

WELLINGTON MUSEUMS TRUST ANNUAL REPORT 2005/06 REVIEW

1. Introduction

Wellington Museums Trust (WMT) has submitted its audited annual report for the year to 30 June 2006.

2. Key Issues

While there are a number of important future issues listed under that section, there are no current key issues.

3. Performance

a. Financial

Statement of Financial Performance

\$ '000	FY Actual	FY Budget	2004/05 Actual
Income	7,285	7,188	7,241
Expenditure	7,383	7,293	7,340
Operating surplus	(98)	(105)	(99)

Statement of Financial Position

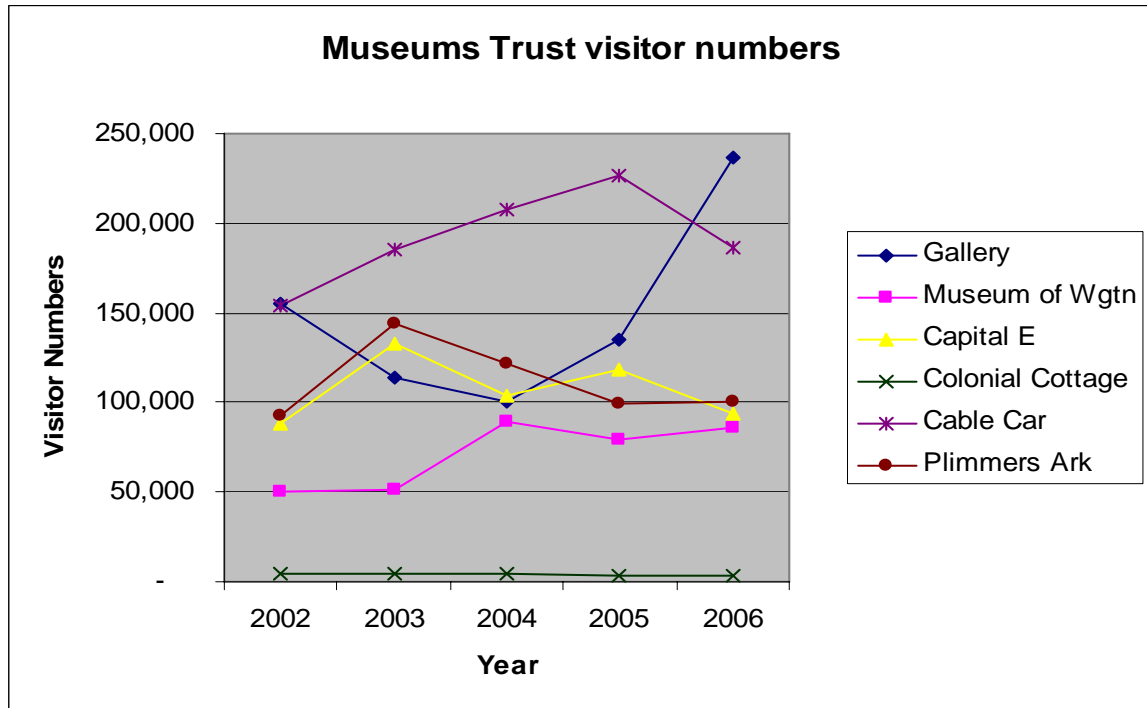
\$ '000	FY Actual	FY Budget	2004/05 Actual
Current assets	415	387	645
Non-current assets	5,476	5,442	5,551
Current liabilities	686	550	818
Non current liabilities	279	387	354
Equity	4,926	4,891	5,024
Current ratio	0.6:1	0.7:1	0.8:1
Equity ratio	83%	83%	81%

Statement of Cash Flows

\$ '000	FY Actual	FY Budget	2004/05 Actual
Operating	313	325	398
Investing	(368)	(230)	(390)
Financing	(68)	(50)	(64)
Net	(124)	45	(57)
Closing balance	39	47*	163

* Note that this assumes that the opening cash position was \$2,112 rather than the actual opening cash position of \$162,666

b. Non Financial



While visitor numbers for the City Gallery increased, all other facilities saw stable or declining visitor numbers.

c. KPIs

Measure	Target 2005/06	Result 2005/06	Comment
Visitor Numbers			
City Gallery	130,000	236,406	Mostly Achieved
Capital E	85,000	93,426	
City and Sea	85,000	85,435	
Plimmers Ark	100,000	100,229	
Colonial Cottage	4,000	2,989	
Cable Car	220,000	186,782	
Museum	3,000	2,134	
Subsidy per Customer	8.80	7.83	Achieved
Average retail income per Customer	1.70	1.55	Not Achieved

The Cable Car museum has not attracted as many visitors as the WMT forecast. The forecast of 220,000 for the Cable Car museum appears high given that the museum was closed during part of the year.

4. Key items for the year

- The City Gallery enjoyed record visitor numbers of over 236,000. Exhibitions at the gallery included Australian artist Patricia Piccinini.
- The WMT received confirmation that the Capital E National Theatre for Children's production of Hinepau will be performed at the Arts Centre, Melbourne and the Sydney Opera House.
- The extended Wellington Cable Car museum was completed during the year.
- After a review of the IT capability it was decided to network all the WMT sites. This project was completed in April 2006.

5. Governance

There were no changes in Trustees for the year. Councillor Ritchie was only able to attend 3 of her 8 meetings due to illness.

4 of the 5 Trustees have terms that expire in 2007 including the Chair.

6. Comments Regarding Council

- The WMT has completed much of the preliminary research (for the benchmarking review) in early February. The WMT provided this report to WCC in October 2006.
- The WMT is pleased to note that allowance has been made within the recently published LTCCP for inflation in future years
- The WMT requires the council's decision on the best option for the future (for Inconstant (Plimmers ark)
- Current funding level means continued contraction of some services and inability to meet potential across all facilities
- The WMT acknowledges the excellent working relationship the trust has with the council officers

7. Future Plans / Issues

- The WMT does not feel that the current collection storage is adequate. They are looking at re-housing the collection in the next three years. A number of options are being considered including sharing storage facilities with other organisations in the Wellington region.
- The issue of the Inconstant (Plimmers Ark) has not yet been resolved. The WMT are going to re-present a paper on options for Inconstant (Plimmers Ark) which includes costs of conservation and display and recommends an option to Council.
- Through the Hancock bequest and other donations to the Gallery Foundation, the City Gallery is being extended and redeveloped. This

will provide additional exhibition space, a new auditorium and better catering facilities.

- There is no secure funding in place for the Capital E National Arts Festival or the Capital E National Theatre for Children. The WMT wishes to continue this activity and is seeking the required funding.
- There is a trend in a number of the financial indicators including:
 - Decline in current ratio
 - Consistent operating deficit
 - Net cash outflow rather than inflow that was budgetedWhile this does not equate to an immediate problem, if it continues, it suggests that either the WMT will have to review and reduce expenditure, develop new sources of revenue, or the WCC grant will need to be increased. The WMT believe that these indicators show that they are currently underfunded. In the next year they will present a case for a funding “catch up”.
- The WMT are planning to upgrade their accounting system.

8. Conclusion

The City Gallery was the best performer in the WMT stable. Officers will work with the Museums Trust on the future plans and issues.