

WHY IS NATURE
BEAUTIFUL?

Na te Po ka puta ki Te Ao Marama


OTAGOMuseum

ANNUAL PLAN 2015–2016

Financial forecast: 2016–2017; 2017–2018



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NOT BUSINESS AS USUAL

2015–2016 will be an important year for the Otago Museum.

The focus will be on:

- **Engaging new audiences**
- **Developing new world-class science learning facilities for the people of Otago**
- **Significantly investing in the conservation, study and display of our collection.**

This is not a year for ‘business as usual’.

This document details how the Museum aims to deliver our mission, to inspire and enrich our communities and enhance understanding of the world through our collection, our people and the stories we share, as outlined in *Te Ara Hou – The Road Ahead*, the Museum’s strategic plan, adopted by the Otago Museum Trust Board in June 2014.

By Act of Parliament (Otago Museum Trust Board Act 1996), the Board sets an annual plan each financial year, with two further years forecast. Intentions for the year ahead are outlined within the context of the Museum’s strategic plan; these are in line with the objectives stated within the Act and the Board’s policy framework.

This annual plan identifies our immediate steps forward. It marries operational and strategic goals in a new format designed to be clear and accessible. The core functions of collection care and visitor experience are highlighted as a priority for this year.

We are grateful to our partners on this journey – our contributing local authorities in Dunedin, Waitaki, Clutha and Central Otago, and the many trusts, businesses, collegiate organisations and individuals who help us to develop and improve continually.

At the Museum’s heart is the philosophy that, as an agent of change, we can and should make a difference in the lives of our communities in an inspirational, rather than prescriptive, manner. We encourage each of our visitors to take a greater interest in their world as a result of their engagement with the Museum, be they locals, tourists, researchers, students, educators or community groups.

By late October 2015 we plan to open a 62-seat immersive theatre/planetarium and stage one of the redeveloped Discovery World. We will also intensify our planning for the stage two redevelopment of our hands-on science gallery, scheduled to reopen in 2016. Opening two new science spaces reflects our commitment to creating high level science engagement opportunities for visitors, research communities and educators, and helps to strongly position Dunedin as a city of science in New Zealand.

We have continued to reshape our organisation to enable us to achieve our goals. We have created a dedicated science team that includes a further two appointments: a Full Dome Producer to manage and produce content for the immersive theatre and a Head of Science Engagement to establish a Centre of Science Engagement that will span Discovery World, the immersive theatre, educational suites and regional and national outreach projects.

November will see the opening of a significant special exhibition celebrating the women of Kāi Tahu, a collaboration we have been working on for over 18 months. Its opening coincides with the Kāi Tahu Hui-a-Iwi and it will enable many different communities to celebrate the stories of South Island wāhine from the past to the present day.

This exhibition would not be possible without significant input from recent appointments in the Collections and Research team, namely the Curator, Māori and the Conservation Manager. They have worked closely and in partnership with iwi, and utilised the Museum’s collection, to bring out stories and objects that reflect a long and enduring cultural history.

The Museum’s collection – one of our nation’s largest – is comprised of over 1.5 million objects, including natural science specimens and humanities artefacts from all over the world, many of which are of international significance. The recently completed conservation laboratory will enable the conservation team to not only look after our collection, but to offer their expertise to assist other regional and national museums and collectors in the preservation and restoration of collection items. A potential revenue source has been identified in conservation that we see contributing to our bottom line in the medium to long term.



Now in its 147th year, the Museum is a much-loved New Zealand institution, exceptional not only for the breadth and depth of our collection but also for the high calibre of experiences we offer. Over a quarter of a million highly satisfied visitors are expected to visit the Museum this year to enjoy wide-ranging and world-class exhibitions and experiences spanning culture, nature and science. Teams from across the Museum, including Collections and Research, Content, Design, Programmes and Events, Education, Marketing and Facilities come together to create engaging and educational exhibitions and displays, tours, talks and hands-on experiences, as well as outreach programmes to the contributing districts that support our work.

We aim to deliver exceptional experiences in 2015–2016 including: an exhibition that pays tribute to the role of Otago's nurses in WWI; a display recalling one soldier's experiences of the Battle of Chunuk Bair; and programmes that encourage engagement with our exhibitions, staff and collection.

The Museum is an important link in developing social, cultural and economic connections nationally and internationally. Global relationships such as those with the Shanghai Museum, Shanghai Museum of Science and Technology and Shanghai Natural History Museum enable Otago businesses and institutions to share their culture and treasures, and foster and strengthen relationships that support efforts to grow the Otago economy.

The Museum cares for a complex of heritage buildings that houses the collection and provides display spaces and areas to enable communities to connect. Sensible and sustainable capital development forms a part of the Museum's strategic framework to ensure forward momentum and continuous improvement in fit-for-purpose spaces.

Factored into the plans for 2015–2016 is an upgrade of our heating and ventilation systems (HVAC), a new lift and development of areas to accommodate staff, researchers

and the public. Health and safety will be a focus as we align our internal processes with new legislation and guidelines.

Our focus continues to be directed at growing and diversifying the Museum's income streams in order to maximize the return on any public investment – a challenge in the current economic conditions. The redevelopment of Discovery World and the addition of the immersive theatre/planetarium will contribute to long-term sustainability. Identifying and growing new revenue streams is also critical to ensuring the Museum's sustainability and to contributing to the outlined initiatives.

The Museum is looking to develop revenue streams through new collaborative partnerships that fit our strategic brief. The first such key initiative to roll out in 2015–2016 is the outreach pilot programmes the Museum is developing with the Dodds Wall Centre for Photonic and Quantum Technologies, as part of their Centre of Research Excellence at the University of Otago.

The Marketing and Development division has created several new experiences to offer cruise ship visitors in the 2015–2016 season. We aim to find ways to link with other cultural institutions to develop a product that attracts longer-stay visitors to contribute to the economic benefits added to the city and region by the cruise ship market.

The new tours will feature refreshed gallery tours and tours based on the southern skies immersive theatre show.

Science is a big focus for the Museum in 2015–2016. The Education team is planning to reintroduce after-school programmes through the Science team, and new science shows are being developed for the Discovery World theatre.

Landmark funding from the Ministry of Business Innovation and Employment, secured in collaboration with a number of other Otago science communication providers, means the Museum will lead a six-month participatory science platform (citizen science) project that enables community

and interest groups to work with scientists on meaningful research relevant to their areas of interest and concern.

Refreshes to the Café and Shop, and plans to raise the profile of the Museum as a unique venue for events, conferences and special occasions, will all contribute to the long-term business sustainability of the Museum.

Following your reading of the Museum's 2015–2016 Annual Plan, we hope that you will agree that the Museum has set some ambitious, yet realistic, targets for the next twelve months. These will significantly improve the Museum's ability to engage with our community and inspire them to take an interest in the world around us.

We look forward to receiving your feedback on this plan and to seeing you soon, at the Museum or at one of our many outreach events.

Graham Crombie

Otago Museum Trust Board Chairperson

Ian Griffin

Director

GOAL 1: A WORLD-CLASS COLLECTION

We will share our collection with the world. In 2015–2016 we will...

- Implement comprehensive documentation, digitization and accessibility reviews on targeted priority collections. Target collections are as follows: terrestrial invertebrates (partial); Mesopotamia; Māori (2016–2018)
- Develop collections content for online access, including image downloads, copyright management and collection access requests; develop metadata structure (2015–2017); build an image database for online usage (2015–2017)
- Facilitate access to our collections for all and continue to increase the number of researchers working with the collections. Increase the number of volunteers and honorary curators working with the collection (2015–2017)
- Fully utilise our collections for the redevelopment and delivery of Discovery World and Tāngata Whenua. Identify natural science and humanities collection items to include in the Stage One Discovery World redevelopment

We will strategically develop our collection. In 2015–2016 we will...

- Review and revise our Collection Strategy to set the direction for future collections development and growth
- Engage with the community to improve the knowledge of our collection, its importance and its value to the nation
- Develop immersive tours for the cruise ship market and interest groups for the 2015–2017 cruise ship seasons





**We will care for our collection.
In 2015–2016 we will...**

- Write and implement a Collections Disaster Plan, to be completed by 30 June 2016
 - Undertake a comprehensive review of collection storage conditions, current capacity and constraints, and develop options for the future, to be completed by 30 June 2016
 - Assess and, where necessary, treat collection items in line with targeted collection surveys
 - Build professional links to regional and national museums, offering conservation services and an advisory platform; develop a service offering and promote to regional museums, to be completed by 30 June 2016
-

**We will excel at researching and interpreting our collection.
In 2015–2016 we will...**

- Continue to develop research collaboration initiatives to improve our knowledge, and actively encourage researchers to focus on our collections
- Increase the number of publications based on the collections, both from internal and external researchers, and via publicly-accessible media
- Utilise exhibitions, programmes and our website to interpret our collections

GOAL 2: ENGAGING OUR COMMUNITY

We will be a valued community resource. In 2015–2016 we will...

- Attract over 300,000 visitors to the Museum
 - Open Stage One of the Discovery World redevelopment
 - Open an immersive theatre/planetarium, with two locally produced shows, by December 2015
 - Develop new collaborations with community groups that support their activities and outcomes, and align to the Museum's strategic goals
 - Redevelop the Museum website, and associated social media platforms, to facilitate engagement with Museum objects and staff, by December 2015
-

We will encourage interaction on-site, off-site and online. In 2015–2016 we will...

- Open three collection and community-led exhibitions
- Continue to offer free admission to the Museum, exhibitions and programmes, as resources allow
- Utilise Museums Aotearoa and internal research on those who visit the Museum to inform the development of programmes, exhibitions and outreach





We will inspire a passion for lifelong learning. In 2015–2016 we will...

- Deliver education programmes to a minimum of 5,000 students within our community
 - Develop and deliver educational experiences that are suitable for a range of ages, abilities and interest levels
 - Develop and create exhibitions, learning spaces, environments and outreach programmes that attract and engage an increasing number of enquiring minds on-site, off-site and online
-

We will partner, support and engage with the communities of the Otago region. In 2015–2016 we will...

- Maintain existing, and develop new, relationships with regional, cultural, education and community institutions
- Facilitate and assist with the membership drive for the Association of Friends of the Otago Museum
- Develop and stage a major exhibition celebrating the women of Kāi Tahu
- Commemorate WW100 on a national platform by opening the *Who Cared? Otago Nurses in WWI* exhibition, in partnership with Otago Polytechnic

GOAL 3: BUSINESS SUSTAINABILITY

We will diversify our funding base. In 2015–2016 we will...

- Develop and deliver outreach programmes with internal and external partners to meet contracted commitments, and develop new opportunities to build sustainable collaborations
 - Seek business partnership and community funding opportunities for sponsorship of exhibitions, programmes and redevelopment
 - Seek additional external support contracts for government research and community science engagement projects
 - Build relationships with new and existing patrons to grow the Museum's philanthropic base
-

We will develop new and existing income streams. In 2015–2016 we will...

- Open the immersive theatre/planetarium on a commercially viable model by December 2015 and attract over 15,000 visitors by June 2016
- Seek out new business opportunities through commercial enterprises in our Shop, Café, Tropical Forest, tours, venues, conferences and meetings
- Increase revenue through the development of the cruise ship market





**We will deliver value to all stakeholders.
In 2015–2016 we will...**

- Ensure that our commercial activities are seen as good value by our customers
 - Ensure that expenditure is allocated to meet our planned strategic outcomes
-

**We will maximize income from our commercial activities.
In 2015–2016 we will...**

- Develop products and services that grow new income from identified key audiences: education, tourism and entertainment; this year we will focus on the cruise ship and planetarium markets
 - Develop and promote the Museum as a premier conference and events centre locally, nationally and internationally
-

**We will have the highest standards of financial accountability.
In 2015–2016 we will...**

- Be open and transparent in financial reporting to all stakeholders
-

GOAL 4: AN OUTWARD-LOOKING AND INCLUSIVE CULTURE

**We will be driven by the needs of those we serve.
In 2015–2016 we will...**

- Identify the needs of our core visitor audience through research to ensure they remain engaged and supportive
 - Identify new audiences and engage with them through innovative exhibitions, programmes and outreach activities
 - Build relationships with stakeholders and communities who have had little engagement with the Museum
-

**We will build and sustain a culture of collaboration and partnership.
In 2015–2016 we will...**

- Engage openly with our stakeholders to develop innovative concepts and learning opportunities for the benefit of our community





Our culture supports our vision and mission. In 2015–2016 we will...

- Encourage dialogue with staff to facilitate the flow of ideas and skills across the organisation
- Meet with key funders, supporters and contributors to share ideas, knowledge and opportunities within and outside the Museum
- Encourage the professional development of staff and recruit to broaden the Museum's knowledge base
- Create an organisation that encourages collaboration and professional development, helping staff to reach their potential and enhance their contribution to the Museum



SPECIAL EXHIBITION SCHEDULE 2015–2016

Intersections: Ceramics from Ralph Hotere's Personal Collection

1877 Gallery

until 6 September 2015

2015 Otago Wildlife Photography Competition

Special Exhibitions Gallery

until 27 September 2015

Hill 971 (working title)

People of the World

August 2015–TBC

Who Cared? Otago Nurses in WWI

1877 Gallery

26 September 2015–TBC

Major exhibition developed in association with Kāi Tahu

Special Exhibitions Gallery

13 November 2015–8 May 2016

2016 Otago Wildlife Photography Competition

Special Exhibitions Gallery

9 June 2016–25 September 2016

Aotearoa: Ngā taonga o te taiao

New Zealand: The wonders of the natural world

新西兰：自然的神迹

Shanghai Natural History Museum

TBC



FINANCIAL POSITION AND FORECASTS

The Otago Museum is a public facility, open every day except Christmas Day.

Our internationally significant collection numbers over 1.5 million objects, and we employ over one hundred staff, including casuals and part-time staff.

The Museum is, by any measure, a major business, and like any business we require income to sustain our operations.

The levies paid by our contributing local authorities – Dunedin City Council, Clutha District Council, Waitaki District Council and Central Otago District Council – are hugely important to the Museum. They enable core costs such as salaries (other than for commercial activity), energy, insurance and rates, along with administrative costs and asset maintenance, to be covered.

This ongoing support from our local authorities also facilitates an engaging range of exhibitions, visitor programmes and initiatives that see the Museum continue to serve our communities.

By combining levies from local authorities with income from our commercial activities, the Museum is able to achieve the income necessary to sustain high levels of service delivery for the community.

The local authority levy has not increased for the 2015–2016 year. For four out of the last five years, the Otago Museum local authority levy has not been adjusted for inflation. This position is not sustainable for the Museum in the medium term.

While there has been no increase in contributions, the Museum has been able to rely on the reserves that have

been built up due to a period of relatively low capital expenditure. Going forward, there are ambitious plans for development (see capital projects listed overleaf) that will utilise these reserves and, accordingly, mean there is a need for some increase in core funding in order to remain sustainable.

The Museum has some significant repairs and maintenance projects to pay for, including replacing the heating and ventilation system as the current system has failed. A lift is also being replaced and our buildings are due a scheduled painting.

We are enormously proud that self-generated income covers just under half of our operational needs. Going forward, we intend to work hard to grow our commercial income and identify new income streams.

With the opening of the new immersive theatre/planetarium (planned for October 2015) and the work being put into Discovery World and gallery redevelopments, the Museum will continue to be a major tourist attraction and an exciting place to visit.

We are also working hard on research projects that will benefit the community and the University of Otago.

FINANCIAL POSITION AND FORECASTS

In February 2015 the Otago Museum submitted our plans for the next ten years to the Dunedin City Council Long Term Plan 2015/16–2024/25, which were included in the Draft Long Term Plan for public consultation.

The projects identified by the Museum as requiring additional support from funding authorities were as follows:

Project	Year	Amount requested	Estimated Total Project cost
Shanghai Natural History Museum exhibition	2015/16	\$75,000	\$375,000
Discovery World educational suite	2016/17	\$50,000	\$2.7 million
Jade and pounamu exhibition to be developed with the Shanghai Museum	2016/17	\$75,000	\$375,000
Tāngata Whenua digitisation project	2017/18	\$50,000	\$100,000
150th birthday exhibition	2018/19	\$50,000	\$500,000
Conservation Centre of Excellence – feasibility study	2018/19	\$25,000	TBD
Collections Centre and Open Store	2019/20	\$100,000	\$10 million
People of the World	2021/22	\$100,000	\$1.5 million
Pacific Cultures	2022/23	\$100,000	\$1 million
Southern Land, Southern People	2023/24	\$100,000	\$2 million
Museum Entrance Area	2024/25	\$200,000	\$2 million
Moa Gallery	2025/26	\$50,000	\$2 million
Sir Edmund Hillary Gallery	2025/26	\$50,000	\$250,000

The Dunedin City Council proposed that, until plans for the later developments have been firmed up, they offer grants of \$75,000 additional rates funding each year for the next four years to assist the Museum with the following six projects: Shanghai Natural History Museum exhibition; Discovery World educational suite; Shanghai Museum jade and pounamu exhibition; Tāngata Whenua digitisation project; Otago Museum's 150th anniversary birthday exhibition; and Conservation Centre of Excellence.

At time of publishing the Otago Museum draft annual plan for 2015–2016, the outcome of the proposal is still to be determined following public feedback.

**OTAGO MUSEUM TRUST BOARD
STATEMENT OF FINANCIAL PERFORMANCE
FOR THE 5 YEARS ENDED 30 JUNE 2017**

	Core Operations					Business Units					Special and Trust Funds					Total				
	2012/2013 ACTUAL	2013/14 ACTUAL	2014/15 BUDGET	2015/16 BUDGET	2016/17 BUDGET	2012/2013 ACTUAL	2013/14 ACTUAL	2014/15 BUDGET	2015/16 BUDGET	2016/17 BUDGET	2012/2013 ACTUAL	2013/14 ACTUAL	2014/15 BUDGET	2015/16 BUDGET	2016/17 BUDGET	2012/2013 ACTUAL	2013/14 ACTUAL	2014/15 BUDGET	2015/16 BUDGET	2016/17 BUDGET
Income																				
Executive	746	1,018	554	-	-	-	-	-	-	-	-	-	-	-	-	746	1,018	554	-	-
Collections and Research	9,216	-	-	-	-	-	-	-	-	-	-	-	-	-	-	9,216	-	-	-	-
Experience and Development	115,662	12,746	47,096	12,346	12,593	-	-	-	-	-	-	-	-	-	-	115,662	12,746	47,096	12,346	12,593
Finance and Commercial	4,804	3,868	2,986	1,000	1,020	1,733,921	1,727,743	1,778,575	1,828,400	1,864,968	-	-	-	-	-	1,738,725	1,731,611	1,781,561	1,829,400	1,865,988
Visitor Interaction and Programmes	233,818	231,149	262,360	287,210	292,954	431,253	406,246	420,352	578,475	764,949	-	-	-	-	-	665,071	637,395	682,712	865,685	1,057,903
Assets and Technology	852	7,302	-	4,500	4,590	-	-	-	-	-	-	-	-	-	-	852	7,302	-	4,500	4,590
Special and Trust Funds	-	-	-	-	-	-	-	-	-	-	813,242	641,754	728,148	705,341	544,365	813,242	641,754	728,148	705,341	544,365
CLA Contribution and Other Income	4,105,710	4,104,531	4,186,852	4,186,706	4,270,440	-	-	-	-	-	-	-	-	-	-	4,105,710	4,104,531	4,186,852	4,186,706	4,270,440
Total Income	4,470,808	4,360,614	4,499,848	4,491,762	4,581,597	2,165,174	2,133,989	2,198,927	2,406,875	2,629,917	813,242	641,754	728,148	705,341	544,365	7,449,224	7,136,357	7,426,923	7,603,978	7,755,879
Wages and Salaries																				
Executive	(155,553)	(360,906)	(324,390)	(358,625)	(365,797)	-	-	-	-	-	-	-	-	-	-	(155,553)	(360,906)	(324,390)	(358,625)	(365,797)
Collections and Research	(466,985)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(466,985)	-	-	-	-
Experience and Development	(667,353)	(1,061,157)	(1,076,052)	(1,322,725)	(1,349,179)	-	-	-	-	-	-	-	-	-	-	(667,353)	(1,061,157)	(1,076,052)	(1,322,725)	(1,349,179)
Finance and Commercial	(210,618)	(251,774)	(243,155)	(281,770)	(287,405)	(501,992)	(584,583)	(558,805)	(614,705)	(626,999)	-	-	-	-	-	(712,610)	(836,357)	(801,960)	(896,475)	(914,404)
Visitor Interaction and Programmes	(858,673)	(938,345)	(896,099)	(950,000)	(969,000)	(46,813)	(45,628)	(41,176)	(132,384)	(153,708)	-	-	-	-	-	(905,486)	(983,973)	(937,275)	(1,082,384)	(1,122,708)
Assets and Technology	(345,863)	(337,214)	(387,221)	(348,837)	(355,813)	-	-	-	-	-	-	-	-	-	-	(345,863)	(337,214)	(387,221)	(348,837)	(355,813)
Special and Trust Funds	-	-	-	-	-	-	-	-	-	-	(36,762)	-	-	-	-	(36,762)	-	-	-	-
Total Wages and Salaries	(2,705,045)	(2,949,396)	(2,926,917)	(3,261,957)	(3,327,194)	(548,805)	(630,211)	(599,981)	(747,089)	(780,707)	(36,762)	-	-	-	-	(3,290,612)	(3,579,607)	(3,526,898)	(4,009,046)	(4,107,901)
Direct Costs																				
Executive	(532,668)	(283,561)	(285,254)	(359,377)	(366,565)	-	-	-	-	-	-	-	-	-	-	(532,668)	(283,561)	(285,254)	(359,377)	(366,565)
Collections and Research	(60,811)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(60,811)	-	-	-	-
Experience and Development	(391,140)	(443,858)	(520,075)	(545,337)	(556,245)	-	-	-	-	-	-	-	-	-	-	(391,140)	(443,858)	(520,075)	(545,337)	(556,245)
Finance and Commercial	(12,247)	(37,331)	(22,523)	(21,250)	(21,675)	(810,830)	(789,855)	(837,739)	(842,198)	(859,042)	-	-	-	-	-	(823,077)	(827,186)	(860,262)	(863,448)	(880,717)
Visitor Interaction and Programmes	(98,402)	(85,958)	(138,710)	(92,216)	(94,060)	(143,997)	(132,551)	(147,456)	(193,412)	(240,804)	-	-	-	-	-	(242,399)	(218,509)	(286,166)	(285,628)	(334,864)
Assets and Technology	(268,179)	(297,473)	(324,302)	(380,933)	(388,552)	-	-	-	-	-	-	-	-	-	-	(268,179)	(297,473)	(324,302)	(380,933)	(388,552)
Special and Trust Funds	-	-	-	-	-	-	-	-	-	-	(59,213)	(58,281)	(29,000)	(29,000)	(29,000)	(59,213)	(58,281)	(29,000)	(29,000)	(29,000)
Depreciation Expense	(946,226)	(1,048,775)	(1,187,064)	(1,216,420)	(1,204,773)	-	-	-	-	-	-	-	-	-	-	(946,226)	(1,048,775)	(1,187,064)	(1,216,420)	(1,204,773)
Indirect Costs	(835,182)	(779,860)	(1,052,364)	(853,928)	(871,006)	-	-	-	-	-	-	-	-	-	-	(835,182)	(779,860)	(1,052,364)	(853,928)	(871,006)
Total Direct Costs	(3,144,855)	(2,976,816)	(3,530,292)	(3,469,461)	(3,502,876)	(954,827)	(922,406)	(985,195)	(1,035,610)	(1,099,846)	(59,213)	(58,281)	(29,000)	(29,000)	(29,000)	(4,158,895)	(3,957,503)	(4,544,487)	(4,534,071)	(4,631,722)
Net Contribution	(1,379,092)	(1,565,598)	(1,957,361)	(2,239,656)	(2,248,473)	661,542	581,372	613,751	624,176	749,364	717,267	583,473	699,148	676,341	515,365	(283)	(400,753)	(644,462)	(939,139)	(983,744)

Contribution Adjusted for Depreciation

	2012/2013 ACTUAL	2013/14 ACTUAL	2014/15 BUDGET	2015/16 BUDGET	2016/17 BUDGET	2012/2013 ACTUAL	2013/14 ACTUAL	2014/15 BUDGET	2015/16 BUDGET	2016/17 BUDGET	2012/2013 ACTUAL	2013/14 ACTUAL	2014/15 BUDGET	2015/16 BUDGET	2016/17 BUDGET	2012/2013 ACTUAL	2013/14 ACTUAL	2014/15 BUDGET	2015/16 BUDGET	2016/17 BUDGET
Net Contribution	(1,379,092)	(1,565,598)	(1,957,361)	(2,239,656)	(2,248,473)	661,542	581,372	613,751	624,176	749,364	717,267	583,473	699,148	676,341	515,365	(283)	(400,753)	(644,462)	(939,139)	(983,744)
Add Back Depreciation	946,226	1,048,775	1,187,064	1,216,420	1,204,773	-	-	-	-	-	-	-	-	-	-	946,226	1,048,775	1,187,064	1,216,420	1,204,773
Net Contribution Before Capex	(432,866)	(516,823)	(770,297)	(1,023,236)	(1,043,700)	661,542	581,372	613,751	624,176	749,364	717,267	583,473	699,148	676,341	515,365	945,943	648,022	542,602	277,281	221,029
Capex Expenditure	(127,018)	(69,945)	(250,000)	(528,000)	(1,050,000)	-	-	-	-	-	(1,590,228)	(363,144)	(833,597)	(2,268,597)	(403,597)	(1,717,246)	(433,089)	(1,083,597)	(2,796,597)	(1,453,597)
Net Contribution After Capex	(559,884)	(586,768)	(1,020,297)	(1,551,236)	(2,093,700)	661,542	581,372	613,751	624,176	749,364	(872,961)	220,329	(134,449)	(1,592,256)	111,768	(771,303)	214,933	(540,995)	(2,519,316)	(1,232,566)

Notes:

* Core operating activities include those funded by CLA funding as well as some Museum contributions.

* Business units include Museum Café, Facilities, Tours, Tropical Forest, Shop and Roast Office. This also includes the Planetarium from the mid-2016 financial year.

* Special and Trust Funds show the movement within the funds as well as the interest, dividends and foreign exchange movement for the period.

* There has been the following divisional changes over the past two years:

Changes from 2013–2014

Collections and Research has combined with Experience and Development to become Collections, Research and Experience.

* Special and Trust Funds include accrued interest and interest allocated to the Equalisation Reserve (to maintain capital).

**OTAGO MUSEUM TRUST BOARD
STATEMENT OF FINANCIAL PERFORMANCE
FOR THE 5 YEARS ENDED 30 JUNE 2017**

Footnotes:

1. No increase in CLA contribution has been budgeted for the 2015/16 year. A 2% increase has been budgeted for the years following.
Below is a summary of the CLA contributions per budget:

2011/12	4,021,668
2012/13	4,021,668
2013/14	4,021,668
2014/15	4,102,101
2015/16	4,102,101
2016/17	4,184,143

2. Staffing costs have been budgeted to increase with the increased number of staff in some areas (particularly Collections). As most contracts were reviewed, no pay increase has been budgeted for 2015/16. Beyond this, a general assumption of 2% base increases each year has been made for all salaries and wages.

3. Overall indirect costs are not expected to decrease to prior levels due to forecasted increases in other costs such as electricity, gas and insurance. Visitor Interactions and Programmes does see a decrease in budgeted costs, with the recent reorganisation of this division.

4. Indirect costs have been budgeted to decrease with the reallocation of repairs and maintenance expenditure throughout the divisions rather than having a large capital provision within indirect costs.

5. While capital expenditure projects have been budgeted, these will only go ahead if sufficient funding is available. Major projects covered by the budget include:

	<u>2014/15</u>	<u>2015/16</u>	<u>2016/17</u>
* Building Development	-	30,000	-
* Main Passenger Lift	125,000	3,000	-
* Chiller	-	300,000	-
* Hutton/Atrium Theatre Refurb and Sound System	40,000	80,000	-
* Vehicles	30,000	30,000	-
* Energy Efficiency	15,000	20,000	15,000
* Planetarium	500,000	825,000	125,000
* Dpad	-	-	250,000
* Computer and Software	100,000	100,000	100,000
* Discovery World Refreshment and Planetarium	200,000	1,200,000	600,000
* Te Matapihi/Tāngata Whenua	-	-	250,000
* Health and Safety	-	50,000	50,000
* Café Equipment	40,000	15,000	10,000
* Website	-	60,000	-
* Conservation	-	50,000	20,000

6. Business unit contributions are expected to continue to improve each year.

7. Business unit income is expected to increase each year, as are costs to an extent. Please note that Venues had a bumper year in 2012/13, pushing revenue up that year. Expenditure and income in Visitor Interactions and Programmes is expected to increase significantly from 2015/16 due to the opening of the Planetarium.

8. CLA contribution and other income includes donations, collection boxes and interest income, as well as any income received from exhibitions and programmes.

9. Direct costs increases in 2012/13 can be attributed to the transitional costs incurred with the departure of the CE.

10. Wages and salaries reported Special and Trust Funds in 2012/13 represent a retirement payment paid to an ex-staff member.

11. Gains made on the sale of shares are included in the actual income, but not included in the budget. The actual figures also include donations received.



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