

NATIONAL MUSEUM OF AUSTRALIA

ENTITY RESOURCES AND PLANNED PERFORMANCE

NATIONAL MUSEUM OF AUSTRALIA

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NATIONAL MUSEUM OF AUSTRALIA

Section 1: Entity overview and resources

1.1 STRATEGIC DIRECTION STATEMENT

The National Museum of Australia (NMA), as mandated under the National Museum of Australia Act 1980, was established for the purpose of developing and maintaining a National Historical Collection for the benefit of the nation, and to bring to life the rich and diverse stories of Australia through strong engagement with the nation's varied communities and traditions. Central to the NMA's place as a national institution is its focus on meaningful engagement with all Australians through the interpretation of Australia's past, present and future, and its foundational commitment to the history and cultures of the First Australians. The NMA achieves this through the development and maintenance of the National Historical Collection and by sharing the stories of Australia's people and places. The NMA is the only institution equipped to tell the complex and comprehensive story of Australia from deep time to the present day.

In light of the difficult year experienced by the nation in 2019-20, and considering the ongoing operating environment including risks related to COVID-19, the NMA has a vital role in helping connect Australians to their communities. In pursuit of this mission, over the next four years the NMA will endeavour to:

- Maximise opportunities for new forms of engagement, in particular digital engagement, responding to changing audience behaviours and embracing technological change across all aspects of our business
- Provide Australians with a greater understanding of our shared history by collecting and sharing the unique and remarkable stories of the current time, particularly those that demonstrate the ways in which Australians respond and adapt to crises and profound change
- Develop and digitise the National Historical Collection for all Australians to access, explore and treasure, and maintain the collection in appropriate environmental conditions
- Increase brand recognition, with the Museum seen as being at the forefront of cultural life in the country, recognised as a world-class institution renowned for telling the remarkable story of our nation.

1.2 ENTITY RESOURCE STATEMENT

Table 1.1 shows the total funding from all sources available to the NMA for its operations and to deliver programs and services on behalf of the Government.

The table summarises how resources will be applied by outcome (government strategic policy objectives) and departmental (for the NMA's operations) classification.

Information in this table is presented on a resourcing (that is, appropriations/cash available) basis, whilst the 'Budgeted expenses by Outcome 1' table in Section 2 and the financial statements in Section 3 are presented on an accrual basis.

Table 1.1: NMA resource statement — Budget estimates for 2020-21 as at Budget October 2020

	2019-20 Estimated actual \$'000	2020-21 Estimate \$'000
Opening balance/cash reserves at 1 July	23,774	9,832
Funds from Government		
Annual appropriations - ordinary annual services ^(a)		
Outcome 1	44,611	42,353
Annual appropriations - other services ^(b)		
Equity injection	1,913	1,924
Total annual appropriations	46,524	44,277
Amounts received from related entities		
Amounts from portfolio department ^(c)	2,134	-
Total amounts received from related entities	2,134	-
Total funds from Government	48,658	44,277
Funds from other sources		
Interest	575	195
Sale of goods and services	5,802	2,788
Other	1,660	600
Total funds from other sources	8,037	3,583
Total net resourcing for the NMA	80,469	57,692
	2019-20	2020-21
Average staffing level (number)	234	226

All figures shown above are GST exclusive - these may not match figures in the cash flow statement. Prepared on a resourcing (that is, appropriations available) basis.

(a) Appropriation Bill (No. 1) 2020-21.

(b) Appropriation Bill (No. 2) 2020-21.

(c) Funding provided by the portfolio department that is not specified within the Annual Appropriation Bills as a payment to the NMA.

The NMA is not directly appropriated as it is a Corporate Commonwealth Entity. Appropriations are made to the Department of Infrastructure, Transport, Regional Development and Communications (a Non Corporate Commonwealth Entity), which are then paid to the NMA and considered "departmental" for all purposes.

1.3 BUDGET MEASURES

Budget measures relating to NMA are detailed in Budget Paper No. 2 and are summarised below.

**Table 1.2: NMA 2020-21 Budget measures
Measures announced after the Economic and Fiscal Update July 2020**

	Program	2020-21 \$'000	2021-22 \$'000	2022-23 \$'000	2023-24 \$'000
Payment measures					
COVID-19 Response Package — arts portfolio entities	1.1				
Departmental payments		3,860	-	-	-
Total		3,860	-	-	-
Total payment measures					
Departmental		3,860	-	-	-
Total		3,860	-	-	-

Prepared on a Government Finance Statistics (underlying cash) basis. Figures displayed as a negative (-) represent a decrease in funds and a positive (+) represent an increase in funds.

Section 2: Outcomes and planned performance

Government outcomes are the intended results, impacts or consequences of actions by the Government on the Australian community. Commonwealth programs are the primary vehicle by which government entities achieve the intended results of their outcome statements. Entities are required to identify the programs which contribute to government outcomes over the Budget and forward years.

Each outcome is described below together with its related programs. The following provides detailed information on expenses for each outcome and program, further broken down by funding source.

Note:

Performance reporting requirements in the Portfolio Budget Statements are part of the Commonwealth performance framework established by the Public Governance, Performance and Accountability Act 2013. It is anticipated that the performance criteria described in Portfolio Budget Statements will be read with broader information provided in an entity's Corporate Plan and annual performance statements – included in Annual Reports - to provide a complete picture of an entity's planned and actual performance.

The most recent Corporate Plan for the NMA can be found at:

<https://www.nma.gov.au/about/corporate/plans-policies/corporate-plan>

The most recent annual performance statement can be found at:

<https://www.nma.gov.au/about/corporate/annual-reports/annual-report-2018-19>

2.1 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 1

Outcome 1: Increased awareness and understanding of Australia's history and culture by managing the National Museum's collections and providing access through public programs and exhibitions

Budgeted expenses for Outcome 1

This table shows how much the NMA intends to spend (on an accrual basis) on achieving the outcome, broken down by program.

Table 2.1.1: Budgeted expenses for Outcome 1

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forward estimate \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000
Program 1.1: Collection Management, Research, Exhibitions and Programs					
Revenue from Government					
Ordinary annual services (Appropriation Bill No. 1)	44,611	42,353	38,243	38,115	38,089
Payment from related entities	2,134	-	500	2,000	-
Expenses not requiring appropriation in the budget year ^(a)	3,216	6,066	1,304	1,343	1,383
Revenues from other independent sources	9,931	3,583	4,545	4,611	4,716
Total expenses for Program 1.1	59,892	52,002	44,592	46,069	44,188
Outcome 1 totals by resource type					
Revenue from Government					
Ordinary annual services (Appropriation Bill No. 1)	44,611	42,353	38,243	38,115	38,089
Payment from related entities	2,134	-	500	2,000	-
Expenses not requiring appropriation in the budget year ^(a)	3,216	6,066	1,304	1,343	1,383
Revenues from other independent sources	9,931	3,583	4,545	4,611	4,716
Total expenses for Outcome 1	59,892	52,002	44,592	46,069	44,188
	2019-20	2020-21			
Average staffing level (number)	234	226			

(a) Expenses not requiring appropriation in the Budget year are depreciation expenses for heritage and cultural assets.

Table 2.1.2: Performance criteria for Outcome 1

Table 2.1.2 below details the performance criteria for each program associated with Outcome 1. It also summarises how each program is delivered and where 2020-21 Budget measures have created new programs or materially changed existing programs.

Outcome 1 — Increased awareness and understanding of Australia’s history and culture by managing the National Museum’s collections and providing access through public programs and exhibitions		
Program 1.1 — Collection Management, Research, Exhibitions and Programs		
Delivery	<p>Over the next four years, the NMA will focus on the following priorities:</p> <ul style="list-style-type: none"> • Maximise opportunities for new forms of engagement, particularly digital engagement • Provide Australians with a greater understanding of our shared history by collecting and sharing unique and remarkable stories of the current time • Develop and digitise the National Historical Collection for public access • Increase brand recognition. <p>The NMA commits to invest, challenge, explore and connect across all aspects of its business.</p>	
Performance information		
Year	Performance criteria ^(a)	2019-20 Actual Achievement/Targets
2019-20	Increased visitor engagements with Museum experiences and collections.	<p>Target Partially Met</p> <p>Total visitor engagements: Target: 4,125,125 Actual: 4,362,420</p> <ul style="list-style-type: none"> • Permanent Exhibitions: Target: 545,000 Actual: 454,055 • Special Exhibitions: Target: 200,000 Actual: 187,957 • Travelling Exhibitions: Target: 620,000 Actual: 640,869 • Digital experiences: Target: 2,383,275 Actual: 2,752,094 • Education and Public Programs: Target: 352,900 Actual: 306,212 • Events and Functions: Target: 23,950 Actual: 21,233
2020-21	<p><i>Maximise the value of visitor engagements with Museum experiences and collections.</i></p> <p><i>Note: These figures take into consideration expected COVID-19 impacts.</i></p>	<p><i>Total visitor engagements: 4,615,150</i></p> <ul style="list-style-type: none"> • <i>Permanent Exhibitions: 325,000</i> • <i>Special Exhibitions: 205,000</i> • <i>Travelling Exhibitions: 170,000</i> • <i>Education and Public Programs: 74,500</i> • <i>Events and Functions: 5,400</i> • <i>Digital experiences: 3,085,250</i> • <i>Social Media engagements: 750,000</i>

National Museum of Australia Budget Statements

Performance information		
Year	Performance criteria ^(a)	2019-20 Actual Achievement/Targets
2021-22 and beyond	<p>Increased visitor engagements with Museum experiences and collections.</p> <p>Note: Assumes no restrictions related to COVID-19.</p>	<p><i>Total visitor engagements, 2021–22: 5,166,285</i></p> <p><i>Total visitor engagements, 2022–23: 5,467,890</i></p> <p><i>Total visitor engagements, 2023–24: 5,800,780</i></p>
Purposes	<p>The NMA was established for the purpose of developing and maintaining a National Historical Collection for the benefit of the nation, and to bring to life the rich and diverse stories of Australia through strong engagement with the nation's varied communities and traditions. Our foundational commitment to history and cultures of the First Australians is central to the NMA's place as a national institution. The NMA is committed to meaningful engagement with all Australians, as well as international audiences and visitors, through its interpretation of Australia's past, present and future.</p>	

(a) New or modified performance criteria that reflect new or materially changed programs are shown in *italics*.

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of NMA's finances for the 2020-21 budget year, including the impact of budget measures and resourcing on financial statements.

3.1 BUDGETED FINANCIAL STATEMENTS

3.1.1 Explanatory notes and analysis of budgeted financial statements

Comprehensive Income Statement

The NMA is forecasting an operating loss of \$4.8 million for 2020-21 after adjusting for unfunded heritage and cultural depreciation expense. The loss reflects the estimated decrease in own source revenue from the impact of the COVID-19 pandemic.

Revenue from Government decreased by a net \$2.2 million. This is the result of terminating measures totalling \$6.1 million ceasing in 2019-20, partly offset by a new measure to provide \$3.9 million in 2020-21 for the impact of COVID-19 on own-source revenue.

Other revenue is forecast to decrease from the 2019-20 estimated actuals by \$8.5 million. This is due to the impacts of COVID-19 with reduced onsite visitation and restrictions on commercial activities and public programming, and lower revenue from grants and donations. The Revenue from Government received through the new measure will assist in offsetting the reduction in revenue from COVID-19. The NMA is forecasting lower revenue from grants and donor support as the 2019-20 estimated actuals were unexpectedly above the original budget estimates

Budgeted departmental balance sheet

The NMA's net assets are budgeted to decrease by \$4.1 million. This is primarily due to the NMA forecasting an operating loss that will result in a reduction in cash reserves. Total cash reserves are estimated to decrease \$13.9 million made up of the operating loss and expenditure of funds to support the capital replacement program. The program includes redeveloping the permanent exhibition spaces.

Departmental capital budget statement

The Departmental Capital Budget Statement shows total capital expenditure for 2020-21 of \$17.2 million, funded from departmental resources of \$15.3 million for the asset replacement program and an equity injection of \$1.9 million from the Government for the acquisition and development of heritage and cultural assets.

3.2 BUDGETED FINANCIAL STATEMENTS TABLES

Table 3.1: Comprehensive income statement (showing net cost of services) for the period ended 30 June

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forward estimate \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000
EXPENSES					
Employee benefits	25,616	22,104	18,384	18,933	17,662
Suppliers	24,712	20,930	14,939	15,503	14,463
Depreciation and amortisation	9,007	8,921	11,228	11,597	12,032
Finance costs	13	47	41	36	31
Write-down and impairment of assets	277	-	-	-	-
Losses from asset sales	267	-	-	-	-
Total expenses	59,892	52,002	44,592	46,069	44,188
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	5,802	2,788	3,816	3,854	3,912
Interest	575	195	79	57	54
Other	5,688	600	1,150	2,700	750
Total own-source revenue	12,065	3,583	5,045	6,611	4,716
Gains					
Other	55	-	-	-	-
Total gains	55	-	-	-	-
Total own-source income	12,120	3,583	5,045	6,611	4,716
Net (cost of)/contribution by services	(47,772)	(48,419)	(39,547)	(39,458)	(39,472)
Revenue from Government	44,611	42,353	38,243	38,115	38,089
Surplus/(deficit) attributable to the Australian Government	(3,161)	(6,066)	(1,304)	(1,343)	(1,383)
OTHER COMPREHENSIVE INCOME					
Total comprehensive income/(loss)	(3,161)	(6,066)	(1,304)	(1,343)	(1,383)
Total comprehensive income/(loss) attributable to the Australian Government	(3,161)	(6,066)	(1,304)	(1,343)	(1,383)
Note: Impact of net cash appropriation arrangements					
Total comprehensive income/(loss) excluding depreciation/amortisation expenses previously funded through revenue appropriations, depreciation on ROU, principal repayments on leased assets	(2,040)	(4,800)	-	-	-
less: Heritage and cultural depreciation/amortisation expenses previously funded through revenue appropriations ^(a)	1,121	1,266	1,304	1,343	1,383
Total comprehensive income/(loss) - as per the Statement of comprehensive income	(3,161)	(6,066)	(1,304)	(1,343)	(1,383)

(a) From 2009-10, the Government replaced Bill 1 revenue appropriations for the heritage and cultural depreciation expenses of designated Collection Institutions, with a separate capital budget (the Collection Development Acquisition Budget, or CDAB) provided through Bill 2 equity appropriations. For information regarding CDABs, please refer to Table 3.5 Departmental Capital Budget Statement.

Prepared on Australian Accounting Standards basis.

Table 3.2: Budgeted departmental balance sheet (as at 30 June)

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forward estimate \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	4,774	3,278	2,779	3,273	2,746
Trade and other receivables	659	659	659	659	659
Other investments	19,000	6,554	5,323	1,413	727
Total financial assets	24,433	10,491	8,761	5,345	4,132
Non-financial assets					
Land and buildings	105,068	108,982	107,737	106,040	104,339
Property, plant and equipment	70,547	77,268	78,634	80,293	79,733
Heritage and Cultural	278,648	280,391	280,921	281,741	282,912
Intangibles	8,911	9,669	9,929	10,626	10,583
Inventories	630	630	630	630	630
Prepayments	651	651	651	651	651
Total non-financial assets	464,455	477,591	478,502	479,981	478,848
Total assets	488,888	488,082	487,263	485,326	482,980
LIABILITIES					
Payables					
Suppliers	8,894	7,894	6,894	4,894	2,541
Other payables	1,525	1,525	1,595	1,595	1,595
Total payables	10,419	9,419	8,489	6,489	4,136
Interest bearing liabilities					
Leases	4,848	9,184	8,685	8,179	7,652
Total interest bearing liabilities	4,848	9,184	8,685	8,179	7,652
Provisions					
Employee provisions	7,631	7,631	7,631	7,631	7,631
Total provisions	7,631	7,631	7,631	7,631	7,631
Total liabilities	22,898	26,234	24,805	22,299	19,419
Net assets	465,990	461,848	462,458	463,027	463,561
EQUITY					
Contributed equity	35,035	36,959	38,873	40,785	42,702
Reserves	173,104	173,104	173,104	173,104	173,104
Retained surplus (accumulated deficit)	257,851	251,785	250,481	249,138	247,755
Total equity	465,990	461,848	462,458	463,027	463,561

Prepared on Australian Accounting Standards basis.

Table 3.3: Departmental statement of changes in equity — summary of movement (Budget year 2020-21)

	Retained earnings	Asset revaluation reserve	Contributed equity/capital	Total equity
	\$'000	\$'000	\$'000	\$'000
Opening balance as at 1 July 2020				
Balance carried forward from previous period	257,851	173,104	35,035	465,990
Adjusted opening balance	257,851	173,104	35,035	465,990
Comprehensive income				
Other comprehensive income	(6,066)	-	-	(6,066)
Total comprehensive income	(6,066)	-	-	(6,066)
Transactions with owners				
Contributions by owners				
Equity injection - Appropriation	-	-	1,924	1,924
Sub-total transactions with owners	-	-	1,924	1,924
Estimated closing balance as at 30 June 2021	251,785	173,104	36,959	461,848
Closing balance attributable to the Australian Government	251,785	173,104	36,959	461,848

Prepared on Australian Accounting Standards basis

Table 3.4: Budgeted departmental statement of cash flows (for the period ended 30 June)

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forward estimate \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	44,611	42,353	38,243	38,115	38,089
Receipts from Government	2,134	-	500	2,000	-
Sale of goods and rendering of services	9,517	2,788	3,816	3,854	3,912
Interest	704	195	79	57	54
Net GST received	-	2,690	2,784	2,800	2,023
Other	1,660	600	650	700	750
Total cash received	58,626	48,626	46,072	47,526	44,828
Cash used					
Employees	24,753	22,104	18,314	18,933	17,662
Suppliers	23,517	20,930	14,939	15,503	14,463
Net GST paid	3,242	2,690	2,784	2,800	2,023
Interest payments on lease liability	13	47	41	36	31
Total cash used	51,525	45,771	36,078	37,272	34,179
Net cash from/(used by) operating activities	7,101	2,855	9,994	10,254	10,649
INVESTING ACTIVITIES					
Cash received					
Proceeds from sales of property, plant and equipment	7	-	-	-	-
Investments	52,000	12,446	1,231	3,910	686
Total cash received	52,007	12,446	1,231	3,910	686
Cash used					
Purchase of property, plant and equipment and intangibles	17,121	18,226	13,139	15,076	13,252
Investments	44,000	-	-	-	-
Total cash used	61,121	18,226	13,139	15,076	13,252
Net cash from/(used by) investing activities	(9,114)	(5,780)	(11,908)	(11,166)	(12,566)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	1,913	1,924	1,914	1,912	1,917
Total cash received	1,913	1,924	1,914	1,912	1,917
Cash used					
Principal payments on lease liability	126	496	499	506	527
Total cash used	126	496	499	506	527
Net cash from/(used by) financing activities	1,786	1,428	1,415	1,406	1,390
Net increase/(decrease) in cash held	(227)	(1,497)	(499)	494	(527)
Cash and cash equivalents at the beginning of the reporting period	5,001	4,774	3,278	2,779	3,273
Cash and cash equivalents at the end of the reporting period	4,774	3,277	2,779	3,273	2,746

Prepared on Australian Accounting Standards basis.

Table 3.5: Departmental capital budget statement (for the period ended 30 June)

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forward estimate \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Equity injections - Bill 2	1,913	1,924	1,914	1,912	1,917
Total new capital appropriations	1,913	1,924	1,914	1,912	1,917
<i>Provided for:</i>					
<i>Purchase of non-financial assets</i>	1,913	1,924	1,914	1,912	1,917
Total items	1,913	1,924	1,914	1,912	1,917
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations ^(a)	1,913	1,924	1,914	1,912	1,917
Funded internally from departmental resources ^(b)	13,481	15,302	10,225	11,164	8,982
TOTAL	15,394	17,226	12,139	13,076	10,899
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	15,394	17,226	12,139	13,076	10,899
Total cash used to acquire assets	15,394	17,226	12,139	13,076	10,899

(a) Includes both current Bill 2 and prior Act 2/4/6 appropriations and special capital appropriations.

(b) Includes the sources of funding from current Bill 1 and prior year Act 1 appropriations, donations and contributions; gifts, internally developed assets and proceeds from the sale of assets.

Prepared on Australian Accounting Standards basis.

Table 3.6: Statement of asset movements (Budget year 2020-21)

	Asset Category					Total
	Land	Buildings	Other property, plant and equipment	Heritage and cultural	Computer software and intangibles	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
As at 1 July 2020						
Gross book value	9,800	90,443	83,674	279,769	11,112	474,798
Gross book value - ROU assets	-	4,964	10	-	-	4,974
Accumulated depreciation/amortisation and impairment	-	(1)	(13,133)	(1,121)	(2,201)	(16,456)
Accumulated depreciation/amortisation and impairment - ROU assets	-	(138)	(4)	-	-	(142)
Opening net book balance	9,800	95,268	70,547	278,648	8,911	463,174
Capital asset additions						
Estimated expenditure on new or replacement assets						
By purchase - appropriation equity ^(a)	-	-	-	1,924	-	1,924
By purchase - other	-	200	12,628	1,085	1,388	15,301
By purchase - other - ROU assets	-	4,826	6	-	-	4,832
Total additions	-	5,026	12,634	3,009	1,388	22,057
Other movements						
Depreciation/amortisation expense	-	(560)	(5,909)	(1,266)	(630)	(8,365)
Depreciation/amortisation on ROU assets	-	(552)	(4)	-	-	(556)
Total other movements	-	(1,112)	(5,913)	(1,266)	(630)	(8,921)
As at 30 June 2021						
Gross book value	9,800	90,643	96,302	282,778	12,500	492,023
Gross book value - ROU assets	-	9,790	16	-	-	9,806
Accumulated depreciation/amortisation and impairment	-	(561)	(19,042)	(2,387)	(2,831)	(24,821)
Accumulated depreciation/amortisation and impairment - ROU assets	-	(690)	(8)	-	-	(698)
Closing net book balance	9,800	99,182	77,268	280,391	9,669	476,310
Estimated operating expenditure in income statement for heritage and cultural assets						\$'000
Operations and Maintenance						3,427
Preservation and Conservation						4,133
Total operating expenditure on heritage and cultural assets						7,560

(a) 'Appropriation equity' refers to equity injections appropriations provided through Appropriation Bill (No. 2) 2020-21, including CDABs.

Prepared on Australian Accounting Standards basis.