

MUSEUMS BOARD OF VICTORIA
Financial Statements
2000/2001

Introduction to Museum Victoria Financial Statements for 2000/2001

Museum Victoria's report of operations and statement of accounts for 2000/01 comply with the statutory disclosure and other requirements of the Financial Management Act 1994, and a full index of compliance is tabled on page 110. Points of interest include:

Statement of Financial Performance

While the success of Melbourne Museum's launch and the excellent performance results across the organisation are clearly evidenced, in the body of this report, our financial statements this year show a net deficit of \$13.2 million. It is important to view this result in its appropriate context. The deficit is not a cash loss and is primarily the result of having to factor in the depreciation of Museum Victoria's newest asset, namely the \$290 million Melbourne Museum complex. A lesser contributing factor was the increased level of expenditure required during 2000/01 to complete and commission Melbourne Museum. This additional expenditure was planned for and the organisation generated a surplus of \$5.6 million in the 1999/2000 year with a view to offsetting the extraordinary demands on budget the following year. These key factors were expected, and do not impact on the operating viability of Museum Victoria.

Statement of Financial Position

The current assets of Museum Victoria disclosed a drop of \$20.936 million. This is a result of the completion and commissioning of the Melbourne Museum. Accordingly, Museum Victoria's non-current assets disclose an increase of \$16.853 million which reflect the increased capital cost on Melbourne Museum.

Statement of Cash Flows

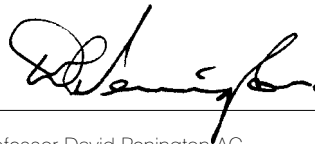
The cash flow statement disclosed a decrease of \$23.475 million, which is a direct result of the completion and commission of Melbourne Museum.

Museums Board of Victoria

The Financial Statements have been prepared in accordance with the *Financial Management Act 1994*.

In our opinion, the Financial Statements present fairly the financial transactions during the 2000/01 financial year and the financial position as at 30 June, 2001 of the Museums Board of Victoria. At the date of this certificate the Board is not aware of any circumstances which would render any particulars included in the statements to be misleading or inaccurate.

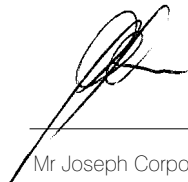
However, the Board believes that it should be noted that the revenue as stated in the Financial Statements includes revenue of the nature of specific purpose donations and grants which are brought to account when received and not matched with expenditure which may occur in subsequent financial periods.



Professor David Penington AC
PRESIDENT



Mr Peter Hiscock
BOARD MEMBER



Mr Joseph Corponi
CHIEF ACCOUNTING OFFICER

27 August 2001

DATED

Statement of Financial Performance

(FOR THE YEAR ENDED 30 JUNE 2001)

	NOTES	2000/01 \$'000	1999/00 \$'000
REVENUE FROM ORDINARY ACTIVITIES			
Victorian Government Grants	3	54,394	56,165
Museum Operations			
Fees & Charges		8,028	3,750
Sales		1,812	887
Grants	4	2,933	10,717
Other Income	5	8,212	3,282
Donations		14	2
Rent		700	832
		76,093	75,635
EXPENSES FROM ORDINARY ACTIVITIES			
Employee Benefits	1(f)	22,581	17,903
Other Operating Expenses	6	28,332	15,398
Cost of Goods for Resale		964	488
Melbourne Museum Expenses		866	1,437
Capital Charge	1(i)	26,682	30,813
Depreciation & Amortisation		9,935	3,254
		89,360	69,293
Net Result For The Year	9(b)	(13,267)	6,342

The above statement of financial performance should be read in conjunction with the accompanying notes.

Statement of Financial Position

(AS AT 30 JUNE 2001)

	NOTES	2000/01 \$'000	1999/00 \$'000
CURRENT ASSETS			
Cash Assets	2(a),14.1	2,104	25,579
Receivables	7	2,855	711
Inventories	8 &1(c)	799	337
Prepayments		0	67
Total Current Assets		5,758	26,694
NON-CURRENT ASSETS			
Property, Plant & Equipment & Exhibitions	10(b)&(c)	371,368	354,485
Collections	10(a)	217,830	217,830
Other Financial Assets	2 (b)	0	30
Total Non-Current Assets		589,198	572,345
Total Assets		594,956	599,039
CURRENT LIABILITIES			
Payables	13	921	1,376
Provisions	12(a)	2,126	1,747
Total Current Liabilities		3,047	3,123
NON-CURRENT LIABILITIES			
Provisions	12(b)	2,285	2,321
Total Non-Current Liabilities		2,285	2,321
Total Liabilities		5,332	5,444
Net Assets		589,624	593,595
EQUITY			
Contributed Capital	9(a)	557,045	547,749
Accumulated Surplus	9(b)	27,223	26,688
Reserves			
Trust Funds	9(c)	1,961	16,079
Externally Funded Special Projects	9(c)	1,519	1,203
Asset Revaluation Reserve	9(c)	1,876	1,876
Total Equity		589,624	593,595

The above statement of financial position should be read in conjunction with accompanying notes.

Statement of Cash Flows

(FOR THE YEAR ENDED 30 JUNE 2001)

	NOTES	2000/01 \$'000	1999/00 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
Grants & Donations		2,947	10,593
Interest		845	1,532
Fees & Charges		5,839	2,341
Sales – Commercial Operations		4,001	887
Other		5,923	4,259
Government Grants			
Recurrent		54,394	56,165
Capital		9,296	27,470
Total Receipts		83,245	103,247
Payments			
Salaries & Associated Costs		(22,238)	(17,069)
Operating Expenses		(54,248)	(45,222)
Building Repairs & Maintenance		(1,616)	(560)
Cost of Goods for Resale		(964)	(488)
Melbourne Museum Expenses		(866)	(1,437)
Total Payments		(79,932)	(64,776)
Net Cash Inflow from Operating Activities	14.2	3,313	38,471
CASH FLOWS FROM INVESTING ACTIVITIES			
Receipts			
Movement in Other Financial Assets		30	52
Payments			
Great Hall		(2,907)	(2,625)
Purchase of Property, Plant & Equipment		(267)	(1,453)
Melbourne Museum Development		(23,459)	(32,654)
Scienceworks Land		(185)	0
Scienceworks Planetarium		0	(419)
Net Cash (Outflow) from Investing Activities		(26,788)	(37,099)
Net (Decrease)/Increase in Cash Held		(23,475)	1,372
Cash Held at Beginning of Financial Year		25,579	24,207
Cash at the End of the Financial Year	14.1	2,104	25,579

The accompanying statement of cash flows should be read in conjunction with accompanying notes.

Notes to and forming part of the Financial Statements

(FOR THE YEAR ENDED 30 JUNE 2001)

1. SIGNIFICANT ACCOUNTING POLICIES

(a) This general-purpose financial report has been prepared in accordance with the *Financial Management Act 1994*, Australian Accounting Standards, Statement of Accounting Concepts and other authoritative pronouncements of the Australian Accounting Standards Board, and Urgent Issues Group Consensus Views.

The financial report has been prepared under the historical cost convention and has not been adjusted to take account of changing money values, or except where stated, the current cost of specific assets or the impact of that cost on the operating result. The financial report has been prepared on an accrual and going concern basis.

Museum Victoria is economically dependent on the Victorian State Government grant to assist in funding its operations.

(b) NON-CURRENT ASSETS

Property, Plant & Equipment

The Museum periodically values its property, plant and equipment using the services of independent valuers.

Heritage Collections

During the 1996/97 financial year the Museum completed a project to determine the value of its collections using a stratified valuation method. This project formed the basis for the valuation of all the Museum collections. The collections have been valued in accordance with the principles set out in the *Australian Accounting Standard AAS 10 – Accounting for the revaluation of non-current assets*.

The collection was valued utilising the deprival method of valuation (ie the cost of replacing the services rendered to the business by the particular asset). The effect of this valuation is disclosed in note 10(a).

The Museum intends revaluing its collections every five years with any future acquisitions being valued at cost or valuation.

Library

During the 1996/97 financial year the Museum completed a project to determine the value of its library collection.

The valuation for each collection was a combination of average values, established from specified sampling frames, in addition to itemised values for individual items that exceeded the defined threshold value.

The Museum intends revaluing its library every five years with any future acquisitions being valued at cost or valuation.

Depreciation

Depreciation is charged on non-current assets at rates assessed to match the cost of these assets against their estimated economical lives to the entity. Depreciation is calculated on the straight-line method. No provision is made for the depreciation of the Collections.

The Department of Treasury and Finance currently maintains a fund into which it allocates the cash equivalent of the depreciation and any future upgrade of the assets will be paid from this fund.

Estimates of remaining useful lives to the entity are made on a regular basis for all assets, with annual reassessments for major items. The expected useful lives are as follows:

Buildings	20-100 years
Plant and equipment	3-10 years
Exhibitions	5 years

Exhibitions with a life of five years or less are expensed immediately. Exhibitions with an anticipated life of over five years are capitalised and depreciated accordingly. Major spares purchased specifically for particular plant and equipment are capitalised and depreciated on the same basis as the plant and equipment to which they relate.

(c) INVENTORY

Stocks have been valued at the lower of cost and net realisable value.

(d) GRANTS

Grants from Government and other sources are brought to account as revenue as and when received, with the exclusion of the Government grants for the construction of the new Melbourne Museum and Immigration Museum building and fitout costs which are treated as contributed capital. Expenditure from such grants is recognised when incurred.

(e) CAPITAL DONATIONS

Specific donations, for exhibition development have been treated in these financial statements as revenue.

Notes to and forming part of the Financial Statements

(FOR THE YEAR ENDED 30 JUNE 2001)

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(f) EMPLOYEE ENTITLEMENTS

Provision is made in respect of the Museums Board's liability for annual leave and long service leave at balance date.

Annual Leave

Annual leave entitlements for employees are based on current pay rates and on-costs as at 30 June, 2001.

Long Service Leave

A liability for long service leave is recognised, and is measured as the present value of expected future payments to be made in respect of services provided by employees up to the 30 June, 2001. Consideration is given, when assessing expected future payments, to expected future wage and salary levels, experience of employee departures and period of service.

The current liability proportion of the provision represents those employees with over ten year's service who are anticipated to take long service leave within twelve months.

Long Service Leave is centrally financed by the Department of Treasury and Finance.

(g) ROUNDING

All figures in the financial statements and notes thereto have been rounded off to the nearest \$1,000.

(h) TREATMENT OF CAPITAL CONTRIBUTION

The treatment of capital contributions is based on the requirements of Statement of Accounting Concept SAC 4, which requires capital appropriations to be treated as revenue. Exceptions to this policy, approved by the Minister of Finance, have been made in the case of contributions for the new museum (Melbourne Museum) and the Royal Exhibition Buildings upgrade.

(i) CAPITAL CHARGE

In accordance with Government policy, a departmental capital charge has been applied to distribute the centrally-funded annual cost of capital. The rate charged for the 2000/01 financial year was 8 per cent. This charge represents the interest which the Museum would have paid for the capital works portion of its grant. This charge has been recognised as revenue within the Government grant and disclosed separately as an expense within the financial statements.

(j) SUPERANNUATION

The Museum is required to recognise all superannuation payments as expenses in its operating statement. The Department of Treasury and Finance shall recognise the aggregate unfunded superannuation liability relating to employing entities in its financial statements of the 30 June, 2001 as the Victorian Government has assumed responsibility for this liability.

(k) OTHER FINANCIAL ASSETS

Investments are held for the purpose of gaining income and are not normally sold before maturity. They are recorded in the Statement of Financial Position at cost. No provision for diminution in value is made.

(l) RECEIVABLES AND REVENUE RECOGNITION

Revenue from the sale of goods and services is recognised upon delivery of the goods and services to the customer. Interest revenue is recognised on the proportional basis taking interest rates applicable to the financial assets.

Trade debtors are recognised at the amounts receivables, as they are due for settlement no more than 30 days from the date of recognition. Collectibility of trade debtors is reviewed on an ongoing basis. A provision for doubtful debts is raised where some doubt as to collection exists.

(m) PAYABLES

These amounts represent liabilities for goods and services provided to the economic entity prior to the end of the financial year and which are unpaid. The amounts are unsecured and are usually paid within 30 days following the month of recognition.

(n) LEASED ASSETS

Operating lease payments are charged to the statement of Financial Performance in the periods in which they are incurred, as this represents the pattern of benefits derived from leased assets.

The Museum had no financial lease obligations as at 30th June 2001.

Notes to and forming part of the Financial Statements

(FOR THE YEAR ENDED 30 JUNE 2001)

	2000/01 \$'000	1999/00 \$'000
2. CASH ASSETS & OTHER FINANCIAL ASSETS		
(a) CASH ASSETS		
Cash	1,324	2,470
Negotiable Certificates of Deposit, Interest Bearing Deposits	780	23,109
Total	2,104	25,579
(b) OTHER FINANCIAL ASSETS		
Semi Government Securities	0	30
Total	0	30
3. GOVERNMENT GRANTS		
The Museums Board of Victoria received the following grants from the Victorian Government		
Recurrent Appropriation		
Applied to Operations	26,038	23,131
Capital Charge	26,682	30,813
Superannuation	808	784
Melbourne Museum	866	1,437
	54,394	56,165
Melbourne Museum Funding		
Applied to Contributed Capital	6,389	26,282
Royal Exhibition Building		
Applied to Contributed Capital	2,907	2,625
Total	63,690	85,072

Notes to and forming part of the Financial Statements

(FOR THE YEAR ENDED 30 JUNE 2001)

	2000/01 \$'000	1999/00 \$'000
4. GRANTS		
SOURCES*		
State Grants from other Agencies	2,020	10,315
Commonwealth Grants	481	203
Other Grants	346	73
Accelerated Move†	86	126
Total	2,933	10,717

* The grants indicated above were of an operating nature. The figures shown indicate the grants as received. Expenditure in relation to the grants is accounted for at the time it is incurred.

† Relocation of National Gallery to 328 Swanston Street accelerated move of Museum's collections out of the site.

5. OTHER INCOME		
Interest	880	1,521
Legal Settlement	1,883	0
Miscellaneous Income	5,449	1,761
Total	8,212	3,282

Notes to and forming part of the Financial Statements

(FOR THE YEAR ENDED 30 JUNE 2001)

	2000/01 \$'000	1999/00 \$'000
6. OTHER OPERATING EXPENDITURE		
Building and Equipment Maintenance	1,616	560
Administration		
Consumables	11,580	6,379
Miscellaneous	7,006	4,298
Consultants*	278	421
Audit Fees [†] – External	20	20
– Internal	65	23
Bad Debts	23	0
Exhibitions		
Contractors & Display Costs	7,069	3,240
Research and Collections		
Collection Management	589	331
Accelerated Move	86	126
Total	28,332	15,398
<p>* Consultants engaged and paid over \$100 000 during the year are disclosed in the Report of Operation in the Annual Report.</p> <p>† Audit Fees payable to the Victorian Auditor-General's Office relating to the audit for the year ended 30th June 2001 were \$20,000 (\$20,000 1999/2000).</p>		
7. RECEIVABLES		
Debtors	2,744	635
Less Provision for Doubtful Debts	(20)	(20)
	2,724	615
Interest Receivable	131	96
Total Receivables	2,855	711
8. INVENTORIES		
Stock of Goods for Resale	811	349
Less Provision for Stock Obsolescence	(12)	(12)
Total 799	337	

Notes to and forming part of the Financial Statements

(FOR THE YEAR ENDED 30 JUNE 2001)

	2000/01 \$'000	1999/00 \$'000
9. EQUITY		
(a) CONTRIBUTED CAPITAL*		
Balance at beginning of year	547,749	520,279
Capital Receipts		
Victorian Government		
Melbourne Museum Development	6,389	24,845
Royal Exhibition Building		
Royal Exhibition Building Upgrade	2,907	2,625
Balance at End of the Year	557,045	547,749
(b) ACCUMULATED SURPLUS		
Balance at beginning of year	26,688	19,970
(Deficit)/Surplus for the Year		
Museums Board of Victoria	(13,267)	6,342
Transfer Between Reserves		
Transfer from Trust Funds	14,118	274
Transfer (to)/from Externally Funded Special Projects	(316)	102
Balance at End of the Year	27,223	26,688
(c) RESERVES		
Trust Funds†		
Balance at beginning of the year	16,079	16,353
Transfer Between Reserves		
Transfer (to)/from Accumulated Surplus	(14,118)	(274)
Balance at End of the Year	1,961	16,079
EXTERNALLY FUNDED SPECIAL PROJECTS §		
Balance at beginning of year	1,203	1,305
Transfer between Reserves		
Transfer from (to) Accumulated Surplus	316	(102)
Balance at end of the year	1,519	1,203
Asset Revaluation Reserve		
Balance at the beginning & end of the year	1,876	1,876

* "Contributed Capital" consists of capital funds provided by the Victorian Government for the building of the new Melbourne Museum, Immigration Museum and Royal Exhibition Building. Ministerial approval has been received for the treatment of these amounts as Contributed Capital.

† "Trust Funds" consist of those funds which may be used by the Museums Board for Museum purposes defined by the relevant Trust deed or will.

§ "Externally Funded Special Projects" consist of unexpended Government and other grants tied to a specific purpose.

Notes to and forming part of the Financial Statements

(FOR THE YEAR ENDED 30 JUNE 2001)

	2000/01 \$'000	1999/00 \$'000
10(a) COLLECTIONS		
AT VALUATION (1997 INDEPENDENT VALUATION)		
Indigenous Collections	71,190	71,190
History & Technology Collections	19,230	19,230
Natural Science Collections	120,730	120,730
Library	5,612	5,612
AT COST		
Other	1,068	1,068
Total Collections	217,830	217,830
10(b) PROPERTY		
AT VALUATION		
Land	36,085	35,900
Buildings		
Abbotsford Building (i)	1,500	1,500
Scienceworks Museum (ii)	14,646	16,843
Royal Exhibition Building (iii)	23,532	20,625
Immigration Museum (v)	13,275	13,275
Moreland Store (vi)	7,560	7,560
IMAX (vii)	14,446	14,446
	111,044	110,149
Less Accumulated Depreciation		
Abbotsford Building	300	225
Scienceworks Museum	771	413
Royal Exhibition Building	986	765
Immigration Museum	530	265
Moreland Store	604	453
IMAX	289	144
	3,480	2,265
Total Land and Building at Valuation	107,564	107,884
AT COST		
Buildings		
Melbourne Museum (iv)	213,968	236,399
Less Accumulated Depreciation	1,605	0
Total Buildings at Cost	212,363	236,399
Total	319,927	344,283

Notes to and forming part of the Financial Statements

(FOR THE YEAR ENDED 30 JUNE 2001)

10(b) PROPERTY (continued)

(i) Abbotsford Building

A valuation was undertaken by the Valuer-General for the Museum in June 1997. The valuation stated that the land and building was valued at \$1.5 million.

(ii) Scienceworks Museum

The Museum at Scienceworks has been constructed on the Spotswood pumping station land leased from Melbourne Water for 50 years from 20th March, 1989, for the nominal sum of \$1.00 per annum. During the year 1998-99 a valuation of the buildings was undertaken by the Australian Valuation Office

(iii) Royal Exhibition Buildings and Land

A valuation was undertaken by the Valuer-General for the Museum of Victoria in April, 1996.

(iv) Melbourne Museum

A quantity surveyor valuation was undertaken by Rider Hunt for the Museum in June 2001.

(v) Immigration Museum

The Immigration Museum was valued in June 1999 by the Australian Valuation Office.

(vi) Moreland Store

A valuation was completed on the above store by Slattery Australia in August 1997.

(vii) IMAX

A quantity surveyor valuation was undertaken by Rider Hunt for the Museum in June 1999.

	2000/01 \$'000	1999/00 \$'000
10(c) PLANT, EQUIPMENT & EXHIBITIONS		
FURNITURE & FITTINGS AND EQUIPMENT AT VALUATION		
Furniture & Equipment	11,392	7,912
Less accumulated depreciation	(2,715)	(1,766)
	8,677	6,146
EXHIBITION DEVELOPMENT AT VALUATION		
Melbourne Museum at cost	44,875	0
Less accumulated depreciation	(5,074)	0
Scienceworks Museum at cost	1,917	1,917
Less accumulated depreciation	(1,751)	(1,591)
Immigration Museum at cost	4,663	4,663
Less accumulated depreciation	(1,866)	(933)
Total Exhibition development	42,764	4,056
Total Property, Plant & Equipment, & Exhibitions	371,368	354,485

Notes to and forming part of the Financial Statements

(FOR THE YEAR ENDED 30 JUNE 2001)

	Crown land \$'000	Freehold Land \$'000	Buildings \$'000	Plant & Equipment \$'000	Exhibitions \$'000	In course of construction \$'000	Total \$'000
10(d) PROPERTY, PLANT AND EQUIPMENT RECONCILIATION							
2001							
Carrying amount at start of year	30,000	5,900	71,984	6,146	4,056	236,399	354,485
Additions	–	185	2,907	267	–	23,459	26,818
Disposal	–	–	–	–	–	–	–
Revaluation	–	–	–	–	–	–	–
Transfer	–	–	211,953	3,030	44,875	(259,858)	–
Depreciation	–	–	(2,874)	(894)	(6,167)	–	(9,935)
Carrying amount at end of year	30,000	6,085	283,970	8,549	42,764	–	371,368
2000							
Carrying amount at start of year	30,000	5,900	70,168	5,520	5,284	203,745	320,617
Additions	–	–	3,044	1,453	–	32,654	37,151
Disposal	–	–	–	(29)	–	–	(29)
Revaluation	–	–	–	–	–	–	–
Transfer	–	–	–	–	–	–	–
Depreciation	–	–	(1,228)	(798)	(1,228)	–	(3,254)
Carrying amount at end of year	30,000	5,900	71,984	6,146	4,056	236,399	354,485

Notes to and forming part of the Financial Statements

(FOR THE YEAR ENDED 30 JUNE 2001)

	2000/01 \$'000	1999/00 \$'000
11. CONTINGENT LIABILITIES		
Building works have now been completed, however, additional costs may be charged to the Melbourne Museum project due to outstanding contractual disputes with the builder. At this time the quantity is undetermined.		
The Museum has the following contingent liabilities on its exhibition development projects:		
MUSEUM VICTORIA		
Capital Expenditure – Melbourne Museum	3,346	2,988
Total	3,346	2,988
12. PROVISION FOR EMPLOYEE ENTITLEMENTS		
(a) CURRENT LIABILITIES		
Employee Entitlements		
Annual Leave	1,872	1,489
Long Service Leave	254	258
Total	2,126	1,747
(B) NON-CURRENT LIABILITIES		
Employee Entitlements		
Long Service Leave	2,285	2,321
Total	2,285	2,321
Total (including on-costs) – Refer Note 1(f)	4,411	4,068
13. PAYABLES		
Trade Creditors	77	221
Other Creditors	844	1,155
Total Payables	921	1,376

Notes to and forming part of the Financial Statements

(FOR THE YEAR ENDED 30 JUNE 2001)

	2000/01 \$'000	1999/00 \$'000
14. NOTES TO THE CASH FLOW STATEMENT		
14.1 RECONCILIATION OF CASH		
For the purposes of the Statement of Cash Flows, the Museums Board of Victoria considers cash to include cash on hand and in banks and investments in money market instruments. Cash at the end of the reporting period, as shown in the Statement of Cash Flows, is reconciled to the related items in the Balance Sheet as follows:		
Cash	1,324	2,470
Other Financial Assets	780	23,109
Total – refer Note 2(a)	2,104	25,579
14.2 RECONCILIATION OF NET CASH USED IN OPERATING ACTIVITIES TO OPERATING RESULT		
Operating (Deficit)/Surplus	(13,267)	6,342
Add (Less) items classified as Investing/Financing activities		
Loss on Sale of Non-current Assets	0	30
Add (Less) non cash items		
Government Contributed Capital	9,296	27,470
Depreciation & Amortisation	9,935	3,254
Provisions	343	780
Net cash used in operating activities before change in assets and liabilities	6,307	37,876
Increase/(Decrease) in Creditors & Accruals	(455)	315
(Increase)/Decrease in Receivables	(2,109)	257
(Increase)/Decrease in Inventories	(462)	(69)
Increase/(Decrease) in Interest Receivable	(35)	11
(Increase)/Decrease in Prepayments	67	81
Net cash provided by operating activities	3,313	38,471

Notes to and forming part of the Financial Statements

(FOR THE YEAR ENDED 30 JUNE 2001)

15. RELATED PARTY TRANSACTIONS

(a) THE MINISTER, THE DIRECTOR & BOARD MEMBERS OF THE MUSEUM BOARD OF VICTORIA

The Minister for the Museums Board of Victoria is the Hon. Mary Delahunty MLA. The names of each person holding the position of Board member of the Museums Board of Victoria during the financial year are Professor David Penington AC, Ms Sheila O'Sullivan, Mr Terry Garwood, Mr Peter Hiscock AM, Professor Geoffrey Opat, Mrs Sarah Myer, Mr Ian Sinclair (retired 30th June 2001), Dr Janet McCalman, Ms Tina McMeckan, Professor Jennifer Graves, Mr Bob Weiss and Ms Deanne Weir (retired February 2001). The Chief Executive Officer of the Museum is Dr George MacDonald. There were no related party transactions by the Minister, the Chief Executive Officer and Board Members.

(b) There are no other related party transactions

	2000/01 \$'000 Intra*	1999/00 \$'000 Intra*	2000/01 \$'000 Inter†	1999/00 \$'000 Inter†
(c) TRANSACTIONS WITH OTHER GOVERNMENT CONTROLLED ENTITIES				
During the 2000/01 financial year, transactions were undertaken with other Victorian controlled entities. These transactions are summarised as follows:				
Assets	0	0	0	0
Liabilities	0	0	0	0
Revenue	26,846	23,915	0	0
Expenses	0	0	1,280	1,087

* Intra transactions are between entities within the portfolio of the Department of Premier and Cabinet.

† Inter transactions are with entities outside the portfolio of the Department and controlled by the Victorian Government.

Notes to and forming part of the Financial Statements

(FOR THE YEAR ENDED 30 JUNE 2001)

16. RESPONSIBLE PERSONS REMUNERATION

(a) RESPONSIBLE PERSONS

Persons who hold the above positions of Responsible Persons in relation to the Board at any time during the reporting period are:

Responsible Minister – Hon. Mary Delahunty MLA

Accountable Officer – Dr George MacDonald

Board Members – As disclosed in note 15 (a).

(b) REMUNERATION OF RESPONSIBLE PERSONS

Members of the Board act in an honorary capacity.

The remuneration of Accountable Officers, who are not Members of the Board, is reported below.

	2000/01	1999/00
(c) EXECUTIVES OFFICERS REMUNERATION		
The number of executives officers of the Museum and their relevant remuneration bands for the reporting period are as follows:		
\$ 18,000 – \$18,999	1	0
\$ 59,000 – \$59,999	1	0
\$ 80,000 – \$89,999	1	1
\$ 90,000 – \$99,999	1	2
\$ 100 000 – \$109,999	2	3
\$ 110,000 – \$119,999	1	1
\$ 120,000 – \$129,999	1	0
\$ 180,000 – \$189,999	0	1
\$ 190,000 – \$190,999	1	0
The total remuneration received or due and receivable from the Museum by Executive Officers of the Museum is:	\$899,984	\$766,236

17. SUPERANNUATION

The Museum of Victoria has, in its staffing profile, a number of employees who are members of the following public sector superannuation schemes:

(a) STATE SUPERANNUATION FUND (REVISED SCHEME & NEW)

Employer contributions paid to the above Schemes were \$652,158 (1999/00 \$647,686). Contributions outstanding at 30 June 2001 were \$Nil. The contributions rate for the above Schemes is not available to the Museum.

(b) STATE SUPERANNUATION FUND (VICSUPER SCHEME)

Employer contributions paid to the above Scheme were \$992,590 (1999/00 \$591,903). Contributions outstanding at 30 June 2000 were \$Nil. This represented a contribution rate of 8% of normal salary. Employee contributions were \$Nil.

Notes to and forming part of the Financial Statements

(FOR THE YEAR ENDED 30 JUNE 2001)

	2000/01 \$'000	1999/00 \$'000
18. LEASING COMMITMENTS		
OPERATING LEASE COMMITMENTS		
Non-Cancellable Operating Leases contracted for but not capitalised in the accounts		
Payable:		
not longer than 1 year	1,895	624
longer than 1 year but not longer than 5 years	2,301	2,073
longer than 5 years	0	0
Total	4,196	2,697

19. FINANCIAL INSTRUMENTS

(a) CREDIT RISK EXPOSURES

The credit risk on financial assets of the economic entity which have been recognised on the balance sheet, other than investment in shares, is generally the carrying amount, net of any provisions for doubtful debts.

(b) INTEREST RATE RISK EXPOSURE

The economic entity's exposure to interest rate risk and the effective weighted average interest rate for each class of financial assets and liabilities is set out below.

Exposures arise predominantly from assets and liabilities bearing variable interest rates as the economic entity intends to hold fixed rate assets and liabilities to maturity.

	Notes	Floating Interest rate \$'000	Fixed interest maturing in: 1 year or less \$'000	Over 1 to 5 years \$'000	More than 5 years \$'000	Non- interest bearing \$'000	Total \$'000
2001							
Financial Assets							
Cash and deposits	2,13.1	1,324	–	–	–	–	1,324
Receivables	7	131	–	–	–	2,724	2,855
Investments	2	–	780	–	–	–	780
		1,455	780	–	–	2,724	4,959
Weighted average interest rate		4.80%	6.98%	0%	0%		
Financial liabilities							
Trade and other creditors		–	–	–	–	921	921
		–	–	–	–	921	921
Weighted average interest rate		0%	0%	0%	0%		
Net Financial Assets (liabilities)		1,455	780	0	0	1,803	4,038

Notes to and forming part of the Financial Statements

(FOR THE YEAR ENDED 30 JUNE 2001)

	Notes	Floating Interest rate \$'000	Fixed interest maturing in: 1 year or less \$'000	Over 1 to 5 years \$'000	More than 5 years \$'000	Non- interest bearing \$'000	Total \$'000
19. FINANCIAL INSTRUMENTS							
(b) INTEREST RATE RISK EXPOSURE							
2000							
Financial Assets							
Cash and deposits	2, 13.1	2,527	–	–	–	–	2,527
Receivables	7	96	–	–	–	615	711
Investments	2	–	23,052	30	–	–	23,082
		2,623	23,052	30	–	615	26,320
Weighted average interest rate		5.27%	6.35%	7.1%	0%		
Financial Liabilities							
Trade and other creditors		–	–	–	–	1,376	1,376
		–	–	–	–	1,376	1,376
Weighted average interest rate		0%	0%	0%	0%		
Net Financial Assets (Liabilities)		2,623	23,052	30	0	(761)	24,944

	2000/01 \$'000	1999/00 \$'000
RECONCILIATION OF NET FINANCIAL ASSETS TO NET ASSETS		
Net Financial Assets as above	4,038	24,944
Non-Financial Assets as Liabilities:		
Inventories	799	337
Property, plant & equipment	371,368	354,485
Collections	217,830	217,830
Provisions	(4,411)	(4,068)
Prepayments	0	67
Net Assets per Balance Sheet	589,624	593,595

(c) NET FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES

On-balance sheet

The net fair value of cash and cash equivalents and non-interest bearing monetary financial assets and financial liabilities of the economic entity approximates their carrying value.

The net fair value of other monetary financial assets is based upon market prices where a market exists or by discounting the expected future cash flows by the current interest rates for assets with similar risk profiles.

Auditor's Report



AUDITOR GENERAL
VICTORIA

AUDITOR-GENERAL'S REPORT

To the Members of the Parliament of Victoria, the responsible Ministers and the Members of the Museums Board of Victoria

Audit Scope

The accompanying financial report of the Museums Board of Victoria for the financial year ended 30 June 2001, comprising a statement of financial performance, statement of financial position, statement of cash flows and notes to the financial statements, has been audited. The Members of the Museums Board of Victoria are responsible for the preparation and presentation of the financial report and the information it contains. An independent audit of the financial report has been carried out in order to express an opinion on it to the Members of the Parliament of Victoria, the responsible Ministers and the Members of the Museums Board of Victoria as required by the *Audit Act* 1994.


The audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance as to whether the financial report is free of material misstatement. The audit procedures included an examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion as to whether, in all material respects, the financial report is presented fairly in accordance with Australian Accounting Standards and other mandatory professional reporting requirements and complies with the requirements of the *Financial Management Act* 1994, so as to present a view which is consistent with my understanding of the Board's financial position, the results of its operations and its cash flows.

The audit opinion expressed in this report has been formed on the above basis.

Audit Opinion

In my opinion, the financial report presents fairly the financial position of the Museums Board of Victoria as at 30 June 2001 and the results of its operations and its cash flows for the year ended on that date in accordance with Australian Accounting Standards and other mandatory professional reporting requirements and complies with the requirements of the *Financial Management Act* 1994.

MELBOURNE
29/8/2001


Per J.W. CAMERON
Auditor-General

Index of Compliance

The Department of Treasury and Finance requires the following details to comply with reporting requirements in terms of Part 7 of the Financial Management Act 1994.

Index to disclosure requirements 1997/98

The annual report is prepared in accordance with the Financial Management Act 1994 and the directions of the Minister for Finance.

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Fees and Charges

Campus Fees

The following fees and charges applied at Museum Victoria's public museum campuses as at 30 June 2001.

	ADULT	CHILD	CONCESSION	FAMILY
Melbourne Museum	\$15.00	\$ 8.00	\$11.00	\$35.00
Melbourne Museum & IMAX	\$25.50	\$19.50	\$15.50	\$65.50
Scienceworks Museum	\$ 9.00	\$ 4.50	\$ 7.00	\$23.00
Scienceworks Museum & Melbourne Planetarium	\$15.00	\$ 8.00	\$11.50	\$38.50
Immigration Museum	\$ 7.00	\$ 3.50	\$ 5.50	\$17.50

Notes

- Melbourne Museum entry includes one free session in the ICE Theatre per person. ICE Theatre-only tickets are \$4.50 per person.
- Due to its staged opening, Melbourne Museum admission was heavily discounted from 23 October to 10 March.
- Tours of the Royal Exhibition Building: adult \$5.00 or \$3.00 as add-on to Melbourne Museum ticket, child \$1.00
- Special fees apply for various ticket options such as combined ICE and IMAX Theatres, Melbourne Planetarium and school bookings, special activities and programs. Surcharges apply for some special touring exhibitions.

Museum Victoria Membership Fees

	1 year	2 years
Household	\$90.00	\$144.00
Joint Adult	\$80.00	\$128.00
Adult	\$54.00	\$ 86.00
Senior/Concession	\$36.00	\$ 57.00
Child	\$18.00	\$ 29.00

Membership provides: unlimited entry to all campuses, discounts for touring exhibitions, Melbourne Planetarium, IMAX Theatre and retail outlets, free admission to a number of interstate museums and Museum Victoria's quarterly magazine.

Web Site

www.museum.vic.gov.au

Museum Victoria

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Nuttshell Graphics

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Museums Board and

Executive Management

Photographs

Mark Chew

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John Broomfield
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John Gollings
Ian Hill
Andrew Hobbs
James Lauritz
Marcus Lee Design
David Loram
Melbourne Water
Rodney Start
Ben Wrigley

