



Statement of Intent 2014-15
Wellington Museums Trust

Presented to the Council Controlled Organisations Performance Sub Committee
pursuant to Schedule 8 of the Local Government Act 2002

DRAFT

Contents

Executive Summary	3
Introduction.....	4
Strategic Direction	5
Operating Environment Update	6
Strategic Framework	7
Nature and Scope of Activities.....	9
Performance Measurement	13
Board’s Approach to Governance.....	15
Organisational Health, Capability and Risk Assessment	16
Financial Position	18
Appendix 1: Forecast Financial Statements	19
Appendix 2: Accounting Policies.....	23
Appendix 3: Performance Measurements by Institution	27
Directory	30

Executive Summary

Wellington Museums Trust is proud of the contribution it makes to Wellington. Our team, exhibitions, events and public programmes contribute to the economic and cultural capital of the city and make it a great and vibrant place to visit, live, work and invest in. We will continue to offer innovative and inspiring experiences that engage and entertain within the resource base we have available to us.

Priority projects for the planning period which sit alongside our continuous improvement strategies and performance commitments include:

- The Museum of Wellington City & Sea development and the completion of Phase One in 2015 to mark Wellington's 150th anniversary of being made Capital City on 26 July 1865;
- Progressing plans to revitalise City Gallery's entrance as part of the redesign of Civic Square;
- Establishing a long-term approach for Carter Observatory that fosters financial viability and provides for essential re-investment in the product; and
- Developing strategies to implement priority findings of the review of the Trust's provision for children and young people.

These priorities reflect our desire to make a relevant and compelling contribution to the city's future and our commitment to work closely with Council to help it realise its growth strategy for Wellington. Sector partnership and leadership will continue to be the hallmarks of the Trust's work.

The increase of \$162,000 to our Council operating grant contributes to our ability to break-even and fully fund depreciation in 2014-15. This timely increase alleviates short-term pressure but does not address the long-term challenge of meeting regular fixed cost operating increases. We will continue to give revenue generation a priority and to make modifications to our operating model in order to remain in a position to break-even. This will be balanced with our commitment to maintain quality and maximise access to our institutions. As requested by Council we will also undertake an assessment of the impact of Council's Living Wage initiative on our organisation in time for the 2014-15 Long-term Plan review.

Developments related to our priority strategic projects will affect visitor numbers in 2014-15. City Gallery may be affected by the seismic strengthening of the Town Hall and the temporary closure of Museum of Wellington City & Sea as the construction phase of its development begins will reduce annual visitation by approximately 8,000. In addition, we will continue to monitor the effect the new Cable Car terminus has on traffic to the Cable Car Museum and Carter Observatory and work with precinct partners to optimise the visitor experience on this iconic Wellington tourist destination.

We welcome Council's financial commitment to the development of the Museum of Wellington City & Sea. This is a major undertaking which will increase the visitor experience within this award-winning museum and enable us to tell more Wellington stories and to show more of the region's heritage treasures.

The Board and staff have worked together to further refine our vision and purpose statements and goals to ensure that they reflect our commitment to Wellington; our visitors; our financial viability; our heritage; and our staff. Together these provide the strategic framework for this document and will shape future planning.

Introduction

The Wellington Museums Trust operates six institutions on behalf of the Wellington City Council. These are Capital E, Carter Observatory, City Gallery Wellington, Colonial Cottage Museum, Museum of Wellington City & Sea (including the Plimmer's Ark display in the Old Bank Arcade) and the Wellington Cable Car Museum. We also have a management agreement with the New Zealand Cricket Museum Trust to provide in-kind support including financial management. These onsite, online and outreach experiences encompass art, heritage, culture, social history, science, theatre and digital technology.

The Trust was established by Council in 1995 and is dependent on Council for long-term financial sustainability and to operate as a going concern. Council's direct financial contribution represents 70% of total budget.

The Statement of Intent reflects the relationship and interest that the Council has in the Trust and the contribution of the Trust to the Council's vision for the future of Wellington. Specifically it outlines our intentions for the next three years with detailed focus on the financial period to 30 June 2015.

Key Performance Indicators (KPI) are used to assess achievements and progress towards the Trust's vision, goals and strategic priorities which link to Council's strategic priorities as expressed through *Wellington Towards 2040: Smart Capital* and other relevant strategies and plans.

The Trust is a Council Controlled Organisation and this Statement of Intent is a strategic compliance document presented in accordance with Section 59 of the Local Government Act 2002.

Strategic Direction

Alignment with Council

Wellington Museums Trust aligns its priorities with Wellington City Council's strategic direction. Our strategy and policy is informed by and refers to Council's Arts and Culture, and Economic Development Strategies, Digital Strategy, Events Policy, Accessible Wellington Action Plan, and other relevant guiding documents.

Our strategic priorities also reflect Council's strategic direction and are aligned with Council's *8 Big ideas – A growth agenda to transform the city.*

Core Purpose

Wellington Museums Trust is a unique combination of institutions that collaborate and draw upon each other's strengths, skills and experiences to deliver excellent, sector-leading cultural experiences that are quintessentially Wellington.

Vision

Wellingtonians and visitors to the city experience new ways of seeing arts, culture, heritage, space science and Wellington.

Goals

OUR CITY

- We make a compelling contribution to Wellington's economy and standing as the arts and cultural capital of New Zealand.

OUR VISITORS

- We operate popular visitor attractions.
- We provide a balanced programme that achieves high levels of quality, public participation and appreciation.

OUR SUSTAINABILITY

- We remain financially viable.

OUR PEOPLE

- We are a good employer.

OUR HERITAGE

- We develop and manage our heritage collections.

Operating Environment Update

Factors which affect the operation of our visitor attractions include Council policy and strategy, consumer and business confidence, the tourism market and the activities of other visitor attractions within the city and region, changes/developments within our city locations and naturally-occurring events such as earthquakes and the weather.

Our on-going challenge is to meet fixed-cost increases while continuing to maintain quality visitor experiences. Our opportunities to generate revenue are limited and we are reliant on Council as owner for the majority of our operating funding. Salaries and wages are our largest cost and an area where we are constantly challenged to remain competitive. The projected cost for the Trust of instituting Council's Living Wage Policy will be assessed in the wider context of our operation.

Wellington's economy remains subdued in the context of employment uncertainty and business relocations and despite projected national economic growth. Council's *Growth agenda to transform the city* includes concert and conference facilities and a film museum which will provide a significant boost to tourism and will have positive spin-off for our operation. The addition of new concert facilities will alleviate pressure on performance venues which have been found to be earthquake-prone or unaffordable due to their value as conference facilities.

National and international tourists continue to make up a significant proportion of visitors to our institutions which contributes to our financial viability. Ensuring a strategic approach to planned development of important city locations that are tourism hubs such as Queens Wharf, the Cable Car Precinct and Civic Square is important to our operational success.

The development of the Museum of Wellington City & Sea includes landscaping to emphasise the heritage values of the site but also to resolve long-standing traffic issues which detract from the visitor experience to Queens Wharf and pose safety issues for visiting school groups. The opening of Capital E Central at 4 Queens Wharf and the mooted development of the film museum on Queens Wharf reinforce the need for this work.

We continue to advocate for better control of the Cable Car Precinct which is the second most visited tourism site in Wellington. The construction of the new Cable Car terminus had an impact on the operation of the Cable Car Museum and Carter Observatory with revenues suffering in 2013-14 demonstrating the interdependence of the operations including visitor attractions within the Precinct.

The opening of Memorial Park, World War 1 commemorations and the celebration of Wellington being named capital city present an immediate opportunity to enhance Wellington's attractiveness as a destination for schools wishing to provide students with learning experiences focused on citizenship and nationhood. Council's commitment to better market Wellington's unique status as Capital City to schools has spin-off benefits for our institutions particularly Capital E Digital and Carter Observatory which are among the more popular visitor experiences for schools coming to Wellington.

In the 12 months since the preparation of our 2013-14 Statement of Intent there have been a number of natural events; earthquakes and a severe storm which had an immediate impact on our operations. The earthquakes temporarily dented visitor confidence and we experienced a significant drop-off in visitation during the traditionally popular time of the July 2013 school holidays. The storm on 20 June 2013 battered our buildings exposing leaks and causing a flood in one of our buildings. These events illustrated the importance of emergency preparedness and our reliance on Council to ensure that our buildings are fit-for-purpose.

The seismic strengthening of the Town Hall will impact on the operation of City Gallery as access to Civic Square is reduced. The temporary closure of the Civic Square portico taken to protect the public following the July 2013 earthquake reduced foot traffic to City Gallery and visitation during that period suffered. Site management that optimises visitor access to Civic Square is of critical importance to us during the work on the Town Hall.

Strategic Framework

Introduction

The Trust strives to improve operational performance and a number of strategies are in play to develop and strengthen our contribution to Wellington's economic growth and arts. Current focus is on improving access for all to our visitor experiences, enhancing digital engagement opportunities, improving the collection and processing of audience data and implementing an economic impact assessment tool with sector partners.

We will continue to provide sector leadership and apply our expertise to projects which enhance Wellington's position as a great place to visit, live, work and invest in. We are also acutely aware of the need to continue to develop non-Council revenue streams. We remain committed to ensuring that within our operating parameters our activities have the least harmful effect on the environment. These and other strategies are covered in detail in our 2014-15 Strategic Plan.

2014-15 Priority Projects

The following strategic priorities are projects that will significantly influence the operation of the Trust and which will require significant investment and/or operational change to realise.

Museum of Wellington City & Sea Development: Implement the visitor experience development plan for the Museum of Wellington City & Sea

The work undertaken in 2013-14 on the development of the Museum included Phase One going to building resource consent, contracting consultants, undergoing research, testing concepts and securing funding through public and private means. Phase One will be completed by July 2015 dependent on securing remaining funding.

2014-15 Targets

- Phase One of the development is completed (subject to funding);
- The third of four new Tall Screen Films is launched;
- Substantive Council capital funding confirmed through Long-term Plan and other channels; and
- Fundraising strategy for personal, community and business giving implemented and target achieved for Phase One and on track for future Phases.

City Gallery Wellington Entrance and Foyer Development: Develop and implement a visitor entry and commercial development plan for City Gallery Wellington

We propose to redevelop the front entrance and foyer area to promote City Gallery's presence within the Civic Square, improve visitor access, create a more functional and welcoming reception area and facilitate an expanded retail proposition.

The work done in 2013-14 identified the broad scope of the project (expanding it to incorporate Council's planning to date for the Civic Square/Urban Design) and we will participate in the work being done by the Civic Square/Urban Design planning group to ensure that this project aligns with the approach being taken by whole of Council. Architects will work with us to develop a project brief and to assist with architectural and planning liaison with Council.

In 2014-15 the project will be taken from brief to concept design, a feasibility study will be undertaken to assess impacts on visitor experience and commercial benefits. The project will be fully scoped (budget and timeframe to completion) and a project funding strategy implemented.

2014-15 Targets

- Participate in the Council's Civic Square/Urban Design planning group;
- Concept design completed;
- Feasibility study to assess impacts on visitor experience and commercial benefit completed;
- Project fully scoped (budget and timeframe to completion); and
- Fundraising strategy implemented.

Provision for children and young people: Investigate and implement priority findings from the review of the Trust's provision for children and young people

Capital E's transitional status has provided an opportunity to evaluate all of our provision for children and young people. Using the research as a foundation, a whole of organisation strategy for this important audience will be developed. Our objective is that our provision for children and young people is based on an audience development strategy and clear, compelling concept that draws together facilities, products and services, combinations, crossovers and partnerships into provision that children and youth want to engage in and stakeholders are prepared to fund.

Careful consideration of Capital E's transitional role and future is an integral part of this process. Discussion with internal and external stakeholders will ensure we are working to develop strong long-term provision for children and young people.

2014-15 Targets:

- A medium-term plan for the Trust's provision for children and young people inclusive of the transitional role of Capital E is developed;
- We will work toward developing a long-term approach for provision for children and young people including the future role of Capital E;
- The resources required to implement any changes to current strategy and provision are fully scoped; and
- Implementation plans are prepared for priority provision.

Carter Observatory: Establishing a long-term approach for Carter Observatory that fosters financial viability and provides for essential re-investment in the product

A review of Carter Observatory's operation in 2013-14 was prompted by its continued underperformance of both visitor numbers and revenue following operational adjustment. The review objectives were to balance Carter's education role with its public/tourist attraction one, while ensuring its revenue expectations were realistic and that it is able to achieve a break-even budget.

In 2014-15, the Trust will work with Council to establish and agree a long-term approach for Carter. This will include an operating model that balances the Observatory's education and public/tourist attraction roles, plus proposals for timetabled maintenance and capital expenditure for essential re-investment in the product, such as the replacement of planetarium projectors.

2014-15 Targets:

- A long-term approach for Carter's management is agreed with Council.
- A future capital and maintenance expenditure programme is confirmed with Council; and
- A break-even budget is achieved.

Nature and Scope of Activities

The following provides a brief description of the concepts and core offerings of each institution:

CAPITAL E

CONCEPT

Capital E is a centre for creativity for young people. It responds to the need for Wellington and New Zealand to foster confident, creative, capable citizens who can be architects of their own future. It engages with children and young people, their families and communities in the development and production of high quality, innovative cultural experiences which provide opportunities to share and respond creatively and which are for, with, by and/or between them. It is the Trust's leading provider in provision for children and young people.

PURPOSE

To lead, partner in, and inspire the delivery and development of innovative encounters that ignite and fuel young people's creativity, capability & confidence.

CORE OFFERING

Capital E is organised to develop and deliver programmes, events and activities in three areas of expertise: Digital Creativity; Live Creativity and Applied Creativity. These deliver specialist provision for children, young people and their caregivers, school students and their teachers via ONTV, National Theatre for Children and MediaLab.

Capital E will integrate these offerings through the biennial Arts Festival and a range of connecting encounters centred on the transitional Queens Wharf and Hannah Playhouse locations. Capital E also leads the annual Great Scavenger Hunt and provides programming in partnership for children at venues within and outside the Trust.

VISITOR PROFILE

60% of Capital E's audience is children aged up to 14 years drawn from culturally, geographically and economically diverse backgrounds. Creative New Zealand research highlights the over-representation of non-European ethnicities and of low socio-economic audiences at Capital E compared to other New Zealand cultural organisations. Approximately 70% of Capital E's overall visitation comes in groups from schools and early childhood education centres.

Family visitors tend to be Wellington region residents with annual household income of \$40,000 to \$80,000. Female caregivers dominate. School visitors are drawn from a national pool. There is very little visitation from tourists apart from pre-booked international education groups. Our primary audience is accessed through parents or teachers. Cost is a significant barrier to participation. Repeat visitation is high and 25% of our audience churns annually into a new age band, or out of our target demographic.

CITY GALLERY WELLINGTON

TE WHARE TOI

CONCEPT

City Gallery Wellington values artists and connecting them and their work with audiences and strives to provide its visitors with a meaningful experience of art. It presents a dynamic programme of temporary exhibitions dedicated to the most current thinking, creativity and innovation in art practice in the broadest sense. City Gallery's location in Civic Square provides a locus for artistic and cultural activity within the city and highlights the city's commitment to art and creativity. In Wellington, when you think art, you think City Gallery.

City Gallery enjoys working collaboratively with artists, galleries, collectors and a broad range of organisations to realise programmes of activity that are relevant, push and test art's boundaries and both transform and provide insight into our understanding of our world.

PURPOSE

Connecting art and audiences is fundamental to the Gallery's purpose and a range of activities are developed alongside exhibitions to help communicate their meaning to our visitors. All of City Gallery's activities aim to foster delight in, and a fascination with, the ideas explored in contemporary art.

CORE OFFERING

City Gallery is a venue for the display and debate about modern, contemporary and leading edge visual art. The exhibition programme constitutes City Gallery's core offering and is the most immediate, varied and energetic connection to audiences. All other activities pivot around the exhibitions and their interpretation for audiences and include publications, public events and education programmes.

As well as being a place of social interaction and learning about art, City Gallery includes a number of commercial activities and generates part of its revenue through retail, functions and venue hire, fundraising and entry charges for selected exhibitions.

VISITOR PROFILE

City Gallery attracts an essentially youthful audience drawn primarily from the Wellington region. It is typically female, Pakeha, has a high income and is already interested in art. Iwi Māori and Pacific communities are well represented. Over 30% of visitors are national or international. Research undertaken with Wellington Regional Residents in 2013 (Greater Say), cites City Gallery as the 7th most visited attraction amongst those aged 18+. Visitors to City Gallery that were respondents to this survey were most likely to visit by themselves, with their spouse/partner or friends. A net 20% of respondents visited with children (the most common age being children aged 5 – 10 years). The average age of the adult respondents visiting City Gallery was 42 years.

MUSEUMS WELLINGTON

TE WAKA HUIA O NGA TAONGA TUKU IHO

A container of precious objects/knowledge from the past

CONCEPT

Museums Wellington experiences showcase Te Upoko o te Ika a Māui (the Head of Māui's Fish), the Greater Wellington Region – Wellington City and harbour, Porirua and the Kapiti Coast, the Hutt Valley and the Wairarapa.

Through the Wellington Museums Trust Collections including heritage buildings, we are guardians of collections that are of cultural, social, historical, scientific and technological significance.

We reflect on Te Upoko o te Ika's natural and social history through telling stories by Māori and Pakeha from time past to present day and beyond.

Through our region's stories and the Southern Skies we establish local, national and international connections for our visitors.

We engage with our diverse communities by being a forum for stimulating new ideas and different voices in dynamic visitor experiences that are authoritative, thought-provoking and entertaining.

Each experience is unique but has the Museums Wellington stamp of quality through a common interpretative strategy that invites engagement, involvement and interaction by the visitor.

CARTER OBSERVATORY *Te Ara a Wha nui ki te Rangi*

Purpose

Carter Observatory connects visitors to the wonders of space science using both Western concepts of astronomy and Māori traditional knowledge of the skies.

Core Offering

The history of Carter Observatory and its former role as the national base for astronomical research provides an authentic experience. Our success as the lead science partner for Matariki and being recognised as an authority on major space events makes us relevant to a wider audience. Visitors to Carter can explore the night skies through heritage telescopes, through the exhibitions they learn about the Universe and space exploration, and are entertained with the very best planetarium shows from around the world.

Visitor Profile

A typical visitor to Carter Observatory is most likely to be from the greater Wellington region.

For most a visit to Carter is attached to a cable car ride. 25% of them are repeat visitors with most visitors staying for 1.5-2 hours. Most visit with their families or partners. They rate their visit as interesting and informative and find it good value for money. They are motivated to visit by word of mouth from family and friends. They're highly satisfied by their visit and would recommend Carter to others. 25% of Carter Observatory's total visitors are on school visits.

MUSEUM OF WELLINGTON CITY & SEA

Purpose

Museum of Wellington City & Sea tells the stories of Wellington.

Core Offering

Recognised as one of the world's top museums in 2013, the Museum of Wellington City & Sea celebrates the distinctive characteristics and history of the Wellington region, its place and peoples. It aspires to be the most talked about museum in New Zealand and aims to be internationally significant.

Visitor Profile

A typical visitor to Museum of Wellington is likely to be from Wellington. They are mostly employed full-time.

For most it is a destination visit and they enjoyed the whole Museum experience. 25% of them have visited before with most staying for 30 minutes to 1 hour. They are more likely to visit in small groups or with family. They are motivated to visit by what they hear, such as word of mouth from family and friends. They rate their visit as excellent or very good, would recommend the museum to others, and would visit again. The Museum has about 6% of its total visitation from school visits.

CABLE CAR MUSEUM

Purpose

The Cable Car Museum explores how technology shaped the city.

Core Offering

The Museum is the home of the story of Wellington's most iconic object, the Cable Car. The visitor experience explores the establishment of the Cable Cars, the development of the Kelburn area and the refurbishment of the 1905 Grip Car. The Museum's high visitation ensures that the shop income supports the Trust goal of financial viability.

Visitor Profile

A typical visitor to the Cable Car Museum is likely to be from Wellington and is a New Zealander. A significantly higher number of visitors to this Museum (compared to Museum of Wellington and Colonial Cottage Museum) are travellers from overseas. Only one third are employed full-time.

Over half of Wellingtonians have visited before, and most stayed less than 20 minutes. They are motivated to visit equally by advertising, word of mouth from family and friends, and signage. They rate their visit as good or very good, would recommend the museum to others, and would visit again. The extension of the building will also allow for new displays and with these being mainly interactive will increase the education and local markets especially during the quiet non-tourist season. For the Cable Car Museum less than 1% of the total visitors are school visits.

COLONIAL COTTAGE MUSEUM

Purpose

The Colonial Cottage Museum illustrates the story of Wellington through the Wallis family and their home from early settlement to the end of the 20th century.

Core Offering

The Colonial Cottage Museum is significant to Wellington with the Cottage being Wellington's oldest residence, the Wallis family story is illustrated in the refurbished Visitor Centre where life in Wellington over 125 years is told. The Cottage includes an interpreted garden setting.

Visitor Profile

A typical visitor to Colonial Cottage Museum is likely to be from Wellington and Wellington Region. Half of these visitors are employed full-time

Half of them have never visited before and stayed for the hour-long tour. They came by private motor car and with family. They are motivated to visit by what they hear, such as word of mouth from family and friends, and by advertising. They rate their visit as very good, would recommend the museum to others, and would visit again. The Colonial Cottage Museum has 35% of its visitation by school visits.

WELLINGTON MUSEUMS TRUST COLLECTIONS

Purpose

The Trust's Collections are an integral part of the Trust and contribute to its aspirations. The Collections are being developed so that they fully illustrate the Wellington region's unique identity through supporting exciting visitor experiences.

Core Offering

Access to the Collections is through an aspirational goal of 90% on display either at a Trust site, online or at other institutions outside of the Trust. The quality of the Collections is being steadily established through our de-accessioning programme and in identifying and then acquiring key items for the on-going refreshment programmes across the visitor experiences.

The Plimmer's Ark timbers provide us an opportunity to undertake a significant conservation project on behalf of the Wellington City Council.

Performance Measurement

Key Performance Indicators (KPI) include both non-financial and financial performance measures. See Appendix 3 for disaggregated information by institution if applicable to the KPI and as indicated below.

We introduced a revised approach to measuring visitation related performance in 2013-14 based on a range of +/- 5%. The mid-point of the range is the average achieved in the previous 3 years. This approach compensates for factors relating to programme variation and allows for unexpected impacts outside the control of the institutions such as changes in the operating environment. The relevant KPI are: Physical Visitation, Subsidy per Visit and Spend per Visitor.

OUR CITY

We make a compelling contribution to Wellington's economy and standing as the arts and cultural capital of New Zealand.

Performance

- City residents' awareness: The number of Wellingtonians who know about our institutions as assessed through the annual residents' survey conducted by Council. (Appendix 3 Table 1)

KPI	2013-14	2014-15	2015-16	2016-17
City Residents' Awareness (Trust Average)	85%	86%	88%	88%

OUR VISITORS

We operate popular visitor attractions

Performance

- Physical Visitation: The total number of visits to institutions including general public, education and function attendees. (Appendix 3 Table 2)
- Subsidy per visit: The Council subsidy per (physical) visitor. (Appendix 3 Table 3)
- Virtual visitation: The total number of unique user visits to institutional web/mobile sites. (Appendix 3 Table 4)
- Social media profile: A snapshot of Facebook friends and Twitter followers. (Appendix 3 Table 5)

KPI	2013-14	2014-15	2015-16	2016-17
Physical Visitation (Trust Total)*	562,073	583,123	584,198	617,273
Subsidy per visit (Trust Average)*	\$14.25	\$13.99	\$13.99	\$13.24
Virtual Visitation (Trust Total)	204,000	185,000	202,500	212,000
Social Media Profile (Trust Total)	13,975	24,000	26,250	28,000

*The KPI will be met if the result is within the range of +/-5% of the target

We provide a balanced programme that achieves high levels of quality, public participation and appreciation

Performance

- Quality of visit: Visitor feedback based on comfort, access, experience, knowledge gained, the friendliness of staff, the length of visit and overall enjoyment. (Appendix 3 Table 6)
- Repeat visitation: the number of visitors who have visited the institution at least once in the previous twelve months. (Appendix 3 Table 7)

KPI	2013-14	2014-15	2015-16	2016-17
Quality of visit (Trust Average)	90%	90%	90%	90%
Repeat Visitation (Trust Average)	26%	27%	28%	28%

OUR SUSTAINABILITY

We remain financially viable

Performance

- Financial Performance: A break-even budget and fully funded depreciation.
- Non-Council revenue: The total amount of revenue generated from non-Council sources. (Appendix 3 Table 9)
- Spend per visitor: Visitor related revenue (admissions and sales). (Appendix 3 Table 10)

KPI	2013-14	2014-15	2015-16	2016-17
Non-Council revenue (Trust Total)	\$2,786	\$3,241	\$2,801	\$3,203
Spend per visitor (Trust Average)*	\$2.99	\$3.10	\$2.63	\$2.95

*The KPI will be met if the result is within the range of +/-5% of the target

OUR PEOPLE

We are a good employer

Performance

- Health and Safety: No preventable serious harm incidents involving staff or visitors as defined by the Health & Safety in Employment Act 1992.
- Staff Satisfaction: Based on staff feedback gathered in the annual Staff Engagement Survey.

OUR HERITAGE

We develop and manage our heritage collections

Performance

- Collection Development: The percentage of progress towards aligning collections in our care with the Collections Policy.

KPI	2013-14	2014-15	2015-16	2016-17
Collection Aligned with Policy	85%	85%	85%	87.5%

Board's Approach to Governance

The Wellington Museums Trust is governed by a Trust Deed between the Council and the Trust, first executed on 18 October 1995 and updated on 15 August 2007.

Governance

Wellington Museums Trust Trustees are appointed by Council and are standard-bearers for the Trust's vision. They are responsible for setting the strategic direction for the Trust and approving the Statement of Intent and the Strategic Plan. The Board monitors organisational performance, the organisation's ongoing viability and the maintenance of its competitiveness. It delegates the day-to-day operation of the Trust to the Chief Executive, who reports to the Board.

The Board meets no fewer than nine times per year and operates two committees which review relevant matters prior to consideration by the full Board. These are the Audit and Risk (A&R) Committee and the People Planning and Performance (PPP) Committee. In addition, the Board will convene ad hoc working groups to consider specific issues. Guidance in specialist areas is also provided as appropriate.

Board committees

Audit and Risk (A&R) Committee assists the Board in carrying out its duties in regard to financial reporting, risk management and legislative compliance.

People Planning and Performance (PPP) Committee provides guidance and support to the Chief Executive in a Human Resources context.

Board membership

Trustee	Term expires	Committees
Quentin Hay, Chair	31 December 2015	<i>Ex officio</i>
Rachel Farrant	30 June 2016	Chair A&R
Jackie Lloyd	30 June 2014	Chair PPP
Jill Wilson	30 June 2016	PPP
Nicola Young	October 2016	A&R

Board performance

The Board will meet best practice governance standards and will undertake an annual review of the overall Board, individual and the Chair's performance and report to the Chair of Council's Committee of Economic Growth and Arts by 30 September 2014.

Council relationship principles

We will provide quarterly reports in the agreed format to Council on the agreed dates and present the Statement of Intent on the agreed date. Our Annual Report and audited accounts will be supplied to Council on 12 September 2014.

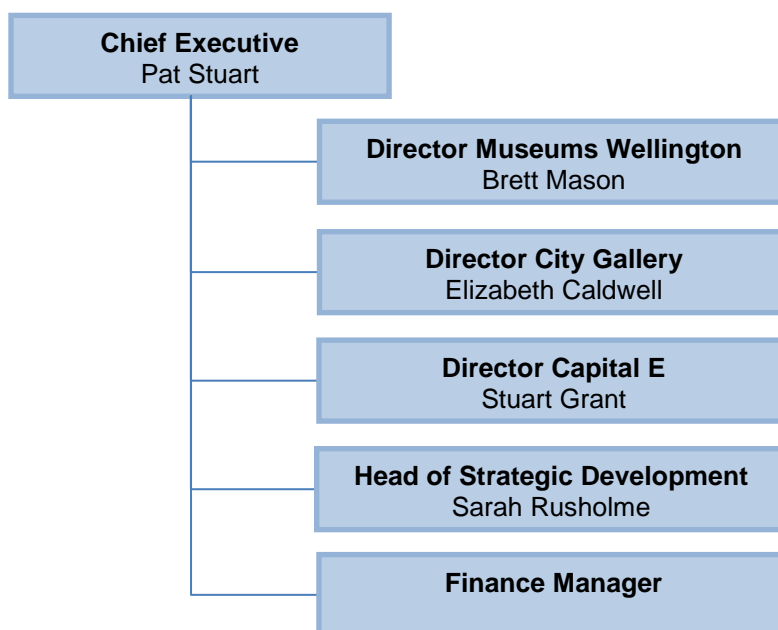
The principles governing the relationship with Council as our primary stakeholder include:

- Operating on a "no surprises" basis so that any significant event that may impact on either party is brought to their attention as soon as it can be reasonably done.
- Open and frank communication will occur between the Board and Council.
- Full disclosure of information will be provided to Council from the Board as deemed necessary by Council to ensure its interests are upheld.
- Early advice to Council in the event of any situation that may be potentially contentious in nature.
- Disclosing within the Trust's Business Plan any significant transactions that are planned.

Organisational Health, Capability and Risk Assessment

Introduction

The Trust is a balance of centralised services (governance, Chief Executive, finance, strategic development, human resources and information technology) and multi-tasking teams led by directors within institutions. The organisation chart follows:



Organisational health

The Trust is an award winning organisation that enjoys the confidence of stakeholders and sector colleagues. Our goal is that we are and remain a high performing organisation and that we are:

- innovative and committed to the achievement of our vision;
- committed to the effective and efficient use of resources;
- committed to excellent stakeholder and partner relationships; and
- socially and environmentally responsible.

Critical to achieving our vision and supporting Council's vision is the talent and experience of our staff, plus the resources we have available after fixed costs have been met for exhibitions and public programmes.

We survey staff annually to assess the level of engagement. This seeks feedback on a range of areas including vision and values, sense of community, leadership, communication, learning and development, and performance and rewards.

Capability

We bring to our work leadership, knowledge of audiences, networks and contacts, professional standards of presentation, access to our portfolio of facilities and collections and our commitment to presenting thought-provoking and entertaining visitor experiences.

We are a highly motivated organisation and rely on our workforce to be flexible and to go the extra mile. Our executive team is highly experienced in their respective fields.

Training and professional development is a priority and a small annual resource is set aside for this purpose.

We are committed to the principle of collaboration and shared services and will explore all reasonable opportunities to work with sector partners and with Council and its associated organisations for Wellington and its residents.

Risk assessment

Business continuity

The Trust's risk profile identifies events and or circumstances, and the impact that these have on our operations using a system that ranks the probability and level of impact of the event. It includes risk management strategies for specific events, some of which require recovery plans such as in the case of major natural disaster or pandemic which carry high risk values. In such events the Trust's ability to continue to operate following a major event will depend on factors outside of its control such as the extent of material damage to buildings and the continuation of Council funding.

Assessed risks which carry a lower risk value tend to be within the operational purview of the Trust with the exception of risks associated with poor buildings maintenance and plant performance issues which are Council's responsibility. An example of this is the poorly performing HVAC system at Carter Observatory which has had an on-going negative impact on the visitor experience including loss of revenue and has also put at risk very expensive digital equipment in the planetarium. These matters have been brought to Council's attention.

We review our risk profile regularly.

Health and Safety Responsibilities

The Trust is compliant with the Health and Safety in Employment Act 1992 and has a Health and Safety Plan incorporating policies and procedures. The Board implemented an interim Governance Monitoring Strategy in 2013-14 which provides it with a framework to assess organisation Health & Safety performance. This was done in anticipation of changes to the Act.

Health and safety issues relating to Council-owned buildings that the Trust occupies as a tenant are referred to Council in a timely manner.

Insurance

The Trust has adequate insurance cover to meet its specific business needs and deductibles are in line with generally accepted risk management principles and affordability.

Financial Position

The Forecast Financial Statements are provided in Appendix 1 and are presented on the basis that the Trust's Council baseline funding will be \$8,172,284 in 2014-15, inclusive of baseline funding for the Carter Observatory of \$312,000 and the rental subsidy for Council-owned buildings and other sites that the Trust occupies.

Total revenue is projected at \$11,413 million in 2014-15 decreasing to \$10,974 million in 2015-16 and increasing to \$11.376 million 2016-17. Total expenses are projected at \$11,469 million in 2014-15 decreasing to \$11.054 million in 2015-16 and increasing to \$11.664 million in 2016-17.

The assumptions underpinning the Trust's Financial Projections for 2014-15; 2015-16 and 2016-17 are:

Overall budget:

- The overall budget has been presented based on a projected saving of fixed costs of \$105,404 and the Trust achieving a break-even budget. Fixed costs include personnel and costs associated with occupancy such as energy, insurance and rent.
- Carter Observatory is included in the budget on at a deficit of \$44,900 excluding funding for depreciation.

Projected revenue:

- Trading income (admissions and sales) is forecast to increase due to the Capital E National Arts Festival for Children being included in 2014-15.
- Cultural Grants are provided by the Ministry of Education Learning Experiences Outside the Classroom (LEOTC) and Creative New Zealand (CNZ). CNZ funding includes increases for the Capital E National Theatre for Children and the biennial National Arts Festival and a one-off grant for a feasibility study relating to the future of the Hannah Playhouse and to facilitate access to the Playhouse for other performing arts groups.
- Donations and sponsorships will increase largely due to the fundraising for the 2015 Capital E National Arts Festival and fundraising for the Museum of Wellington City & Sea development.
- Council funding includes an increase of \$162,000 towards the Trust's operation which will be carried through into the two following financial periods and a one-off Capital grant of \$x.x million for Phase One of the Museum of Wellington City & Sea development to be completed in 2014-15.

Projected expenses:

- Salaries and wages are forecasted to increase by 2% per financial period.
- Insurance, telephone and electricity is forecasted to increase by 2% in 2014-15 and 2% thereafter.
- Depreciation has been projected based on the current assets plus an unchanged forecast of capital budgeting carried through from the last Statement of Intent. The development of the Museum of Wellington City & Sea is not anticipated to affect this projection.

The 2015-16 and 2016-17 projections are based on the 2014-15 budget plus a growth in major expenses of 2%.

Supporting Financial Information

The accounting policies are provided in Appendix 2.

Appendix 1: Forecast Financial Statements

Budget 30-Jun-14	STATEMENT OF FINANCIAL PERFORMANCE	Budget Qtr to 30-Sep-14	Budget Qtr to 31-Dec-14	Budget Qtr to 31-Mar-15	Budget Qtr to 30-Jun-15	Total YE 30-Jun-15	Total YE 30-Jun-16	Total YE 30-Jun-17
Revenue								
1,678	Trading Income	393	393	393	393	1,573	1,383	1,584
6,241	Council Operating Grant	1,601	1,601	1,601	1,601	6,403	6,403	6,403
1,769	Council Rental Grant	442	442	442	442	1,769	1,769	1,769
714	Other Grants	232	232	232	232	930	848	930
230	Sponsorships and Donations	108	108	108	108	431	261	381
65	Investment Income	18	18	18	18	70	70	70
98	Other Income	59	59	59	59	237	240	240
10,795	Total Revenue	2,853	2,853	2,853	2,853	11,413	10,974	11,376
Expenditure								
4,797	Employee Costs	1,171	1,171	1,171	1,171	4,685	4,785	4,885
1,769	Council Rent	351	351	351	351	1,406	1,406	1,406
1,082	Exhibitions & Programmes	546	546	546	546	2,185	1,727	2,198
300	Marketing & Promotions	168	168	168	168	674	623	679
910	Occupancy Costs (excluding Council Rent)	286	286	286	286	1,143	1,143	1,126
158	Communication Costs	32	32	32	32	126	120	120
108	Trustee Fees & Expenses	19	19	19	19	77	77	77
225	Technology Costs	42	42	42	42	167	167	167
39	Professional Fees	10	10	10	10	40	40	40
1,001	Administration Expenses	117	117	117	117	469	469	469
30	Other Operating Expenses	30	30	30	30	121	121	121
376	Depreciation	94	94	94	94	377	377	377
0	Interest	0	0	0	0	0	0	0
10,795	Total Expenditure	2,867	2,867	2,867	2,867	11,469	11,054	11,665
0	Net Surplus/(Deficit) before Taxation	(14)	(14)	(14)	(14)	(56)	(80)	(288)
	Taxation Expense							
0	Net Surplus/(Deficit)	(14)	(14)	(14)	(14)	(56)	(80)	(288)
0.0%	Operating Margin	-0.5%	-0.5%	-0.5%	-0.5%	-0.5%	-0.7%	-2.5%

APPENDIX 3

Total YE 30-Jun-14	STATEMENT OF FINANCIAL POSITION	Budget 30-Sep-14	Budget 31-Dec-14	Budget 31-Mar-15	Budget 30-Jun-15	Total YE 30-Jun-15	Total YE 30-Jun-16	Total YE 30-Jun-17
Shareholder/Trust Funds								
2,123	Share Capital/Settled Funds	2,123	2,123	2,123	2,123	2,123	2,123	2,123
0	Revaluation Reserves	0	0	0	0	0	0	0
38	Restricted Funds	38	38	38	38	38	38	38
1,392	Retained Earnings	1,378	1,364	1,350	1,336	1,336	1,256	967
3,553	Total Shareholder/Trust Funds	3,539	3,525	3,511	3,497	3,497	3,417	3,128
Current Assets								
20	Cash and Bank	11	11	11	11	11	11	11
113	Accounts Receivable	239	239	239	239	239	251	263
235	Other Current Assets	105	105	105	105	105	110	116
368	Total Current Assets	355	355	355	355	355	372	390
Investments								
73	Deposits on Call	1,665	42	1,661	79	79	(0)	0
0	Other Investments	0	0	0	0	0	0	0
73	Total Investments	1,665	42	1,661	79	79	(0)	0
Non-Current Assets								
4,145	Fixed Assets	4,163	4,182	4,200	4,218	4,218	4,312	4,105
16	Other Non-current Assets	16	16	16	16	16	16	16
4,161	Total Non-current Assets	4,179	4,198	4,216	4,234	4,234	4,328	4,121
4,602	Total Assets	6,199	4,595	6,232	4,669	4,669	4,700	4,512
Current Liabilities								
566	Accounts Payable and Accruals	572	577	622	671	671	758	832
483	Provisions	488	493	498	500	500	525	551
0	Other Current Liabilities	0	0	0	0	0	0	0
1,049	Total Current Liabilities	1,059	1,070	1,120	1,171	1,171	1,283	1,383
Non-Current Liabilities								
0	Loans - WCC	0	0	0	0	0	0	0
0	Loans - Other	0	0	0	0	0	0	0
0	Other Non-Current Liabilities	1,601	0	1,601	0	0	0	0
0	Total Non-Current Liabilities	1,601	0	1,601	0	0	0	0
3,553	Net Assets	3,539	3,525	3,511	3,497	3,497	3,417	3,128
0.35	Current Ratio	0.34	0.33	0.32	0.30	0.30	0.29	0.28
0.77	Equity Ratio	0.57	0.77	0.56	0.75	0.75	0.73	0.69

APPENDIX 3

Total YE 30-Jun-14	STATEMENT OF CASH FLOWS	Budget Qtr to 30-Sep-14	Budget Qtr to 31-Dec-14	Budget Qtr to 31-Mar-15	Budget Qtr to 30-Jun-15	Total YE 30-Jun-15	Total YE 30-Jun-16	Total YE 30-Jun-17
	Cash provided from:							
	1,967 Trading Receipts	397	393	393	393	1,577	1,366	1,566
	9,075 WCC Grants	3,644	442	3,644	442	8,172	8,172	8,172
	714 Other Grants	232	232	232	232	930	848	930
	230 Sponsorships and Donations	108	108	108	108	431	261	381
	65 Investment Income	18	18	18	18	70	70	70
	99 Other Income	59	59	59	59	237	240	240
	12,150	4,458	1,253	4,454	1,253	11,417	10,956	11,358
	Cash applied to:							
	4,797 Payments to Employees	1,171	1,171	1,171	1,171	4,685	4,785	4,885
	6,232 Payments to Suppliers	1,884	1,884	1,845	1,843	7,459	6,921	7,478
	610 Net GST Cashflow	(293)	(293)	(293)	(293)	(1,173)	(1,140)	(1,175)
	0 Other Operating Costs	0	0	0	0	0	0	0
	0 Interest Paid	0	0	0	0	0	0	0
	11,639	2,763	2,763	2,723	2,722	10,970	10,566	11,188
	511 Total Operating Cash Flow	1,695	(1,510)	1,731	(1,469)	447	391	170
	Investing Cash Flow							
	Cash provided from:							
	0 Sale of Fixed Assets	0	0	0	0	0	0	0
	0 Other	0	0	0	0	0	0	0
	Cash applied to:							
	451 Purchase of Fixed Assets	113	113	113	113	450	470	170
	0 Other	0	0	0	0	0	0	0
	451	113	113	113	113	450	470	170
	(451) Total Investing Cash Flow	(113)	(113)	(113)	(113)	(450)	(470)	(170)
Budget 30-Jun-14	STATEMENT OF CASH FLOWS (CONT)	Budget Qtr to 30-Sep-14	Budget Qtr to 31-Dec-14	Budget Qtr to 31-Mar-15	Budget Qtr to 30-Jun-15	Forecast to 30-Jun-15	Forecast to 30-Jun-16	Forecast to 30-Jun-17
	Financing Cash Flow							
	Cash provided from:							
	0 Drawdown of Loans	0	0	0	0	0	0	0
	0 Other	0	0	0	0	0	0	0
	Cash applied to:							
	0 Repayment of Loans	0	0	0	0	0	0	0
	0 Other	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0
	0 Total Financing Cash Flow	0	0	0	0	0	0	0
	60 Net Increase/(Decrease) in Cash Held	1,583	(1,622)	1,618	(1,582)	(3)	(79)	0
	32 Opening Cash Equivalents	92	1,675	53	1,671	92	89	10
	92 Closing Cash Equivalents	1,675	53	1,671	89	89	10	10

APPENDIX 3

Budget 30-Jun-14	CASH FLOW RECONCILIATION	Budget Qtr to 30-Sep-14	Budget Qtr to 31-Dec-14	Budget Qtr to 31-Mar-15	Budget Qtr to 30-Jun-15	Forecast to 30-Jun-15	Forecast to 30-Jun-16	Forecast to 30-Jun-17
0	Operating Surplus/(Deficit) for the Year	(14)	(14)	(14)	(14)	(56)	(80)	(288)
	Add Non Cash Items							
376	Depreciation	94	94	94	94	377	377	377
0	Other	0	0	0	0	0	0	0
376		80	80	80	80	321	296	88
	Movements in Working Capital							
54	(Increase)/Decrease in Receivables	(126)	0	0	0	(126)	(12)	(13)
	(Increase)/Decrease in Other Current							
(15)	Assets	130	0	0	0	130	(5)	(6)
250	Increase/(Decrease) in Accounts Payable	6	6	45	49	105	87	74
	Increase/(Decrease) in Other Current							
(154)	Liabilities	1,606	-1,596	1,606	-1,598	17	25	26
135		1,615	-1,590	1,650	-1,549	126	94	82
	Net Gain/(Loss) on Sale:							
0	Fixed Assets	0	0	0	0	0	0	0
0	Investments	0	0	0	0	0	0	0
511	Net Cash Flow from Operations	1,695	(1,510)	1,731	(1,469)	447	391	170

Appendix 2: Accounting Policies

Significant Accounting Policies

The following accounting policies which have a material effect on the measurement of results have been adopted by the Trust.

1. Reporting entity

The Wellington Museums Trust Incorporated (the Trust) is registered as a charitable entity under the Charities Act 2005. It is a Council Controlled Organization (CCO) in terms of the Local Government Act 2002.

The financial statements of the Trust include the activities of the following business units - the Wellington Museums Trust, the Museum of Wellington City & Sea, City Gallery Wellington, Capital E, the Colonial Cottage Museum, the Wellington Cable Car Museum and the Carter Observatory as from 1 June 2010.

The principal activity of the Trust is to manage the Trust Institutions and to operate them for the benefit of the residents of Wellington and the public generally.

The Trust has no intention of subscribing for, purchasing or otherwise acquiring shares in any other company or other organisation.

2. Basis of preparation

a) Statement of compliance and basis of preparation

The financial statements have been prepared in accordance with Generally Accepted Accounting Practice in New Zealand (NZ GAAP), applying the Framework for Differential Reporting for entities adopting the New Zealand equivalents to International Financial Reporting Standards, and its interpretations (NZ IFRS). The Trust is a public benefit entity, as defined under NZ IAS 1.

The Trust qualifies for differential reporting exemptions as it has no public accountability and the Trust is small in terms of the size criteria specified in Framework for Differential Reporting. All available reporting exemptions allowed under the Framework for Differential Reporting have been adopted, except for NZ IAS 7, *Cash flow Statements*.

b) Basis of measurement

The financial statements are prepared on the historical cost basis.

c) Presentation currency

These financial statements are presented in New Zealand dollars (\$).

3. Significant accounting policies

The accounting policies set out below will be applied consistently to all periods presented in the financial statements.

a) Property, plant and equipment

Items of property, plant and equipment are stated at cost, less accumulated depreciation and impairment losses.

(i) Subsequent costs

Subsequent costs are added to the carrying amount of an item of property, plant and equipment when that cost is incurred if it is probable that the future economic benefits embodied with the item will flow to the Trust and the cost of the item can be measured reliably. All other costs are recognised in surplus/ (deficit) as an expense as incurred.

(ii) Depreciation

Depreciation is charged to surplus/ (deficit) using the straight line method. Depreciation is set at rates that will write off the cost or fair value of the assets, less their estimated residual values, over their useful lives. The estimated useful lives of major classes of assets and resulting rates are as follows:

- | | |
|---------------------------|-----------------|
| ▪ Computer equipment | 33% SL |
| ▪ Office and equipment | 25% SL |
| ▪ Motor vehicles | 20% SL |
| ▪ Building Fittings | 5%-25% SL |
| ▪ Collections & artefacts | Not depreciated |

The residual value of assets is reassessed annually.

b) Collections and artefacts

Collections and artefacts are carried at cost. A substantial amount of the collections were acquired on 29 February 1996 from the Wellington Maritime Museum Trust. All subsequent purchases are recorded at cost. Because the useful life of the collections and artefacts is indeterminate they are not depreciated. They are periodically reviewed for impairment. The Trustees obtained a valuation on specific items to support the carrying value at 30 June 2011. The Trustees reconfirmed that the carrying value at 30 June 2013 is appropriate and that no impairment event has occurred.

c) Intangible assets**Computer software**

Software applications that are acquired by the Trust are stated at cost less accumulated amortisation and impairment losses.

Amortisation is recognised in surplus/ (deficit) on a straight-line basis over the estimated useful lives of intangible assets, from the date that they are available for use. The estimated useful lives for the current and comparative periods are as follows:

- | | |
|---------------------|--------|
| ▪ Computer software | 33% SL |
|---------------------|--------|

d) Trade and other receivables

Trade and other receivables are measured at their cost less impairment losses.

e) Inventories

Inventories (merchandise) are stated at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

Cost is based on the first-in first-out principle and includes expenditure incurred in acquiring the inventories and bringing them to their existing location and condition.

f) Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits.

g) Impairment

The carrying amounts of the Trust's assets other than inventories are reviewed at each balance date to determine whether there is any indication of impairment. If any such indication exists, the assets recoverable amount is estimated.

An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. Impairment losses directly reduce the carrying amount of assets and are recognised in surplus/ (deficit).

Estimated recoverable amount of other assets, e.g. property, plant and equipment and intangible asset, is the greater of their fair value less costs to sell and value in use. Value in use is determined by estimating future cash flows from the use and ultimate disposal of the asset and discounting these to their present value using a pre-tax discount rate that reflects current

market rates and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

h) Interest-bearing loans

Interest-bearing loans are recognised initially at fair value less attributable transaction costs.

i) Employee benefits

Long service leave The Trust's net obligation in respect of long service leave is the amount of future benefit that employees have earned in return for their service in the current and prior periods. The obligation is calculated using the projected unit credit method and is discounted to its present value. The discount rate is the market yield on relevant New Zealand government bonds at the Balance Sheet date.

j) Provisions

A provision is recognised when the Trust has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax discount rate that reflects current market rates and, where appropriate, the risks specific to the liability.

k) Trade and other payables

Trade and other payables are stated at cost.

l) Revenue

(i) Funding

The Trust's activities are supported by grants, sponsorship and admissions. Grants received that are subject to conditions are initially recognised as a liability and revenue is recognised only when the services are performed or conditions are fulfilled.

(ii) Services provided

Revenue from services rendered is recognised in profit or loss in proportion to the stage of completion of the transaction at the reporting date. Income is recognized as the service is provided (e.g. exhibition run). Where exhibitions are not scheduled to run until the following fiscal year, revenue is deferred and amortized to income throughout the period of the exhibition.

(iii) Donations

Cash donations from the community are recognized in the Income Statement at the point at which they are receipted into the Trust's bank account.

(iv) Sale of merchandise

Revenue from the sale of merchandise is recognised in surplus/ (deficit) when the significant risks and rewards of ownership have been transferred to the buyer. No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due, associated costs or the possible return of the merchandise, or where there is continuing management involvement with the merchandise.

m) Expenses

(i) Operating lease payments

Payments made under operating leases are recognised in surplus/ (deficit) on a straight-line basis over the term of the lease. Lease incentives received are recognised in surplus/ (deficit) over the lease term as an integral part of the total lease expense.

(ii) Finance income and expenses

Finance income comprises interest income. Interest income is recognised as it accrues, using the effective interest method.

Finance expenses comprise interest expense on borrowings. All borrowing costs are recognised in surplus/ (deficit) using the effective interest method.

n) Availability of future funding

The Trust is reliant on the Wellington City Council for a large part of its income and operates under a Funding Deed with the Council. The Funding Deed is for a period of three years and is extended annually for a further year subsequent to the initial 3 year term.

If the Trust was unable to continue in operational existence for the foreseeable future, adjustments may have to be made to reflect the fact that assets may need to be realized other than at the amounts stated in the balance sheet. In addition, the Trust may have to provide for further liabilities that might arise, and to reclassify property, plant and equipment as current assets.

o) Income tax

The Trust is registered as a Charitable Trust and is exempt from income tax. The Trust is not exempt from indirect tax legislation such as Goods and Services Tax, Fringe Benefit Tax, PAYE or ACC and accordingly it is required to comply with these regulations.

p) Goods and services tax

All amounts are shown exclusive of Goods and Services Tax (GST), except for receivables and payables that are stated inclusive of GST.

4. Ratio of Total Assets: Liabilities

- The Trust prefers to remain debt-free.
- Debt may not be raised to finance operating expenses.
- The Trust has a policy ratio of total assets to total liabilities of 3:1.

5. Activities for which compensation from Council is sought

The Trust seeks funding of \$8,172,284 inclusive of a core operational funding grant of \$6,403,304 and an accommodation rental subsidy of \$1,768,980 for the 2014-15 financial years and an extension of the Wellington Museums Trust Funding Deed executed on 28 October 1999 in accordance with clause 5.2 of the Deed. The contribution from Council represents 71.6% of total budget.

The Trust also seeks one-off funding of \$x.xxx,xxx as a capital contribution to Phase One of the development of the Museum of Wellington City & Sea to be completed in 2014-15.

6. Ratio of Shareholders' funds to total assets

Based on the forecasted Statement of Financial Position as at 30 June 2014 the ratio of shareholders' funds to total assets is 0.77 and this moves to 0.75 in the forecasted Statement of Financial Position as at 30 June 2015.

7. Significant Obligations/Contingent Liabilities

The Trust currently holds no cash reserves to meet operational requirements and to mitigate risks.

The Trust has no contingent liabilities.

8. Distribution to Settlor

The Wellington Museums Trust does not make a distribution to the Settlor.

Appendix 3: Performance Measurements by Institution

NB: Carter Observatory's visitor numbers and Council subsidy per visit will be confirmed once the 2014-15 business plan is agreed. Museum of Wellington City & Sea numbers are modelled to include an allowance for development closure. Capital E 2014-15 and 2016-17 figures include the National Arts Festival for Children.

Table 1 Residents' Awareness (Annual Survey)

Residents' Awareness	2013-14	2014-15	2015-16	2016-17
City Gallery Wellington	90%	92%	95%	95%
Museum of Wellington	92%	92%	95%	95%
Capital E	87%	90%	90%	90%
Wellington Cable Car Museum	92%	92%	95%	95%
Carter Observatory	90%	92%	95%	95%
Colonial Cottage Museum	57%	60%	60%	60%
Trust Average	85%	86%	88%	88%

Table 2 Physical Visitation*

Visitor Numbers	2013-14	Q1	Q2	Q3	Q4	2014-15	2015-16	2016-17
City Gallery Wellington	143,000	35,000	35,000	35,000	35,000	140,000	145,000	150,000
Museum of Wellington	94,000	20,160	24,840	24,840	20,160	90,000	104,000	104,000
Capital E	52,000	13,000	13,000	41,000	13,000	80,000	62,000	90,000
Cable Car Museum	220,998	50,512	59,987	59,987	50,512	220,998	220,998	220,998
Carter Observatory	50,000	11,250	13,750	13,750	11,250	50,000	50,000	50,000
Colonial Cottage Museum	2,075	531	531	532	531	2,125	2,200	2,275
Trust Total	562,073	130,453	147,108	175,109	130,453	583,123	584,198	617,273

*The KPI will be met if the result is within the range of +/-5% of the target

Table 3 Council Subsidy per Visit*

Museums Wellington includes the Museum of Wellington City & Sea, Cable Car Museum and the Colonial Cottage.

Subsidy per Visit	2013-14	2014-15	2015-16	2016-17
City Gallery Wellington	\$16.57	\$14.36	\$13.84	\$13.42
Museums Wellington	\$6.21	\$5.47	\$5.19	\$5.15
Capital E	\$29.83	\$17.43	\$20.69	\$15.50
Carter Observatory	\$7.06	\$7.36	\$7.37	\$7.37
Trust Average	\$14.25	\$13.99	\$13.99	\$13.24

*The KPI will be met if the result is within the range of +/-5% of the target

Table 4 Virtual Visitation

The total number of unique user visits to institutional web/mobile sites and (where applicable) YouTube channel

Virtual Visitor Numbers	2013-14	Q1	Q2	Q3	Q4	2014-15	2015-16	2016-17
City Gallery Wellington	90,000	18,000	18,000	18,000	18,000	72,000	76,000	78,000
Museums Wellington	30,000	10,375	10,375	10,375	10,375	41,500	46,500	51,500
Capital E	40,000	7,500	7,500	7,500	7,500	30,000	36,000	36,000
Carter Observatory	38,000	10,375	10,375	10,375	10,375	41,500	44,000	46,500
Trust Total	204,000	46,250	46,250	46,250	46,250	185,000	202,500	212,000

Table 5 Social Media Profile

A snapshot of the number Facebook friends, Twitter followers at period end. Capital E is not included in this KPI because its target audience is below the age allowed by Facebook and Twitter.

Virtual Visitor Numbers	2013-14	Q1	Q2	Q3	Q4	2014-15	2015-16	2016-17
City Gallery Wellington	10,000	3,875	3,875	3,875	3,875	15,500	16,500	17,000
Museums Wellington	825	812	812	813	813	3,250	4,000	4,750
Carter Observatory	3,150	1,312	1,312	1,313	1,313	5,250	5,750	6,250
Trust Total	13,975	5,999	5,999	6,001	6,001	24,000	26,250	28,000

Table 6 Quality of Physical Visit

Quality of the Visitor Experience	2013-14	2014-15	2015-16	2016-17
City Gallery Wellington	90%	90%	90%	90%
Museum of Wellington	90%	90%	90%	90%
Capital E	90%	90%	90%	90%
Wellington Cable Car Museum	90%	90%	90%	90%
Carter Observatory	90%	90%	90%	90%
Colonial Cottage Museum	90%	90%	90%	90%
Trust Average	90%	90%	90%	90%

Table 7 Repeat Visitation

Repeat Visitation	2013-14	2014-15	2015-16	2016-17
City Gallery Wellington	25%	25%	25%	25%
Museum of Wellington	25%	25%	25%	25%
Capital E	40%	40%	40%	40%
Wellington Cable Car Museum	25%	25%	25%	25%
Carter Observatory	17%	20%	23%	23%
Trust Average	26%	27%	28%	28%

Table 9 Non Council Revenue

Non Council Revenue (\$'000)	2013-14	2014-15	2015-16	2016-17
City Gallery Wellington	374	502	502	502
Museums Wellington	590	551	564	564
Capital E	994	1,417	1,045	1,417
Carter Observatory	612	501	500	501
Trust Total	2,786	3,241	2,801	3,204

Table 10 Spend per Visit*

Spend per Visit (\$)	2013-14	2014-15	2015-16	2016-17
City Gallery Wellington	0.94	1.71	1.65	1.60
Museums Wellington	1.55	1.39	1.37	1.37
Capital E	9.40	7.20	6.06	6.40
Carter Observatory	11.27	8.20	8.19	8.20
Trust Average	2.99	3.10	2.63	2.95

*The KPI will be met if the result is within the range of +/-5% of the target

DRAFT

Directory

Wellington Museums Trust Office

Level 1 The Bond Store
Queens Wharf, PO Box 893, Wellington
P: 471 0919, F: 471 0920
E: trust@wmt.org.nz
www.wmt.org.nz

City Gallery Wellington

Civic Square
101 Wakefield Street
PO Box 2199, Wellington
P: 801 3021, F: 801 3950
E: citygallery@wmt.org.nz
www.city-gallery.org.nz

Capital E

PO Box 3386, Wellington
P: 913 3720, F: 913 3735
E: capitale@wmt.org.nz
www.capitale.org.nz

Carter Observatory

Botanic Gardens
PO Box 893, Wellington
P: 910 3140
E: info@carterobservatory.org
www.carterobservatory.org

Museum of Wellington City & Sea

Queens Wharf
PO Box 893, Wellington
P: 472 8904, F: 496 1949
E: museumswellington@wmt.org.nz
www.museumswellington.org.nz

Cable Car Museum

1 Upland Road
PO Box 893, Wellington
P: 475 3578, F: 475 3594
E: cablecar@wmt.org.nz
www.museumswellington.org.nz

Colonial Cottage Museum

68 Nairn Street
PO Box 893, Wellington
P: 384 9122, F: 384 9202
E: colonialcottage@wmt.org.nz
www.museumswellington.org.nz

Plimmer's Ark Galleries

Old Bank Arcade (timbers in situ)

New Zealand Cricket Museum

The Old Grandstand, Basin Reserve, Wellington
P: 04 385 6602
E: cricket@wmt.org.nz
<http://www.blackcaps.co.nz/content/nzc/new-zealand-cricket-museum.aspx>



City Gallery Wellington



CARTER OBSERVATORY
TE ARA WHĀNUI KI TE RANGI



Museum of Wellington
City & Sea



Cable Car Museum



Colonial Cottage
Museum

