



15
16

**MUSEUMS BOARD
OF VICTORIA**
ANNUAL REPORT
2015–16



MUSEUMVICTORIA

A photograph of two young boys, likely of Asian descent, focused on a hands-on activity. The boy on the left is wearing a red and black jacket with a large white 'SG' logo. The boy on the right is wearing a dark blue jacket with red and white geometric patterns and glasses. They are working with a blue and black flexible tube and a white cup. The background is a wooden wall with a grid of small holes.

DECLARATION OF THE RESPONSIBLE BODY

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 2016.

A handwritten signature in cursive script, reading 'Margaret Gardner'.

Professor Margaret Gardner AO
President
Museums Board of Victoria
30 June 2016

This annual report has been produced in accordance with FRD30C 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 2015–16 can be found at museumvictoria.com.au.

FRONT COVER
Wood St Kindergarten Outreach Program
Photographer Rodney Start

THIS PAGE
Test Lab Winter School Holiday Program,
Scienceworks
Photographer Rodney Start

ISSN 1835-369X

CONTENTS

Declaration of the Responsible Body	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: Deepening Connections	8
Strategic Direction 2: Investing in Knowledge, Expertise and Collections	10
Strategic Direction 3: Digital Transformation	12
Strategic Direction 4: Organisational Resilience	13
Strategic Direction 5: Building Victoria's Cultural Capital	14
Future Priorities	15
Corporate Governance	16
Our Workplace	18
FINANCIAL STATEMENTS	21
Auditor-General's Report	55
STATUTORY REPORTS	57
Disclosure Index	64

PRESIDENT AND CHIEF EXECUTIVE OFFICER MESSAGES

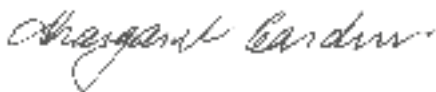
PRESIDENT'S MESSAGE

Melbourne Museum not only thrilled audiences this year, but also extended its national and international reach with the world premiere of *Jurassic World: The Exhibition*. Brought to life with animatronic dinosaurs created by Melbourne's Creature Technology Company, this exhibition has proved to be a major attraction for visitors of all ages, exceeding all expected visitor numbers. Demonstrating the eternal appeal of dinosaurs, *Tyrannosaurs: Meet the Family* delighted audiences at Scienceworks and contributed to visitation of more than 500,000 at this museum for the year.

Delivery of the museum's permanent exhibitions relies on the quality and depth of its collections. The four-year Interim Collection Storage Project, funded by the Victorian Government, was successfully completed in 2015–16, addressing Museum Victoria's most urgent storage issues. Critically, collections have been removed from the Royal Exhibition Building basement, freeing that space for enhancement of the World Heritage-listed building. Museum Victoria will continue to work with Creative Victoria on solutions for other collection storage issues.

Museum Victoria's research program is clearly of international quality. This year it recorded a number of achievements, including being named as a partner on eight new competitive Australian Research Council Linkage Grant projects, the publication of a paper about seafloor diversity in leading science journal *Nature*, and the discoveries of two new rat genera in Indonesia and a rare 6.3-metre Basking Shark. The museum has also expanded its links with museums in China, as well as supporting museums in the Pacific region.

It is with sadness that I come to the end of my final term as Board President. It has been a wonderful opportunity to contribute to this remarkable and diverse organisation, as it has expanded its exhibitions, audiences, digital reach, research and education. I am confident that Museum Victoria will continue to grow and evolve under the new President, Dr Rufus Black. I would like to thank my Board colleagues for their support, and the executive and staff for their expertise and their passion for delivering inspiring experiences for the people of Victoria.



Professor Margaret Gardner AO
President, Museums Board of Victoria

CHIEF EXECUTIVE OFFICER'S MESSAGE

The 2015–16 year was one in which Museum Victoria's commitment to innovation in audience development was recognised and awarded. The Autism Friendly Museum project won the 2015 Victorian Museums Award for resources developed in conjunction with Amaze and community groups that enhance access to our museums for visitors with Autism. A collaboration with Princes Hill Primary School won an Australasia Museums and Galleries National Award for a learning enquiry project, with students creating pop-up museums and exploring the role of museums in society.

Another example of our innovation is the Ian Potter Australian Wildlife BioBank, opened at Melbourne Museum. This facility provides Australia's first animal equivalent of a national seed bank, in being a repository for wildlife tissue samples. The project will be supported by an early-career researcher fellowship, funded by the Ian Potter Foundation.

Construction of the new Pauline Gandel Children's Gallery began in January 2016. The new gallery, which is scheduled to open in December, is the result of extensive consultation with prospective audiences and education sector stakeholders. It will be dedicated to fostering learning and creativity in children aged up to five years.

In April, the Minister for Creative Industries, Martin Foley MP, released *Creative State*, the new Victorian creative industries strategy. Museum Victoria is already contributing to a number of its goals in the areas of support for economic development, innovation and positioning Melbourne as a global cultural destination.

I would like to acknowledge the significant contribution of the outgoing President of our Board, Professor Margaret Gardner AO. She has provided strong leadership to the Museums Board of Victoria throughout her eight-year term. I look forward to continuing this great work with our new President, Dr Rufus Black.

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



Dr J. Patrick Greene OBE
Chief Executive Officer

PROFILE OF MUSEUM VICTORIA

Museum Victoria is Australasia's largest public museum organisation. As the state museum for Victoria, we are responsible for looking after the State Collection, delivering educational and entertaining exhibitions for the public, conducting research, and providing cultural and science programs for the people of Victoria and visitors from interstate and overseas.

Museum Victoria dates back to 1854, with the founding of the National Museum of Victoria, and then, in 1870, 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 today known as Museum Victoria, governed by the Museums Board of Victoria.

Museum Victoria undertakes high-quality research into historical and contemporary issues in the fields of science, history and technology, and Indigenous cultures. Our research is based on an internationally significant 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 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 shaping modern Australia.

SCIENCEWORKS

Opened March 1992

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

MELBOURNE MUSEUM

Opened October 2000

The iconic Melbourne Museum stands adjacent to the historic Royal Exhibition Building, in Carlton Gardens. Melbourne Museum incorporates the Bunjilaka Aboriginal Cultural Centre and 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 1879–80

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 it 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 October 1996

Museum Victoria's off-site collection storage facility, the Moreland Annexe, houses the largest of the collection items. It complements the collection stores at Melbourne Museum and Scienceworks.

SIMCOCK AVENUE STORE

Opened November 2007

Museum Victoria operates the Simcock Avenue Store, a non-collection store, on behalf of a number of creative industries agencies. It is adjacent to Scienceworks.

THE YEAR IN BRIEF

KEY INDICATORS	2015–16	2014–15	2013–14	2012–13	2011–12
Collection Stored to Industry Standard	75%	75%	77%	75%	77%
Visitors Satisfied with Visit Overall	99%	92%	94%	93%	89%
Students Participating in Education Programs	287,460	281,095	276,111	256,329	290,538
Volunteer Hours	37,685	44,124	50,565	49,908	50,399
Memberships	16,295	16,368	17,496	16,165	15,576

Notes: The decrease in volunteer hours for 2015–16 is partly due to back-of-house volunteer positions not being available because of collection relocations during the year.

FINANCIAL SUMMARY	2015–16 \$'000	2014–15 \$'000	2013–14 \$'000	2012–13 \$'000	2011–12 \$'000
Revenue from Government	84,182	84,377	85,848	84,701	85,806
Total Income from Transactions	123,472	114,971	123,129	116,940	118,851
Total Expenses from Transactions	(117,297)	(110,475)	(116,940)	(115,946)	(131,314)
Net Result from Transactions before Depreciation	6,175	4,496	6,189	994	8,341
Net Result from Transactions after Depreciation	(11,369)	(13,448)	(12,715)	(18,187)	(12,463)
Net Result for the Period	(11,943)	(13,510)	(12,688)	(18,271)	(12,603)
Net Cash Flow from Operating Activities	16,363	6,572	6,139	1,679	8,958
Total Assets	1,669,093	1,023,949	1,035,227	1,043,561	1,062,100
Total Liabilities	26,367	17,344	15,112	14,747	15,015

Notes: Revenue received from government was lower in comparison to the previous financial year, mainly due to lower capital funding for projects such as the Interim Collection Storage project. In accordance with government policy, a capital asset charge is included in revenue from government and disclosed separately as an expense within the financial statements. Total income includes donations and grants that are brought to account when received and not matched with expenditure, which may occur in subsequent financial periods.

The success of *Jurassic World: The Exhibition* at Melbourne Museum contributed to significant increases in admissions revenue which has raised total income from transactions in comparison to 2014–15. The higher attendance has also resulted in higher salaries and expenses from transactions; however, the overall impact on net result has been a significant positive. Net cash flow is significantly higher as well due to *Jurassic World: The Exhibition*, the receipt of significant capital funds for the Royal Exhibition Building Protection and Promotion Project and an advance for the Energy Management Program. The independent revaluations of the collections and properties this year have resulted in substantial increases to the carrying values and these are reflected in the increase in Total Assets.

Museum Victoria receives a substantial proportion of its revenue from government, which does not necessarily fund the full depreciation expense. The lack of depreciation funding may result in infrastructure that is no longer fit-for-purpose and may require significant government investment. This does not impact Museum Victoria's ability to operate as a going concern. Museum Victoria has continued to generate a positive net cash flow from operations.

THE YEAR IN BRIEF

VISITATION	2015–16	2014–15	2013–14	2012–13	2011–12
Immigration Museum	116,024	122,662	123,877	132,883	143,054
Scienceworks	502,109	486,938	474,823	448,210	482,305
Melbourne Museum	991,132	828,379	955,838	802,949	1,099,546
IMAX	258,271	252,446	279,758	272,621	241,943
Total Ticketed Visitation	1,867,536	1,690,425	1,834,296	1,656,663	1,966,848
Outreach Program	440,450	135,881	112,049	90,450	104,036
Website	5,897,515	5,624,812	5,481,307	5,295,827	4,651,649
Total Offsite Visitation	6,337,965	5,760,693	5,593,356	5,386,277	4,755,685
Royal Exhibition Building	541,404	660,962	646,982	658,384	487,976
Total Visitation	8,746,905	8,112,080	8,074,634	7,701,324	7,210,509

Notes: Melbourne Museum's visitation is significantly influenced by the popularity of international touring hall exhibitions. Spikes in visitation over the last five years have been driven by *Tutankhamun and the Golden Age of the Pharaohs* (2011–12), *Designing 007: Fifty Years of Bond Style* (2013–14) and *Jurassic World: The Exhibition* (2015–16).

The Outreach Program figure includes participation in the program's activities and attendances at Federation Bells performances. Strong results in 2015–16 are attributed to performances held at the Queensland Art Gallery & Gallery of Modern Art, which attracted more than 300,000 attendees.

Attendance at events at the Royal Exhibition Building was down compared to 2014–15 as a result of lower attendance at the Melbourne International Flower and Garden Show and fewer events overall, due to the late cancellation of some new events.

ENVIRONMENTAL PERFORMANCE	2015–16	2014–15	2013–14	2012–13	2011–12
Energy					
Total Energy Consumption (gigajoules)	130,181	151,747	141,774	133,593	142,372
Greenhouse Emissions Associated with Energy Use (tonnes — CO ₂)	21,698	25,107	21,167	20,784	21,582
Green Power Purchased % of Total Electricity Consumption	26%	26%	26%	26%	26%
Waste					
% of Total Waste Recycled	55%	53%	44%	69%	55%
Water					
Water Consumption (kilolitres)	93,130	79,852	77,284	63,397	70,808

Notes: Reduced energy consumption is due to efficiency upgrades occurring across all Museum Victoria sites. These include the installation of energy-efficient exhibition lighting and improvements associated with the Energy Management Program.

The increase in water usage is due to a water leak at Melbourne Museum that went undiagnosed for a period of time, due to difficulty in accessing its location. The leak was repaired in January 2016.

PURPOSE AND VISION

STATEMENT OF PURPOSE

As a cherished cultural organisation, we engage in contemporary issues of relevance, interest and public benefit. Both within and beyond our museums, we encourage participation in the diversity of experiences we offer. We develop and use our knowledge, collections and expertise to build connections with and between individuals and communities to enhance understanding and a sense of belonging.

VISION

Museum Victoria: Leading museums that delight, inspire, connect and enrich.

From Volcanoes We Sailed, Aeolian Community Exhibition, Immigration Museum
Photographer Peter Casamento



STRATEGIC DIRECTIONS

1 DEEPENING CONNECTIONS

The way that visitors interact is changing. Many people wish to become more active participants in their cultural experiences; to personalise, communicate and share with others. Museums hold a unique place in the community, in our ability to engage people in critical ideas and issues through new ways of communicating and connecting. To achieve this, Museum Victoria will work towards the following outcomes:

- Visitors are able to easily tailor their own museum experiences
- People co-create physical and digital experiences with the museum
- The community trusts Museum Victoria as a source of information on contemporary issues
- Our experiences and resources are widely known and frequently used for education purposes.

2 INVESTING IN KNOWLEDGE, EXPERTISE AND COLLECTIONS

The major questions about the world that museums seek to answer are complex. Collections provide a sound basis for enquiry, but these questions cannot be understood through a single lens. 21st-century museums bring together multiple disciplines, perspectives and understandings to develop a range of expertise that delivers value to the community. To achieve this, Museum Victoria will work towards the following outcomes:

- Interdisciplinary and collaborative projects generate new knowledge
- Our collection care practices lead and respond to museum sector standards
- All staff know and promote the significance of the collection.

3 DIGITAL TRANSFORMATION

Keeping up with the continually shifting digital environment requires organisations to be forward-looking and agile. This presents both a challenge and opportunity for museums, which must reposition themselves to operate effectively in the digital age. At its heart, this means changes in the way that people think, work and interact. To achieve this, Museum Victoria will work towards the following outcomes:

- Staff incorporate digital systems into their daily work
- Our digital systems and platforms enable flexible content generation
- Our digital infrastructure meets our business needs.

4 ORGANISATIONAL RESILIENCE

Museums aim to engage, entertain, move and inspire people. All staff and volunteers contribute to this goal. In responding to the changing economic and social environment, it is important that people work collaboratively towards a common purpose and find creative ways to use resources more effectively, to deliver the best possible value for the public. To achieve this, Museum Victoria will work towards the following outcomes:

- Staff are able to identify how their work contributes to the networked organisation
- Museum Victoria has an active safety culture
- Our diverse revenue streams produce an increasing return
- Our business processes are integrated and easy to use
- Staff are accountable for the sound stewardship of Museum Victoria resources.

5 BUILDING VICTORIA'S CULTURAL CAPITAL

Victoria's cultural sector underpins the strength of the economy by generating jobs, supporting creative industries and attracting tourists from interstate and overseas. However, simply maintaining the current state of the sector is not enough. New opportunities must be exploited to ensure Victoria upholds its position as Australia's arts and cultural capital. To achieve this, Museum Victoria will work towards the following outcomes:

- The Scienceworks precinct is developed to build understanding and skills in science and technology that support economic growth in Victoria
- A greater exchange of people, expertise, products and services takes place with Asian scientific and cultural institutions
- The unique scientific and heritage record of the State Collection is developed and preserved for future generations
- The Melbourne Museum precinct – incorporating the Royal Exhibition Building and Bunjilaka – is widely recognised as an exceptional cultural destination
- The Immigration Museum is recognised as a leader in building intercultural understanding in the Victorian community.

A report on our key initiatives and projects under each strategic direction is presented in the following pages.

STRATEGIC DIRECTION 1

DEEPENING CONNECTIONS

TAILORING MUSEUM EXPERIENCES

An important project to refresh Museum Victoria's decade-old suite of brands was completed in September. Leading international agency Interbrand worked with staff from across Museum Victoria to develop new brand positions that are guiding the creation of outstanding museum experiences for current and future audiences, allowing us to maximise our unique offer and capabilities.

The Museum Members program delivered a range of enhancements, with the goal of increasing memberships and renewals. Features of the refreshed program include a new-look membership card and welcome pack, and *Discover*, a quarterly publication that reveals stories from behind the scenes at the museum. In 2015–16, a very strong overall result for the membership program was achieved, with 16,295 members and high visitation across all museums.

Due to the success of the Immigration Museum's multilingual tour guide, it has been expanded to include nine languages. This breadth of languages aims to serve both local and tourist audiences.

Several Melbourne Planetarium after-hours programs were piloted during the year, including Yuri's Night Space Party, which marked the anniversary of Yuri Gagarin's trip into space; the Astronomy and Light Festival, a celebration of the International Year of Light and National Science Week; Valentine's Day Under the Stars, a full weekend of sessions in which couples were treated to a romantic Planetarium show, with wine, cheese and telescope viewings; and the Environmental Film Festival Australia, which aims to advance understanding of environmental issues.

The Museum Victoria Outreach Program delivered 923 presentations and 323 loans kits to 46,859 people during the year. A new regional partnership was established with the Tarra Festival in Yarram (South Gippsland), and overall regional festival engagement for the year is estimated at 49,345.

The Reminiscing Kit for aged-care facilities has been updated to include content relating to the 1950s, reflecting the ageing population in care facilities. Due to increasing demand, two new kits were launched in January: Track and Field, and Rock 'n' Roll.

In August, Little Kids' Day In, presented at Scienceworks in partnership with Playgroup Victoria, achieved the record for Biggest Playgroup in Australia (Australian Book of Records), with 425 children being logged in one hour.

The Discovery Centres at Melbourne Museum and the Immigration Museum together managed

7559 public enquiries and website moderations during 2015–16. They received 78 letters of thanks, demonstrating the service's high impact.

The Discovery Centre at Melbourne Museum launched a quarterly museum drawing studio. Artists and members of the public can request access to particular specimens from the natural science collections to enable close-up observation for artworks. Local collaborating artists Gracia Haby and Louise Jennison have since produced artists' books based on specimens from our collection.

CO-CREATING EXPERIENCES

In 2015, Princes Hill Primary School and Museum Victoria developed a learning enquiry project for Years 3 and 4. The students engaged in an extended study of the role of museums in society; they created a pop-up museum at Melbourne Museum and installed a museum in their school, which was open to the public for two weeks. The innovative nature of this project was recognised with a Museums and Galleries National Award.

The Autism Friendly Museum project won the 2015 Museums Australia (Victoria) Award for Large Museums. All resources, which were developed in conjunction with Amaze and community groups, have been made available for the three museums.

Scienceworks developed an arts–science family program, *Space Tape: An Ever Expanding Universe*. Artist Briony Barr facilitated a 10x15-metre collaborative artwork that 7780 visitors coloured using electrical tape to model a complex system. The rules of the artwork were inspired by the role of gravity in forming stars and galaxies.

Museum Victoria awarded the prestigious Koorie Artwork Commission for the Bunjilaka Aboriginal Cultural Centre at Melbourne Museum to Victorian-based artists Steaphen Paton and Megan Cope. Their art installation, *Transcendence*, emphasises the cultural significance of Birrarung (the Yarra River) to the Koorie community and a continued connection to the land through story and knowledge.

Museum Victoria worked with the Gunditj Mirring Aboriginal community and rangers from Working on Country to produce a digital field guide to wildlife of the Budj Bim Reserves in Gunditjmara Stone Country, western Victoria. It will introduce Stone Country wildlife to diverse Australian audiences and international visitors.

ENGAGING WITH CONTEMPORARY ISSUES

Museum Victoria's unique migration collections are showcased in a new online information resource, *Migration to New Worlds*, produced by Adam Matthew Digital. The project documents immigration to the USA, Canada and Australasia during the 19th and 20th centuries, making available a powerful, dynamic resource for researchers, teachers and students.

In October, Museum Victoria and the Australian National University organised the two-day symposium *People, Images and Things*, in which 70 curators, anthropologists and other experts discussed the importance of undertaking research on Australian Indigenous cultural heritage in collaboration with Indigenous people.

Museum Victoria is partnering with the Commonwealth Serum Laboratories (CSL) and the Walter and Eliza Hall Institute of Medical Research (WEHI) to develop *Medical Breakthroughs*. Opening at Melbourne Museum in September 2016, the exhibition will highlight significant Melbourne-based work in medical research and production, focusing on areas in which CSL and WEHI have changed the course of medical history over the 100 years since they were established.

BROADENING THE REACH OF EDUCATION

Museum Victoria is working with universities and local and national organisations to improve science and maths teaching through a range of professional learning partnerships. These include:

- a partnership with Deakin University and the University of Melbourne to teach students about geology, allowing them to examine museum programs and exhibition pedagogy, and look at science behind the scenes at the museum
- a Scienceworks program focused on science, technology, engineering and maths (STEM) and computational thinking, presented in conjunction with the Department of Education and Training's Primary Maths and Science Specialists Initiative, which supports primary school teachers from disadvantaged schools
- capstone projects, through which University of Melbourne students undertake research projects at Melbourne Museum as part of a Masters of Education.

A number of STEM education partnerships have been established at Scienceworks, including a strategic partnership with the Catholic Education Commission of Victoria Ltd; a collaboration with Swinburne University on a new transport design workshop, *Design Your Future*; and participation in the Department of Education and Training's first Mini Maker Faire, with workshops and a drop-in design space for students.

Construction of the Pauline Gandel Children's Gallery garden started in January, with indoor works commencing in April. The new Children's Gallery, dedicated to fostering learning and creativity in children from birth to five years, is scheduled to open in December 2016.

Jurassic World: The Exhibition commenced its world premiere at Melbourne Museum on 19 March 2016. Inspired by the Universal Pictures film, the exhibition features lifelike animatronic dinosaurs created by Melbourne's Creature Technology Company. The exhibition is presented by Museum Victoria, Imagine Exhibitions Inc. and NBC Universal Brand Development, with support from the Victorian Government. *Prehistoric Planet*, an IMAX 3D documentary, was released in conjunction with the exhibition and has proved immensely popular.

Tyrannosaurs: Meet the Family, an exhibition featuring the dinosaurs that became the world's top predators, was presented at Scienceworks from May to October 2015. It included fossil specimens, stunning life-size skeletons and models, and multimedia that brought the tyrannosaurs to life. The exhibition was developed and toured by the Australian Museum.

Capturing the Cosmos, developed by the Melbourne Planetarium in collaboration with CAASTRO, the Australian Research Council's (ARC) Centre of Excellence for All-sky Astrophysics, was launched in March. The show highlights current research by astronomers in Australia and is narrated by award-winning actor Geoffrey Rush AC.

The WW1 Centenary Exhibition, the major exhibition from London's Imperial War Museums, completed its showing at Melbourne Museum on 4 October 2015. It was toured by International Entertainment Consulting, with support from the Victorian Government. A symposium held in September explored new perspectives on and understandings of the war's emotional and physical impacts, as well as how it is remembered today. The symposium was supported by a grant from the ARC's Centre of Excellence for the History of Emotions.

STRATEGIC DIRECTION 2

INVESTING IN KNOWLEDGE, EXPERTISE AND COLLECTIONS

GENERATING NEW KNOWLEDGE

In 2015–16, Museum Victoria continued its strong research program, with researchers producing 159 peer-reviewed journal articles, reports, books and other publications, and presenting 134 lectures and talks.

One research paper was published in the leading science journal *Nature*. The team of scientists from Museum Victoria and the University of Melbourne created the first map of seafloor diversity across the world's oceans, revealing how fundamentally different the patterns of biodiversity are in the deep oceans compared to in shallow waters or on land.

Museum Victoria is a partner organisation in eight new ARC linkage grant projects. The projects involve collaborations with the University of Melbourne, Monash University, Deakin University, the University of Adelaide and the University of Queensland, and include a range of interdisciplinary projects that cross traditional boundaries in sciences and humanities.

The McCoy Project aims to foster collaborative and interdisciplinary research. Museum Victoria and the University of Melbourne awarded a third round of seed funding to five pilot projects developed by investigators at the two institutions and two new Strategic Australian Postgraduate Award scholarships for PhD candidates.

In October, Museum Victoria signed a memorandum of understanding with the University of Melbourne; it aims to grow and diversify the existing partnership. This builds on the success of the McCoy Project, under which new and successful research collaborations have been developed between the institutions.

Museum Victoria and Monash University continued their collaborative research partnership, awarding two PhD top-up scholarships for Monash University postgraduate research students. The scholarships are for projects either co-supervised by Museum Victoria and Monash University staff or which substantially focus on an aspect of Museum Victoria's collections.

The Ian Potter Foundation provided funding for a third Ian Potter Fellowship for Biodiversity Research at Museum Victoria. This will enable a talented early-career researcher to undertake innovative work linked to the new Ian Potter Australian Wildlife BioBank facility at Melbourne Museum.

Museum Victoria has established a number of early-learning research partnerships to better involve children and families in lifelong learning. One project is being undertaken with Macquarie University,

the National Maritime Museum and the Powerhouse Museum. This national partnership investigates the learning experiences of preschool-aged children and their families visiting museums.

Museum Victoria has partnered with the Victorian National Parks Association to develop Communities Listening for Nature, supported by funding from the Hugh D.T. Williamson Foundation and the Helen Macpherson Smith Trust. The project aims to use museum and citizen scientists' acoustic monitoring to build knowledge of Victoria's bird species and assist with faunal conservation and management.

Under the 2012–16 memorandum of understanding between Museum Victoria and Parks Victoria, four major 'bioscans' or biodiversity surveys have been completed in iconic Victorian National Parks (Wilsons Promontory, Grampians, Victorian Alps and Gippsland Lakes), with each wildlife survey accompanied by public engagement activities. The program included a series of smaller, intensive 'miniscans' surveys at some of Victoria's smaller parks.

A research program on the evolution and biogeography of small mammals in Indonesia, led by scientists from Museum Victoria, Louisiana State University and the Museum Zoologicum Bogoriense (Indonesia), has so far resulted in the discovery of more than 30 new species in the remote rainforest regions. One of the most curious discoveries this year was the Hog-nosed Shrew Rat from Sulawesi Island, which attracted worldwide media attention.

Restoration of the Great Melbourne Telescope is continuing; several key parts are being re-engineered and a new optical system designed. The Copland Foundation has generously supported the restoration work. Discussions are continuing between Museum Victoria, the Royal Botanic Gardens and the Astronomical Society of Victoria regarding the telescope's reinstatement at the site of the former Melbourne Observatory, adjacent to the Botanic Gardens.

LEADING COLLECTION CARE PRACTICES

Museum Victoria undertook a major review of its collection policies and procedures in light of new Commonwealth and international legislation and conventions for the ethical and legal acquisition and loan of collection material. Museum Victoria's intention is to register with the Commonwealth's Protection of Cultural Objects on Loan Scheme, which provides for borrowing collection material from overseas without the threat of seizure or legal action against the lender.

A mandatory valuation of the State Collection and Library was undertaken, along with a whole-of-collection audit, an initiative vital to governance of the State Collection.

As part of the Interim Collection Storage Project, the Museum Victoria library collection, archives and office were relocated. This resulted in new reading-room facilities, enhanced storage of the Rare Books Collection and improved storage and access to the archives.

PROMOTING THE COLLECTION

Museum Victoria's ground-breaking research projects attracted nearly 6000 mentions in local, national and global media coverage, at an estimated value of \$130 million.

Highlights include the discovery of a rare, 6.3-metre Basking Shark, which led to requests for samples, images and data from scientists around Australia and the world. The discoveries of two new rat genera in Indonesia were hailed internationally, along with the birth of Australia's largest stick insect, the 56.5-centimetre offspring of the rare 'Lady Gaga-ntuan' found in Far North Queensland.

A recent discovery by a fossil enthusiast at Beaumaris Bay, a renowned Victorian fossil site, was found to be a five-million-year-old tooth from an extinct species of Sperm Whale. This is the first evidence that such whales roamed the seas outside of the Americas. The tooth has since been donated to Museum Victoria's palaeontological collection.

A partnership with Australian fashion designer Lisa Gorman resulted in Museum Victoria's extensive geological collection providing the inspiration for her Summer 2016 collection. The collaboration received significant industry and media attention for being an innovative way in which the creative industries can draw on our collection.

In April, Museum Victoria launched a new book, *War Trophies or Curios: The War Museum Collection in Museum Victoria 1915–1920*, written by Ron Vanderwal, Barry Craig and Christine Winter. The publication showcases a unique collection of cultural objects from Papua New Guinea, objects transferred from the Australian War Museum to Museum Victoria after World War I.

Museum Victoria partnered with the City of Melbourne to conduct the Carlton Gardens BioBlitz basecamp in March. The survey included 'a day in the life of an urban tree', during which 400 to 500 people watched scientists ascend the huge Sugar Gum on the

Melbourne Museum plaza to sample and identify all species found on the tree over 24 hours.

ONGOING ACTIVITIES

Highlights from Museum Victoria's active collection acquisition program this year are the 6.3-metre Basking Shark; the David Boyle agricultural model collection, comprising 60 scale models representing the history of Victorian agricultural machinery from the 1860s to 1970s; and an almost-complete set of the official daily programs issued for the Centennial International Exhibition of 1888–89, held at the Royal Exhibition Building.

Museum Victoria continues to work with Aboriginal communities to identify ancestral remains and secret-sacred objects, and to repatriate them to traditional owners. This is funded with support from the Australian Government's Indigenous Repatriation Program. In the past year, repatriations were made to the Gunditj Mirring Traditional Owners Aboriginal Corporation, Mindaribba Local Aboriginal Land Council and the Forbes Aboriginal community.

Prehistoric Giant Killer Sperm Whale Tooth, Beaumaris Bay, Museum Victoria Collection
Photographer Benjamin Healley



STRATEGIC DIRECTION 3

DIGITAL TRANSFORMATION

EMBEDDING DIGITAL SYSTEMS

Digital system improvements during the year include:

- deployment of a mobile portal for online bookings and installation of contactless credit-card readers in the Melbourne Museum car park
- introduction of a pay-by-phone system for the Scienceworks car park
- establishment of new systems that will replace paper-based recruitment forms with online forms
- an upgrade of the software system for MV HelpDesk to provide a more stable environment and ease of use for staff, who processed more than 1700 requests during the year
- a review of Museum Victoria's e-learning system to maximise access to and the relevance of our learning programs for staff.

ENABLING FLEXIBLE CONTENT GENERATION

The new website *Museum Victoria Collections* went live in August, providing enhanced access to our collections and research. This platform provides a single site to explore Museum Victoria's wealth of knowledge about natural sciences, history, technology and Indigenous cultures. The portal currently makes available more than 1.15 million item and specimen records and more than 3000 authored articles and species profiles.

Museum Victoria published a story on the *Culture Victoria* website about the history of amateur and professional ornithology in Victoria, which features high-quality images from treasures of the Rare Books Collection and the State Collection. The story also represents the museum's current ornithological activities, with images and a video from recent biodiversity surveys.

The Discovery Centre team coordinated Museum Victoria's involvement in the international #AskACurator day on Twitter. The team published 94 tweets on the day, 16 September, and was in conversation with galleries, libraries, archives and museums around the world to respond to the public's questions. Some 1079 museums participated from 51 countries.

Museum Victoria and the University of Melbourne continue to develop the Donald Thomson Collection, with a new project to digitise Thomson's films of Pintupi communities in the Western Desert taken in the 1960s. The work will ensure long-term preservation of the content and provide for intercultural understandings of first encounters between the

Pintupi and Europeans. It is supported by a McCoy Project seed-funding grant and the University of Melbourne's Community Engagement Program.

Museum Victoria is helping meet unprecedented demand for high-quality and dramatic images of Victorian wildlife through the *Catching the Eye* project. The imagery is critical in wildlife conservation and education, and the project has been enabled by generous philanthropic funding through the Australian Communities Foundation, Besen Family Foundation, Calvert-Jones Foundation, Hugh D.T. Williamson Foundation, Ian Potter Foundation, Limb Family Foundation, R.E. Ross Trust and an anonymous donor.

The popularity of adult colouring books encouraged the Biodiversity Heritage Library (BHL) to run #ColourOurCollections week from 1 to 5 February 2016. The BHL Australia team created black-and-white versions of images from books uploaded to the BHL; each colouring page contains a link to the original in either the BHL or the museum's *Collections* or *Caught and Coloured* website.

MEETING BUSINESS NEEDS

In March, new websites were launched for Melbourne Museum, Bunjilaka, the Immigration Museum and Scienceworks. They feature fresh designs with larger images, uncluttered layout and easy navigation that works on any device. Their key goals are to assist visitors to plan a visit, find out what's on and book or buy a ticket.

The Digital Transformation Strategy 2015–20 was approved in August 2015. It presents a new approach to developing and delivering digital initiatives. Governance and staff development initiatives – including a digitally focused mini-conference – have been the 2015–16 focus.

Development and implementation of the customer-relations management system continued, with the introduction of a philanthropy module that will provide insights into our databases of members, donors and potential donors.

The retail point-of-sale (POS) system was upgraded to provide an offline inventory system. This enables installation of a POS system wherever we run a pop-up shop, while retaining full POS applications, such as stock control and cash handling facilities.

STRATEGIC DIRECTION 4

ORGANISATIONAL RESILIENCE

FOSTERING AN ACTIVE SAFETY CULTURE

Specific projects undertaken during the year include:

- development of a corrective-action procedure that will facilitate recording and monitoring actions arising from incidents and audits
- a review of car park safety at Melbourne Museum
- enhancements to workers' compensation-claim processes, including improvements in injury management and early intervention
- commissioning a strategic review of health and safety across Museum Victoria
- completion of the Roadmap for Safely Managing Hazardous Substances in Collections, which achieved significant improvements in hazard identification, risk assessment and hazard management and elimination. The implementation of this project has resulted in Museum Victoria being recognised as an industry leader in this field.

Museum Victoria's Health and Safety Committee continued to meet regularly and to provide advice and direction on safety procedures and practice.

INCREASING REVENUE DIVERSITY

The newly launched Museum Victoria Patrons Circle is designed to recognise individual donors who give more than \$1000 in the preceding financial year. This year, 17 patrons gave more than \$127,000 to projects and activities across our museums.

These included gifts towards our Supporting Diversity fund, established in honour of the Hon. Joan Kirner AC, which supported career development activities for two female members of the Museum Victoria team.

A gift from the Twycross family for the Royal Exhibition Building Protection and Promotion Project, and from a trust named in memory of long-serving Scienceworks volunteer Piers K. Fowler, provided continued support for exhibition redevelopment.

This year's I Want to Go to the Museum appeal was the first to incorporate mail, email, social media and telephone approaches to the Museum Victoria community. More than \$36,000 was raised from a total of 351 donors. The funds will help a range of programs that support children, young people and families to visit and experience our museums.

Our annual Thank You event for supporters was held in February at the Royal Exhibition Building. To recognise and thank our ongoing supporters, Museum Victoria gave guests a tour of the World Heritage-listed building, an introduction to the palaeontological collections held in the basement and the opportunity to learn about the building's upcoming redevelopment.

An event was held to mark the 10th anniversary of Museum Victoria's acquisition of the Kodak Heritage Collection. This also recognised the support of the Baker Foundation in the collection's ongoing conservation.

Museum Victoria engaged with a wide range of corporations during the year and secured many partners, who have provided valuable promotional and financial support. Virgin Australia joined as the official airline partner for *Jurassic World: The Exhibition*; this key partner represents the largest sponsorship Museum Victoria has received for an international touring exhibition. Other promotional partners are VLine, Yarra Trams, City of Melbourne and Mantra Group.

Museum Victoria signed a relationship agreement with Rio Tinto Services Ltd. The Rio Tinto Innovation Fund provides funding for the next five years for the museum to continue investing in innovative research, exhibits, online projects and education programs.

In June, Melbourne Museum partnered with international peer-to-peer e-commerce site Etsy. It asked a selection of local and national designers to create art and crafts inspired by the exhibition *Wild: Amazing Animals in a Changing World*.

INTEGRATING BUSINESS SYSTEMS

The consolidation of IMAX education bookings with the central bookings office has enabled a more efficient booking process for teachers and provides another platform to cross-promote educational offerings across venues.

ACCOUNTABILITY FOR RESOURCES

Museum Victoria entered into a contract with Siemens to complete a detailed facility study for the delivery of an energy-efficiency program across all venues. The program will result in a substantial reduction of the museum's carbon footprint, as well as long-term savings in utility costs.

Improvements to internal communications during the year include redevelopment of the induction program for new staff, development of an internal communications framework, and planning for an Open House series, through which staff can visit sections of the museum to find out more about their activities.

STRATEGIC DIRECTION 5

BUILDING VICTORIA'S CULTURAL CAPITAL

DEVELOPING AND PROTECTING THE STATE COLLECTION

Museum Victoria completed a four-year program of works associated with the Interim Collection Storage Project to address several urgent storage issues. This included installing new compactus systems, collection relocation and constructing offices and laboratories at Melbourne Museum. A key achievement was a major, final move of the geology and palaeontology collections, laboratory and staff facilities from the substandard conditions of the Royal Exhibition Building basement. Museum Victoria remains committed to finding solutions for several longer term collection storage issues and the investigation of inter-agency collection storage initiatives.

The Ian Potter Australian Wildlife BioBank was established at Melbourne Museum, providing Australia's first 'bio bank' for mass and long-term storage of wildlife tissue samples in liquid nitrogen. This is the animal equivalent of a national seed bank. The facility dramatically transforms Museum Victoria's capacities and opens up significant opportunities to actively participate in endangered species recovery, captive breeding and reintroduction programs.

SCIENCEWORKS PRECINCT

A strategic assessment for the capital development of the Scienceworks site was completed and submitted to Creative Victoria. The next stage is to undertake a business-case assessment.

CARLTON GARDENS PRECINCT

The third and final stage of the IMAX Theatre upgrade project was completed during the year, with the installation of the new IMAX laser-projection system in September. This is the first laser system to be installed in Australia and the fifth in an IMAX system worldwide, the first outside North America.

The timing of this new-to-market technology coincided with the release of *Star Wars: The Force Awakens 3D*, which delivered IMAX's highest grossing box office revenue take for a seven-day period. *Star Wars* went on to become the theatre's second highest grossing title (behind *Avatar*), with almost 65,000 people seeing the film in IMAX, generating \$2 million in box office revenue.

The Melbourne Museum precinct was confirmed the new cultural hub for Australia's largest consumer fashion show, the Virgin Australia Melbourne Fashion Festival. In March, the festival activated various spaces across the precinct, including the Royal Exhibition Building, Melbourne Museum and the museum plaza, bringing the precinct to life.

ROYAL EXHIBITION BUILDING

Work is well underway on the Royal Exhibition Building Protection and Promotion Project with Melbourne-based heritage architects Lovell Chen. Due for completion in early 2018, the project will reinstate the magnificent 'dome promenade' on the World Heritage-listed building and provide 21st-century visitors with a 360-degree view of Marvellous Melbourne. The promenade was a great attraction at the international exhibitions in the 1880s.

BUILDING INTERCULTURAL UNDERSTANDING

Sharing Stories, a new outreach program, is a hands-on, inquiry-based history program for primary school students that draws on the museum's migration collection. A partnership with Goldfields Library Co-operation supported evaluation of the program with local Bendigo schools.

An ARC linkage project on the impact of the *Identity: Yours, Mine, Ours* exhibition at the Immigration Museum has been completed, with the final report published and the findings presented at the Museums Australasia Conference. Museum Victoria ran a session on the impact of museum programs on children's attitudes to race and identity at the annual meeting of the American Alliance of Museums in May.

ENGAGING WITH ASIA

In July, Museum Victoria signed a memorandum of understanding with Singapore's National Heritage Board. The five-year agreement aims to strengthen existing collaboration between the two institutions. This will enable development of exhibition and loan exchanges, and create stronger links through staff exchanges and partnership projects.

Under the memorandum of understanding, Museum Victoria hosted visits by the Deputy Director, Curatorial Heritage Institutions, Exhibitions Department of the National Museum of Singapore, and staff from the Malay Heritage Centre.

The 2015 the Museums and the Web Asia Conference was held in Melbourne and attracted 264 delegates from 12 countries and 128 organisations. An impressive range of international keynote and featured speakers enhanced a diverse local line-up, challenging and inspiring digital workers from the museum community. Melbourne's cultural attractions were showcased through day and evening events.

FUTURE PRIORITIES

Museum Victoria will focus on the following strategic plan initiatives in the forthcoming year:

- ❑ further developing the customer relationship management system for seamless collation and analysis of stakeholder data
- ❑ contributing and responding to national curriculum content to provide inspiring experiences for school students at all our venues
- ❑ continuing renewal of long-term exhibitions at our museums to deliver 21st-century learning experiences and relevant education content
- ❑ developing health and safety tools and training, and hazard-identification processes
- ❑ ensuring health and safety accountabilities are integrated into management responsibilities
- ❑ building capacity to attract philanthropic support
- ❑ building the corporate partnership program to secure partnerships consistent with our goals and values
- ❑ establishing a strong and inspiring vision for the Scienceworks precinct, including the former ACI site
- ❑ undertaking a program of advocacy to build support for the Scienceworks precinct-development project
- ❑ implementing the Royal Exhibition Building Protection and Promotion Project
- ❑ collaborating with Visit Victoria and other networks to maximise opportunities associated with the Carlton Gardens precinct
- ❑ addressing urgent collection storage issues so that our collections are protected into the future
- ❑ continuing to deliver community festivals at the Immigration Museum
- ❑ planning a major exhibition for the Melbourne Museum Touring Hall for winter 2017
- ❑ implementing the Energy Management Program to reduce energy consumption across Museum Victoria
- ❑ further developing and upgrading our digital systems to improve ease-of-use, convenience and security.

Children's Gallery Redevelopment meeting, Melbourne Museum
Photographer Rodney Start



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 comprises a maximum of 11 members, appointed by the Governor-in-Council, and is subject to the direction and control of the Victorian Minister for Creative Industries.

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

The Board 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 and 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
- to advise the Victorian Minister for Creative Industries on matters relating to museums and the coordination of museum services in Victoria.

The Museums Board of Victoria functions are listed under section 23 of the *Museums Act 1983* (Vic.).

BOARD MEMBER	Meetings Attended*
Professor Margaret Gardner AO (President)	6
Mr Andrew Butcher	4
Professor Edwina Cornish AO	4
Mr Jim Cousins AO	6
Ms Sylvia Falzon	6
Mr Wilkin Fon (reappointed 4 August 2015)	6
Mr Colin Golvan QC	6
Dr Alison Inglis (appointed 4 August 2015)	4
Mr Trevor Tappenden	6
Ms Annette Vickery	4

*Number of meetings during the financial 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*
Ms Annette Vickery (Chair)	3
Ms Julie Andrews	1
Professor Henry Atkinson	3
Ms Carolyn Briggs	1
Mr Colin Golvan QC	2
Dr J. Patrick Greene OBE	3
Ms Gail Harradine	2
Ms Diane Kerr	0
Ms Caroline Martin	0 (of 2)
Mr Ricky Mullett	1

*Number of meetings during the financial year: 3

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 committee are independent.

COMMITTEE MEMBER	Meetings Attended*
Mr Trevor Tappenden (Chair)	5
Mr Jim Cousins AO	5
Ms Sylvia Falzon	6
Mr Wilkin Fon (reappointed 4 August 2015)	5

*Number of meetings during the financial year: 6

FUNDRAISING COMMITTEE

The committee has oversight of the planning, coordination and implementation of all fundraising activities and actively engages in establishing and maintaining fundraising networks for Museum Victoria. All members of the committee are independent.

COMMITTEE MEMBER	Meetings Attended*
Mr Colin Golvan QC (Chair)	4
Ms Sylvia Falzon	4
Dr Alison Inglis (Observer) (appointed on 4 August 2015)	2 (of 2)

*Number of meetings during the financial year: 4

NOMINATIONS, REMUNERATION AND GOVERNANCE COMMITTEE

The committee advises the Board on all staffing and governance matters. All members of the committee are independent.

COMMITTEE MEMBER	Meetings Attended*
Professor Margaret Gardner AO (Chair)	4
Mr Jim Cousins AO	4
Mr Colin Golvan QC	4

*Number of meetings during the financial year: 4

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 strategy. The committee oversees the Museums Board of Victoria's Animal Ethics Committee, which was established in February 2007.

COMMITTEE MEMBER	Meetings Attended*
Professor Edwina Cornish AO (Chair)	3
Professor Graeme Davison AO	2
Dr J. Patrick Greene OBE	3
Dr Robin Hirst	3
Dr Alison Inglis (appointed on 4 August 2015)	1 (of 1)
Professor David Karoly	3
Professor Lynette Russell	3
Professor Alistair Thomson	3

*Number of meetings during the financial year: 3

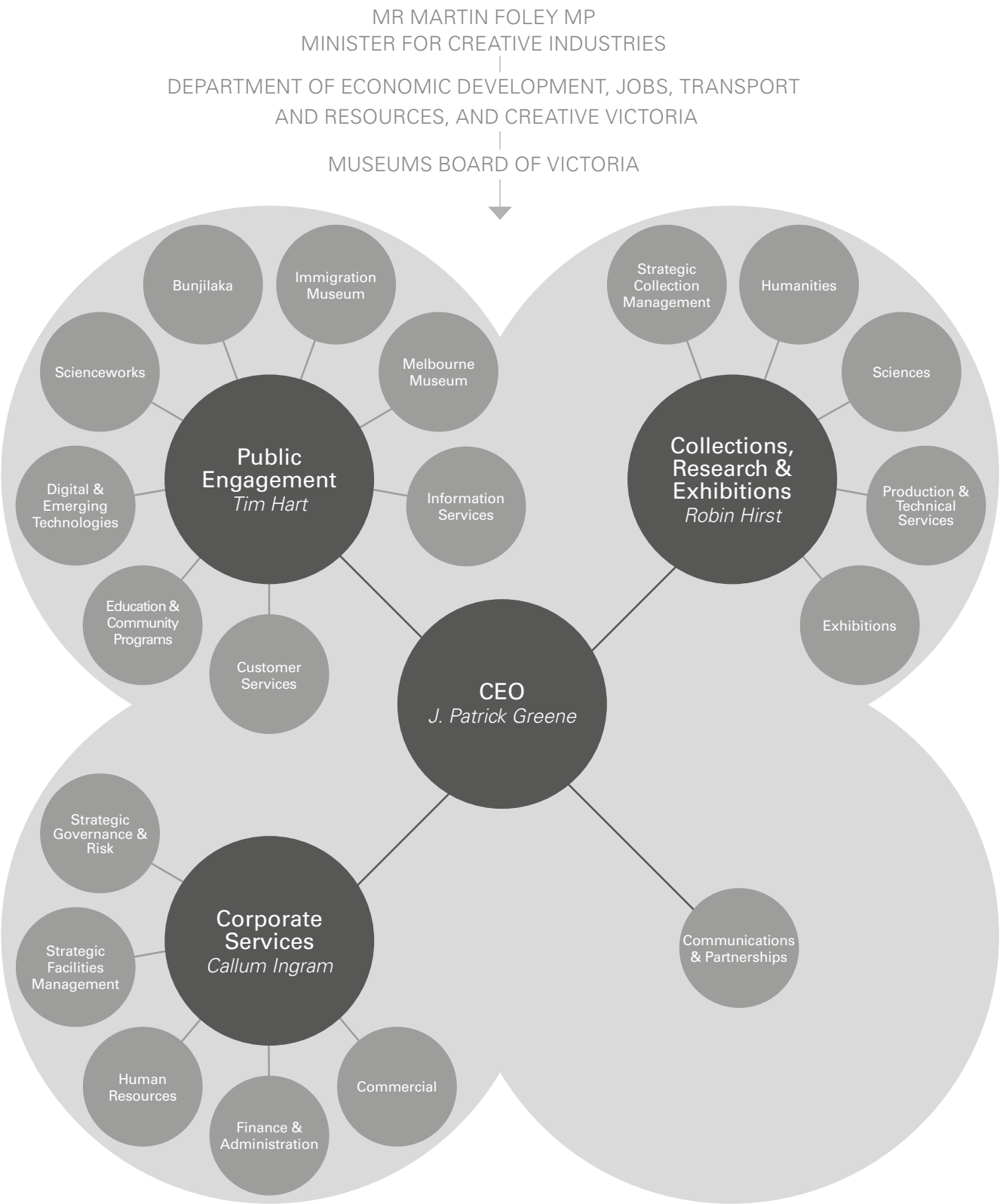
The Museums Board of Victoria is represented on the following committee:

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 long-term loan of the Donald Thomson Collection to Museum Victoria.

OUR WORKPLACE

ORGANISATIONAL STRUCTURE AS AT 30 JUNE 2016



OUR WORKPLACE

STAFF PROFILE

STAFF	2015–16			2014–15	2013–14	2012–13	2011–12
	Male	Female	Total	Total	Total	Total	Total
Ongoing	178	261	439	447	454	440	420
Fixed	39	56	95	60	78	64	91
Casual	63	95	158	116	141	119	109
Total	280	412	692	623	673	623	620
FTE*	215	292	507	477	491	468	463

*FTE = Full-time equivalent

Note: Staffing numbers are as at the last pay cycle in the financial year. Employees have been correctly classified in workforce data collections. The increase in staffing numbers compared to 2014–15 relates to fixed-term positions associated with *Jurassic World: The Exhibition* and externally funded projects, such as the Interim Collection Storage project, science research grant projects and capital works projects.

STAFF DEVELOPMENT

Museum Victoria's learning and development framework is aligned to emerging development needs of staff and focuses on core capabilities, critical skills and knowledge.

In 2015–16, the corporate learning and development program included both face-to-face sessions and e-learning programs. The e-learning program included a suite of compliance training, completed by all staff, targeted at increasing awareness and reflecting strong organisational commitment to diversity, equal opportunity, bullying prevention, fraud, privacy and health and safety.

In addition to the corporate training programs, managers supported employee development needs through seminars, conferences, temporary assignments, mentor programs and cross-divisional project opportunities.

In total, Museum Victoria offered 34 corporate learning and development sessions, representing 18 individual training programs. Additionally, 3209 e-learning modules were completed (including the compliance e-learning project, which was completed by more than 94% of all employees). The face-to-face training sessions were attended by 190 employees. The majority of participants rated their level of satisfaction as 'high' or 'very high'.

During 2015–16, a leadership culture and behaviours program was delivered for members of Museum Victoria's leadership team, including directors and department heads.

EMPLOYEE RELATIONS

Museum Victoria continues to maintain an excellent working relationship with staff and with the primary representative, the Community and Public Sector Union (CPSU). Regular CPSU Consultative Committee meetings were held in 2015–16, as were constructive discussions regarding organisational reviews and exhibition projects. There has been no industrial action.

In 2015, negotiations for the 2016 Staff Partnership Agreement began.

The Staff Consultative Committee continued to operate during 2015–16, facilitating effective communication between management and staff in relation to major issues affecting Museum Victoria. A number of changes were made to the structure and membership of the committee, adding the opportunity for 'proxy' membership to help expand staff involvement and maximise discussion and results.

PEOPLE MATTER SURVEY

In early May 2016, Museum Victoria participated in the People Matter Survey, designed for the Victorian Public Sector (VPS) and run by the Victorian Public Sector Commission. The results are expected in the next financial year.

OUR WORKPLACE

VALUES

Museum Victoria's values are aligned with those of the Victorian public sector. These values form the foundation of our workplace and underpin the delivery of our strategic objectives.

LEADERSHIP

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

FINANCIAL STATEMENTS

MUSEUMS BOARD OF VICTORIA

Accountable Officer's and Chief Financial and Accounting Officer's declaration

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 2016 and financial position of the Museums Board of Victoria as at 30 June 2016.

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 25 August 2016.



Mr Trevor Tappenden

BOARD MEMBER AND CHAIR, FINANCE, AUDIT & RISK COMMITTEE



Dr J. Patrick Greene OBE

CHIEF EXECUTIVE OFFICER



Mr Callum Ingram

CHIEF FINANCIAL OFFICER

25 August 2016

DATED

FINANCIAL STATEMENTS

COMPREHENSIVE OPERATING STATEMENT FOR THE FINANCIAL YEAR ENDED 30 JUNE 2016

	NOTES	2016 \$'000	2015 \$'000
Income from transactions			
Victorian Government Grants	2	84,152	84,377
Fees and Charges		21,452	14,523
Sales of Goods and Services		3,374	3,254
Other Grants	3	3,484	3,307
Donations		1,456	812
Rent Revenue		4,072	3,925
Other Income	4	5,482	4,773
		123,472	114,971
Expenses from transactions			
Employee Expenses	5(a)	(42,793)	(40,530)
Cost of Goods Sold		(1,586)	(1,626)
Finance Costs		(19)	(19)
Capital Asset Charge	1(l)	(38,122)	(38,134)
Buildings and Facilities		(13,339)	(12,446)
Consumables and Corporate Expenses		(10,201)	(8,700)
Other Operating Expenses	5(b)	(11,237)	(9,020)
		(117,297)	(110,475)
Net result before depreciation		6,175	4,496
Depreciation	9(d)	(17,814)	(17,944)
Net result from transactions (net operating balance)		(11,639)	(13,448)
Other economic flows included in net result			
Net Gain/(Loss) on Non-Financial Assets		144	(11)
Net Gain/(Loss) on Financial Assets		0	153
Net Gain/(Loss) Arising from movement of discount rates for Long Service Leave Liability		(448)	(204)
		(304)	(62)
Net result		(11,943)	(13,510)
Other economic flows – other comprehensive income			
Items that will not be reclassified to net result			
Changes in Physical Asset Revaluation Surplus		644,064	0
Comprehensive result		632,121	(13,510)

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

**BALANCE SHEET
AS AT 30 JUNE 2016**

	NOTES	2016 \$'000	2015 \$'000
Financial Assets			
Cash and Deposits	6,15(a)	40,789	30,236
Receivables	7	1,051	1,659
Foreign exchange forward contract		0	947
Total Financial Assets		41,840	32,842
Non-Financial Assets			
Prepayments	8	214	215
Inventories		1,114	1,184
Property, Plant and Equipment	9(b),(c)	908,005	484,801
Exhibitions	9(c)	3,580	1,937
Collections	9(a)	714,340	502,970
Total Non-Financial Assets		1,627,253	991,107
Total Assets		1,669,093	1,023,949
Liabilities			
Payables	10	14,579	6,979
Interest Bearing Liabilities	11	457	274
Provisions	12	11,331	10,091
Total Liabilities		26,367	17,344
Net Assets		1,642,726	1,006,605
Equity			
Accumulated Deficit	13(b)	(150,628)	(141,838)
Reserves	13(c)	1,203,215	562,304
Contributed Capital	13(a)	590,139	586,139
Net Worth		1,642,726	1,006,605

Contingent assets and contingent liabilities

14

Commitments for expenditure

18

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

FINANCIAL STATEMENTS

STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 30 JUNE 2016

	NOTES	Accumulated Deficit	Physical Asset Revaluation Surplus	Trust Funds	Externally Funded Special Projects	Contributions by Owner	\$'000 Total
Balance at 1 July 2014		(130,927)	545,888	8,261	10,754	586,139	1,020,115
Net result for the year		(13,510)	0	0	0	0	(13,510)
Other Comprehensive income for the year		0	0	0	0	0	0
Transfer (to)/from Accumulated Deficit	13(b) (c)	2,599	0	(1,001)	(1,598)	0	0
Capital contributions		0	0	0	0	0	0
Balance at 30 June 2015		(141,838)	545,888	7,260	9,156	586,139	1,006,605
Net result for the year		(11,943)	0	0	0	0	(11,943)
Other Comprehensive income for the year		0	644,064	0	0	0	644,064
Transfer (to)/from Accumulated Deficit	13(b) (c)	3,153	0	85	(3,238)	0	0
Capital contributions	13(a)	0	0	0	0	4,000	4,000
Balance at 30 June 2016		(150,628)	1,189,952	7,345	5,918	590,139	1,642,726

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

**CASH FLOW STATEMENT
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2016**

	NOTES	2016 \$'000	2015 \$'000
Cash Flows from Operating Activities			
Receipts			
Government Grants: Recurrent		46,030	46,243
Grants and Donations		4,940	4,120
Interest		886	1,167
Fees and Charges		21,452	14,522
Sales – Commercial Operations		3,374	3,254
Other		9,275	7,702
Goods and Services Tax on Receipts		2,559	2,179
Goods and Services Tax Recovered from the ATO		1,297	1,184
Total Receipts		89,813	80,371
Payments			
Salaries and Associated Costs		(41,766)	(40,318)
Operating Expenses		(12,954)	(16,270)
Building and Facilities		(13,339)	(12,446)
Cost of Goods for Resale		(1,516)	(1,383)
Finance Costs		(19)	(19)
Goods and Services Tax on Expenditure		(3,856)	(3,363)
Total Payments		(73,450)	(73,799)
Net Cash Flows Provided by Operating Activities	15(b)	16,363	6,572
Cash Flows from Investing Activities			
Proceeds from sales of assets		144	(8)
Payments for assets		(9,826)	(5,466)
Net Cash Flows Used in Investing Activities		(9,682)	(5,474)
Cash Flows from Financing Activities			
Payments for Finance Leases		(128)	(135)
Capital Contribution received		4,000	0
Net Cash Flows Used in Financing Activities		3,872	(135)
Net Increase/(Decrease) in Cash Held		10,553	963
Cash and Deposits at the Beginning of the Financial Year		30,236	29,273
Cash and Deposits at the End of the Financial Year	6,15(a)	40,789	30,236

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2016

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 the 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 Museums Board of Victoria (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 (Government) grant to assist in funding its operations and depreciation is funded on a limited basis.

This report has been prepared in accordance with the historical cost convention except for non-financial physical assets which, subsequent to acquisition, are measured at their fair value at the date of the revaluation less any subsequent accumulated depreciation, if applicable, and subsequent impairment losses. Revaluations are made with sufficient regularity to ensure that the carrying amounts do not materially differ from their fair value;

(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*.

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.

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

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

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

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 the Collections (cultural assets), 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 either using 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 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.

Consistent with *AASB 13 Fair Value Measurement*, the Museums Board of Victoria determines the policies and procedures for recurring fair value measurements such as collections, property, plant and equipment, and financial instruments in accordance with the requirements of *AASB 13* and the relevant Financial Reporting Directions.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and
- Level 3 Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

Revaluations of non-current physical assets

Non-current physical assets measured at fair value are revalued in accordance with the financial reporting directions issued by the Minister for Finance. Revaluations of Land & Buildings and Collections were carried out by independent valuers in 2015/2016 as required under the FRD103F. 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 comprehensive income' 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.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2016

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

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

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 comprehensive income' 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.

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 expense is not fully funded by Government with funding for the renewal and replacement of infrastructure requested and allocated on a case-by-case basis.

Depreciation is charged on property, plant and equipment, at rates assessed to match the cost or other revalued amount of these assets against their estimated useful lives to the entity.

Depreciation is calculated on the straight-line method. No provision is made for the depreciation of Land, the Collections or for the Library Collection Rare and High Value Books. The Collections referred to 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 assessments for all classes. The following are the 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
Library (non-Rare or High Value items)	50 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.

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.

(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 and net realisable value.

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

(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

Grant income

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.

Fees and charges

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

Sales of goods and services

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

Interest income

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

Donations

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

Rent Revenue

Rental revenue at museum venues is recognised when the services are provided.

Other income

All other income for the provision of goods and services is recognised when received or receivable.

(h) EXPENSES FROM TRANSACTIONS

Employee expenses

These expenses include all costs related to employment including wages and salaries, superannuation, fringe benefits tax, leave entitlements, redundancy payments and WorkCover premiums.

Cost of Goods Sold

When inventories are sold, the carrying amount of those inventories shall be recognised as an expense in the period in which the related income is recognised. The amount of any write down of inventories to net realisable value and all losses of inventories shall be recognised as an expense in the period the write down or loss occurs. The amount of any reversal of any write down of inventories, arising from an increase in net realisable value, shall be recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

Buildings and Facilities

Costs related to buildings and facilities are recognised as an expense in the reporting period in which they are incurred.

Consumables and Corporate Expenses

Costs related to consumables and corporate expenses are recognised as an expense in the reporting period in which they are incurred.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2016

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

(h) EXPENSES FROM TRANSACTIONS

Other Operating Expenses

Costs related to all other operating expenses are recognised as an expense in the reporting period in which they are incurred.

(i) 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 and 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.

(j) ROUNDING

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

(k) EQUITY

Contribution By Owners

Additions to net assets which have been designated as contributions by owners are recognised as contributed capital. Other transfers that are in the nature of contributions or distributions have also been designated as contributions by owners.

Transfers of net assets arising from administrative restructurings are treated as distributions to or contributions by owners. Transfers of net liabilities arising from administrative restructurings are treated as distributions to owners.

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

Trust Funds

This represents the balance of unexpended funds from bequests, external trusts, board reserves and board trusts for purposes that include the development and custodianship of collections and ensuring financial sustainability of the entity, with the proceeds brought to account as revenue upon receipt. Subsequent expenditure is recorded as an expense in the Comprehensive Operating Statement.

Externally Funded Special Projects

This represents the balance of grants and other external funding received by the entity from various external entities for specific projects including research, public access, exhibitions and capital with the proceeds brought to account as revenue upon receipt. Subsequent expenditure is recorded as an expense in the Comprehensive Operating Statement.

(l) 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 property, plant and equipment 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.

(m) 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.

(n) 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.

(o) 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.

(p) 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.

(q) NEW AND REVISED ACCOUNTING STANDARDS AND INTERPRETATIONS

Certain new accounting standards have been published that are not mandatory for the 30 June 2015 reporting period. The Museums Board of Victoria assesses the impact of these new standards and early adopts any new standards where applicable.

As at 30 June 2016, the following standards and interpretations that are applicable to the Board had been issued but are not mandatory for the financial year ending 30 June 2014. Standards and interpretations that are not applicable to the Board have been omitted. The Board has not early adopted these standards.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2016

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

No significant impact on the financial statements is expected from the following standards and interpretations:

- AASB 9 Financial Instruments
- AASB 2010-7 Amendments to Australian Accounting Standards arising from AASB 9
- AASB 15 Revenue from Contracts with Customers
- AASB 16 Leases
- AASB 2015-6 Amendments to Australian Accounting Standards – Extending Related Party Disclosures to Not-for-Profit Public Sector Entities
- AASB 1057 Application of Australian Accounting Standards
- AASB 2015-2 Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 101 [AASB 7, AASB 101, AASB 134 & AASB 1049]
- AASB 2015-9 Amendments to Australian Accounting Standards – Scope and Application Paragraphs [AASB 8, AASB 133 & AASB 1057]
- AASB 2015-10 Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128
- AASB 2016-2 Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 107

(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 Australian Taxation Office (ATO). 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 ATO 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 ATO, are presented as operating cash flow.

Commitments and contingent assets and liabilities are also stated inclusive of GST.

(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.

Foreign exchange forward contract

Foreign exchange forward contracts are designated at fair value through profit or loss and are initially measured at fair value and attributable transaction costs are expensed as incurred. Subsequently, any changes in fair value are recognised in the net result as other economic flows.

	2016 \$'000	2015 \$'000
2. VICTORIAN GOVERNMENT GRANTS		
The Museums Board of Victoria received the following grants from the Victorian Government		
Recurrent Grant		
Applied to Operations and Assets	41,338	42,399
Capital Funding	4,692	3,844
Capital Asset Charge	38,122	38,134
Total Recurrent Grant	84,152	84,377
3. OTHER GRANTS		
Other Grants from Victorian Government Entities	1,579	1,713
Commonwealth Grants	569	771
Other Grants	1,336	823
Total Other Grants	3,484	3,307
4. OTHER INCOME		
Interest Revenue from Financial Assets	885	1,056
Miscellaneous Income	4,597	3,717
Total Other Income	5,482	4,773
5. EXPENSES FROM TRANSACTIONS		
5(a) Employee Expenses		
Salaries, wages and associated costs	39,380	37,279
Superannuation	3,412	3,251
Total Employee Expenses	42,792	40,530
5(b) Other Operating Expenses		
Marketing and promotion	2,258	1,412
Contractors and Exhibition Display Costs	8,882	7,533
Collections Management	97	75
Total Other Operating Expenses	11,237	9,020
6. CASH AND DEPOSITS		
Short term deposits	39,000	29,400
Cash	1,789	836
Total Cash and Deposits	40,789	30,236

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2016

	2016 \$'000	2015 \$'000
7. RECEIVABLES		
Current		
Contractual		
Debtors	620	1,378
	620	1,378
Interest Receivable	34	36
	654	1,414
Statutory		
GST Input Tax Recoverable	397	245
Total Receivables	1,051	1,659
8. PREPAYMENTS		
Current		
Prepaid expenses	214	215
Total Prepayments	214	215
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		
Indigenous Collections*	167,912	127,587
History and Technology Collections*	92,809	74,211
Natural Science Collections*	439,082	282,216
Library Rare and High Value*	8,519	8,309
Library non-Rare or High Value	4,871	5,953
Less Accumulated Depreciation Library non-Rare or High Value	0	(468)
Additions at Cost	1,147	5,162
Total Collections at fair value	714,340	502,970

* Valued at fair value at 30 June 2016 by the Australian Valuation Solutions. 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.

9. NON-CURRENT PHYSICAL ASSETS (CONT'D)		
	2016 \$'000	2015 \$'000
9(b) Property		
Land at Fair Value**	386,359	153,982
Buildings at Fair Value**		
Former ACI Site, including Simcock Avenue Store	6,510	1,570
Scienceworks	28,290	20,192
Royal Exhibition Building	84,260	43,111
Immigration Museum	24,580	13,936
Moreland Store	12,260	7,611
Melbourne Museum (including IMAX)	356,560	299,542
	512,460	385,962
Less Accumulated Depreciation		
Former ACI Site including Simcock Avenue store	0	(431)
Scienceworks	0	(4,093)
Royal Exhibition Building	0	(7,307)
Immigration Museum	0	(2,266)
Moreland Store	0	(1,855)
Melbourne Museum (including IMAX)	0	(46,529)
	0	(62,481)
Work in Progress (WIP)		
Buildings at Cost	2,261	0
TOTAL PROPERTY AND WIP	901,080	477,463

** Scienceworks, Royal Exhibition Building, Moreland Store, Immigration Museum, Melbourne Museum (including IMAX) and Former ACI Site. Valued at fair value at 30 June 2016 by the Valuer-General Victoria.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2016

9. NON-CURRENT PHYSICAL ASSETS (CONT'D)		
	2016 \$'000	2015 \$'000
9(c) Plant and Equipment, Exhibitions and WIP		
Plant and Equipment		
Plant and Equipment at Fair Value *	29,234	25,646
Less Accumulated Depreciation	(22,813)	(21,600)
	6,421	4,046
Plant and Equipment under Finance Lease at Cost	697	678
Less Accumulated Depreciation	(239)	(361)
	458	317
TOTAL	6,879	4,363
Exhibitions		
Melbourne Museum at Fair Value*	61,094	61,179
Less Accumulated Depreciation	(60,059)	(59,745)
Scienceworks at Fair Value*	3,643	4,310
Less Accumulated Depreciation	(3,306)	(3,834)
Immigration Museum at Fair Value*	5,328	5,328
Less Accumulated Depreciation	(5,327)	(5,316)
TOTAL	1,373	1,922
Works in Progress – WIP		
Exhibitions at Cost	2,206	15
Plant and Equipment at Cost *	47	2,975
TOTAL	2,253	2,990
TOTAL PLANT AND EQUIPMENT, EXHIBITIONS AND WIP	10,505	9,275

* A fair value assessment for Plant & Equipment and Exhibitions was undertaken by management during the year ended 30 June 2016 in accordance with the FRD 103F Non- Current Physical Assets in order to reconfirm the fair value of Plant & Equipment and Exhibitions.

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

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

Carrying Amount	Collections \$'000	Land \$'000	Buildings \$'000	Plant and Equipment \$'000	Exhibitions \$'000	WIP* \$'000	Total \$'000
Opening Balance at 30 June 2016	502,970	153,982	323,481	4,363	1,922	2,990	989,708
Additions	1,157	0	3,443	1,319	52	4,499	10,470
Disposals	(10)	0	(165)	(328)	0	0	(503)
Asset revaluation	210,326	232,377	201,361	0	0	0	644,064
Transfers	0	0	49	2,926	0	(2,975)	0
Depreciation	(103)	0	(15,708)	(1,402)	(601)	0	(17,814)
Closing balance	714,340	386,359	512,461	6,878	1,373	4,514	1,625,925
Opening Balance at 30 June 2015	502,188	153,982	338,971	4,044	2,400	644	1,002,229
Additions	905	0	176	1,578	254	2,512	5,425
Disposals	(2)	0	0	(49)	(6)	0	(57)
Asset revaluation	0	0	0	0	0	0	0
Transfers	0	0	0	73	93	(166)	0
Depreciation	(121)	0	(15,666)	(1,283)	(819)	0	(17,889)
Closing balance	502,970	153,982	323,481	4,363	1,922	2,990	989,708

9(e) Fair value measurement hierarchy for assets as at 30 June 2016

	Carrying amount as at 30-Jun-16 \$'000	Fair value measurement at 30-Jun-16 using:		
		Level 1(i) \$'000	Level 2(i) \$'000	Level 3(i) \$'000
Collections	714,340		8,410	705,930
Total Collections at fair value	714,340	0	8,410	705,930
Non specialised land	23,000	0	23,000	0
Specialised land	363,359	0	0	363,359
Total Land at fair value	386,359	0	23,000	363,359
Buildings	514,721	0	0	514,721
Total Buildings at fair value	514,721	0	0	514,721
Plant and Equipment and WIP	6,467	0	0	6,467
Total Plant and Equipment and WIP	6,467	0	0	6,467
Exhibitions	3,580	0	0	3,580
Total Exhibitions at fair value	3,580	0	0	3,580

Note (i) Classified in accordance with the fair value hierarchy, see Note 1(d).

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2016

9(e) Fair value measurement hierarchy for assets as at 30 June 2016				
	Carrying amount as at 30-Jun-15	Fair value measurement at 30-Jun-15 using:		
		Level 1(i)	Level 2(i)	Level 3(i)
	\$'000	\$'000	\$'000	\$'000
Collections	502,970		127,538	375,432
Total Collections at fair value	502,970	0	127,538	375,432
Non specialised land	10,283	0	10,283	0
Specialised land	143,699	0	0	143,699
Total Land at fair value	153,982	0	10,283	143,699
Buildings	323,481	0	0	323,481
Total Buildings at fair value	323,481	0	0	323,481
Plant and Equipment and WIP	7,338	0	0	7,338
Total Plant and Equipment and WIP	7,338	0	0	7,338
Exhibitions	1,937	0	0	1,937
Total Exhibitions at fair value	1,937	0	0	1,937

COLLECTIONS

Collections items valued under a market approach adopted by the appointed independent valuers are classified as Level 2 fair value measurements. The market approach uses prices and other relevant information generated by market transactions involving identical or comparable assets or items.

Collection items valued under a statistical valuation model adopted by the appointed independent valuers using a statistically verified sampling methodology, estimated recollections costs and additions subsequent to the valuation at cost or valuation are classified as Level 3 fair value measurements.

LAND

Non-specialised land – Land is valued under a market approach adopted by the independent valuers. Valuation determined by comparison to recent sales of comparable market transactions and appropriate adjustments for the differences between the valued items and the market transactions.

Specialised land – Land is valued under a market approach is adjusted for the community service obligation (CSO) or any heritage restrictions to reflect the specialised nature of the land being valued. The CSO adjustment is a reflection of the valuer's assessment of the impact of restrictions associated with an asset to the extent that is also equally applicable to market participants. The range of CSO applied to specialised land is 20%-30%.

BUILDINGS

Specialised buildings are valued under a depreciated replacement cost approach adopted by the independent valuers. As depreciation adjustments adopted by the valuers are considered significant, unobservable inputs in nature, specialised buildings are classified as Level 3 fair value measurements.

PLANT AND EQUIPMENT

Plant and equipment is valued under depreciated replacement cost approach. As depreciation adjustments are considered as significant, unobservable inputs in nature, plant and equipment are classified as Level 3 fair value measurements. Where plant and equipment is specialised in use, such that it is rarely sold other than as part of a going concern, fair value is determined using the depreciated replacement cost method.

EXHIBITIONS

Exhibitions are valued under depreciated replacement cost approach. As depreciation adjustments are considered as significant, unobservable inputs in nature, Exhibitions are classified as Level 3 fair value measurements.

There were no changes in valuation techniques throughout the period to 30 June 2016.

For all assets measured at fair value, the current use is considered the highest and best use.

9(f) Reconciliation of Level 3 fair value					
2016	Collections	Land	Building	Plant and Equipment	Exhibitions
	\$'000	\$'000	\$'000	\$'000	\$'000
Opening balance	375,432	143,699	323,481	7,021	1,937
Purchases (sales)	1,147	0	5,589	731	2,244
Transfers in (out) of Level 3	168,609	0	0	0	0
Gains or losses recognised in net result	0	0	0	0	0
Depreciation	(103)	0	(15,709)	(1,285)	(601)
Impairment loss	0	0	0	0	0
Subtotal	545,085	143,699	313,361	6,467	3,580
Gains or losses recognised in other economic flows – other comprehensive income	0	0	0	0	0
Revaluation	160,845	219,660	201,360	0	0
Subtotal	160,845	219,660	201,360	0	0
Closing balance	705,930	363,359	514,721	6,467	3,580
2015	Collections	Land	Building	Plant and Equipment	Exhibitions
	\$'000	\$'000	\$'000	\$'000	\$'000
Opening balance	374,650	143,699	338,971	4,580	2,508
Purchases (sales)	903	0	176	4,041	248
Transfers in (out) of Level 3	0	0	0	0	0
Gains or losses recognised in net result	0	0	0	0	0
Depreciation	(121)	0	(15,666)	(1,283)	(819)
Impairment loss	0	0	0	0	0
Subtotal	375,432	143,699	323,481	7,338	1,937
Gains or losses recognised in other economic flows – other comprehensive income	0	0	0	0	0
Revaluation	0	0	0	0	0
Subtotal	0	0	0	0	0
Closing balance	375,432	143,699	323,481	7,338	1,937

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2016

9(g) Description of Significant Unobservable Inputs to Level 3 Valuations

	Valuation Technique	Significant Unobservable Inputs	Valuation Technique	Significant Unobservable Inputs
	30-Jun-16		30-Jun-15	
Collections	Market, Statistical Model, Cost (Cost of re-collection)	Market price, Statistically verified random sample	Market, Statistical Model, Cost (Cost of re-collection)	Market price, Statistically verified random sample
Specialised land	Market/Direct Comparison Approach adjusted for unobservable inputs	Unit of value by comparative basis (\$/m ²), Community Service Obligation (CSO) or heritage adjustment	Market/Direct Comparison Approach adjusted for unobservable inputs	Unit of value by comparative basis (\$/m ²), Community Service Obligation (CSO) or heritage adjustment
Buildings	Cost/Depreciated Replacement Cost Approach	Recognised building cost indicators and or Quantity Surveyors and examples of current costs, assessment of useful life	Cost/Depreciated Replacement Cost Approach	Recognised building cost indicators and or Quantity Surveyors and examples of current costs, assessment of useful life
Plant and Equipment	Depreciated replacement cost approach	Cost per unit Useful life of plant and equipment	Depreciated replacement cost approach	Cost per unit, Useful life of plant and equipment
Exhibitions	Depreciated replacement cost	Cost per unit Useful life of exhibition	Depreciated replacement cost	Cost per unit, Useful life of exhibition

	NOTES	2016 \$'000	2015 \$'000
10. PAYABLES			
Current Payables			
Trade Creditors		2,224	1,045
Other Payables		11,267	4,117
Advance Billings		288	1,141
Accrued Salaries		800	676
TOTAL		14,579	6,979

11. INTEREST BEARING LIABILITIES			
11(a) Current			
Secured			
Lease Liabilities (Note 18)		185	130
11(b) Non-current			
Secured			
Lease Liabilities (Note 18)		272	144
TOTAL INTEREST BEARING LIABILITIES		457	274
11(c) Assets pledged as security			
The carrying amounts of non-current assets pledged as security:			
Finance lease			
Plant and equipment under finance lease	9(c)	458	317
TOTAL ASSETS PLEDGED AS SECURITY		458	317

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2016

12. PROVISIONS	2016 \$'000	2015 \$'000
Current Provisions		
Employee Benefits (Note 12(a)) – Annual Leave		
Unconditional and expected to be settled within 12 months**	2,732	2,588
Employee Benefits (Note 12(a)) – Long Service Leave		
Unconditional and expected to be settled within 12 months**	537	538
Unconditional and expected to be settled after 12 months***	5,387	4,814
Employee Benefits (Note 12(a)) – Staff Partnership Agreement		
Staff Partnership Agreement increase effective 1 January 2016	360	0
	9,016	7,940
Provisions related to employee benefit on-costs (Note 12(a)):		
Unconditional and expected to be settled within 12 months**	603	531
Unconditional and expected to be settled after 12 months***	875	782
	1,478	1,313
Total Current Provisions	10,494	9,253
Non-Current Provisions		
Employee Benefits (Note 12(a))***	720	721
Employee Benefits on-costs***	117	117
Total Non-Current Provisions	837	838
TOTAL PROVISIONS	11,331	10,091
12(a) Employee Benefits and related on-costs		
Current Employee Benefits		
Annual Leave	2,732	2,588
Long Service Leave entitlements	5,924	5,352
Staff Partnership Agreement increase effective 1 January 2016	360	0
Non-Current Employee Benefits		
Long Service Leave entitlements	720	721
Total Employee Benefits	9,736	8,661
Current on-costs	1,478	1,313
Non-current on-costs	117	117
Total on-costs	1,595	1,430
TOTAL EMPLOYEE BENEFITS AND RELATED ON-COSTS – Refer Note 1(i)	11,331	10,091

**The amounts disclosed are nominal (undiscounted) amounts.

***The amounts disclosed are discounted to present values.

13. EQUITY	2016 \$'000	2015 \$'000
13(a) Contributed Capital*		
Balance at beginning of financial year	586,139	586,139
Transfer (to)/from Accumulated Deficit	0	0
Capital Contribution**	4,000	0
BALANCE AT END OF FINANCIAL YEAR	590,139	586,139
13(b) Accumulated Deficit		
Balance at beginning of financial year	(141,838)	(130,927)
Net result	(11,943)	(13,510)
Transfers to Reserves		
Transfer to Contributed Capital	0	0
Transfer (to)/from Trust Funds	(85)	1,001
Transfer (to)/from Externally Funded Special Projects	3,238	1,598
BALANCE AT END OF FINANCIAL YEAR	(150,628)	(141,838)
13(c) Reserves: Trust Funds***		
Balance at beginning of financial year	7,260	8,261
Transfer (to)/from Accumulated Deficit	85	(1,001)
BALANCE AT END OF FINANCIAL YEAR	7,345	7,260
Reserves: Externally Funded Special Projects****		
Balance at beginning of financial year	9,156	10,754
Transfer (to)/from Accumulated Deficit	(3,238)	(1,598)
BALANCE AT END OF FINANCIAL YEAR	5,918	9,156
Physical Asset Revaluation Surplus		
Balance at beginning of financial year	545,888	545,888
Asset revaluation increases	644,064	0
BALANCE AT END OF FINANCIAL YEAR	1,189,952	545,888

* 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.

** Grant from Commonwealth Government to Victorian Government for the protection and promotion of the Royal Exhibition Building under Museum Victoria.

***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 consists of unexpended Government and other grants tied to a specific purpose.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2016

14. CONTINGENT ASSETS AND LIABILITIES

Museum Victoria believes that there are no contingent assets or contingent liabilities (2014/2015: Nil).

	2016 \$'000	2015 \$'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	1,789	836
Interest Bearing Deposits	39,000	29,400
TOTAL (refer to Note 6)	40,789	30,236
15(b) Reconciliation of Net Result to Net Cash Flows from Operating Activities		
Net result for the year	(11,943)	(13,510)
Loss /(Gain) on Sale of Non-Current Assets	(145)	11
Non-cash movements:		
Depreciation	17,814	17,944
Doubtful Debt Expense	0	0
Net cash provided by operating activities before change in assets and liabilities	5,726	4,445
Movement in assets and liabilities:		
Decrease/(Increase) in Receivables	1,555	(428)
Decrease/(Increase) in Prepayments	1	(95)
Decrease/(Increase) in Inventories	70	243
Increase/(Decrease) in Payables	7,770	2,078
Increase/(Decrease) in Provisions	1,241	329
Net cash provided by operating activities	16,363	6,572
15(c) Non-cash financing and investing activities		
Financing Facilities		
Finance Lease Assets		
Acquisitions	304	64
Disposals	(285)	(31)
TOTAL	19	33

16. RESPONSIBLE PERSONS

16(a) RESPONSIBLE PERSONS

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

Responsible Minister – Mr Martin Foley MP
Accountable Officer – Dr J. Patrick Greene OBE

Board Members:

Professor Margaret Gardner AO (President)
Mr Trevor Tappenden (Treasurer)
Mr Andrew Butcher
Professor Edwina Cornish AO
Mr Jim Cousins AO
Ms Sylvia Falzon
Mr Wilkin Fon (reappointed 4 August 2015)
Mr Colin Golvan QC
Dr Alison Inglis (appointed 4 August 2015)
Ms Annette Vickery

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 \$350,000 - \$360,000 (\$340,000 - \$350,000 in 2014/2015). The remuneration of the Accountable Officer is not included in note 16(d) below.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2016

16(c) RELATED PARTY TRANSACTIONS

Business transactions were carried out with the following related party entities for Members of the Board. All transactions were undertaken in the ordinary course of business and were at arm's length and on normal commercial terms.

	2016		2015	
	Revenue	Expenditure	Revenue	Expenditure
	\$'000	\$'000	\$'000	\$'000
The Australian Ballet	0	0	0	8
Australian War Memorial	0	0	0	2
Victorian Arts Centre Trust	50	0	33	0
University Of Melbourne	229	162	594	0
Monash University	38	12	8	3
RMIT University	0	0	1	1
CSIRO	378	4	0	0
National Gallery of Victoria	57	1	0	0
Melbourne Grammar School	2	0	0	0
SAI Global	0	17	0	0
TOTAL	754	196	636	14

16(d) EXECUTIVE OFFICER REMUNERATION

Income Band	Total Remuneration		Base Remuneration	
	2016	2015	2016	2015
Base remuneration excludes bonus payments, long-service leave, redundancy payments and retirement benefits.				
\$190,000 - \$199,999	0	0	1	2
\$200,000 - \$209,999	0	0	2	1
\$210,000 - \$219,999	0	2	0	0
\$220,000 - \$229,999	2	1	0	0
\$230,000 - \$239,999	1	0	0	0
TOTAL NUMBERS	3	3	3	3
TOTAL ANNUALISED EMPLOYEE EQUIVALENT (AEE)	3.0	3.0	3.0	3.0
TOTAL	\$677,000	\$658,000	\$601,000	\$586,000

16(e) RECONCILIATION OF EXECUTIVE NUMBERS

	2016	2015
Executives with remuneration over \$100,000	3	3
Add Accountable Officer (Chief Executive Officer)	1	1
Total executive numbers at 30 June	4	4

16(e) EX GRATIA EXPENSES

There were no ex gratia expenses in aggregate or individually in excess of \$5,000 (2014/2015 – nil).

17. SUPERANNUATION

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 2016 as the Victorian Government has assumed responsibility for this liability.

There were no contributions outstanding at the year end. The major employee superannuation funds and contributions paid or payable by Museums Board of Victoria are as follows. The total amount of superannuation excludes amounts paid under salary sacrifice arrangement

	2016 \$'000	2015 \$'000
State Superannuation Fund (VicSuper Scheme)	2,146	2,024
State Superannuation Fund (Revised Scheme & New)	354	400
Retail Employees Superannuation Fund	240	207
Other funds	646	593
Total	3,386	3,224

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2016

	2016 \$'000	2015 \$'000
18. LEASES AND COMMITMENTS FOR EXPENDITURE		
Capital Expenditure Commitments		
Non-cancellable capital expenditure contracted		
Payable:		
Not longer than 1 year	5,703	0
Longer than 1 year but not longer than 5 years	5,395	0
Total	11,098	0
Operating Lease Commitments		
Non-cancellable operating leases contracted for but not capitalised in the accounts		
Payable:		
Not longer than 1 year	790	722
Longer than 1 year but not longer than 5 years	747	972
Total	1,537	1,694
Operating Expenditure Commitments		
Non-cancellable operating expenditure contracted		
Payable:		
Not longer than 1 year	2,175	3,145
Longer than 1 year but not longer than 5 years	581	0
Total	2,756	3,145
Total Commitments	15,391	4,839

	Minimum future lease payments		Present value of minimum future lease payments	
	2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000
18. LEASES AND COMMITMENTS FOR EXPENDITURE				
Finance Leases				
Finance leases are payable as follows:				
Not longer than 1 year	199	140	185	130
Longer than 1 year but not longer than 5 years	287	150	272	144
Minimum lease payments	486	290	457	274
Less future finance charges	(29)	(16)	0	0
Present value of minimum lease payments	457	274	457	274
Representing lease liabilities:				
Current (Note 11(a))	0	0	185	130
Non-current (Note 11(b))	0	0	272	144
Total	0	0	457	274

(i) Operating leases relates to office equipment leased from Equigroup and Konica-Minolta and planetarium equipment leased from AllLeasing.

(ii) Finance leases relate to motor vehicles leased from Department of Treasury and Finance.

19. FINANCIAL INSTRUMENTS

(a) FINANCIAL RISK MANAGEMENT OBJECTIVES AND 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 Government approved financial institutions.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2016

19(b) CATEGORISATION OF FINANCIAL INSTRUMENTS

2016	Notes	Contractual financial assets-designated at fair value through profit/loss	Contractual financial assets-loans and receivables	Contractual financial liabilities at amortised cost	\$'000 Total
Contractual financial assets					
Cash and deposits	6	0	40,789	0	40,789
Receivables:					
Sale of goods and services	7	0	654	0	654
Foreign exchange forward contract		0	0	0	0
Total contractual financial assets		0	41,443	0	41,443
Contractual financial liabilities					
Payables**					
Supplies and services	10	0	0	13,859	13,859
Borrowings					
Lease liabilities	11	0	0	457	457
Total contractual financial liabilities		0	0	14,316	14,316
2015					
Contractual financial assets					
Cash and deposits	6	0	30,236	0	30,236
Receivables:					
Sale of goods and services	7	0	1,414	0	1,414
Foreign exchange forward contract		947	0	0	947
Total contractual financial assets		947	31,650	0	32,597
Contractual financial liabilities					
Payables **					
Supplies and services	10	0	0	6,495	6,495
Borrowings					
Lease liabilities	11	0	0	274	274
Total Contractual Financial Liabilities		0	0	6,769	6,769

** Payables excludes statutory payables

(c) CREDIT RISK

Credit risk arises from the contractual financial assets of the entity, which comprise cash and cash deposits, 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 have 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.

19(c) CATEGORISATION OF FINANCIAL INSTRUMENTS (CONT'D)

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	
2016					
Cash	1,789	1,789	0	0	0
Receivables:					
Sale of goods and services	654	0	654	0	0
Investments and other contractual financial assets					
Short-term cash investments**	39,000	39,000	0	0	0
Foreign exchange forward contract	0	0	0	0	0
Total	41,443	40,789	654	0	0
2015					
Cash	835	835	0	0	0
Receivables:					
Sale of goods and services	1,414	1,055	359	0	0
Investments and other contractual financial assets					
Short-term cash investments**	29,400	29,400	0	0	0
Foreign exchange forward contract	947	947	0	0	0
Total	32,596	32,237	359	0	0

** Short term cash investments are held either with the Treasury Corporation of Victoria or with financial institutions that are Approved Deposit-taking Institutions.

(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.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2016

Maturity analysis of contractual financial liabilities	Carrying amount	Nominal amount	Maturity dates			\$'000
			Less than 1 year	1–5 years	5+ years	
2016						
Payables:						
Supplies and services	14,849	13,859	13,859	0	0	
Borrowings:						
Lease liabilities	457	457	185	272	0	
Total	15,306	14,316	14,044	272	0	
2015						
Payables:						
Supplies and services	6,495	6,495	6,495	0	0	
Borrowings:						
Lease liabilities	274	290	140	150	0	
Total	6,769	6,785	6,635	150	0	

(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 normally 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.

Where significant foreign currency risk arises as a result of significant commitments to exhibition and equipment suppliers overseas combined with a significant lead time between commitment and settlement, the entity may enter into foreign currency forward contracts to limit the exposure to exchange rate movements.

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.

INTEREST RATE EXPOSURE OF FINANCIAL INSTRUMENTS	Weighted average effective interest rate %	Carrying amount	Interest rate exposure		\$'000
			Fixed interest rate	Variable interest rate	Non- interest bearing
2016					
Financial Assets					
Cash and deposits	1.14%	1,789	0	1,789	0
Receivables:					
Sale of goods and services		654	0	0	654
Investments and other financial assets:					
Short-term cash investments	1.86%	39,000	39,000	0	0
Total financial assets		41,443	39,000	1,789	654
Financial Liabilities					
Payables:					
Trade and other creditors		13,859	0	0	13,859
Interest bearing liabilities:					
Lease liabilities	4.75%	457	0	457	0
Total financial liabilities		14,316	0	457	13,859
2015					
Financial Assets					
Cash and deposits	1.70%	836	0	748	88
Receivables:					
Sale of goods and services		1,414	0	0	1,414
Investments and other financial assets:					
Short-term cash investments	2.60%	29,400	29,400	0	0
Total financial assets		31,650	29,400	748	1,502
Financial Liabilities					
Payables:					
Trade and other creditors		6,495	0	0	6,495
Interest bearing liabilities:					
Lease liabilities	5.86%	274	0	274	0
Total financial liabilities		6,769	0	274	6,495

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2016

(f) FAIR VALUE

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

- Level 1 – the fair value of financial instrument with standard terms and conditions and traded in active liquid markets are determined with reference to quoted market prices;
- Level 2 – 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
- Level 3 – 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.

There have been no transfers between levels during the period.

FINANCIAL ASSETS MEASURED AT FAIR VALUE	Carrying amount as at 30-Jun-16	Fair value measurement at end of reporting period using:		
		Level 1(i)	Level 2(i)	Level 3(i)
2016				
Financial assets at fair value through profit/loss:				
Foreign exchange forward contract	0	0	0	0
Total	0	0	0	0

FINANCIAL ASSETS MEASURED AT FAIR VALUE	Carrying amount as at 30-Jun-15	Fair value measurement at end of reporting period using:		
		Level 1(i)	Level 2(i)	Level 3(i)
2015				
Financial assets at fair value through profit/loss:				
Foreign exchange forward contract	947	0	947	0
Total	947	0	947	0

Note (i) Classified in accordance with the fair value hierarchy, see above..

20. REMUNERATION OF AUDITORS

	2016 \$'000	2015 \$'000
Victorian Auditor-General's Office:		
Audit of financial report	55	55
TOTAL	55	55

21. SUBSEQUENT EVENTS

No subsequent events have occurred that require disclosure. (2014/15:Nil).

The logo for the Victorian Auditor-General's Office (VAGO) features the word "VAGO" in a bold, sans-serif font.

Victorian Auditor-General's Office

Level 24, 35 Collins Street
Melbourne VIC 3000

Telephone 61 3 8601 7000
Facsimile 61 3 8601 7010

Website www.audit.vic.gov.au

INDEPENDENT AUDITOR'S REPORT

To the Board Members, Museums Board of Victoria

The Financial Report

I have audited the accompanying financial report for the year ended 30 June 2016 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 accountable officer's and chief financial and accounting officer's declaration.

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, 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 and fair presentation 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 Members, 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.

Auditing in the Public Interest

AUDITOR-GENERAL'S REPORT

Independent Auditor's Report (continued)


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, I and my staff and delegates complied with all applicable independence requirements of the Australian accounting profession.

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 2016 and its financial performance and cash flows for the year then ended in accordance with applicable Australian Accounting Standards, and the financial reporting requirements of the *Financial Management Act 1994*.

MELBOURNE
31 August 2016



for Dr Peter Frost
Acting 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 2016, Museum Victoria received three Freedom of Information requests. Two requests were from journalists and these were completed. The third request from a representative of an organisation will be completed in 2016–17. The information below must be published annually under part II of the *Freedom of Information Act 1982*. The information required under section 7(1)(a)(i) is located elsewhere in this annual report.

CONTACTS

Principal Officer:
Dr J. Patrick Greene OBE (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
- 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 \$27.90 application fee. An applicant may request photocopies of documents or inspection of specific documents at Museum Victoria, or other access arrangements as 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

will be 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 application fee is \$27.90. Further charges may be levied for photocopying and searching for documents, or for supervising access. Some charges may be waived in certain circumstances.

AVAILABILITY OF ADDITIONAL INFORMATION

The following information relating to Museum Victoria and 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 any major external reviews carried out on Museum Victoria
- details of major research and development activities undertaken by Museum Victoria
- 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
- a general statement on industrial relations within Museum Victoria and details of time lost through industrial accidents and disputes

- a list of major committees sponsored by Museum Victoria, the purpose of each committee and the extent to which its purposes have been achieved,
- details of all consultancies and contractors, including those engaged, services provided and expenditure committed to for each engagement.

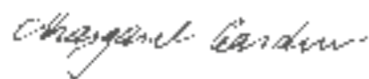
DISABILITY ACTION PLAN

Projects undertaken during the year include:

- delivery of disability awareness training
- signing of a memorandum of understanding with the National Disability Recruitment Coordinator
- performances by Wild at Heart's 2 Hot 2 Handle hip-hop crew at Melbourne Museum
- publishing of online sensory maps and social scripts for Melbourne Museum, the Immigration Museum and Scienceworks under the Autism Friendly Museum project. The Royal Exhibition Building was also lit up blue to recognise World Autism Day.

VICTORIAN GOVERNMENT RISK MANAGEMENT FRAMEWORK

I, Margaret Gardner, certify that the Museums Board of Victoria has complied with the Ministerial Standing Direction 4.5.5 – Risk Management Framework and Processes. The Finance, Audit and Risk Committee verifies this.



Professor Margaret Gardner AO
President, Museums Board of Victoria
30 June 2016

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

The *Victorian Industry Participation Policy Act 2003* requires public bodies to report on the application of the Victorian Industry Participation Policy (VIPP) to all tenders over \$3 million in metropolitan Melbourne and \$1 million in regional Victoria.

During 2015 –16, one VIPP applicable contract commenced totalling \$11.3 million.

The outcomes expected from the implementation of the VIPP to this project are:

- an average of 100 per cent of local content
- a total of 26 jobs (AEE).

CONSULTANCIES

In 2015–16, two consultancies attracted total fees payable of \$10,000 or greater. The total expenditure incurred during the year in relation to these two consultancies is \$85,000, as outlined in the table of consultancies below.

One consultancy during the year had fees of less than \$10,000. The total expenditure incurred during the year in relation to this consultancy was \$7540.

Consultant	Purpose	Total Approved Project Fee (excl. GST)	Expenditure 2015–16 (excl. GST)	Future Expenditure (excl. GST)
SLM Corporate Pty Ltd	IMAX Melbourne Museum valuation	\$15,000	\$15,000	\$0
Security Consulting Group Pty Ltd	Museum Victoria security framework consulting services	\$175,000	\$70,000	\$105,000

This consultancies disclosure cannot be compared to disclosures prior to 2014–15, given the revision made to the definition in FRD 22E.

BUILDING AND MAINTENANCE COMPLIANCE

At 30 June 2016, Museum Victoria was responsible for six government-owned buildings and also occupied premises at Swann House, Melbourne, as a tenant. Museum Victoria complied with all provisions of the *Building Act 1993*.

All works undertaken by Museum Victoria during 2015–16 complied 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

- BioBank construction works
- Melbourne Museum car-park lift upgrade
- Emergency and exit lighting upgrades
- Integrated fire services repairs (mechanical)
- Interim Collection Storage Project building and fit-out works
- IMAX refurbishment

Scienceworks

- Lift upgrade

Immigration Museum

- Remediation of flaking paintwork

Royal Exhibition Building

- French fountain conservation work

Moreland Annexe

- Interim Collection Storage Project fit-out works

PROTECTED DISCLOSURES

Museum Victoria is committed to the aims and objectives of the *Protected Disclosure Act 2012* (Vic.). In particular, Museum Victoria does not tolerate improper conduct by staff or reprisals against those who come forward to disclose such conduct.

Museum Victoria is not a public body to which disclosures may be made. Disclosures of improper conduct or detrimental action relating to the museum should generally be made to the Independent Broad-based Anti-corruption Commission (IBAC). Information about making such disclosures can be found on the IBAC website ibac.vic.gov.au.

As required by s.58(5) of the Act, procedures for protecting people who make protected disclosures from detrimental action by Museum Victoria or its staff are available on the museum website museumvictoria.com.au.

DISCLOSURES UNDER THE *PROTECTED DISCLOSURE ACT 2012*

There was one disclosure made to Museum Victoria during 2015–16.

DISCLOSURES	2015–16	2014–15
The number of disclosures made by an individual to Museum Victoria's Protected Disclosures Coordinator and notified to IBAC	1	0
Assessable disclosures	0	0

PUBLIC SECTOR VALUES AND EMPLOYMENT PRINCIPLES

During 2015–16, 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 to staff prior to their employment commencing, and our policies and procedures are explained through the induction program and are readily accessible through Museum Victoria's intranet. Staff are also required to complete regular additional online e-learning modules linked with key policies and procedures, including equal opportunity and health and safety.

Museum Victoria staff dance in the winning entry of the international *2016 Museum Dance-Off*, Melbourne Museum
Video still from whenyouworkatamuseum.com



HEALTH AND SAFETY INCIDENTS

VISITORS

	Visitors	Incidents	Incidents per 100 Visitors
2013–14	1,834,296	619	0.0337
2014–15	1,690,425	637	0.0376
2015–16	1,867,536	644	0.0344

STAFF

	Staff FTE	Incidents	Incidents per 100 Staff Members	No. of Lost Time Standard Claims	Lost Time Standard Claims per 100 Staff Members	Average Cost per Claim
2013–14	491	132	26.9	8	1.63	\$129,877
2014–15	477	183	38.4	2	0.42	\$3,547
2015–16	507	255	50.3	5	0.98	\$101,498

Notes:

Average cost per claim includes payments to 30 June 2016 and an estimate of outstanding claim costs advised by Xchanging, Museum Victoria's insurer.

There was a significant increase in number of near miss (26%) and hazard (97%) reports in 2015–16. The number of injuries to staff was slightly down on 2014–15 (–5%). Staff are aware of the importance of identifying and rectifying hazards before they can cause an injury.

DATAVIC ACCESS POLICY

Museum Victoria is committed to the principles of open access to public data and information.

Museum Victoria makes a significant amount of data freely available on the site *Museum Victoria Collections* and shares data with major national data aggregators, including:

- *Trove*, the National Library of Australia's portal, through which we share humanities collections data, with approximately 83,000 item and image records available
- *Atlas of Living Australia*, through which we share science specimen data, with approximately 560,000 specimen records and 28,000 images available.

CARERS RECOGNITION ACT 2012

Museum Victoria recognises our responsibilities under the *Carers Recognition Act 2012*. The following activities promote and implement the principles of the Act for our staff and for people in care relationships:

- the Carer Card Program gives concession entry to our museums and IMAX
- the Companion Card Program gives free entry to cardholders when accompanying their care recipient
- flexible work arrangements for staff who are carers,
- review of our Disability Action Plan and Disability Access Policy to ensure the principles of the Act are reflected in our procedures and programs.

GOVERNMENT ADVERTISING EXPENDITURE

NAME OF CAMPAIGN Start/End Date	Campaign Summary	Advertising (Media) Expenditure (excl. GST)	Creative and Campaign Development Expenditure (excl. GST)	Research and Evaluation Expenditure (excl. GST)	Print and Collateral Expenditure (excl. GST)	Other Campaign Costs (excl. GST)	Total
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Museum Victoria School Holidays Advertising Jul 2015, Sept 2015, Jan 2016, Mar 2016	Digital and social media campaign to support the school holidays period across Museum Victoria	158	12	0	0	0	170
<i>Jurassic World: The Exhibition</i> Nov 2015 to Oct 2016	Television, digital, tourism and print media campaign to support <i>Jurassic World: The Exhibition</i> at Melbourne Museum	280	9	0	13	0	302

Notes:

Information shown is for government advertising expenditure for campaigns of \$100,000 or more.

Research and evaluation was undertaken with existing internal resources.

Campaigns crossed financial years; the figures above represent 2015–16 expenditure.

Creative work for Museum Victoria communications is undertaken by an external design firm on a monthly retainer; the figures above are additional expenses for larger campaigns.

ICT EXPENDITURE

For the 2015–16 reporting period, Museum Victoria had a total ICT expenditure of \$4,890,304, with the details shown below.

BAU ICT Expenditure	Non-BAU ICT Expenditure	Operational Expenditure	Capital Expenditure
\$'000	\$'000	\$'000	\$'000
4,744	146	146	0

Little Kids' Day In Program, Scienceworks
Photographer Rodney Start



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 22G Manner of establishment of the relevant ministers	16, 18
FRD 22G Purpose, functions, powers and duties	3, 16
FRD 22G Initiatives and key achievements	4–15
FRD 22G Nature and range of services provided	3, 6–15
MANAGEMENT AND STRUCTURE	
FRD 22G Organisational structure	18
Financial and other information	
FRD 10A Disclosure index	64–65
FRD 22G Operational and budgetary objectives, and performance against objectives	4–15
FRD 22G Employment and conduct principles	19–20, 60
FRD 22G Occupational health and safety	61
FRD 22G Summary of the financial results for the year	4
FRD 22G Significant changes in financial position during the year	4
FRD 22G Major changes or factors affecting performance	4
FRD 22G Subsequent events	31, 54
FRD 22G Application and operation of <i>Freedom of Information Act 1982</i>	57
FRD 22G Compliance with building and maintenance provisions of <i>Building Act 1993</i>	59
FRD 22G Statement on National Competition Policy	58
FRD 22G Application and operation of the <i>Protected Disclosure Act 2012</i>	60
FRD 22G Details of consultancies of less than and more than \$10,000	59
FRD 22G Environmental performance	5
FRD 22G Government advertising expenditure	62
FRD 22G ICT expenditure	63
FRD 22G Statement of availability of other information	57–58
FRD 25B Victorian Industry Participation Policy disclosures	58
FRD 22G Statement of workforce data, and merit and equity	19–20, 60
SD 4.5.5 Risk-management compliance attestation	58
SD 4.2(g) Specific information requirements	2–20
SD 4.2(j) Sign-off requirements	ii

MINISTERIAL DIRECTIONS**PAGE****FINANCIAL STATEMENTS****Financial statements required under Part 7 of the FMA**

SD 4.2(a)	Statement of changes in equity	24
SD 4.2(b)	Operating statement	22
SD 4.2(b)	Balance sheet	23
SD 4.2(b)	Cash flow statement	25
SD 4.2(c)	Compliance with Australian accounting standards and other authoritative pronouncements	26
SD 4.2(c)	Compliance with ministerial directions	21
SD 4.2(d)	Rounding of amounts	30
SD 4.2(c)	Accountable Officer's declaration	21

Other disclosures in notes to the financial statements

FRD 10	Disclosure index	64–65
FFRD 21B	Disclosures of responsible persons, executive officers and other personnel (contractors with significant management responsibilities) in the financial report	45–47
FRD 102	Inventories	23
FRD 103F	Non-current physical assets	34–40
FRD 106A	Impairment of assets	28
FRD 109A	Intangible assets	26
FRD 110A	Cash flow statements	25
FRD 112D	Defined benefit superannuation obligations	47
FRD 114B	Financial instruments – general government entities and public non financial corporations	49–54
FRD 119A	Transfers through contributed capital	30

LEGISLATION

<i>Freedom of Information Act 1982</i>	57
<i>Building Act 1993</i>	59
<i>Protected Disclosure Act 2012</i>	60
<i>Carers Recognition Act 2012</i>	61
<i>Disability Act 2006</i>	58
<i>Financial Management Act 1994</i>	21–56
<i>Victorian Industry Participation Policy Act 2003</i>	58
<i>Public Administration Act 2004</i>	60



THIS PAGE

Bugs, Bugs, Bugs! Education Program,
Melbourne Museum
Photographer Benjamin Healley

BACK COVER

Test Lab Winter School Holiday Program,
Scienceworks
Photographer Rodney Start

MUSEUMVICTORIA

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

IMMIGRATION MUSEUM

Old Customs House
400 Flinders Street
Melbourne 3001
Victoria, Australia
Telephone +61 3 9927 2700
Facsimile +61 3 9927 2728

SCIENCEWORKS

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

MELBOURNE MUSEUM

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

museumvictoria.com.au

© State of Victoria, Museum Victoria
2016. This publication is copyright.
No part may be reproduced by any
process except in accordance with the
provisions of the *Copyright Act 1968*.



MUSEUMVICTORIA



Free Apps

Download our exciting selection of informative and fun apps.

museumvictoria.com.au/apps

Find Museum Victoria online on:

