



MUSEUMS BOARD OF VICTORIA
ANNUAL REPORT
2010–11



MUSEUMVICTORIA

ACCOUNTABLE OFFICER'S DECLARATION

In accordance with the *Financial Management Act 1994*, I am pleased to present the Report of Operations for the Museums Board of Victoria for the year ending 30 June 2011.

Patrick Greene

Dr J Patrick Greene,
Chief Executive Officer
Museum Victoria
30 June 2011

This annual report has been produced in accordance with FRD30A Standard Requirements for the Design and Production of Annual Reports, in order to minimise our impact on the environment.

Further information about Museum Victoria's activities and our achievements for 2010–11 can be found at www.museumvictoria.com.au.

CONTENTS

| | |
|--|----|
| Accountable Officer's Declaration | ii |
| President and Chief Executive Officer Messages | 2 |
| Profile of Museum Victoria | 3 |
| The Year in Brief | 4 |
| Purpose and Vision | 6 |
| Strategic Directions | 7 |
| Strategic Direction 1: Great Places and Spaces | 8 |
| Strategic Direction 2: Research and Collections: Knowledge and Connections | 9 |
| Strategic Direction 3: Inspiring Experiences: Engagement and Learning | 10 |
| Strategic Direction 4: Innovative People, Creative Museum | 11 |
| Strategic Direction 5: Visibility and Reputation | 12 |
| Strategic Direction 6: Environmental Responsibility | 13 |
| Strategic Enablers | 14 |
| Future Priorities | 15 |
| Corporate Governance | 16 |
| Our Workplace | 18 |
| FINANCIAL STATEMENTS | 22 |
| Auditor General's Report | 49 |
| STATUTORY REPORTS | 51 |
| Disclosure Index | 56 |

PRESIDENT AND CHIEF EXECUTIVE OFFICER MESSAGES

PRESIDENT'S MESSAGE

We have just experienced our most successful year ever at Museum Victoria, with more than 2.3 million visits to our museums. There was strong attendance at all venues, with best-ever visitation at Melbourne Museum – 1,428,238 – making it the country's most popular museum.

In 2010–11, Scienceworks also achieved new visitation records for the months of December and February. Victorian families continue to love Scienceworks to bits, necessitating an urgent investment in its infrastructure. I look forward to working with Ted Baillieu MLA, Premier and Minister for the Arts, and Arts Victoria on a plan to secure the future of this vital resource for stimulating young people's interest in science.

Museum Victoria seeks to engage all Victorians, not just those who visit one of our venues in metropolitan Melbourne. In 2010–11, we collaborated with regional and country Victorian communities to deliver some exciting projects.

We worked with Aboriginal students from the Hume region to develop the exhibition *My People, Culture and Country*, which was launched at the Benalla Art Gallery. We partnered with art galleries and cultural centres across the state to deliver a three-week regional tour of activities as part of National Science Week. We also liaised with the Gunditj Mirring Traditional Owners Aboriginal Corporation on a biodiversity study of the Lake Condah area, to ensure that Indigenous ecological and cultural knowledge was incorporated into the project.

I would like to thank Professor Daine Alcorn and Dr Gael Jennings, who completed their final term on the Museums Board of Victoria on 30 June 2011. They have both served on the Board for a period of nine years and have made an invaluable contribution to the success of the organisation. I look forward to continuing to work with my colleagues on the Board to ensure that Museum Victoria is able to provide engaging and inspiring experiences for all Victorians into the future.



Professor Margaret Gardner AO
President, Museums Board of Victoria

CHIEF EXECUTIVE OFFICER'S MESSAGE

2010–11 was an immensely successful year for Museum Victoria, one in which we continued to deliver new and innovative experiences for our visitors and to receive national and international recognition for the quality of our product.

The final exhibitions of Melbourne Museum's Science and Life Gallery redevelopment were completed and a new exhibition, *Identity: yours, mine, ours*, was launched at the Immigration Museum. We received a number of awards for exhibition design and innovation in 2010–11; the Science and Life Gallery exhibitions alone have won 11 major awards to date. Funding for long-term exhibition renewal is critical for the ongoing success of Museum Victoria and I look forward to working with the Victorian Government to ensure that we are able to provide these innovative and exciting experiences for our audiences into the future.

We are also continuing to explore how online and mobile technologies can provide new opportunities for people to engage with Museum Victoria. In October 2010, we released our first iPad app *Please Touch the Exhibit*, which was also the first by any Australian museum. Our second app, *Field Guide to Victorian Fauna*, followed later in the year. Our podcast series 'Access all Areas' won a Best of the Web award at the Museums and the Web 2011 conference in the United States.

It is through the generous support of the Victorian Government and our corporate and philanthropic partners that Museum Victoria is able to demonstrate excellence in the delivery of exhibitions, programs, online initiatives and research outcomes. These projects will continue to sustain visitation and stimulate a passion for learning in visitors of all ages.

The achievements of Museum Victoria throughout the year are due to the efforts of the Board, staff, volunteers and our supporters. I would like to thank everyone for their contribution to the excellent results we have enjoyed over the past 12 months.



Dr J. Patrick Greene
Chief Executive Officer

PROFILE OF MUSEUM VICTORIA

Museum Victoria is Australia's largest public museum organisation. As the State museum for Victoria, we are responsible for looking after the State collection, conducting research and providing cultural and science programs for the people of Victoria and visitors from interstate and overseas.

Museum Victoria's origins date back to 1854, with the founding of the National Museum of Victoria and the establishment, in 1870, of the Industrial and Technological Museum of Victoria (later known as the Science Museum of Victoria). By proclamation of the *Museums Act 1983* (Vic.), these two institutions were amalgamated to form what is known today as Museum Victoria, governed by the Museums Board of Victoria.

Museum Victoria undertakes high-quality research on historical and contemporary issues in the fields of science, history and technology, and Indigenous cultures. Our research is based on a world-class collection of nearly 17 million items and is carried out by expert curators. Museum Victoria operates three museums, a collection storage facility and a non-collection facility, and is custodian for the World Heritage-listed Royal Exhibition Building.

IMMIGRATION MUSEUM

Opened 12 November 1998

The Immigration Museum is one of the world's leading social history museums, and is situated in the historic Old Customs House on Flinders Street. It is a living cultural centre that engages visitors with the history and experiences of immigration and cultural diversity that have contributed to the shaping of modern Australia.

SCIENCEWORKS

Opened 28 March 1992

Located in the grounds of and incorporating the historic Spotswood Pumping Station, this extremely popular science and technology museum features modern interactive exhibition galleries, Melbourne Planetarium and the Lightning Room.

MELBOURNE MUSEUM

Opened 21 October 2000

The iconic Melbourne Museum stands adjacent to the historic Royal Exhibition Building, in Carlton Gardens. Melbourne Museum showcases Australian social history, Indigenous cultures, the human mind and body, science and technology, and the environment. Museum Victoria also operates the IMAX Theatre at Melbourne Museum.

ROYAL EXHIBITION BUILDING

Constructed 1879–1880

Museum Victoria custodianship since 1996

Located in Carlton Gardens alongside Melbourne Museum, the Royal Exhibition Building was built for the 1880 Melbourne International Exhibition and continues to host exhibitions and other events. The building and gardens were inscribed on the UNESCO World Heritage register in July 2004.

MORELAND ANNEXE

Opened 30 October 1996

Museum Victoria's off-site collection storage facility houses the largest of our collection items, and complements the collection stores at Melbourne Museum, the Royal Exhibition Building and Scienceworks.

SIMCOCK AVENUE STORE

Opened November 2007

Museum Victoria operates a non-collection store on behalf of a number of arts agencies. The store is adjacent to Scienceworks, on land that was purchased by the Victorian Government for Collections Victoria, and will provide a secure home for the State's cultural assets.

THE YEAR IN BRIEF

| KEY INDICATORS | 2010–11 | 2009–10 | 2008–09 | 2007–08 | 2006–07 |
|--|---------|---------|---------|---------|---------|
| Collection stored to industry standard | 79% | 81% | 82% | 83% | 77% |
| Visitors satisfied with visit overall | 93% | 94% | 93% | 97% | 93% |
| Students participating in education programs | 310,170 | 315,389 | 270,497 | 260,205 | 269,002 |
| Volunteer hours | 50,120 | 52,639 | 52,311 | 43,727 | 53,236 |
| Memberships | 11,676 | 12,559 | 10,247 | 8,747 | 9,115 |

Notes:

'Memberships' represents the number of memberships as at 30 June.

| VISITATION | 2010–11 | 2009–10 | 2008–09 | 2007–08 | 2006–07 |
|--------------------------------------|------------------|-------------------|------------------|------------------|------------------|
| Immigration Museum | 128,350 | 122,571 | 132,127 | 132,877 | 121,732 |
| Scienceworks & Melbourne Planetarium | 447,708 | 538,183 | 418,498 | 396,810 | 366,209 |
| Melbourne Museum | 1,428,238 | 1,077,773 | 752,268 | 732,335 | 690,485 |
| IMAX Melbourne Museum | 325,262 | 383,700 | 340,008 | 326,411 | 297,028 |
| Total ticketed visitation | 2,329,558 | 2,122,227 | 1,643,901 | 1,588,433 | 1,475,454 |
| Discovery Program | 78,540 | 89,431 | 85,631 | 100,086 | 51,300 |
| Website | 4,606,574 | 8,654,273 | 5,031,564 | 4,216,913 | 4,552,729 |
| Total offsite visitation | 4,685,114 | 8,743,704 | 5,117,195 | 4,316,999 | 4,604,029 |
| Royal Exhibition Building | 466,267 | 371,361 | 390,056 | 334,797 | 408,121 |
| Total visitation | 7,480,939 | 11,237,292 | 7,151,152 | 6,240,229 | 6,487,604 |

Notes:

The counting methodology for website visitation changed to a browser-based web analytics tool from 2010–11, to ensure consistency of reporting between the arts agencies.

THE YEAR IN BRIEF

| ENVIRONMENTAL PERFORMANCE | 2010–11 | 2009–10 | 2008–09 | 2007–08 | 2006–07 |
|---|----------------|----------------|----------------|----------------|----------------|
| Total energy consumption (gigajoules) | 141,042 | 128,674 | 128,942 | 135,798 | 147,354 |
| Energy consumption per visitor (megajoules) | 60.54 | 78.27 | 81.18 | 92.04 | 99.17 |
| Greenhouse emissions associated with energy use (tonnes – CO ₂) | 20,927 | 24,674 | 25,386 | 27,200 | 30,015 |
| Green power purchased (% of total electricity consumption) | 26% | 10% | 10% | 10% | 5% |
| Percentage of total waste recycled | 48.70% | 52.98% | 52.51% | 47.11% | 51.51% |
| Water consumption (kilolitres) | 75,107 | 71,045 | 65,618 | 64,113 | 82,881 |
| Water consumption per visitor (litres) | 32.24 | 33.48 | 39.92 | 40.36 | 56.17 |

Notes:

Major exhibition redevelopments caused a small increase in waste going to landfill in 2010–11. Some waste was not able to be separated into waste streams due to the nature of the materials used in the original exhibitions.

| FINANCIAL SUMMARY | 2010–11 \$'000 | 2009–10 \$'000 | 2008–09 \$'000 | 2007–08 \$'000 | 2006–07 \$'000 |
|---|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| Revenue from government | 88,314 | 83,637 | 83,497 | 78,864 | 79,046 |
| Total income from transactions | 120,214 | 123,923 | 109,509 | 99,541 | 98,389 |
| Total expenses from transactions | (120,745) | (122,432) | (111,241) | (108,709) | (103,458) |
| Net result from transactions | (531) | 1,491 | (1,732) | (9,168) | (5,069) |
| Net result for the period | (567) | 1,905 | (1,902) | (9,170) | (5,121) |
| Net cash flow from operating activities | 10,294 | 14,426 | 10,744 | 2,645 | 5,677 |
| Total assets | 1,073,602 | 690,947 | 687,624 | 688,333 | 700,029 |
| Total liabilities | 13,914 | 15,548 | 14,130 | 12,937 | 11,603 |

Significant changes in the Museums Board of Victoria's financial result throughout the year are as follows:

Revenue from admissions and commercial operations decreased by \$4.0 million compared to the previous financial year. This was mainly due to the contract arrangements for *Titanic: The Artefact Exhibition* and *Tutankhamun and the Golden Age of the Pharaohs*, which were presented by commercial organisations. Expenses from transactions before depreciation were also lower by \$2.6 million as a result.

Capital works funding was received for Scienceworks, the former ACI site and the Royal Exhibition Building western forecourt.

Total assets increased by \$382.7 million as a result of the property and collection revaluation.

PURPOSE AND VISION

STATEMENT OF PURPOSE

We will reach out to an increasingly diverse audience through our collection and associated knowledge, using innovative programs that engage and fascinate. We will contribute to our communities' understanding of the world, and undertake our stewardship of the collection in a way that ensures our inheritance is augmented and passed on to future generations. We will shape the future as a networked museum that fosters creativity.

VISION

Exploring Victoria, Discovering the World

STRATEGIC DIRECTIONS

1 GREAT PLACES AND SPACES

- Develop and protect our iconic and heritage buildings and their precincts
- Provide an excellent standard of management for our visitor and collection facilities
- Lead the Collections Victoria project to ensure a high standard of care for the State collection
- Capitalise on the history and World Heritage status of the Royal Exhibition Building precinct to create an attraction of national significance

2 RESEARCH AND COLLECTIONS: KNOWLEDGE AND CONNECTIONS

- Enhance our reputation by building on our expertise and capability in areas of research that have local, national and international significance
- Extend the ways in which communities can connect with our collection and knowledge
- Continue to develop the collection as a growing resource for education and research and as a legacy for future generations
- Pursue collaborative partnerships that advance knowledge, support innovation and attract funding in both established and emerging areas of research and collecting

3 INSPIRING EXPERIENCES: ENGAGEMENT AND LEARNING

- Engage all Victorians through innovative exhibitions, online experiences and stimulating programs at our venues and throughout the State, to increase understanding of Victoria's place in the world
- Partner with Indigenous communities to undertake projects that promote Indigenous cultures and contribute to reconciliation
- Collaborate with diverse communities to develop programs that promote social cohesion and actively foster access
- Position Museum Victoria as a learning specialist, building on our strengths in areas such as science literacy, values education and early childhood development

4 INNOVATIVE PEOPLE, CREATIVE MUSEUM

- Attract, develop and retain people with the skills and capability to build a culture of innovation
- Develop an adaptable and agile organisation that is responsive to change
- Strengthen the networked museum by encouraging a collaborative and integrated approach to everything we do
- Design and implement efficient business systems and processes to support creativity and innovation

5 VISIBILITY AND REPUTATION

- Position Museum Victoria as a museum of which all Victorians can be proud
- Enhance our national and international reputation as a leader in the museum sector through the pursuit of excellence in all our activities
- Raise awareness of the quality and breadth of Museum Victoria's family of brands
- Maximise our potential as a group of significant Victorian tourist attractions

6 ENVIRONMENTAL RESPONSIBILITY

- Promote Museum Victoria as an authoritative source of information about the effects of climate change on biodiversity, environments and human societies
- Contribute to community wellbeing by increasing public awareness about issues regarding sustainability
- Promote and implement eco-sustainable practices within the museum
- Invest to improve our facilities to reduce our impact on the environment and to become a flagship for environmental responsibility

STRATEGIC ENABLERS

Successful implementation of the 2008–13 strategic plan is dependent upon the following enablers:

Maximising Resources

Practising Good Governance

STRATEGIC DIRECTION 1

GREAT PLACES AND SPACES

DEVELOPING AND PROTECTING OUR BUILDINGS

There is an ongoing program of works to mitigate Museum Victoria's risk profile for the collections and building infrastructure. Major projects during the year include:

- an upgrade of Melbourne Museum's security control system to improve collection security; and
- a further upgrade of plant and equipment in Melbourne Museum's Touring Hall to support the *Tutankhamun and the Golden Age of the Pharaohs* exhibition.

The business case for 'Scienceworks for the Future' has been developed, which will ensure we are able to serve the increased number of visitors and provide new maths, science and technology experiences for students, young people and their families. When funded, 'Scienceworks for the Future' will include the first stage of providing an accessible home for the State's cultural collections on the adjacent site.

The redevelopment of the Immigration Discovery Centre, which was supported by the Yulgilbar Foundation, was completed during the year, opening to the public in October 2010. The updated design has expanded the footprint of the original centre to include:

- a new welcome desk, where staff are available to assist with enquiries and provide information about Immigration Discovery Centre resources;
- enhanced facilities for interactive learning;
- quiet spaces and comfortable seating areas; and
- flexible areas that allow for group and social interaction.

MANAGING OUR VISITOR AND COLLECTION FACILITIES

Implementation of an asset strategy commenced, which will guide and inform Museum Victoria on future decisions for compliance, maintenance and capital renewal for long-term development of our property portfolio. This strategy will allow for a life-cycle approach to operating and maintaining our infrastructure. We will have increased emphasis on accountability and on optimising investment decision making through a transparent asset management framework that achieves a balanced approach across the property portfolio.

The air-conditioning at Scienceworks has been upgraded. New air-handling units and updated controls will see maximum efficiency of the new system for reduced running costs and for increased capacity for reliable visitor comfort and care of collections. Adjacent to Scienceworks, preparation has commenced for demolition of the former ACI site. These works have been supported by major capital funding from the Victorian Government.

ROYAL EXHIBITION BUILDING

The World Heritage-listed Royal Exhibition Building hosted a number of exhibitions and trade shows during 2010–11, which included the Melbourne International Flower and Garden Show, CraftExpo and the Australasian Quilt Convention. New signature events included SBS Food Journey Live, Motorclassica, the Australian Antiques and Fine Arts Expo, the Myer, L'Oreal and Melbourne Fashion Week launches, and the World's Longest Lunch.

The Royal Exhibition Building western forecourt redevelopment was completed during the year. Visitors to the precinct now enjoy the beautifully reconstructed German Garden, which is supported by a 1.35-million-litre water tank concealed underneath. Water for the tank is collected from the roof of the Royal Exhibition Building and the paved surface areas; it is used to irrigate the new garden and existing garden beds in Carlton Gardens and in the operation of the historic Hochgurtel and French fountains.

The replacement of all fire services at the Royal Exhibition Building was completed with the support of Arts Victoria and the Federal Government's JobsFund. This has made a significant contribution to reducing risk to this World Heritage-listed building.

Museum Victoria received a major grant from the Department of Sustainability, Environment, Water, Population and Communities under the National Historic Sites Program, which will assist in protecting, maintaining and conserving the Royal Exhibition Building. The works to be undertaken will include replacement of missing flagpoles and provision of a safe access system, painting of external joinery and documentation of facade repairs. Arts Victoria matched funding for part of the grant.

STRATEGIC DIRECTION 2

RESEARCH AND COLLECTIONS: KNOWLEDGE AND CONNECTIONS

ENHANCING OUR RESEARCH REPUTATION

In 2010–11, we continued our strong research program, with researchers producing 138 peer-reviewed journal papers, reports, books and other publications, and presenting 164 lectures and talks. Museum Victoria was involved as a partner in 11 Australian Research Council Linkage Grants during the year.

A review of our research strategy has commenced, which will continue our research vision for the next five years. The strategy will re-examine the context for Museum Victoria's research, identify the research areas and initiatives that will be the focus of our research effort, and specify means to maximise the outcomes of our research.

A new Code for the Responsible Conduct of Research has been developed, which is linked to the Australian code and reflects our collection-based research program.

CONNECTING THE COMMUNITY WITH OUR KNOWLEDGE

Biodiversity Snapshots, an innovative program that enables children to identify fauna in their neighbourhood with a mobile-device field guide, was launched in August 2010. The material has been made available to the broader public through our new iPhone/iPad app *Field Guide to Victorian Fauna*.

Museum Victoria published a range of books, including *Egypt – A Fascinating Journey*, by Dr J. Patrick Greene, a personal exploration of ancient Egypt with full-colour photographs; and *First People: The Eastern Kulin of Melbourne, Port Phillip and Central Victoria*, by Dr Gary Presland, which takes a fresh look at Koori history and the origins of Melbourne.

A three-week regional tour of science activities was delivered as part of National Science Week, in partnership with 14 art galleries and cultural centres. The tour included performances and an evening schedule of programs featuring environmental officers with museum and local scientists.

The Discovery Centres at the Immigration Museum and Melbourne Museum welcomed 23,986 and 74,869 visitors respectively, and the enquiry service logged 12,980 queries.

DEVELOPING THE COLLECTION

The main phase of developing the Victorian Bushfires Collection has been completed. The project aims to contribute to community healing and understanding through documenting how fire has shaped the history and landscape of Victoria. This project won a 2010 Arts Portfolio Leadership Award, in the Leadership in Community category.

Museum Victoria commissioned a report from physical anthropologist Dr Michael Green as part of our efforts to repatriate Victorian unprovenanced ancestral remains from our collection to Aboriginal communities. Ancestral remains classified in the report as 'Victoria Unprovenanced' are planned to be reburied at Weeroona Aboriginal Cemetery, Greenvale.

Important acquisitions during the year include:

- a kangaroo-tooth necklace crafted by Ms Maree Clarke, a Victorian Aboriginal artist;
- a Dame Nellie Melba concert program and a 1930 Melbourne Cup race program, the year the race was won by Phar Lap; and
- the skeleton of a Gray's Beaked Whale (*Mesoplodon grayi*), which had been stranded and died at Portland, Victoria.

In May 2011, Museum Victoria and the Victorian Managed Insurance Authority organised an extensive program of training and coaching in a customised collection risk assessment and management model for 40 Museum Victoria staff, as well as for staff from other agencies and specialist and regional museums.

A roadmap for working safely with hazardous substances in collections was developed, which draws on legal, regulatory and best-practice contexts.

PURSUING COLLABORATIVE PARTNERSHIPS

Museum Victoria staff participated in 'Bush Blitz', a biodiversity study in the Lake Condah area in March 2011. The ecological study, funded as part of an Australian Biological Resources Study program on the National Reserve System, was carried out in liaison with the Gunditj Mirring Traditional Owners Aboriginal Corporation and integrated Indigenous ecological and cultural knowledge from the local community. It aims to be a prototype for local community research for future scientific projects.

A major grant for the procurement of digital imaging and computer equipment was received as a result of Museum Victoria's participation in the Atlas of Living Australia, a five-year partnership between the CSIRO, Australian Government and Australian collecting institutions. New grants also supported further development of the Pests and Diseases Image Library (PaDIL). Recent innovations in the PaDIL project have attracted international attention and are changing the way biosecurity is managed in Australia, New Zealand and South East Asia.

STRATEGIC DIRECTION 3

INSPIRING EXPERIENCES: ENGAGEMENT AND LEARNING

ENGAGING ALL VICTORIANS

A year of blockbuster exhibitions at Melbourne Museum started with *Titanic: The Artefact Exhibition* and ended with *Tutankhamun and the Golden Age of the Pharaohs*. Together, these exhibitions brought in more than 700,000 visitors. The final exhibitions in the Science and Life Gallery redevelopment project at Melbourne Museum, *600 Million Years* and *Dynamic Earth*, were also launched during the year.

At the Immigration Museum, *Identity: yours, mine, ours* was launched in May 2011 by the Hon. Nicholas Kotsiras MP, Minister for Multicultural Affairs and Citizenship. This exhibition explores personal identity in contemporary multicultural Australia, with a focus on ethnicity, language, spirituality, ancestry and citizenship.

The Scienceworks exhibition *Explore-a-saurus*, also launched in May 2011, has been very popular. This exhibition includes animatronic dinosaurs and interactive exhibits that demonstrate the ways in which palaeontologists use fossil evidence to understand dinosaurs.

Museum Victoria's Discovery Program delivered more than 740 natural science and social history presentations to 78,540 people, 70% of them in regional Victoria. *Ancestral Power and the Aesthetic*, an exhibition developed by Museum Victoria in partnership with the Ian Potter Museum of Art and the University of Melbourne, commenced its regional tour in Benalla in December 2010.

PARTNERING WITH INDIGENOUS COMMUNITIES

The groundbreaking exhibition *My People, Culture and Country* was developed by seven Aboriginal students from the Hume region with support from Museum Victoria staff. It was launched at the Benalla Art Gallery and then displayed in Bunjilaka, at Melbourne Museum.

The community engagement program for the Bunjilaka redevelopment project continued across regional and metropolitan Victoria during the year, building on previous visits in 2009 and 2010. The community forums presented were well attended and generated great interest and discussions. The sessions have been of significant assistance in identifying specific content for the new exhibitions and key stakeholders for cultural permissions.

An Arts Victoria and National Arts and Crafts Industry Support Program grant funded a seven-month residency for Mr Steven Rhall, a Wathaurong man, to work on a photography project as part of the Bunjilaka redevelopment.

COLLABORATING WITH DIVERSE COMMUNITIES

The Immigration Museum's Community Connection program included Brazilian and West African festivals, and the two-day West Africa Sense-ation Kids Fest. Community exhibitions were developed and presented in partnership with the East Timorese community and with Action on Disability with Ethnic Communities.

Online artist Ana Vaz brought young people from refugee and migrant backgrounds together in workshops to develop creative website content for *Talking Difference*. This online media project has been designed to facilitate dialogue about cultural difference and to promote diversity.

The Immigration Museum partnered with the Victorian Immigrant and Refugee Women's Coalition to mark the centenary of International Women's Day and launch the 'Her Story' project. This project will collect the stories of immigrant and refugee women, for presentation in the Immigration Discovery Centre.

New education resources in languages other than English were delivered during the year, including a Japanese resource for the exhibition *Wild: Amazing Animals in a Changing World* at Melbourne Museum and a series of Spanish education resources for the Immigration Museum.

POSITIONING MUSEUM VICTORIA AS A LEARNING SPECIALIST

Museum Victoria received a major grant from the Department of Education and Early Childhood Development to develop online education and learning resources, titled 'Making History: research, create, share'. The resources will enable students to research, plan, create and share digital community histories under four main historical themes: World Events, Local Impacts; Migration and Cultural Identity; Family Album; and Living with Natural Disasters.

Other new digital technologies incorporated into education programs during the year included iPads, robotics, flip cameras and data-loggers. Museum staff also engaged with teachers and students through the online Elluminate conferences.

Two exciting new chemistry programs were featured at Scienceworks as part of Museum Victoria's participation in UNESCO's International Year of Chemistry. They were Experiment Zone and the Lightning Room show, Fire and Light.

In 2010–11, 139 students participated in Museum Victoria's Vocational Education Program, including 91 secondary students and 48 tertiary internships.

STRATEGIC DIRECTION 4

INNOVATIVE PEOPLE, CREATIVE MUSEUM

BUILDING A CULTURE OF INNOVATION

Museum Victoria recognises that our current and future success is largely achieved through the efforts and commitment of our people. Identifying talent and effective leadership, and respecting staff skill and depth of knowledge remains an imperative.

The development program for Museum Victoria employees continues to be dynamic and engaging, offering both online and face-to-face learning opportunities. The e-learning component enables mandatory and compliance training to be delivered in a consistent and self-paced environment, while the face-to-face sessions provide experiential opportunities, strengthening our networked culture.

In 2010–11, e-learning programs focused on equal opportunity, bullying prevention and the Code of Conduct for Victorian Public Sector Employees. Our corporate training program included sessions on innovation and entrepreneurship, new and emerging leaders, behavioural interviewing, Indigenous cultural awareness, and recruitment and managing performance. The recently introduced team management program has provided teams with a work-based instrument that assists individuals and teams to improve their contribution and overall performance.

DEVELOPING AN AGILE, NETWORKED ORGANISATION

Two significant reviews were undertaken in 2010–11:

- Four separate teams of exhibitions staff from Bunjilaka, the Immigration Museum, Melbourne Museum and Scienceworks were brought together to form the Museum Victoria Exhibition Operations Network. Efficiencies to date include improved planning of major temporary exhibition projects and better coordination of resources.
- A review of the Library and Discovery Centres has resulted in improved job design and reporting structures, which will deliver business and system efficiencies, increased productivity and effective responses to onsite and online visitor enquiries and research.

Work has commenced on a reconciliation action plan, to be titled Reconciliation – Our Shared Journey. Consultation with staff has begun, with the aim of producing a plan that will engage and inform staff in the areas of employment, cultural awareness, community engagement and acknowledgement. Activities for staff were developed to mark National Reconciliation Week, in May 2011.

Museum Victoria is proud of the diversity and commitment of our volunteers, who range in age from 17 to 91, with more than one-third under 40. Our longest-serving volunteer recently resigned after an amazing 40 years' service. 553 volunteers are currently active, contributing 50,120 hours during the year.

IMPLEMENTING EFFICIENT BUSINESS SYSTEMS

Three tools were implemented in 2010–11:

- Springboard is an innovative and effective e-recruitment tool that was trialled during recruitment of Customer Service Officers for the *Tutankhamun and the Golden Age of the Pharaohs* exhibition. Over a two-week period in February 2011, Museum Victoria received and processed 3,460 applications. Short-listing occurred over a five-day period, with 119 applicants offered positions in readiness for the opening of the exhibition.
- Single Identity Management is a project designed to integrate all people-management processes, such as payroll, email, intranet and security, into one simple system. The first stage of implementation has automated many of the processes associated with staff commencement.
- Scheduling Assistance Tool is designed to track the number of hours worked by rostered staff, replacing paper fortnightly timesheets. The system is a work-in-progress and has already assisted in highlighting potential rostering efficiencies.

A critical step in our customer relationship management (CRM) roadmap was completed in February 2011, with the release of an online interface for all Victoria teachers. 'MVTeachers' enables subscribers to register for professional development opportunities and manage their own subscription details. The new CRM system, developed by Museum Victoria, has significantly reduced the manual work of data entry and provides a user-friendly online interface for customers.

A videoconference service has been installed to support internal meetings that involve participants from our different museums, as well as meetings with external organisations. Desktop videoconferencing is also being rolled out, for more effective internal and external collaboration.

STRATEGIC DIRECTION 5

VISIBILITY AND REPUTATION

POSITIONING MUSEUM VICTORIA

In 2010–11, Museum Victoria presented exhibitions and events of the highest quality, achieving considerable coverage and providing significant opportunities to enhance the profile and reputation of Museum Victoria and our venues. Media coverage during the year was valued at \$45.3 million.

Social media engagement has trebled, with active engagement of more than 17,000 people on Facebook, 8,000 people and organisations on Twitter, more than 3,700 check-ins via Foursquare and nearly 10,000 check-ins via Facebook. The social media campaign for the new exhibition *Identity: yours, mine, ours* supported the Immigration Museum's positioning and targeted new audiences through a challenging creative concept: 'I belong. Do you?'

In October 2010, Museum Victoria was the first Australian museum – and one of the first in the world – to release an iPad app. *Please Touch the Exhibit* was created to celebrate Melbourne Museum's 10th anniversary and is an innovative and playful way of using technology to provide access to objects from the State collection. The app has been voted one of the Apple staff favourites and downloaded more than 4,000 times.

A campaign to build MV Membership and leverage the high-profile exhibitions *Tutankhamun*, *Identity* and *Explore-a-saurus* was launched in April 2011, with an ambitious target of a 20% increase in total memberships. The campaign is being delivered through email and direct mail, as part of a data-profiling project supported by Arts Victoria. The total number of memberships at 30 June 2011 is 11,676, which equates to 37,829 individuals.

ENHANCING OUR REPUTATION

The two final stages of the Science and Life Gallery redevelopment, *600 Million Years* and *Dynamic Earth*, continue to win awards for excellence in design and innovative multimedia technology. The Science and Life Gallery has now won 11 major international, national and state awards, including an Excellence in Exhibitions award and two Gold MUSE awards from the American Association of Museums, an Australian Interior Design Excellence award, an Australian Audio Visual Industry award, as well as recognition from Museums Australia, Arts Victoria and the International Society for Environmental Graphic Design.

Museum Victoria's 'Access all Areas' Podcast Adventures, currently comprising 26 podcast episodes that explore behind-the-scenes activities in research, collections and exhibitions, won a Best of the Web award at the Museums and the Web 2011 conference

in Philadelphia, USA. Competition for these awards comes from all over North America and Europe.

Licences for multimedia product developed by Museum Victoria for the exhibition *A Day in Pompeii* have been sold to museums in the United States. The multimedia displays were featured in *Pompeii: The Exhibit* in New York, which is now touring to Cincinnati, Denver and Boston. Interest has also been expressed by other international museums.

Museum Victoria launched the Promoting Diversity Network with events at the Immigration Museum in September 2010 and May 2011. This forum brings together leaders from the multicultural, philanthropic, corporate and not-for-profit sectors to share ideas and initiatives that contribute to promoting diversity in Victoria and Australia.

Students from Kabul visited the Immigration Museum as part of the Melbourne Writers Festival program, facilitated by www.1000pencils.com.au. The visit was filmed and footage will be included in a documentary about a collaboration between students from Kabul and Victorian students affected by bushfire.

MAXIMISING OUR TOURISM POTENTIAL

The Immigration Museum and Melbourne Museum continue to be drawcards for international visitors wanting insights into Australia's history, culture and environment. We worked closely with Tourism Victoria and Destination Melbourne to build the profile of experiences we offer the market. This resulted in 166,400 international tourists visiting our venues during the year. Melbourne Museum was profiled in 'Oprah's Ultimate Australian Adventure' in recognition of its status as an iconic tourism destination.

Melbourne Museum's program of major international exhibitions continued to attract unprecedented numbers of regional and interstate visitors, with 38% of overall visitation being tourism-related, an increase of 19% on the previous year. Some 26% of visitors to *Titanic: The Artefact Exhibition* were from interstate and 2% from international markets. *Tutankhamun and the Golden Age of the Pharaohs* also attracted significant numbers of visitors to Victoria from interstate and overseas.

Museum Victoria's contribution to the tourism industry was acknowledged at the RACV 2010 Victorian Tourism Awards, where Melbourne Museum took top honours with the Major Tourist Attraction award, and Scienceworks won the Herald Sun Award for Tourist Attraction.

STRATEGIC DIRECTION 6

ENVIRONMENTAL RESPONSIBILITY

PROMOTING OUR KNOWLEDGE

Museum Victoria received major funding through the National Environmental Research Program to boost our participation in a new marine biodiversity hub project. The marine hub aims to further our understanding of conservation issues relating to marine biodiversity in Australian waters.

Harold Mitchell Foundation Fellow Dr Erich Fitzgerald presented his research at two major vertebrate palaeontology conferences in the USA, in October 2010 and June 2011. This included his findings on the role of long-term climate change in shaping Australia's mammal fauna.

Museum Victoria, Parks Victoria and Friends of the Leadbeater's Possum organised a function to mark 50 years since the rediscovery of Leadbeater's Possum. The museum's founding director, Sir Frederick McCoy, originally described the possum in 1867, but by the 1900s the species was considered extinct. Mr Eric Wilkinson, a former museum staff member, rediscovered the possum in 1961 during fieldwork in mountain ash forest east of Marysville. The species was later named Victoria's official faunal emblem.

INCREASING AWARENESS OF SUSTAINABILITY

In July 2010, Museum Victoria hosted and helped organise the annual conference for Australian Society for Fish Biology, titled 'Climate change and the aquatic environment: the future for fish and fisheries'. In conjunction with the conference, Museum Victoria presented a free public lecture on the effects of climate change on the environment and the sustainability of fisheries.

Greening Australia worked in partnership with Sustainability Victoria and Melbourne Museum to deliver the 11th Toolbox for Environmental Change forum in March 2011. It is Victoria's premier conference for those involved in sustainability education, and 340 people participated. The forum was sponsored by the Department of Education and Early Childhood Development and supported by the Victorian Association for Environmental Education.

IMPLEMENTING ECO-SUSTAINABLE PRACTICES

Melbourne Museum hosted the launch of the Office of the Commissioner for Environmental Sustainability's strategic audit report, in which Museum Victoria features as a case study. The case study describes Museum Victoria's life-cycle approach to exhibition development.

In May 2011, Museum Victoria's Cost of Life tool (MVCOL) was presented to stakeholders, demonstrating its process of including the 'whole of life' impact of exhibition technology in planning

and modelling stages. This tool shows the environmental impact of multiple technologies, as well as the ongoing resources to operate them.

A fleet of five bicycles was introduced at Museum Victoria during the year, for staff travel between museums. This initiative aims to engage staff with sustainable behaviours and to promote health and wellbeing.

Sustainability measures have been developed and introduced for the procurement of personal computers. Two hundred PCs were replaced during the year with new models that use less power.

REDUCING OUR IMPACT

The Royal Exhibition Building western forecourt water-harvesting project was completed this year. The innovative system captures water from the roof of the Royal Exhibition Building and the surrounding surface areas of the southern drive and the Melbourne Museum plaza. Water is directed from the stormwater drains through gross pollutant traps into a 1.35-million-litre concrete storage tank. The reduced reliance on mains water for garden irrigation and historic fountain operation supports the sustainable future of this World Heritage-listed site.

Irrigation upgrades took place in Melbourne Museum's Forest Gallery and Milarri Garden. The upgrades have enabled the water from the western forecourt tank to be used in these areas.

A 40,000-litre tank has been installed at Scienceworks to capture stormwater that will be used to irrigate trees, gardens and grassed areas. A tank has also been installed on the lower ground floor of Scienceworks to capture fire test water and recharge it back into the fire system.

Upgrade works have been undertaken on the chillers at Scienceworks and the Moreland collection store, which are expected to deliver 30% energy efficiency improvements.

STRATEGIC ENABLERS

MAXIMISING RESOURCES

Strong visitation levels at all three museums, the popularity of Touring Hall exhibitions and continued success in obtaining grant funding from external sources has allowed Museum Victoria to maintain a positive operating cash flow in 2010–11.

The prudent management of cash investments has continued to provide returns that support critical activities. The introduction of new business models with external partners and new types of commercial business activities were integrated seamlessly into existing businesses processes.

The budgetary process that maintains the focus on allocation of resources to activities supporting our strategic directions continues to be refined, taking into account the challenging financial environment of 2011–12. Feasibility work is being carried out with the aim of further improving internal processes.

A valuation of Museum Victoria's properties and collection was undertaken during the year, in accordance with government reporting directions. The updated valuation figures have been incorporated into the 2010–11 financial statements.

Rio Tinto Ltd provided generous support for the *Dynamic Earth* exhibition and to establish the Rio Tinto Innovation Fund. The sponsorship runs over five years and will enable Museum Victoria to continue investing in innovative exhibits, online projects and education programs to maintain our reputation for outstanding award-winning technology and projects.

Museum Victoria delivered an excellent commercial result in 2010–11, representing 10% growth on the previous year.

A key achievement for 2010–11 was the commissioning of the new car park operating system. The system offers state-of-the-art technology, with enhanced reporting and audit controls. It has proven reliable and user-friendly, and has increased functionality such as credit card entry and exit. It also paves the way for future initiatives, including online reservations, parking guidance and electric vehicle charging.

Sales of Museum Victoria-branded merchandise increased during the year and now account for 15% of total retail sales. The retail unit also launched a licensing division, a range of exclusive Dinosaur Walk dinosaurs and a 'Treasures of the World's Museums' shop at Melbourne Museum, which will be open for the duration of *Tutankhamun and the Golden Age of the Pharaohs*.

Negotiations were concluded with Peter Rowland Catering for the provision of catering services at

Melbourne Museum for a further five years and Coca Cola Amatil was successful in its tender for exclusive supplier rights for non-alcoholic beverages across Museum Victoria venues. Museum Victoria's partnership with Peter Rowland Catering resulted in the development of the popular Tcheft, a purpose-built dining space for use during *Tutankhamun and the Golden Age of the Pharaohs*.

IMAX Melbourne Museum had a strong year, driven by the success of *Titanic: Ghosts of the Abyss*, which was launched in conjunction with *Titanic: The Artefact Exhibition*; it drew an audience in excess of 72,000. Including audiences for Hubble 3D, which premiered as part of the 2010 Melbourne International Film Festival, the theatre achieved its highest attendance figure to date for the first six months of a year.

A number of core information, communication and technology systems were upgraded during the year to improve long-term service performance and reliability. These include the network, virtualised server, printer infrastructure and the phone system. Our two high-end servers, which run the collection management software, were also replaced. This server upgrade will support future growth of our Collections Online project.

PRACTISING GOOD GOVERNANCE

Risk management activities at Museum Victoria assist staff in understanding and addressing risks, and in being accountable for their decision making. All significant exhibitions and projects have formal risk plans and mitigation strategies, and risks are monitored throughout project development.

Risk management activities undertaken during 2010–11 include:

- development of an integrated risk management and compliance framework and reporting system;
- development of training in risk assessment for staff working on major projects;
- review of the compliance register and compliance management processes; and
- implementation of a health and safety management plan.

A records management compliance project commenced during the year, to ensure compliance with the Public Record Office Victoria's records management standards. An information management reference group has been formed to promote and assist with the implementation of a revised Information and Knowledge Management Strategy and Action Plan.

FUTURE PRIORITIES

GREAT PLACES AND SPACES

We will seek a commitment to proceed with the development of 'Scienceworks for the Future', which will transform Scienceworks into an interactive science and technology museum of international standard. We will also work towards the development of the site adjacent to Scienceworks to provide enhanced public access to the State collection.

A planning framework that supports the case for the revitalisation of Museum Victoria's iconic and heritage buildings will be established. This will include refurbishments for Melbourne Museum and the Immigration Museum, to ensure that they can continue to contribute to Melbourne's vibrant cultural life by delivering engaging experiences for more than one million visitors per year.

RESEARCH AND COLLECTIONS: KNOWLEDGE AND CONNECTIONS

Greater community connection with the State collection and associated research will be achieved through the publication of a range of Museum Victoria titles as e-books and through enhancement of online access to our collection, library and archive resources.

Ongoing development and preservation of the collection as a legacy for future generations will be supported through the application of a customised collection risk management framework, and associated initiatives, such as the establishment of an images and audio-visual preservation plan.

INSPIRING EXPERIENCES: ENGAGEMENT AND LEARNING

Greater community understanding of Victoria's place in the world will be established through:

- the redevelopment of the main gallery of Bunjilaka Aboriginal Cultural Centre at Melbourne Museum in consultation with the Victorian Aboriginal community, featuring stories of Aboriginal spirit and experience, connections with the past and celebrations of culture today;
- the development of engaging new long-term and regional touring exhibitions; and
- the presentation of high quality major international exhibitions that build on the success of *A Day in Pompeii*, *Star Wars: Where Science Meets Imagination*, *Titanic: The Artefact Exhibition* and *Tutankhamun and the Golden Age of the Pharaohs*.

Progress towards reconciliation will be achieved through the development of a Reconciliation Action Plan. This plan will contain initiatives that enhance cultural understanding and respect between Indigenous and non-Indigenous communities both within Museum Victoria and externally.

INNOVATIVE PEOPLE, CREATIVE MUSEUM

The ongoing growth of Museum Victoria as an adaptable and agile organisation that is responsive to change will be supported by the further development of organisational capacity in the areas of leadership, service excellence, online delivery, entrepreneurial activity and commercial acumen.

Efficient business systems and processes that support creativity, collaboration and innovation, will be implemented, including:

- the establishment of integrated reporting systems;
- simplified access to records and the introduction of initiatives to foster a culture of sharing and learning from information and knowledge; and
- the development of a customer relationship management system that will provide extensive services for our online customers, whilst improving internal efficiency.

VISIBILITY AND REPUTATION

Museum Victoria will be established as a leader in the delivery of online experiences, through initiatives such as:

- the cultivation of online communities that are actively engaged in museum discussion and activities; and
- ongoing creation of content within blogs, podcasts and vodcasts for our own website and external social networking sites.

Positioning of our attractions as key experiences for visitors from Australia and overseas will be consolidated through projects such as development of an Indigenous tourism program that will optimise our unique capability to connect visitors with Indigenous history and culture, and act as an attractor for international tourists.

ENVIRONMENTAL RESPONSIBILITY

Exhibitions and programs that focus on themes of the environment and climate change will be delivered, such as *Water*, an exhibition at Scienceworks that will inform Australians about the role and importance of water to both themselves and the country.

A number of eco-sustainable practices will be implemented across Museum Victoria, including:

- ongoing development of sustainable practices in building and exhibition design, construction, management and maintenance; and
- refinement and further development of Museum Victoria's cost of life planning tools for exhibition development, and sharing of our knowledge within the sector.

CORPORATE GOVERNANCE

MUSEUMS BOARD OF VICTORIA

Museum Victoria is governed by the Museums Board of Victoria, a statutory body established under the *Museums Act 1983* (Vic.). It consists of a maximum of 11 members, each appointed for a three-year term (for a maximum of three terms) by the Governor-in-Council, and is subject to the direction and control of the Victorian Minister for the Arts.

The Museums Board of Victoria is directly accountable to the Victorian Government through the Minister for the Arts and works closely with Arts Victoria to deliver policy objectives.

The Museums Board of Victoria is responsible for maintaining the standards of Museum Victoria's management and has the following functions:

- to control, manage, operate, promote, develop and maintain Museum Victoria;
- to control, manage, operate, promote, develop and maintain the exhibition land as a place for holding public exhibitions and for the assembly, education, instruction, entertainment or recreation of the public;
- to develop and maintain the state collections of natural sciences, Indigenous cultures, social history and science and technology;
- to exhibit material from those collections for the purposes of education and entertainment;
- to promote the use of those collections for scientific research;
- to promote the use of Museum Victoria's resources for education in Victoria;
- to research, present and promote issues of public relevance and benefit;
- to act as a repository for specimens upon which scientific studies have been made or which may have special cultural or historical significance;
- to provide leadership to museums in Victoria; and
- to advise the Victorian Minister for the Arts on matters relating to museums and the coordination of museum services in Victoria.

| BOARD MEMBER | Meetings attended* |
|---------------------------------------|--------------------|
| Prof. Margaret Gardner AO (President) | 6 |
| Mr Michael Perry (Treasurer) | 3 |
| Professor Daine Alcorn | 6 |
| Mr Troy Edwards | 6 |
| Ms Sylvia Falzon | 6 |
| Mr Colin Golvan SC | 5 |
| Dr Gael Jennings | 5 |
| The Hon. Joan Kirner AM | 5 |
| Dr Gaye Sculthorpe | 4 |
| Mr Tim Sullivan | 4 |

*Number of meetings during the year: 6

COMMITTEES

The Board has established a number of committees under the Act.

ABORIGINAL CULTURAL HERITAGE ADVISORY COMMITTEE

The committee advises the Board on all matters relevant to Aboriginal cultural heritage. Its members include representatives from Aboriginal communities throughout Victoria.

| COMMITTEE MEMBER | Meetings attended* |
|---------------------------------------|--------------------|
| Dr Gaye Sculthorpe (Chair) | 4 |
| Ms Julie Andrews | 2 |
| Professor Henry Atkinson | 3 |
| Ms Carolyn Briggs | 1 |
| Mr Colin Golvan SC (from 18 Oct 2010) | 3 (of 3) |
| Dr J. Patrick Greene | 3 |
| Ms Gail Harradine | 2 |
| Mr Brendan Kennedy | 4 |
| Ms Diane Kerr | 2 |
| The Hon. Joan Kirner AM | 2 |
| Ms Caroline Martin | 4 |
| Mr Ricky Mullett | 2 |

*Number of meetings during the year: 4

FINANCE AUDIT AND RISK COMMITTEE

The committee assists the Board in fulfilling its responsibilities concerning financial reporting, audit activities, accounting and reporting practices, and financial and operational risk management as prescribed by the Act. All members of the Finance, Audit and Risk Committee are independent.

| COMMITTEE MEMBER | Meetings attended* |
|--------------------------|--------------------|
| Mr Michael Perry (Chair) | 4 |
| Professor Daine Alcorn | 7 |
| Ms Sylvia Falzon | 6 |
| Ms Rosemary Foxcroft | 6 |
| Mr Tim Sullivan | 7 |

*Number of meetings during the year: 7

NOMINATIONS, REMUNERATION AND GOVERNANCE COMMITTEE

The committee advises the Board on all staffing and governance matters.

| COMMITTEE MEMBER | Meetings attended* |
|--|--------------------|
| Prof. Margaret Gardner AO (Chair) | 3 |
| Mr Troy Edwards (from 18 October 2010) | 1 (of 1) |
| Mr Colin Golvan SC (from 18 October 2010) | 1 (of 1) |
| The Hon. Joan Kirner AM | 1 |
| Mr Tim Sullivan | 3 |

*Number of meetings during the year: 3

RESEARCH COMMITTEE

The committee advises the Board on strategic matters relating to research and collection development, and it oversees the implementation of the Board's research and collection strategies. The committee oversees the Museums Board of Victoria's Animal Ethics Committee, which was established in February 2007.

| COMMITTEE MEMBER | Meetings attended* |
|---|--------------------|
| Dr Gael Jennings (Chair) | 2 |
| Professor Daine Alcorn | 3 |
| Professor Graeme Davison | 2 |
| Dr J. Patrick Greene | 2 |
| Dr Robin Hirst | 3 |
| Professor Gareth Nelson (to December 2010) | 1 (of 1) |
| Professor David Karoly | 3 |
| Professor Lynette Russell | 1 |
| Professor Alistair Thomson | 3 |

*Number of meetings during the year: 3

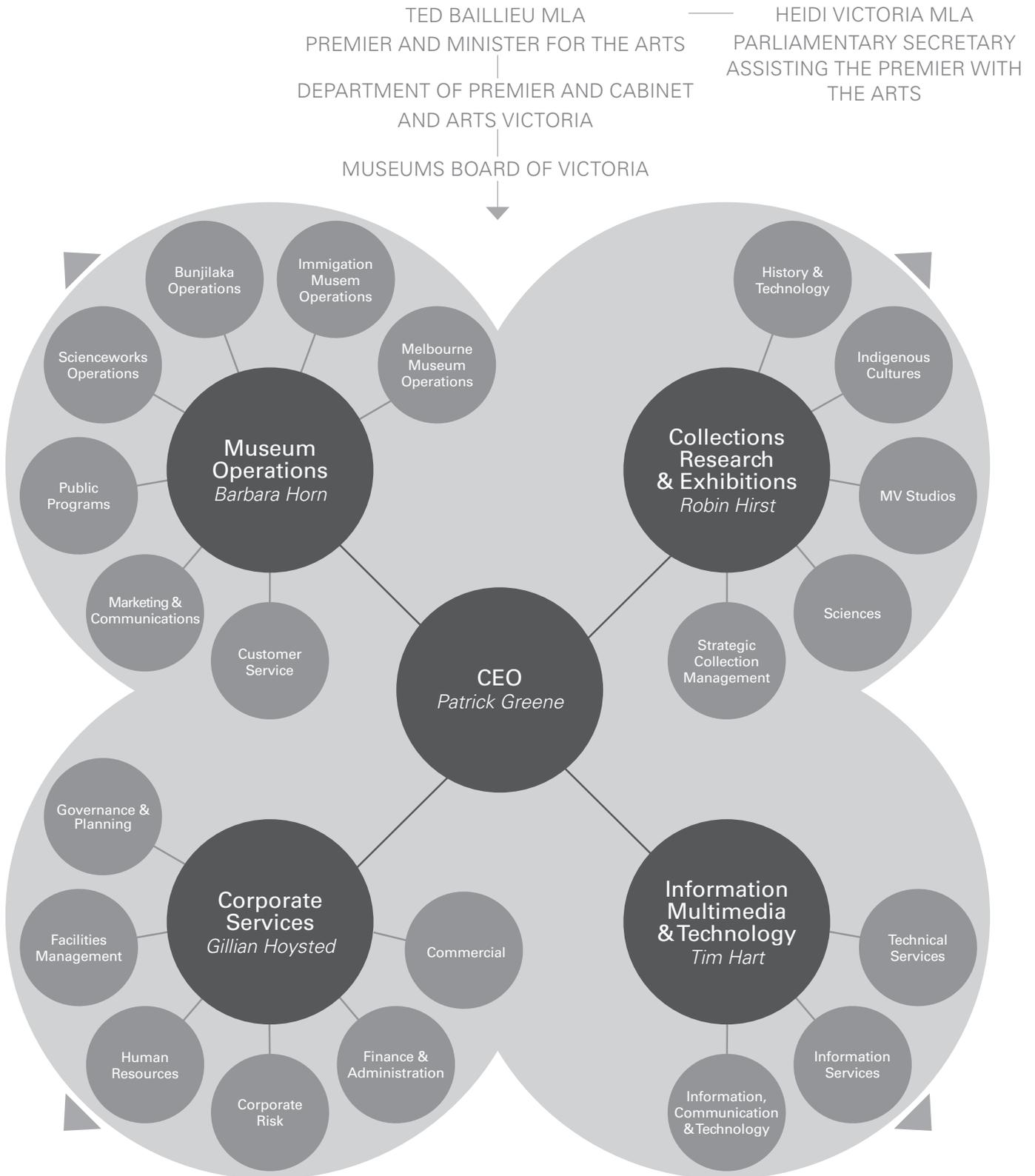
The Museums Board of Victoria is represented on the following committee:

DONALD THOMSON COLLECTION ADMINISTRATION COMMITTEE

This committee was established to administer the legal agreement between the University of Melbourne, members of the Thomson family and Museum Victoria for the placement and long-term loan of the Donald Thomson Collection to Museum Victoria.

OUR WORKPLACE

ORGANISATIONAL STRUCTURE



STAFF PROFILE

| STAFF | 2010–11 | | | 2009–10 | 2008–09 | 2007–08 | 2006–07 |
|--------------|------------|------------|------------|------------|------------|------------|------------|
| | Male | Female | Total | Total | Total | Total | Total |
| Ongoing | 183 | 262 | 445 | 388 | 431 | 407 | 410 |
| Fixed | 65 | 129 | 194 | 148 | 100 | 89 | 103 |
| Casual | 51 | 83 | 134 | 112 | 69 | 81 | 67 |
| Total | 299 | 474 | 773 | 648 | 600 | 577 | 580 |
| FTE* | 227 | 322 | 549 | 495 | 490 | 456 | 453 |

*FTE = Full-time equivalent

Note: Staffing numbers are as at the last pay cycle in the financial year. The growth in the workforce in the last 12 months relates predominantly to additional fixed term and casual staff associated with *Tutankhamun and the Golden Age of the Pharaohs*.

STAFF DEVELOPMENT

A number of opportunities have been offered to employees, designed to meet core-learning requirements, critical skills and knowledge, and to proactively manage Museum Victoria's succession planning requirements. These have been made available through training courses, seminars, conferences, mentor programs and cross-divisional project opportunities.

Internally developed programs have also been initiated, with the introduction of a cultural diversity program, leveraging on the unique value offered through the Immigration Museum.

Additionally, Museum Victoria facilitated numerous debriefing sessions following organisational reviews, major project initiatives and other change interventions, as a means of learning and continuously improving the way we deliver on future initiatives.

Museum Victoria offered 39 corporate learning and development sessions, representing 17 training programs. Of the programs offered, 23% were in-house and internally facilitated. A total of 82% of full-time equivalent staff participated in a program and the majority of participants rated their level of satisfaction with the sessions as 'high' or 'very high'.

EMPLOYEE RELATIONS

2011 marked the end of the current 2009 Staff Partnership Agreement (SPA). Over the life of the agreement, Museum Victoria has maintained an excellent working relationship with the Community and Public Sector Union (CPSU) and union members. Regular CPSU Consultative Committee meetings have

continued, as have constructive discussions regarding organisational reviews and exhibition projects. There has been no industrial action.

In the first half of 2011, preparations and preliminary discussions began for the 2011 SPA.

The Staff Consultative Committee (SCC) has continued to function well over 2010–11, facilitating effective consultation between management and staff in relation to major issues affecting Museum Victoria. The healthy partnership between management and staff is a major contributor to the success of our SPAs, which recognise both staff and organisational needs.

In 2010–11, the SCC contributed to the following projects and activities:

- development of the Health and Safety Management Plan 2010;
- enhancement of staff facilities; and
- review of policies and procedures, including recruitment, customer service, fair treatment and introduction of the Commonwealth Government Paid Parental Leave scheme.

EMPLOYEE WELLBEING

2010–11 marked the first full year of operation of the Museum Victoria Employee Assistance Program. The program has been well accepted by staff, with a number taking up the opportunity to access confidential counselling and support for personal or work-related issues affecting, or likely to affect, their performance or relationships at work.

OUR WORKPLACE

VALUES

LEADERSHIP

We will demonstrate leadership, particularly in the areas of reconciliation, promotion of cultural diversity, communication about the effects of climate change, learning and through the development of our staff.

RESPECT

We will acknowledge and respect the diverse nature of the Victorian community and its views. We will demonstrate respect for the environment by increasing public awareness about the effects of climate change on biodiversity and human societies, and through responsible use of our resources.

RECONCILIATION

We will build on our strong commitment to the achievement of reconciliation between Indigenous and non-Indigenous peoples. By working in partnership with Indigenous communities, we will increase understanding of and respect for Indigenous history, culture and traditions.

HUMAN RIGHTS

We will embrace the values of fairness, equity and social justice in all we do. By acknowledging and acting in accordance with the principles of fundamental human rights, we will contribute to social inclusion for all members of the community.

RESPONSIVENESS

We will engage with the Victorian community in a spirit of openness to encourage access and participation. We will deliver high quality services and continually seek opportunities for improvement.

INTEGRITY

We will maintain our reputation for trustworthiness and authority by being professional and transparent in our actions and decisions. Our research program will be carried out according to the highest standards of scholarship.

IMPARTIALITY

Our staff will act in accordance with Museum Victoria's policies, procedures and strategic directions. We will disseminate our knowledge in an equitable manner and take an unbiased approach in the delivery of information that contributes to public debate.

ACCOUNTABILITY

Our stewardship of the State collection will be undertaken in a manner that preserves and augments this important public inheritance for future generations. We will demonstrate accountability through our service to the community and through efficient and sustainable use of our resources.

PUBLIC SECTOR VALUES AND EMPLOYMENT PRINCIPLES

During the 2010–11 financial year, Museum Victoria complied with the *Public Administration Act 2004*.

We recognise our obligation to make staff aware of the requirements of the code of conduct, policies and procedures. Key documents are made available and are readily accessible to staff prior to their employment commencing. Our policies and procedures are explained through the induction program and are readily accessible through Museum Victoria's intranet.

HEALTH AND SAFETY

Museum Victoria continued to apply rigorous standards in managing health and safety across all our sites. The health and safety program is managed in accordance with the *Occupational Health and Safety Act 2004*, the Occupational Health and Safety Policy and the Health and Safety Management Plan.

Museum Victoria has continued to provide health and safety awareness and occupation-specific training to employees and managers. Health and safety activities undertaken during the year include:

- maintenance and testing programs in accordance with the *Building Act 1993* and essential services requirements;
- emergency evacuation drills;
- development and implementation of a uniform employee and contractor induction process;
- audit and approval of the Melbourne Museum Cooling Tower Risk Management Plan in accordance with the *Public Health and Wellbeing Regulations 2009*;
- development and implementation of exhibition site safety procedures;
- identification and treatment or elimination of hazards and safety risks across all our museums in accordance with established procedures;
- the development of a roadmap for working safely with hazardous substances in collections; and
- regular meetings of the Health and Safety Committee to provide advice and direction on safety procedures and practice across all our sites.

HEALTH AND SAFETY INCIDENTS

VISITORS

| | VISITORS | INCIDENTS | PER 100 VISITORS |
|---------|-----------------|------------------|-------------------------|
| 2009–10 | 2,122,227 | 297 | 0.0139 |
| 2010–11 | 2,329,558 | 283 | 0.0121 |

STAFF

| | STAFF FTE | INCIDENTS | PER 100 STAFF |
|---------|------------------|------------------|----------------------|
| 2009–10 | 495 | 97 | 19.6 |
| 2010–11 | 549 | 56 | 10.2 |

FINANCIAL STATEMENTS

MUSEUMS BOARD OF VICTORIA

We certify that the attached financial statements for the Museums Board of Victoria have been prepared in accordance with Standing Direction 4.2 of the *Financial Management Act 1994*, applicable Financial Reporting Directions, Australian Accounting Standards and other mandatory professional reporting requirements.

We further state that, in our opinion, the information set out in the Comprehensive Operating Statement, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and Notes to the Financial Statements, presents fairly the financial transactions for the year ended 30 June 2011 and financial position of the Board as at 30 June 2011.

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

Museum Victoria receives a substantial proportion of its revenue from Government. The revenue received from Government does not necessarily fund depreciation. The lack of depreciation funding may result in infrastructure which is no longer fit for purpose and thus may require significant Government investment to maintain and upgrade the infrastructure. This does not impact Museum Victoria's ability to operate as a going concern.

At the date of signing these financial statements, we are not aware of any circumstance which would render any particulars to be misleading or inaccurate.

We authorise the attached financial statements for issue on 30 August 2011.



Mr Michael Perry
TREASURER, MUSEUMS BOARD OF VICTORIA



Dr J Patrick Greene
CHIEF EXECUTIVE OFFICER



Gillian Hoysted
CHIEF FINANCIAL OFFICER

30 August 2011

DATED

**COMPREHENSIVE OPERATING STATEMENT
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2011**

| | NOTES | 2011 \$'000 | 2010 \$'000 |
|---|-------|------------------|------------------|
| Income from transactions | | | |
| Victorian Government Grants | 2 | 88,314 | 83,637 |
| Fees and Charges | | 13,529 | 18,425 |
| Sales of Goods and Services | | 4,019 | 4,133 |
| Other Grants | 3 | 3,803 | 6,936 |
| Donations | | 126 | 179 |
| Rent Revenue | | 3,552 | 2,554 |
| Other Income | 4 | 6,871 | 8,059 |
| | | 120,214 | 123,923 |
| Expenses from transactions | | | |
| Employee Expenses | 5(a) | (39,245) | (36,873) |
| Cost of Goods Sold | | (1,509) | (2,108) |
| Finance Costs | | (30) | (34) |
| Capital Asset Charge | 1(k) | (37,928) | (37,325) |
| Buildings and Facilities | | (10,681) | (10,905) |
| Other Operating Expenses | 5(b) | (18,580) | (23,300) |
| | | (107,973) | (110,545) |
| Net result from transactions before depreciation | | 12,241 | 13,378 |
| Depreciation | 9(d) | (12,772) | (11,887) |
| Net result from transactions (net operating balance) | | (531) | 1,491 |
| Other economic flows included in net result | | | |
| Net Gain/(Loss) on Non-Financial Assets | | (18) | 403 |
| Net Gain/(Loss) Arising from Revaluation of Long Service Leave Liability | | (18) | 11 |
| | | (36) | 414 |
| Net Result | | (567) | 1,905 |
| Other economic flows - other non-owner changes in equity | | | |
| Changes in Physical Asset Revaluation Surplus | | 384,856 | 0 |
| Comprehensive result | | 384,289 | 1,905 |

The above Comprehensive Operating Statement should be read in conjunction with the accompanying notes.

FINANCIAL STATEMENTS

BALANCE SHEET AS AT JUNE 2011

| | NOTES | 2011 \$'000 | 2010 \$'000 |
|--|-----------|------------------|----------------|
| Assets | | | |
| Financial Assets | | | |
| Cash and Cash Equivalents | 6, 15(a) | 23,545 | 24,738 |
| Receivables | 7 | 2,447 | 2,104 |
| Total Financial Assets | | 25,992 | 26,842 |
| Non-Financial Assets | | | |
| Prepayments | 8 | 210 | 125 |
| Inventories | | 866 | 779 |
| Property, Plant and Equipment, Exhibitions and W.I.P | 9(b), (c) | 548,368 | 416,490 |
| Collections | 9(a) | 498,166 | 246,711 |
| Total Non-Financial Assets | | 1,047,610 | 664,105 |
| Total Assets | | 1,073,602 | 690,947 |
| Liabilities | | | |
| Payables | 10 | 4,574 | 6,295 |
| Interest Bearing Liabilities | 11 | 377 | 456 |
| Provisions | 12 | 8,963 | 8,797 |
| Total Liabilities | | 13,914 | 15,548 |
| Net Assets | | 1,059,688 | 675,399 |
| Equity | | | |
| Accumulated Deficit | 13(b) | (82,991) | (81,432) |
| <i>Reserves</i> | | | |
| Trust Funds | 13(c) | 7,268 | 6,490 |
| Externally Funded Special Projects | 13(c) | 8,153 | 7,939 |
| Physical Asset Revaluation Reserve | 13(c) | 545,888 | 161,032 |
| Contributed Capital | 13(a) | 581,370 | 581,370 |
| Net Worth | | 1,059,688 | 675,399 |

Contingent liabilities and contingent assets

14

Commitments for expenditure

18

The above Balance Sheet should be read in conjunction with the accompanying notes.

**STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2011**

| | Notes | Physical Asset Revaluation Surplus | Accumulated Deficit | Trust Funds | Externally Funded Special Projects | Contributions by Owner | \$'000 Total |
|--|-------|---|------------------------|----------------|---|---------------------------|------------------|
| Balance at 1 July 2009 | | 161,032 | (77,305) | 5,352 | 3,045 | 581,370 | 673,494 |
| Net result for the year | | 0 | 1,905 | 0 | 0 | 0 | 1,905 |
| Transfer from Accumulated Deficit | 13(c) | 0 | (6,032) | 1,138 | 4,894 | 0 | 0 |
| Balance at 30 June 2010 | | 161,032 | (81,432) | 6,490 | 7,939 | 581,370 | 675,399 |
| Net result for the year | | 0 | (567) | 0 | 0 | 0 | (567) |
| Other comprehensive income for the year | | 384,856 | 0 | 0 | 0 | 0 | 384,856 |
| Transfer from Accumulated Deficit | 13(c) | 0 | (992) | 778 | 214 | 0 | 0 |
| Balance at 30 June 2011 | | 545,888 | (82,991) | 7,268 | 8,153 | 581,370 | 1,059,688 |

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2011

CASH FLOW STATEMENT FOR THE FINANCIAL YEAR ENDED 30 JUNE 2011

| | NOTES | 2011 \$'000 | 2010 \$'000 |
|---|----------|------------------|------------------|
| Cash Flows from Operating Activities | | | |
| Receipts | | | |
| Government Grants: Recurrent | | 88,314 | 83,637 |
| Grants and Donations | | 3,930 | 7,115 |
| Interest | | 1,447 | 1,107 |
| Fees and Charges | | 13,529 | 20,979 |
| Sales – Commercial Operations | | 4,019 | 4,133 |
| Other | | 8,633 | 6,443 |
| Goods and Services Tax on Receipts | | 3,520 | 2,655 |
| Goods and Services Tax Recovered from the ATO | | 1,365 | 1,137 |
| Total Receipts | | 124,757 | 127,206 |
| Payments | | | |
| Salaries and Associated Costs | | (39,308) | (37,510) |
| Operating Expenses | | (57,963) | (66,224) |
| Building Repairs and Maintenance | | (10,681) | (3,144) |
| Cost of Goods for Resale | | (1,596) | (2,077) |
| Finance Costs | | (30) | (34) |
| Goods and Services Tax on Expenditure | | (4,885) | (3,791) |
| Total Payments | | (114,463) | (112,780) |
| Net Cash Flows Provided by Operating Activities | 15(b) | 10,294 | 14,426 |
| Cash Flows from Investing Activities | | | |
| Receipts for Non-current Physical Assets | | | |
| Proceeds from sale of assets | | 22 | 0 |
| Proceeds from sale of collection items | | 0 | 632 |
| Payments for Non-current Physical Assets | | | |
| Royal Exhibition Building | | (5,271) | 0 |
| Property, Plant and Equipment | | (3,202) | (2,032) |
| Exhibitions | | (2,770) | (1,435) |
| W.I.P | | 0 | (3,965) |
| Collections | | (123) | (285) |
| Net Cash Flows Used in Investing Activities | | (11,344) | (7,085) |
| Cash Flows from Financing Activities | | | |
| Payments | | | |
| Finance Leases | | (143) | (127) |
| Net Cash Flows Used in Financing Activities | | (143) | (127) |
| Net (Decrease)/Increase in Cash Held | | (1,193) | 7,214 |
| Cash and Cash Equivalents at the Beginning of the Financial Year | | 24,738 | 17,524 |
| Cash and Cash Equivalents at the End of the Financial Year | 6, 15(a) | 23,545 | 24,738 |

The above Cash Flow Statement should be read in conjunction with the accompanying notes.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) STATEMENT OF COMPLIANCE

These general purpose financial statements have been prepared in accordance with the Financial Management Act 1994, applicable Australian Accounting Standards (AAS) which include Interpretations, issued by the Australian Accounting Standards Board (AASB). In particular, they are presented in a manner consistent with the requirements of the AASB 1049 Whole of Government and General Government Sector Financial Reporting.

Where appropriate, those AAS paragraphs applicable to not-for-profit entities have been applied.

The financial statements were authorised for issue by Ms Gillian Hoysted (Chief Financial Officer –Museums Board of Victoria) on the date the declaration was signed.

Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

(b) BASIS OF ACCOUNTING PREPARATION AND MEASUREMENT

The accrual basis of accounting has been applied in the preparation of these financial statements whereby assets, liabilities, equity, income and expenses are recognised in the reporting period to which they relate, regardless of when cash is received or paid.

These financial statements are presented in Australian dollars, the functional and presentation currency of Museum Victoria.

In the application of AASs, management is required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on professional judgements derived from historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

The financial report has also been prepared on a going concern basis. Museum Victoria is economically dependent on the Victorian State Government grant to assist in funding its operations.

This report has been prepared in accordance with the historical cost convention. Historical cost is based on the fair values of the consideration given in exchange for assets.

(c) SCOPE AND PRESENTATION OF FINANCIAL STATEMENTS

Comprehensive operating statement

Income and expenses in the comprehensive operating statement are classified according to whether or not they arise from 'transactions' or 'other economic flows'. This classification is consistent with the whole of government reporting format and is allowed under AASB 101 Presentation of financial statements.

'Transactions' are those economic flows that are considered to arise as a result of policy decisions, usually interactions between two entities by mutual agreement. Transactions also include flows within an entity, such as depreciation. Transactions can be in kind or where the final consideration is cash.

'Other economic flows' are changes arising from market re-measurements. They include gains and losses from disposals, revaluations and impairments of non-current physical and intangible assets.

The net result is equivalent to profit or loss derived in accordance with AASs.

Balance sheet

Assets and liabilities are presented in liquidity order with assets aggregated into financial assets and non-financial assets.

Current and non-current assets and liabilities (those expected to be recovered or settled beyond 12 months) are disclosed in the notes, where relevant.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2011

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(c) SCOPE AND PRESENTATION OF FINANCIAL STATEMENTS (cont'd)

Cash flow statement

Cash flows are classified according to whether or not they arise from operating, investing, or financing activities. This classification is consistent with requirements under AASB 107 Statement of cash flows.

Statement of changes in equity

The statement of changes in equity presents reconciliations of each non-owner and owner equity opening balance at the beginning of the reporting period to the closing balance at the end of the reporting period. It also shows separately changes due to amounts recognised in the comprehensive result and amounts recognised in other comprehensive income related to other non-owner changes in equity.

(d) NON-CURRENT PHYSICAL ASSETS

All non-current physical assets are recognised initially at cost and subsequently measured at fair value less accumulated depreciation and impairment.

Where an asset is received for no or nominal consideration, the cost is the asset's fair value at the date of acquisition.

The fair value of cultural assets and collections, heritage assets and other non-current physical assets that the State intends to preserve because of their unique historical, cultural or scientific attributes, is measured at the replacement cost of the asset less, where applicable, accumulated depreciation (calculated on the basis of such cost to reflect the already consumed or expired future economic benefits of the asset) and any accumulated impairment.

The fair value of infrastructure systems and plant, equipment and vehicles, is normally determined by reference to the asset's depreciated replacement cost. For plant and equipment, existing depreciated historical cost is generally a reasonable proxy for depreciated replacement cost because of the short lives of the assets concerned.

Restrictive nature of cultural and heritage assets, Crown land and infrastructures

These assets are deemed worthy of preservation because of the social rather than financial benefits they provide to the community. Consequently, there are certain limitations and restrictions imposed on their use and/or disposal.

Revaluations of non-current physical assets

Noncurrent physical assets measured at fair value are revalued in accordance with the FRD103D issued by the Minister for Finance. Revaluations of Land & Buildings and Collections were carried out by independent valuers in 2010–11 as required under the FRD103D. Revaluation increases or decreases arise from differences between an asset's carrying value and fair value.

Net revaluation increases are recognised in 'other economic flows – other movements in equity' and accumulated in equity under the asset revaluation surplus. However, the net revaluation increase is recognised in the net result to the extent that it reverses a net revaluation decrease in respect of the same class of property, plant and equipment previously recognised as an expense (other economic flows) in the net result.

Net revaluation decreases are recognised immediately as other economic flows in the net result, except that the net revaluation decrease is recognised in 'other economic flows – other movements in equity' to the extent that a credit balance exists in the asset revaluation surplus in respect of the same class of property, plant and equipment. The net revaluation decrease recognised in 'other economic flows – other movements in equity' reduces the amount accumulated in equity under the asset revaluation surplus.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(d) NON-CURRENT PHYSICAL ASSETS (cont'd)

Revaluation increases and decreases relating to individual assets within a class of property, plant and equipment are offset against one another within that class but are not offset in respect of assets in different classes.

Any asset revaluation surplus is not normally transferred to accumulated funds on de-recognition of the relevant asset.

Depreciation

Depreciation is charged on non-current physical assets, other than land, at rates assessed to match the cost or other revalued amount of these assets against their estimated economic lives to the entity.

Depreciation is calculated on the straight-line method. No provision is made for the depreciation of the Collections or for the Library Collection Rare Books as they are heritage assets and are deemed to have an indefinite useful life.

Depreciation of an asset begins when it is available for use. Prior to depreciation commencing, an asset will be reported as work-in-progress.

Estimates of remaining useful lives to the entity are made on an annual basis for all assets, with annual reassessments for major items. The following are typical estimated useful lives for the different asset classes for current and prior years.

| | |
|---------------------|--------------|
| Buildings | 20–100 years |
| Plant and equipment | 1–20 years |
| Exhibitions | 1–5 years |

Exhibitions with a life of one year or less are expensed immediately. Exhibitions with an anticipated life of more than one year are capitalised and depreciated over their remaining useful life.

Disposal of Non-Financial Assets

Any gain or loss on the sale of non-financial assets is recognised at the date that control of the asset is passed to the buyer and is determined after deducting from the proceeds the carrying value of the asset at that time.

(e) INVENTORIES

Inventories include goods and other property held either for sale or for distribution at no or nominal cost in the ordinary course of business operations. It excludes depreciable assets.

Inventories are measured at the lower of cost or net realisable value.

(f) RECEIVABLES

Trade debtors are recognised at the amount receivable, as they are due for settlement no more than 30 days from the date of recognition. Collectability of trade debtors is reviewed on an ongoing basis. A provision for doubtful debts is raised when there is objective evidence that the debts will not be collected. Bad debts are written off when identified.

(g) INCOME FROM TRANSACTIONS

Income from fees and charges is recognised at the time of attendance by visitors paying fees and charges.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2011

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(g) INCOME FROM TRANSACTIONS (cont'd)

Income from the sale of goods and services is recognised upon delivery of the goods and services to the customer.

Interest income is recognised on the proportional basis taking into account interest rates applicable to the financial assets.

Grants from Government and other sources are brought to account as income as and when received, and when the museum gains control of the underlying assets. For non-reciprocal grants, the museum is deemed to have assumed control when the grant is received or receivable. Expenditure from such grants is recognised when incurred.

Specific donations, for exhibition development have been treated in these financial statements as income, when received or receivable.

(h) EMPLOYEE BENEFITS

Provision is made for benefits accruing to employees in respect of wages and salaries, annual leave and long service leave for services rendered to the reporting date.

(i) *Wages, Salaries & Annual Leave*

Liabilities for wages and salaries and annual leave expected to be settled within 12 months of the reporting date are recognised in respect of employees' services up to the reporting date and are measured as the amounts expected to be paid when the liabilities are settled.

(ii) *Long Service Leave*

Liability for long service leave (LSL) is recognised in the provision for employee benefits.

Current liability – unconditional LSL (representing 7 or more years of continuous service for staff and executives) is disclosed as a current liability even where the museum does not expect to settle the liability within 12 months because it will not have an unconditional right to defer the settlement of the entitlement should the employee take leave within 12 months.

Non-current liability – conditional LSL (representing less than 7 years of continuous service for staff and executives) is disclosed as a non-current liability. There is an unconditional right to defer the settlement of the entitlement until the employee has completed the requisite years of service.

Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using interest rates on national Government guaranteed securities with terms to maturity that match, as closely as possible, the estimated future cash outflows.

(iii) *Employee Benefit On-costs*

Employee benefit on-costs, including superannuation, workers compensation and payroll tax are recognised and included in employee benefit liabilities and costs when the employee benefits to which they relate are recognised as liabilities.

(iv) *Superannuation*

The amount recognised in the Comprehensive Operating Statement in relation to employer contributions for members of defined benefit superannuation plans represents the employer contributions that are paid or payable to these plans during the operating period. The level of these contributions will vary depending upon the relevant rules of each plan. The Department of Treasury and Finance centrally recognises the defined benefit liability or surplus in such funds.

(i) ROUNDING

Amounts in the financial statements and notes thereto have been rounded to the nearest thousand dollars, unless otherwise stated.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(j) CONTRIBUTIONS BY OWNERS

Consistent with Interpretation 1038.7 Contributions by Owners Made to Wholly-Owned Public Sector Entities appropriations for additions to net assets have been designated as contributions by owners. Other transfers that are in the nature of contributions or distributions have also been designated as contributions by owners.

(k) CAPITAL ASSET CHARGE

The capital asset charge represents the opportunity cost of capital invested in the non-current physical assets used in the provision of outputs. The charge is calculated on the budgeted carrying amount of applicable non-current physical assets.

In accordance with Government policy, this charge has been recognised as revenue within the Government grant and disclosed separately as an expense within the financial statements.

(l) CASH AND DEPOSITS

Cash and deposits, including cash equivalents, comprise cash on hand and cash at bank, deposits at call with an original maturity of three months or less, which are held for the purpose of meeting short-term cash commitments rather than for investment purposes, and which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value.

(m) PAYABLES

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

(n) LEASES

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

Finance leases are capitalised. A leased asset and liability are established at the present value of minimum lease payments. Lease payments are allocated between the principal component of the lease liability and the interest expense. The finance lease facility was ratified by Cabinet as part of the new Vic Fleet facility and is restricted to vehicle acquisitions.

(o) EVENTS AFTER THE REPORTING PERIOD

Museums Board of Victoria is not aware of any material events after balance date which would affect these financial statements.

(p) NEW AND REVISED ACCOUNTING STANDARDS AND INTERPRETATIONS

Museums Board of Victoria has adopted all of the new and revised Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are relevant to its operations and effective for annual reporting from 1 July 2010.

Management has given due consideration to new and revised standards and interpretations issued by the AASB that are not yet effective and do not believe they will have any material financial impact on the financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2011

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(q) IMPAIRMENT OF ASSETS

Assets are assessed annually for indications of impairment, except for inventories (refer Note 1(e)).

If there is an indication of impairment, the assets concerned are tested as to whether their carrying value exceeds their possible recoverable amount. Where an asset's carrying value exceeds its recoverable amount, the difference is written off by a charge to the Comprehensive Operating Statement except to the extent that the write-down can be debited to an asset revaluation surplus amount applicable to that class of asset.

(r) FINANCE COSTS

Finance costs are recognised as expenses in the period in which they are incurred and include finance lease charges.

(s) GOODS AND SERVICES TAX (GST)

Income, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the Balance Sheet.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the taxation authority, are presented as operating cash flow.

(t) FOREIGN CURRENCY

All foreign currency transactions during the financial year are brought to account using the exchange rate in effect at the date of the transaction. Exchange differences are recognised in profit or loss in the period in which they arise.

| | 2011 \$'000 | 2010 \$'000 |
|---|----------------|----------------|
| 2. VICTORIAN GOVERNMENT GRANTS | | |
| The Museums Board of Victoria received the following grants from the Victorian Government | | |
| Recurrent Grant | | |
| Applied to Operations | 44,134 | 40,787 |
| Capital Funding | 6,252 | 5,525 |
| Capital Asset Charge | 37,928 | 37,325 |
| TOTAL | 88,314 | 83,637 |
| 3. OTHER GRANTS | | |
| Other Grants from Victorian Government Entities | 1,762 | 3,354 |
| Commonwealth Grants | 661 | 2,428 |
| Other Grants | 1,380 | 1,154 |
| TOTAL | 3,803 | 6,936 |
| 4. OTHER INCOME | | |
| Interest Revenue from Financial Assets | 1,487 | 1,173 |
| Miscellaneous Income | 5,384 | 6,886 |
| TOTAL | 6,871 | 8,059 |
| 5. EXPENSES FROM TRANSACTIONS | | |
| 5(a) Employee Expenses | | |
| Superannuation | 3,205 | 2,949 |
| Salaries, wages and associated costs | 36,040 | 33,924 |
| TOTAL | 39,245 | 36,873 |
| 5(b) Other Operating Expenses | | |
| Consumables and corporate expenses | 10,473 | 8,036 |
| Marketing and promotion | 3,200 | 5,401 |
| Contractors and Exhibition Display Costs | 4,760 | 9,691 |
| Collections Management | 147 | 172 |
| TOTAL | 18,580 | 23,300 |
| 6. CASH AND CASH EQUIVALENTS | | |
| Cash | 943 | 620 |
| Interest Bearing Deposits | 22,602 | 24,118 |
| TOTAL | 23,545 | 24,738 |

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2011

| | 2011 \$'000 | 2010 \$'000 |
|--|----------------|----------------|
| 7. RECEIVABLES | | |
| Current | | |
| Contractual | | |
| Debtors | 2,138 | 1,813 |
| Less Provision for Doubtful Debts | (50) | 0 |
| | 2,088 | 1,813 |
| Interest Receivable | 149 | 109 |
| | 2,237 | 1,922 |
| Statutory | | |
| GST input tax recoverable | 210 | 182 |
| TOTAL | 2,447 | 2,104 |
| 8. PREPAYMENTS | | |
| Current | | |
| Prepaid expenses | 210 | 125 |
| TOTAL | 210 | 125 |
| 9. NON-CURRENT PHYSICAL ASSETS | | |
| Fair value in the sub-sections below for this note is represented by values at valuation less accumulated depreciation and at cost less accumulated depreciation where applicable under Note 1(d) Non-Current Physical Assets. | | |
| 9(a) Collections | | |
| At Valuation | | |
| Indigenous Collections* | 127,587 | 84,354 |
| History and Technology Collections* | 74,275 | 22,079 |
| Natural Science Collections* | 282,310 | 129,098 |
| Library** | 13,915 | 10,223 |
| At Cost | 79 | 957 |
| TOTAL COLLECTIONS | 498,166 | 246,711 |

*Valued at fair value as at 30 June 2011 by the Australian Valuation Office. The valuation methodology for fair value was based on a statistical sampling approach given the extent and diversity of the Collections, and by reference to market based evidence where available and to replacement cost.

| | 2011 \$'000 | 2010 \$'000 |
|---|----------------|-----------------|
| 9. NON-CURRENT PHYSICAL ASSETS (CONT'D) | | |
| 9(b) Property | | |
| Land at Valuation*** | 153,982 | 120,600 |
| Buildings at Valuation*** | | |
| Former ACI Site, including Simcock Avenue Store | 1,570 | 0 |
| Scienceworks | 18,303 | 23,200 |
| Royal Exhibition Building | 38,444 | 34,160 |
| Immigration Museum | 13,936 | 18,900 |
| Moreland Store | 7,611 | 11,050 |
| Melbourne Museum (including IMAX) | 298,524 | 191,980 |
| | 532,370 | 399,890 |
| Land at Cost | | |
| Former ACI site, including Simcock Avenue Store | 0 | 6,515 |
| Buildings at Cost | | |
| Former ACI sit, including Simcock Avenue Store | 0 | 1,806 |
| Scienceworks | 0 | 386 |
| Royal Exhibition Building | 3,776 | 1,145 |
| Immigration Museum | 0 | 218 |
| Moreland Store | 0 | 56 |
| Melbourne Museum (including IMAX) | 0 | 665 |
| | 3,776 | 10,791 |
| | 536,146 | 410,681 |
| Less Accumulated Depreciation | | |
| Former ACI site including Simcock Avenue store | 0 | (233) |
| Royal Exhibition Building | (33) | (3,984) |
| Immigration Museum | 0 | (2,177) |
| Scienceworks | 0 | (3,048) |
| Moreland Store | 0 | (1,400) |
| Melbourne Museum | 0 | (17,855) |
| | (33) | (28,697) |
| TOTAL PROPERTY | 536,113 | 381,984 |

*** Scienceworks, Royal Exhibition Building, Moreland Store, Immigration Museum, Melbourne Museum (including IMAX) and Former ACI Site. The Valuer-General Victoria undertook a valuation of Museum Victoria's land and buildings at fair value in 2010–11. The valuation methodology for Land was based on an analysis of market based evidence and allowances for any restrictions to the marketability of the property. The valuation methodology for Buildings was based on depreciated replacement cost.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2011

| | 2011 \$'000 | 2010 \$'000 |
|--|----------------|----------------|
| 9. NON-CURRENT PHYSICAL ASSETS (CONT'D) | | |
| 9(c) Plant and Equipment, Exhibitions and W.I.P | | |
| Plant and Equipment | | |
| Plant and Equipment at Cost | 25,660 | 72,027 |
| Less Accumulated Depreciation | (20,339) | (47,516) |
| TOTAL PLANT AND EQUIPMENT | 5,321 | 24,511 |
| Plant and Equipment under Finance Lease | | |
| Plant and Equipment under Finance Lease at Cost | 629 | 620 |
| Less Accumulated Depreciation | (260) | (175) |
| TOTAL PLANT AND EQUIPMENT UNDER FINANCE LEASE | 369 | 445 |
| TOTAL PLANT AND EQUIPMENT | 5,690 | 24,956 |
| Exhibitions | | |
| Melbourne Museum at Cost | 59,436 | 55,838 |
| Less Accumulated Depreciation | (53,581) | (50,705) |
| Scienceworks at Cost | 3,624 | 3,599 |
| Less Accumulated Depreciation | (3,411) | (3,218) |
| Immigration Museum at Cost | 5,327 | 4,847 |
| Less Accumulated Depreciation | (4,830) | (4,776) |
| TOTAL EXHIBITIONS | 6,565 | 5,585 |
| Works in Progress – W.I.P. | | |
| Exhibitions and Buildings at Cost | 0 | 3,965 |
| TOTAL W.I.P | 0 | 3,965 |
| TOTAL PROPERTY, PLANT AND EQUIPMENT, EXHIBITIONS AND W.I.P. | 548,368 | 416,490 |

Independent valuations at fair value for Property and Collections were carried out in 2010–11 in accordance with the FRD 103D Non-Current Physical Assets. A fair value assessment for Plant and Equipment and Exhibitions was undertaken by management during the year ended 30 June 2011 in accordance with the FRD 103D Non-Current Physical Assets in order to reconfirm the fair value of Plant and Equipment and Exhibitions.

9. NON-CURRENT PHYSICAL ASSETS (CONT'D)

9(d) Movements in Carrying Amounts of Non-Current Physical Assets

| Carrying amount | Land \$'000 | Buildings \$'000 | Plant and Equipment \$'000 | Exhibitions \$'000 | W.I.P \$'000 | Collections \$'000 | Total \$'000 |
|------------------------------------|----------------|---------------------|----------------------------------|-----------------------|-----------------|-----------------------|------------------|
| Balance at 1 July 2009 | 127,115 | 260,787 | 26,574 | 5,628 | 710 | 246,621 | 667,435 |
| Additions | 0 | 0 | 2,294 | 1,435 | 3,965 | 285 | 7,979 |
| Disposals | 0 | 0 | (131) | 0 | 0 | (195) | (326) |
| Asset revaluation | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Transfers | 0 | 0 | 148 | 562 | (710) | 0 | 0 |
| Depreciation | 0 | (5,918) | (3,929) | (2,040) | 0 | 0 | (11,887) |
| Balance at 30 June 2010 | 127,115 | 254,869 | 24,956 | 5,585 | 3,965 | 246,711 | 663,201 |
| Additions | 0 | 5,271 | 3,202 | 2,769 | 0 | 123 | 11,365 |
| Disposals | 0 | 0 | (115) | (1) | 0 | 0 | (116) |
| Asset revaluation | 26,867 | 106,657 | 0 | 0 | 0 | 251,332 | 384,856 |
| Transfers | 0 | **21,142 | **(18,527) | 1,350 | (3,965) | 0 | 0 |
| Depreciation | 0 | (5,808) | (3,826) | (3,138) | 0 | 0 | (12,772) |
| Balance at 30 June 2011 | 153,982 | 382,131 | 5,690 | 6,565 | 0 | 498,166 | 1,046,534 |

** Transfer of building components from Plant and Equipment to Buildings in the revaluation process where the major components have been revalued as part of the buildings.

| | 2011 \$'000 | 2010 \$'000 |
|----------------------------|----------------|----------------|
| 10. PAYABLES | | |
| Current Contractual | | |
| Trade Creditors | 971 | 1,485 |
| Other Payables | 3,486 | 4,696 |
| Accrued Salaries | 117 | 114 |
| TOTAL | 4,574 | 6,295 |

| | | |
|---|------------|------------|
| 11. INTEREST BEARING LIABILITIES | | |
| 11(a) Current | | |
| Secured | | |
| Lease liabilities (Note 18) | 242 | 190 |
| TOTAL | 242 | 190 |
| 11(b) Non-current | | |
| Secured | | |
| Lease liabilities (Note 18) | 135 | 226 |
| TOTAL | 135 | 226 |
| TOTAL INTEREST BEARING LIABILITIES | 377 | 456 |

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2011

| | 2011 \$'000 | 2010 \$'000 |
|---|----------------|----------------|
| 11. INTEREST BEARING LIABILITIES (CONT'D) | | |
| Lease liabilities are effectively secured as the rights to the leased assets revert to the lessor in the event of default | | |
| 11(c) Assets pledged as security | | |
| The carrying amounts of non-current assets pledged as security are: | | |
| Finance lease | | |
| Plant and equipment under finance lease (Note 9(c)) | 369 | 445 |
| TOTAL NON-CURRENT ASSETS PLEDGED AS SECURITY | 369 | 445 |
| 12. PROVISIONS | | |
| Current Provisions | | |
| Employee Benefits (Note 12(a)) – Annual Leave and Staff Partnership Unconditional and expected to be settled within 12 months** | 2,724 | 2,740 |
| Employee Benefits (Note 12(a)) – Long Service Leave Unconditional and expected to be settled within 12 months** | 3,035 | 2,974 |
| Unconditional and expected to be settled after 12 months*** | 1,309 | 1,215 |
| | 7,068 | 6,929 |
| Provisions related to employee benefit on-costs (Note 12(a)): | | |
| Unconditional and expected to be settled within 12 months** | 875 | 869 |
| Unconditional and expected to be settled after 12 months*** | 199 | 185 |
| | 1,074 | 1,054 |
| Total Current Provisions | 8,142 | 7,983 |
| Non-Current Provisions | | |
| Employee Benefits (Note 12(a)) | 713 | 707 |
| Employee Benefits on-costs | 108 | 107 |
| Total Non-Current Provisions | 821 | 814 |
| TOTAL PROVISIONS | 8,963 | 8,797 |
| 12(a) Employee Benefits and related on-costs | | |
| Current Employee Benefits | | |
| Annual Leave and Staff Partnership entitlements | 2,724 | 2,740 |
| Long Service Leave entitlements | 4,344 | 4,189 |
| Non-Current Employee Benefits | | |
| Long Service Leave entitlements | 713 | 707 |
| Total Employee Benefits | 7,781 | 7,636 |
| Current on-costs | 1,074 | 1,054 |
| Non-current on-costs | 108 | 107 |
| Total on-costs | 1,182 | 1,161 |
| TOTAL EMPLOYEE BENEFITS AND RELATED ON-COSTS – Refer Note 1(h) | 8,963 | 8,797 |

**The amounts disclosed are nominal amounts

***The amounts disclosed are discounted to present values

| | 2011 \$'000 | 2010 \$'000 |
|--|-----------------|-----------------|
| 13. EQUITY | | |
| 13(a) Contributed Capital* | | |
| Balance at beginning of year | 581,370 | 581,370 |
| BALANCE AT END OF YEAR | 581,370 | 581,370 |
| 13(b) Accumulated Deficit | | |
| Balance at beginning of year | (81,432) | (77,305) |
| Net Result | (567) | 1,905 |
| Transfers between Reserves | | |
| Transfer to Trust Funds | (778) | (1,138) |
| Transfer to Externally Funded Special Projects | (214) | (4,894) |
| BALANCE AT END OF YEAR | (82,991) | (81,432) |
| 13(c) Reserves: Trust Funds** | | |
| Balance at beginning of year | 6,490 | 5,352 |
| Transfer from Accumulated Deficit | 778 | 1,138 |
| BALANCE AT END OF YEAR | 7,268 | 6,490 |
| 13(d) Reserves: Externally Funded Special Projects*** | | |
| Balance at beginning of year | 7,939 | 3,045 |
| Transfer from Accumulated Deficit | 214 | 4,894 |
| BALANCE AT END OF YEAR | 8,153 | 7,939 |
| Physical Asset Revaluation Reserve | | |
| Balance at beginning of year | 161,032 | 161,032 |
| Asset revaluation increases | 384,856 | 0 |
| BALANCE AT END OF YEAR | 545,888 | 161,032 |

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

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

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

14. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Museum Victoria believes that there are no material contingent liabilities or contingent assets (2009–10: Nil).

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2011

| | 2011 \$'000 | 2010 \$'000 |
|---|----------------|----------------|
| 15. NOTES TO THE CASH FLOW STATEMENT | | |
| 15(a) Reconciliation of Cash | | |
| For the purposes of the Cash Flow Statement, Museum Victoria considers cash to include cash on hand and in banks. Cash at the end of the reporting period, as shown in the Cash Flow Statement, is reconciled to the related items in the Balance Sheet as follows: | | |
| Cash | 943 | 620 |
| Interest Bearing Deposits | 22,602 | 24,118 |
| TOTAL (refer to Note 6) | 23,545 | 24,738 |
| 15(b) Reconciliation of Net Result to Net Cash Flows from Operating Activities | | |
| Net result for the year | (567) | 1,905 |
| Loss/(Gain) on Sale of Non-Current Assets | 18 | (403) |
| Non-cash movements: | | |
| Depreciation | 12,772 | 11,887 |
| Doubtful Debt Expense | 50 | 0 |
| Net cash provided by operating activities before change in assets and liabilities | 12,273 | 13,389 |
| Movement in assets and liabilities: | | |
| Decrease/(Increase) in Receivables | (393) | (508) |
| Decrease/(Increase) in Prepayments | (85) | 134 |
| Decrease/(Increase) in Inventories | (87) | 31 |
| Increase/(Decrease) in Payables | (1,580) | 1,160 |
| Increase/(Decrease) in Provisions | 166 | 220 |
| Net cash provided by operating activities | 10,294 | 14,426 |
| 15(c) Non-cash financing and investing activities | | |
| Financing Facilities | | |
| Finance Lease Assets | | |
| Acquisitions | 173 | 252 |
| Disposals | (128) | (170) |
| TOTAL | 45 | 82 |

16. RESPONSIBLE PERSONS

16(a) RESPONSIBLE PERSONS

The following disclosures are made regarding responsible persons for the reporting period.

Responsible Minister – Hon. Peter Batchelor MP (20 January 2010 – 2 December 2010)

Responsible Minister – Ted Baillieu MLA, Premier and Minister for the Arts (From 2 December 2010)

Accountable Officer – Dr J Patrick Greene

Board Members:

Professor Margaret Gardner AO (President)

Professor Daine Alcorn

Mr Troy Edwards

Ms Sylvia Falzon

Mr Colin Golvan SC

Dr Gael Jennings

The Hon. Joan Kirner AM

Mr Michael Perry

Dr Gaye Sculthorpe

Mr Tim Sullivan

16(b) REMUNERATION OF RESPONSIBLE PERSONS

Members of the Board act in an honorary capacity.

Amounts relating to the Responsible Minister are reported in the financial statements of the Department of Premier and Cabinet.

The remuneration of the Accountable Officer, who is not a Member of the Board, during the reporting period, was in the range of \$310,000–\$319,999 (\$300,000–\$309,999 in 2009–10). The remuneration of the Accountable Officer is not included in note 16(d) below.

16(c) RELATED PARTY TRANSACTIONS

There were no transactions during the financial year with Responsible Persons or with Responsible Person-related entities (2009–10: Nil).

16(d) EXECUTIVE OFFICER REMUNERATION

| Income Band | Total Remuneration | | Base Remuneration | |
|-----------------------|--------------------|------------------|-------------------|------------------|
| | 2011 No. | 2010 No. | 2011 No. | 2010 No. |
| \$140,000 – \$149,999 | 0 | 0 | 1 | 1 |
| \$150,000 – \$159,999 | 0 | 0 | 1 | 1 |
| \$160,000 – \$169,999 | 1 | 1 | 2 | 2 |
| \$170,000 – \$179,999 | 0 | 1 | 0 | 0 |
| \$180,000 – \$189,999 | 2 | 2 | 0 | 0 |
| \$190,000 – \$199,999 | 1 | 0 | 0 | 0 |
| TOTAL NUMBERS | 4 | 4 | 4 | 4 |
| TOTAL | \$768,000 | \$747,000 | \$683,000 | \$663,000 |

16(e) RECONCILIATION OF EXECUTIVE NUMBERS

| | 2011 | 2010 |
|--|----------|----------|
| Executives with remuneration over \$100,000 | 4 | 4 |
| <i>Add</i> Accountable Officer (Chief Executive Officer) | 1 | 1 |
| Total executive numbers at 30 June | 5 | 5 |

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2011

17. SUPERANNUATION

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

(a) State Superannuation Fund (Revised Scheme & New)

Employer contributions paid to the above Schemes were \$549,644 (2009–10: \$580,150). Contributions outstanding at 30 June 2011 were \$Nil (2009–10: \$Nil). The contributions rates are advised by the Trustees of the Funds.

(b) State Superannuation Fund (VicSuper Scheme)

Employer contributions paid to the above Scheme were \$1,955,735 (2009–10: \$1,808,691). Contributions outstanding at 30 June 2011 were \$Nil (2009–10: \$Nil). This represented a contribution rate of 9% of normal salary.

Museum Victoria is required to recognise all superannuation payments as expenses in its comprehensive operating statement. The Department of Treasury and Finance shall recognise the aggregate unfunded superannuation liability relating to employing entities in its financial statements of 30 June 2011 as the Victorian Government has assumed responsibility for this liability.

| | 2011 \$'000 | 2010 \$'000 |
|---|----------------|----------------|
| 18. LEASES AND COMMITMENTS FOR EXPENDITURE | | |
| Operating Lease Commitments | | |
| Non-cancellable operating leases contracted for but not capitalised in the accounts | | |
| Payable: | | |
| not longer than 1 year | 747 | 884 |
| longer than 1 year but not longer than 5 years | 660 | 580 |
| TOTAL | 1,407 | 1,464 |
| Finance Leases | | |
| Finance leases are payable as follows: | | |
| within 1 year | 258 | 214 |
| longer than 1 year but not longer than 5 years | 140 | 281 |
| Minimum lease payments | 398 | 495 |
| Less future finance charges | 21 | 39 |
| Present value of minimum lease payments | 377 | 456 |
| Representing lease liabilities: | | |
| Current (Note 11(a)) | 242 | 190 |
| Non-current (Note 11(b)) | 135 | 266 |
| TOTAL | 377 | 456 |

19. FINANCIAL INSTRUMENTS

(a) SIGNIFICANT POLICIES

The significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement, and the basis on which income and expenses are recognised, with respect to each class of financial asset, financial liability and equity instrument are disclosed in Note 1 to the financial statements.

The main purpose in holding financial instruments is to prudentially manage the entity's financial risks within its policy parameters. The entity's main financial risks include credit risk, liquidity risk and interest rate risk. The entity manages these financial risks in accordance with its financial management policies.

Cash investments are governed by an investment policy approved by the Museums Board of Victoria. The policy restricts the types and terms of investments to government securities or government guaranteed securities and low risk instruments with rated financial institutions.

(b) CATEGORISATION OF FINANCIAL INSTRUMENTS

| | Contractual financial assets – loans and receivables | Contractual financial liabilities at amortised cost | \$'000 Total |
|--|---|--|-----------------|
| 2011 | | | |
| Contractual financial assets | | | |
| Cash and deposits | 23,545 | 0 | 23,545 |
| Receivables | | | |
| Sale of goods and services | 2,237 | 0 | 2,237 |
| Total contractual financial assets | 25,782 | 0 | 25,782 |
| Contractual financial liabilities | | | |
| Payables | | | |
| Supplies and services | 0 | 4,574 | 4,574 |
| Borrowings | | | |
| Lease liabilities | 0 | 377 | 377 |
| Total contractual financial liabilities | 0 | 4,951 | 4,951 |
| 2010 | | | |
| Contractual financial assets | | | |
| Cash and deposits | 24,738 | 0 | 24,738 |
| Receivables | | | |
| Sale of goods and services | 1,922 | 0 | 1,922 |
| Total contractual financial assets | 26,660 | 0 | 26,660 |
| Contractual financial liabilities | | | |
| Payables | | | |
| Supplies and services | 0 | 6,295 | 6,295 |
| Borrowings | | | |
| Lease liabilities | 0 | 456 | 456 |
| Total contractual financial liabilities | 0 | 6,751 | 6,751 |

** The amount of receivables disclosed here excludes statutory amounts.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2011

19. FINANCIAL INSTRUMENTS (CONT'D)

(c) CREDIT RISK

Credit risk arises from the contractual financial assets of the entity, which comprise cash and cash equivalents, and trade and other receivables. The entity's exposure to credit risk arises from the potential default of the counter party on their contractual obligations resulting in financial loss to the entity. Credit risk is measured at fair value and is monitored on a regular basis.

The maximum exposure to credit risk on financial assets which has been recognised on the Balance Sheet is the carrying amount, net of any provisions for doubtful debts, without taking into account of the value of any collateral obtained. The entity follows a process of reviewing all trade debtors during the year to identify doubtful debts or other possible impairments.

Currently Museum Victoria does not hold any collateral as security nor credit enhancements relating to any of its financial assets.

There are no financial assets that have had their terms renegotiated so as to prevent them from being past due or impaired, and they are stated at the carrying amounts as indicated.

| AGEING ANALYSIS OF CONTRACTUAL FINANCIAL ASSETS | Carrying amount | Not past due and not impaired | Past due but not impaired | | \$'000 Impaired financial assets |
|---|-----------------|-------------------------------|---------------------------|-----------|----------------------------------|
| | | | less than 1 year | 1–5 years | |
| 2011 | | | | | |
| Cash | 943 | 943 | 0 | 0 | 0 |
| Receivables: | | | | | |
| Sale of goods and services | 2,237 | 1,267 | 920 | 0 | 50 |
| Investments and other contractual financial assets | | | | | |
| Short-term cash investments | 22,602 | 22,602 | 0 | 0 | 0 |
| Total | 25,782 | 24,812 | 920 | 0 | 50 |
| 2010 | | | | | |
| Cash | 620 | 620 | 0 | 0 | 0 |
| Receivables: | | | | | |
| Sale of goods and services | 1,922 | 921 | 1,001 | 0 | 0 |
| Investments and other contractual financial assets | | | | | |
| Short-term cash investments | 24,118 | 24,118 | 0 | 0 | 0 |
| Total | 26,660 | 25,659 | 1,001 | 0 | 0 |

19. FINANCIAL INSTRUMENTS (CONT'D)

(d) LIQUIDITY RISK

Liquidity risk arises when the entity is unable to meet its contractual financial obligations as they fall due. The entity operates under the Government fair payments policy of settling financial obligations within 30 days and in the event of a dispute, makes payments within 30 days from the date of resolution. It also continuously manages risk through monitoring future cash flows and maturities planning to ensure adequate holding of high quality liquid assets and dealing in highly liquid markets.

The entity's exposure to liquidity risk is deemed insignificant based on prior periods' data and current assessment of risk. Cash for unexpected events is generally sourced from cash and cash equivalent assets.

| MAXIMUM EXPOSURE TO LIQUIDITY RISK IS THE CARRYING AMOUNTS OF FINANCIAL LIABILITIES | Carrying amount | Nominal Amount | \$'000 | | |
|---|-----------------|----------------|---------------------------|------------|----------|
| | | | Past due but not impaired | | |
| | | | less than 1 year | 1-5 years | 5+ years |
| 2011 | | | | | |
| Payables: | | | | | |
| Supplies and services | 4,574 | 4,574 | 4,574 | 0 | 0 |
| Borrowings | | | | | |
| Lease liabilities | 377 | 377 | 242 | 135 | 0 |
| Total | 4,951 | 4,951 | 4,816 | 135 | 0 |
| 2010 | | | | | |
| Payables: | | | | | |
| Receivables: | | | | | |
| Supplies and services | 6,295 | 6,295 | 6,295 | 0 | 0 |
| Borrowings | | | | | |
| Lease liabilities | 456 | 456 | 190 | 266 | 0 |
| Total | 6,751 | 6,751 | 6,485 | 266 | 0 |

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2011

(e) MARKET RISK

The entity's exposures to market risk are primarily through interest rate risk with only insignificant exposure to foreign currency and other price risks. Objectives, policies and processes used to manage each of these risks are disclosed in the paragraphs below.

Foreign currency risk

The entity is exposed to insignificant foreign currency risk through its payables relating to purchases of supplies and consumables from overseas. This is because of a limited amount of purchases denominated in foreign currencies and a short timeframe between commitment and settlement.

The entity manages its risk through continuous monitoring of movements in exchange rates and ensures availability of funds through rigorous cash flow planning and monitoring.

Interest rate risk

Exposure to interest rate risk arises primarily through the entity's interest bearing cash and cash equivalents assets. Minimisation of risk is achieved by mainly undertaking short-term fixed-rate cash investments.

The impact of a reasonably possible 1% increase or decrease in interest rates is not expected to have a material effect on the entity's net result or equity.

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

| | Weighted average effective interest rate % | Carrying Amount | Interest rate exposure | | |
|--|--|-----------------|------------------------|------------------------|----------------------|
| | | | Fixed interest rate | Variable interest rate | Non-interest bearing |
| 2011 | | | | | |
| Financial Assets | | | | | |
| Cash and deposits | 4.00% | 943 | 0 | 785 | 158 |
| Receivables: | | | | | |
| Sale of goods and services | - | 2,237 | 0 | 0 | 2,237 |
| Investments and other financial assets: | | | | | |
| Short-term cash investments | 5.29% | 22,602 | 20,500 | 2,102 | 0 |
| Total financial assets | | 25,782 | 20,500 | 2,887 | 2,395 |
| Financial Liabilities | | | | | |
| Payables: | | | | | |
| Trade and other creditors | - | 4,574 | 0 | 0 | 4,574 |
| Interest bearing liabilities: | | | | | |
| Short-term cash investments | 7.03% | 377 | 0 | 377 | 0 |
| Total financial liabilities | | 4,951 | 0 | 377 | 4,574 |

19. FINANCIAL INSTRUMENTS (CONT'D)

(e) MARKET RISK (cont'd)

| | Weighted average effective interest rate % | Carrying Amount | Interest rate exposure | | |
|--|--|-----------------|------------------------|------------------------|----------------------|
| | | | Fixed interest rate | Variable interest rate | Non-interest bearing |
| 2010 | | | | | |
| Financial Assets | | | | | |
| Cash and deposits | 3.75% | 620 | 0 | 486 | 134 |
| Receivables: | | | | | |
| Sale of goods and services | - | 1,922 | 0 | 0 | 1,922 |
| Investments and other financial assets: | | | | | |
| Short-term cash investments | 5.13% | 24,118 | 23,220 | 898 | 0 |
| Total financial assets | | 26,660 | 23,220 | 1,384 | 2,056 |
| Financial Liabilities | | | | | |
| Payables: | | | | | |
| Trade and other creditors | - | 6,295 | 0 | 0 | 6,295 |
| Interest bearing liabilities: | | | | | |
| Short-term cash investments | 7.16% | 456 | 0 | 456 | 0 |
| Total financial liabilities | | 6,751 | 0 | 456 | 6,295 |

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2011

19. FINANCIAL INSTRUMENTS (CONT'D)

(f) FAIR VALUE

The fair values and net fair values of financial instrument assets and liabilities are determined as follows:

- the fair value of financial instruments with standard terms and conditions and traded in active liquid markets are determined with reference to quoted market prices;
- the fair value is determined using inputs other than quoted prices that are observable for the financial asset or liability, either directly or indirectly; and
- the fair value is determined in accordance with generally accepted pricing models based on discounted cash flow analysis using unobservable market inputs.

The entity considers that the carrying amount of financial instrument assets and liabilities recorded in the financial statements to be a fair approximation of their fair values, because of the short term nature of the financial instruments and the expectation that they will be paid in full.

| | 2011 \$'000 | 2010 \$'000 |
|------------------------------------|----------------|----------------|
| 20. REMUNERATION OF AUDITORS | | |
| Victorian Auditor-General's Office | | |
| Audit of financial report | 47 | 46 |
| TOTAL | 47 | 46 |

VAGO

Victorian Auditor-General's Office

INDEPENDENT AUDITOR'S REPORT

To the Board Members, Museums Board of Victoria

The Financial Report

The accompanying financial report for the year ended 30 June 2011 of the Museums Board of Victoria which comprises the comprehensive operating statement, balance sheet, statement of changes in equity, cash flow statement, notes comprising a summary of significant accounting policies and other explanatory information, and the certification by the Treasurer, Chief Executive Officer and the Chief Financial Officer has been audited.

The Board Members' Responsibility for the Financial Report

The Board Members of the Museums Board of Victoria are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards, including the Australian Accounting Interpretations, and the financial reporting requirements of the *Financial Management Act 1994*, and for such internal control as the Board Members determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

As required by the *Audit Act 1994*, my responsibility is to express an opinion on the financial report based on the audit, which has been conducted in accordance with Australian Auditing Standards. Those Standards require compliance with relevant ethical requirements relating to audit engagements and that the audit be planned and performed to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The audit procedures selected depend on judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, consideration is given to the internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the Board, as well as evaluating the overall presentation of the financial report.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Independence

The Auditor-General's independence is established by the *Constitution Act 1975*. The Auditor-General is not subject to direction by any person about the way in which his powers and responsibilities are to be exercised. In conducting the audit, the Auditor-General, his staff and delegates complied with all applicable independence requirements of the Australian accounting profession.

Level 24, 35 Collins Street, Melbourne Vic. 3000

Telephone 61 3 8601 7000 Facsimile 61 3 8601 7010 Email comments@audit.vic.gov.au Website www.audit.vic.gov.au

1

Auditing in the Public Interest

VAGO

Victorian Auditor-General's Office

Independent Auditor's Report (continued)

Opinion

In my opinion, the financial report presents fairly, in all material respects, the financial position of the Museums Board of Victoria as at 30 June 2011 and of its financial performance and its cash flows for the year then ended in accordance with applicable Australian Accounting Standards, including the Australian Accounting Interpretations, and the financial reporting requirements of the *Financial Management Act 1994*.

Matters Relating to the Electronic Publication of the Audited Financial Report

This auditor's report relates to the financial report of the Museums Board of Victoria for the year ended 30 June 2011 included both in the Museums Board of Victoria's annual report and on the website. The Board Members of the Museums Board of Victoria are responsible for the integrity of the Museums Board of Victoria's website. I have not been engaged to report on the integrity of the Museums Board of Victoria's website. The auditor's report refers only to the subject matter described above. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of the financial report are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited financial report to confirm the information contained in the website version of the financial report.

MELBOURNE
1 September 2011


for D D R Pearson
Auditor-General

STATUTORY REPORTS

FREEDOM OF INFORMATION

The *Freedom of Information Act 1982* entitles members of the public to obtain information, other than information that is exempt under the Act, held by Museum Victoria. For the 12 months ending 30 June 2011, four applications were received. Three of these were from individuals and one was from the media. Three requests have been completed and two of these were internally reviewed, with the original decisions upheld. One is currently before the Victorian Civil and Administrative Tribunal, with a decision yet to be determined.

Annual publication of the information below is required under Part II of the Act. The information required to be published under section 7(1)(a)(i) is located elsewhere in this annual report.

CONTACTS

Principal Officer:
Dr J. Patrick Greene (Chief Executive Officer)

Freedom of Information Officer:
Manager, Information Services

Address: GPO Box 666, Melbourne VIC 3001
Telephone: (03) 8341 7109
Fax: (03) 8341 7299
Email: foi@museum.vic.gov.au

CATEGORIES OF DOCUMENTS

Documents maintained in the possession of Museum Victoria include:

- records pertaining to our buildings and other assets;
- records pertaining to objects in the Museum Victoria collection;
- Museum Victoria policies and procedures;
- records of divisional operations;
- records of Museums Board of Victoria meetings;
- finance and accounting records;
- volunteer records;
- personnel and salary records;
- Board member records; and
- Museum Victoria member records.

REQUESTS FOR ACCESS TO DOCUMENTS

Access to documents (as defined in section 5 of the Act) may only be obtained through a written request to the Freedom of Information Officer; a fax is sufficient. Each request should be accompanied by a \$24.40 application fee. An applicant may request photocopies of documents or inspection of specific documents at Museum Victoria, or else other access arrangements as may be appropriate to the application.

Applications should be as specific as possible to enable Museum Victoria to identify the documents sought. Where a request does not sufficiently identify the documents, the applicant will be advised and provided with an opportunity to consult with Museum Victoria in order to redefine the request.

Section 21 of the Act requires that all reasonable steps be taken to notify the applicant of the decision concerning the release of documents as soon as practicable. It must be no later than 45 days after the date on which the request was received.

CHARGES UNDER THE ACT

Section 22 of the Act outlines the principles for the levy to be paid by an applicant before access to a document is given, and for the waiver of charges. The current application fee is \$24.40. Further charges may be levied for photocopying, searching or for supervising access. Some charges may be waived in certain circumstances.

LITERATURE AVAILABLE BY SUBSCRIPTION OR FREE MAILING LISTS

Museum Victoria maintains the following subscription services and free mailing lists:

- *Six Months Museum Victoria* magazine;
- *Memoirs of Museum Victoria*;
- *Play & Folklore*;
- *MVTeachers* e-newsletter;
- Volunteer Program email bulletin;
- MV Members e-newsletter;
- Museum Victoria *What's On* brochure;
- Museum Victoria e-news;
- IMAX e-blast newsletter; and
- Scienceworks Explorer Club newsletter.

AVAILABILITY OF ADDITIONAL INFORMATION

The following information relating to Museum Victoria, relevant to the financial year, is available to the Minister, members of parliament and the public on request:

- a statement that declarations of pecuniary interests have been duly completed by all relevant officers;
- details of shares held by a senior officer as nominee or held beneficially in a statutory authority or subsidiary;
- details of publications produced by Museum Victoria about the museum, and the places where publications can be obtained;
- details of changes in prices, fees, charges, rates and levies charged by Museum Victoria;
- details of major research and development activities undertaken by Museum Victoria;

STATUTORY REPORTS

- details of overseas visits undertaken, including a summary of the objectives and outcomes of each visit;
- details of major promotional, public relations and marketing activities undertaken by Museum Victoria to develop community awareness of and engagement with the museum venues and the services we provide;
- details of assessments and measures undertaken to improve the occupational health and safety of employees;
- details of any major external reviews carried out on Museum Victoria;
- a general statement on industrial relations within Museum Victoria and details of time loss through industrial accidents and disputes; and
- a list of major committees sponsored by Museum Victoria, the purpose of each committee and the extent to which its purposes have been achieved.

INFORMATION PRIVACY

Museum Victoria complies with the *Information Privacy Act 2000* (Vic.). The information privacy principles contained within the Act establish standards for the use of personal information in the public sector. Museum Victoria received no complaints in relation to breaches of privacy in 2010–11.

For enquiries, or to request a copy of Museum Victoria's Privacy Policy, contact:

Privacy Officer: Manager, Information Services
Address: GPO Box 666, Melbourne VIC 3001
Telephone: (03) 8341 7109
Facsimile: (03) 8341 7299

LEGISLATIVE CHANGES

There were no amendments to the *Museums Act 1983* (Vic.) in the 2010–11 financial year.

CULTURAL DIVERSITY STATEMENT

Museum Victoria values and is committed to fairness and equity in all we do. We actively encourage access and participation, and embrace the principles of sustainability, social justice and reconciliation.

RELEVANT ACTIVITIES UNDERTAKEN DURING THE 2010–11 FINANCIAL YEAR

- Ongoing community engagement undertaken at Melbourne Museum, the Immigration Museum and Bunjilaka to deliver exhibitions and festivals
- Continued implementation of the Staff and Organisation Development Strategy, which includes initiatives to ensure merit, fairness and equity, and care for staff
- Ongoing provision of facilities for Indigenous groups to meet free of charge
- Continued general access to the ethnographic and photographic Indigenous collections for members of the Indigenous community
- Enhanced understanding of the Indigenous Cultures collection through a research program and through the development of priority areas of the collection
- Continued safeguarding of the internationally significant Indigenous Cultures collection through best-practice collection management
- Continued program for repatriation of ancestral remains and secret and sacred objects to Aboriginal communities
- Engagement with local disadvantaged communities through the Discovering Science at the Museum program
- Delivery of the multicultural youth initiative through programs such as Hands on History, Talking Faiths, Narratives Across Cultures and Talking Difference
- Presentation of early learning programs, including the World's Biggest Playgroup and Romp & Stomp
- Maintenance of long-term loans to Aboriginal community-based museums in Shepparton, Bairnsdale, Yarrabah, Kakadu and Tennant Creek

DISABILITY ACTION PLAN

Progress achieved during the year against Museum Victoria's Disability Action Plan 2009–12 included:

- presentation of The Other Film Festival, in conjunction with Arts Access;
- purchase of a rear-window captioning system for IMAX at Melbourne Museum;
- delivery of universal design training for the Bunjilaka redevelopment team;
- commencement of implementation of high-priority recommendations from venue access appraisals;
- commissioning of a comprehensive audit of the Museum Victoria website against the W3C WCAG 2.0 guidelines; and
- facilitation of a focus group for people who are blind or have low vision about the accessibility of the exhibition environment, run in collaboration with Arts Access and the National Gallery of Victoria.

VICTORIAN GOVERNMENT RISK MANAGEMENT FRAMEWORK

I, Margaret Gardner, certify that the Museums Board of Victoria (trading as 'Museum Victoria') has risk management processes in place consistent with the *Australian/New Zealand Risk Management Standard* and an internal audit control system is in place that enables the executive to understand, manage and satisfactorily control risk exposures. The Finance, Risk and Audit Committee verifies this assurance and that the risk profile of the Museums Board of Victoria has been critically reviewed within the last 12 months.



Professor Margaret Gardner
President, Museums Board of Victoria
30 June 2011

NATIONAL COMPETITION POLICY

Museum Victoria is committed to competitive neutrality principles, ensuring fair and open competition. Many non-core activities have been outsourced, such as cleaning, food and beverage services and security.

VICTORIAN INDUSTRY PARTICIPATION POLICY

Museum Victoria identifies and maximises local sourcing opportunities where they offer a value-for-money outcome.

Details of contracts that were completed during the year to which the Victorian Industry Participation Policy (VIPP) applies are as follows:

- One contract totalling \$3,917,279 in value (excluding GST), in metropolitan Melbourne.

The outcomes under the VIPP include:

- an overall level of local content at 85% of the total value of the contract;
- four full-time equivalent jobs; and
- two apprenticeships.

The benefits to the Victorian economy in terms of skills and technology transfer include:

- a reduction of construction costs and a contribution to local industry's competitiveness through an innovative design development process.

CONSULTANCIES

Museum Victoria did not commission any consultancies during 2010–11.

STATUTORY REPORTS

BUILDING AND MAINTENANCE COMPLIANCE

At 30 June 2011, Museum Victoria was responsible for eight government-owned buildings. The museum also occupied premises at Swann House, Melbourne, as a tenant. Museum Victoria complied with all provisions of the *Building Act 1993*.

Museum Victoria complies with the Building Code of Australia and with the relevant Australian standards for building and maintenance works.

MAJOR WORKS (MORE THAN \$50,000)

Melbourne Museum

- Upgrade of the access control system
- Touring Hall plant and equipment upgrade

Royal Exhibition Building

- Completion of the Royal Exhibition Building western forecourt works

Immigration Museum

- Community Access Gallery electrical upgrade
- Immigration Discovery Centre upgrade

Moreland Annexe

- Kitchen upgrade
- Store F flooring upgrade

Scienceworks

- Replacement of the air-conditioning system
- Electrical works to coincide with air-conditioning upgrade

Simcock Avenue Store

- Commencement of remediation works at the former ACI site

WHISTLEBLOWERS PROTECTION

Museum Victoria is committed to the aims and objectives of the *Whistleblowers Protection Act 2001*. We do not tolerate improper conduct by our employees, officers or members, nor reprisals against those who come forward to disclose such conduct.

Museum Victoria recognises the value of transparency and accountability in our administrative and management practices, and supports disclosures that reveal corrupt conduct, conduct involving a substantial mismanagement of public resources and conduct involving a substantial risk to public health and safety or to the environment.

Museum Victoria will take all reasonable steps to protect people who make such disclosures from any detrimental action in reprisal for making the disclosure. We will also afford natural justice to the person who is the subject of the disclosure.

Disclosures of improper conduct or detrimental action by Museum Victoria or our employees may be made to the following officers:

Protected Disclosure Coordinator:
Director, Corporate Services
Telephone: (03) 8341 7746

Protected Disclosure Officer:
Manager, Human Resources
Telephone: (03) 8341 7768

Museum Victoria
11 Nicholson Street
Carlton VIC 3053

A disclosure about improper conduct or detrimental action by Museum Victoria or our employees may also be made directly to the ombudsman.

Ombudsman Victoria
Level 9, 459 Collins Street (North Tower)
Melbourne VIC 3000
(DX: 210174)
Internet: www.ombudsman.vic.gov.au
Email: ombudvic@ombudsman.vic.gov.au
Telephone: (03) 9613 6222
Toll-free: 1800 806 314

FURTHER INFORMATION

Full written procedures outlining the system for reporting disclosures of improper conduct or detrimental action by Museum Victoria or our employees are available on request or on our website at www.museumvictoria.com.au.

DISCLOSURES UNDER THE WHISTLEBLOWERS PROTECTION ACT 2001

There were no disclosures made to Museum Victoria during 2010–11.

FEES AND CHARGES

MUSEUM PRICES

| | Adult | Child | Conc |
|-----------------------|---------|---------|---------|
| Melbourne Museum | \$8.00 | \$0.00 | \$0.00 |
| IMAX | \$18.00 | \$13.50 | \$14.50 |
| Scienceworks Museum | \$8.00 | \$0.00 | \$0.00 |
| Melbourne Planetarium | \$6.00 | \$4.50 | \$5.00 |
| Lightning Room | \$6.00 | \$4.50 | \$5.00 |
| Immigration Museum | \$8.00 | \$0.00 | \$0.00 |

Notes:

- Prices are as at 30 June 2011.
- The IMAX prices shown above are for regular-length IMAX films; different prices apply for full-length feature films.
- Tours of the Royal Exhibition Building are \$5.00 per adult, \$3.50 per child/concession.
- Special fees apply for various ticket options, such as combined IMAX Theatre, Melbourne Planetarium, Lightning Room and school bookings, tour groups, special activities and programs. Surcharges apply for some special touring exhibitions.

MEMBERSHIP FEES FOR MUSEUM VICTORIA MEMBERS

| | Fee (inc. GST) |
|---------------------------------|------------------------------|
| Adult | \$46.00 (\$35.00 renew rate) |
| Child | \$16.00 |
| Concession | \$30.00 (\$19.00 renew rate) |
| Household | \$70.00 (\$59.00 renew rate) |
| Additional child | \$6.00 |
| Administration fee (on joining) | \$11.00 (inc. GST) |

Notes:

- All fees are for a one-year membership.
- Joining fee not applicable for a child or additional child.
- Household membership covers two adults and up to four dependent children, 16 years and under, at the one address.
- Membership provides unlimited entry to all venues, including the Royal Exhibition Building tours; discounted entry to the Melbourne Planetarium and Lightning Room; discounts for touring exhibitions and retail outlets; member-only events and previews; free admission to a number of interstate museums; and subscription to Museum Victoria's *Six Months* magazine.
- To be eligible for the renewal rate, members must renew their membership before the membership expiry date.

DISCLOSURE INDEX

This annual report has been prepared in accordance with all relevant Victorian legislation. The disclosure index has been prepared to facilitate identification of Museum Victoria's compliance with statutory disclosure requirements.

| MINISTERIAL DIRECTIONS | | PAGE |
|---|--|-------------|
| REPORT OF OPERATIONS | | |
| Charter and purpose | | |
| FRD 22 | Manner of establishment of the relevant ministers | 3, 16 |
| FRD 22 | Objectives, functions, powers and duties | 3, 16 |
| FRD 22 | Nature and range of services provided | 3, 8–16 |
| MANAGEMENT AND STRUCTURE | | |
| FRD 22 | Organisational structure | 18 |
| Financial and other information | | |
| FRD 22 | Statement of workforce data and merit and equity | 19–20 |
| FRD 22 | Summary of the financial results for the year | 5 |
| FRD 22 | Significant changes in financial position during the year | 5 |
| FRD 22 | Operational and budgetary objectives and performance against objectives | 4–5, 8–14 |
| FRD 22 | Major changes or factors affecting performance | 5 |
| FRD 22 | Subsequent events | 31 |
| FRD 22 | Application and operation of <i>Freedom of Information Act 1982</i> | 51 |
| FRD 22 | Compliance with building and maintenance provisions of <i>Building Act 1993</i> | 54 |
| FRD 22 | Statement on National Competition Policy | 53 |
| FRD 22 | Application and operation of the <i>Whistleblowers Protection Act 2001</i> | 54 |
| FRD 22 | Details of consultancies over \$100,000 | 53 |
| FRD 22 | Details of consultancies under \$100,000 | 53 |
| FRD 12 | Disclosure of major contracts | 53 |
| FRD 22 | Statement of availability of other information | 51–2 |
| FRD 22 | Occupational health and safety | 21 |
| FRD 15 | Executive Officer disclosures | 41 |
| FRD 10 | Disclosure index | 56 |
| FRD 24 | Reporting of office-based environmental impacts | 5, 13 |
| FRD 8 | Budget portfolio outcomes | 4 |
| FINANCIAL STATEMENTS | | |
| Financial statements required under Part 7 of the FMA | | |
| SD 4.2(c) | Compliance with Australian accounting standards and other authoritative pronouncements | 27 |
| SD 4.2(c) | Compliance with ministerial directions | 27 |
| SD 4.2(d) | Rounding of amounts | 30 |
| SD 4.2(c) | Accountable Officer's declaration | ii, 22 |
| SD 4.2(b) | Operating statement | 23 |
| SD 4.2(b) | Balance sheet | 24 |
| SD 4.2(b) | Statement of cash flows during the year | 26 |
| Other disclosures in notes to the financial statements | | |
| FRD 9 | Departmental disclosure of administered assets and liabilities | 35–7 |
| FRD 13 | Disclosure of parliamentary appropriations | 23 |
| FRD 21 | Responsible person and Executive Officer disclosures | 41 |
| FRD 23 | Superannuation liabilities and disclosure | 42 |
| LEGISLATION | | |
| | <i>Freedom of Information Act 1982</i> | 51 |
| | <i>Building Act 1993</i> | 54 |
| | <i>Whistleblowers Protection Act 2001</i> | 54 |
| | <i>Information Privacy Act 2000</i> | 52 |
| | <i>Disability Act 2006</i> | 53 |
| | <i>Victorian Industry Participation Policy Act 2003</i> | 53 |





MUSEUM VICTORIA

GPO Box 666
Melbourne Vic 3001
Australia
Telephone +61 3 8341 7777
Facsimile +61 3 8341 7778

IMMIGRATION MUSEUM

Old Customs House
400 Flinders Street
Melbourne Vic 3000
Australia
Telephone +61 3 9927 2700
Facsimile +61 3 9927 2728

SCIENCEWORKS

2 Booker Street
Spotswood Vic 3015
Australia
Telephone +61 3 9392 4800
Facsimile +61 3 9391 0100

MELBOURNE MUSEUM

11 Nicholson Street
Carlton Vic 3053
Australia
Telephone +61 3 8341 7777
Facsimile +61 3 8341 7778

www.museumvictoria.com.au

ISSN 1835-3681



MUSEUM VICTORIA



FRONT AND BACK COVER
600 Million Years exhibition
Photographer Dianna Snape

INSIDE COVER
Dynamic Earth exhibition
Photographer Dianna Snape