office income.
- other current assets: the increase of \$0.252 million in the 2006-07 estimated outcome from the original budget reflects an increase in prepayments made by the Corporation as at 30 June 2006, mainly in relation to capital works not completed as at 30 June 2006.
- current payables: the increase of \$0.166 million in the 2006-07 estimated outcome from the original budget reflects an increase in the Corporation's creditors as at 30 June 2006, mainly in relation to an insurance premium on a capital works project.
- current employee benefits: the increase of \$0.683 million in the 2006-07 estimated outcome from the original budget relates to the ACT Accounting Policy requirement to classify all annual leave and unconditional long service leave as current employee benefits. The change in policy is attributable to advice received regarding the interpretation of the Australian Accounting Standards.
- other current liabilities: the increase of \$0.106 million in the 2006-07 estimated outcome from the original budget reflects the retrospective recognition of a lease incentive, under the Australian equivalents of International Financial Reporting Standards.
- non-current employee benefits: the decrease of \$0.514 million in the 2006-07 estimated outcome from the original budget relates to the ACT Accounting Policy requirement to classify all annual leave and unconditional long service leave as current employee benefits. The change in policy is attributable to advice received regarding the interpretation of the Australian Accounting Standards.
- other non-current liabilities: the increase of \$0.521 million in the 2006-07 estimated outcome from the original budget reflects the retrospective recognition of a lease incentive, under the Australian equivalents of International Financial Reporting Standards.