

Annual Report

2020–21

Museums Board
of Victoria



**MUSEUMS
VICTORIA**



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 2021.

Dr Leon Kempler AM
President, Museums Board of Victoria
26 August 2021

This annual report has been produced in accordance with FRD 30D Standard Requirements for the Design and Production of Annual Reports, in order to minimise our impact on the environment.

Further information about Museums Victoria is available at museumsvictoria.com.au

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First Peoples' acknowledgement

Museums Victoria acknowledges the Wurundjeri Woi Wurrung and Boonwurrung peoples of the eastern Kulin Nations where we work, and First Peoples language groups and communities across Victoria and Australia.

Our organisation, in partnership with the First Peoples of Victoria, is working to place First Peoples' living cultures and histories at the core of our practice.



The Djirri Djirri Dancers at Immigration Museum's Summer Courtyard public program, Metamorphosis
Source: Museums Victoria | Photographer: Cesur Sanli

Message from the President



On behalf of the Museums Board of Victoria, it gives me great pleasure to present the Museums Victoria Annual Report for the 2020–21 financial year.

This year, amidst ongoing disruption, Museums Victoria has continued building momentum, expanding our digital reach and delivering research of international standing while steadily progressing our strategic ambitions. I am very proud of the resilience and vision shown by the museum's leadership and staff, and their commitment to delivering this organisation's vital role in supporting, engaging and inspiring our audiences of all ages.

Our vision for the transformation of Museums Victoria came a step closer this year with the Victorian Government's investment of \$33.5 million, announced in the 2021–22 state budget. This funding delivers the first phase of our transformation – three ground-breaking new experiences at Melbourne Museum and a full business case for Scienceworks' redevelopment, in addition to vital upgrades to storage facilities for the state collections – and I express my deepest gratitude to the Victorian Government, and to our Minister for Creative Industries, the Hon Danny Pearson MP, for this investment in Victoria's future.

In November, the Minister announced the acquisition of an exceptional fossil specimen for the state collection: a near-complete *Triceratops horridus* that is the finest known example of this species. The acquisition of this internationally significant fossil – an extraordinary cultural and scientific asset for Victoria and Australia – is one among numerous highlights this year for Museums Victoria's scientists and researchers, including discoveries of new species and research published in leading international journals. It gives me great pleasure to acknowledge here Dr Jane Melville, curator of herpetology, who was awarded a Member of the Order of Australia in the Queen's Birthday honours for her service to research and the museums sector.

In May we launched *Funding the Future*, a campaign to increase philanthropic support for Museums Victoria around our core areas of activity and impact: science and STEM education, First Peoples and climate action. Our organisation owes a great deal to the generosity, passion and commitment of its many supporters, and I would like to warmly thank John Gandel AC and Pauline Gandel AC, along with the Trustees of Gandel Philanthropy and Vedran Drakulic OAM, CEO of Gandel Philanthropy, for their ongoing collaboration and support of Museums Victoria. I would similarly like to extend my heartfelt thanks to Dr Robert Treseder, Dr Sue Wilks and Creative Futures Ltd., The Ian Potter Foundation, John T Reid Charitable

Trusts and Museums Victoria's generous philanthropic supporters and corporate partners, including the Estate of Inna Narodowski in memoriam of Sam and Nina Narodowski, who provided a generous contribution towards the development of *Gondwana Garden* and our *Triceratops* display. This year the support of the Victorian Government for Museums Victoria and for the creative industries sector has been exceptional, and I express my most profound thanks to Minister Pearson for their commitment to our future.

Lynley Crosswell, Chief Executive Officer and Director, and the Executive team have provided exemplary leadership during these very uncertain times, and I thank and commend them and all Museums Victoria's staff and volunteers for their dedication and commitment. I extend my sincere thanks also to my fellow board members for their dedication and contributions, in particular the board committee chairs and independent committee members who make such an important contribution to Museums Victoria.

This year the Board farewellled Mr Wilkin Fon who has completed his nine-year tenure as a board member. Wilkin brought his extensive experience in retail, finance and investment sectors and, as a member of the Audit and Risk Committee, provided oversight of Museums Victoria's custodial responsibilities, strategic risk matters, internal controls and governance processes. On behalf of all the Board, I would like to thank Wilkin for his dedication and wish him well in his future enterprises.

I remain proud to serve as President of the Museums Board of Victoria and look forward to the new and exciting developments for Museums Victoria in the year to come.

Leon Kempler AM

President, Museums Board of Victoria

Message from the Chief Executive Officer and Director



It is my great privilege to introduce this report for the 2020–21 financial year.

This year has been a curious mix of both adversity and excitement for Museums Victoria. In uncertain times our museums play a vital role in restoring a sense of connectedness and of hope in our community. Our priority has been to ensure our museums have remained a welcoming, vibrant source of enrichment and wondrous discovery for our audiences during these challenging times.

While the COVID-19 pandemic caused our museums to close for a total of 24 weeks, we remained connected with our audiences across multiple digital channels. *One Digital Life*, our digital strategy that was first launched in 2018, was accelerated during this period to offer a wide array of virtual museum experiences to audiences, wherever they were. Curriculum-aligned online education activities for school students in particular have proved to be an invaluable resource for Victorian schools and families alike, with close to 16,000 students taking part in virtual learning programs across the year. By the end of the financial year *Museum at Home* had reached more than 51 million people, since its launch in March 2020.

Delivery of our 2017–25 Strategic Plan has continued at pace. In October the Museums Board approved our ambitious First Peoples Strategy, a key milestone in our ongoing commitment to putting First People's living cultures, histories and knowledge at the core of our practice. Other achievements this year include the roll-out of our *First Peoples Cultural Competency* training program to all staff, and securing generous support from the John T Reid Charitable Trust for *Country is Always Talking*, a rich, immersive experience that will incorporate knowledge of Country into the Forest Gallery at Melbourne Museum.

The end of the 2020–21 Financial Year saw the long-awaited opening of the *Treasures of the Natural World* in Melbourne Museum's Touring Hall. Delayed for more than a year due to the pandemic, this remarkable exhibition of highlights

from the *Natural History Museum* in London traces Europe's understanding and relationship with nature through key moments of scientific discovery. Our presentation of the exhibition incorporates First Nations' perspectives, gathered by our curators working closely with their London colleagues with guidance from Yulendj, the First Peoples Advisory Group to Museums Victoria. We are proud of the result, which emphasises the interconnectedness between humanity and the natural world that First Peoples have understood for thousands of generations.

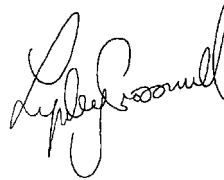
With our museums open once again we are firmly focused on the future. The generous support Museums Victoria received in the 2021–22 State Budget allows us to commence work on new experiences at Melbourne Museum, and is a welcome endorsement of our multi-year plan to revitalise our museums. A highlight – due to open in late 2021 – will be *Triceratops: Fate of the Dinosaurs*, a spectacular new exhibition that will showcase the exceptional *Triceratops horridus* fossil acquired for the State Collection and announced by the Minister for Creative Industries in December.

Our many supporters ensure Museums Victoria can remain a dynamic and innovative museum organisation, and I extend my heartfelt thanks to our new and existing donors and corporate partners for their support. I am deeply grateful to Minister Pearson and extend my very sincere thanks for his steadfast support and belief in the exciting future ahead for Museums Victoria. I would also like to thank the Hon Martin Foley, for his support during his time as Minister for the Creative Industries, as well as Simon Phemister, Secretary, Department of Jobs, Precincts and Regions, Andrew Abbott, Deputy Secretary, Creative, Sport and Visitor Economy and CEO, Creative Victoria.

The Yulendj Advisory Group, the Aboriginal Cultural Heritage Advisory Committee (ACHAC) and the Te Pasifika Community Advisory Group are our valued partners, and I am enormously grateful for their generosity in sharing knowledge and insights with us as we continue working to bring more First Peoples voices into our museums.

I extend my sincere thanks to our board members for their generous support for Museums Victoria, and especially to our Board President, Leon Kempler AM, and Deputy Board President, Linda Bardo Nicholls AO, for their enthusiasm and dedication. And I acknowledge and thank Museums Victoria's staff and volunteers, whose resilience, dedication and hard work has ensured Museums Victoria has been ready to welcome all Victorians, onsite and online, during this difficult year.

In closing, I would like to thank our valued Museum Members and the Victorian community for their continued support for our organisation. As we've reopened our doors, it has been deeply rewarding to see their profound joy at being back in our museums. On behalf of all Museums Victoria's staff, I can say we are absolutely delighted to see them too.



Lynley Crosswell
Chief Executive Officer and Director



Family on the first day of Scienceworks reopening after the second COVID-19 pandemic closure, *Ground Up* exhibition
Source: Museums Victoria | Photographer: Rodney Start

About Museums Victoria

Museums Victoria is Australia's largest public museum organisation. Founded in 1854, we are the major custodian of the State collection of scientific and cultural heritage, an invaluable record of Victoria's history. Our museums present unique and exceptional experiences for audiences worldwide to be inspired, to discover and to learn about themselves and the world we inhabit.

VISION

People enriched by wondrous discovery and trusted knowledge

Society compelled to act for a thriving future

MISSION

We create knowledge and experiences that help us make sense of the world

We exchange stories about culture, history and science and fearlessly discuss the big questions of life

We collect traces of time and place that allow us to connect the past, present and future

We make captivating physical and virtual spaces that open minds and hearts

VALUES

Strive – We are intrepid and enjoy a challenge

Embrace – We are a place where everybody belongs

Explore – We passionately search for bold new ideas and smarter ways of doing things

Respect – We walk in the shoes of those we meet

Illuminate – We ensure our knowledge, actions and decisions are visible, and welcome investigation

Sustain – We nourish and care for ourselves and the things we are responsible for

Strategic framework

TRANSFORMATIONAL THEMES

- 1 Place First Peoples' living cultures, histories and knowledge at the core of Museums Victoria's practice
- 2 Develop an audience-centred Digital Life that delivers experiences beyond our walls

STRATEGIC OBJECTIVES

- 1 Museums Victoria provides unmissable experiences for all audiences
- 2 Museums Victoria has the primary material collection that inspires and allows excellent enquiry into our region's big contemporary and historical questions
- 3 Museums Victoria engages with, welcomes and celebrates all communities
- 4 Museums Victoria is a centre for technological and scientific expertise and fosters innovation to build economic value
- 5 Museums Victoria is a sustainable and thriving organisation

BACKBONE FOR DELIVERY

Knowledge

World's oldest living culture

Research + collections

Digital Life

Spaces

Melbourne Museum + IMAX

Scienceworks + Planetarium

Immigration Museum

Bunjilaka

Royal Exhibition Building

Outreach

Digital platforms

ENABLERS

People and culture

Investment in technology

Partnerships

Leveraging our assets

2019–22 Priority initiatives

Strategic objective 1

Museums Victoria provides unmissable experiences for all audiences

- | | |
|----------------|--|
| Initiative 1.1 | Introduce a layer of interpretation reflecting First Peoples' history and culture to Museums Victoria's experiences |
| Initiative 1.2 | Create innovative and engaging experiences across all sites, platforms and channels that fulfil our Vision and Mission and contribute to Museums Victoria's sustainability |
| Initiative 1.3 | Develop and implement plans to expand Museums Victoria's presence in domestic, regional, New Zealand and recovering international tourism markets |
-

Strategic objective 2

Museums Victoria has the primary material collection that inspires and allows excellent enquiry into our region's big contemporary and historical questions

- | | |
|----------------|--|
| Initiative 2.1 | Implement Research and Collections Strategy 2019–25 priority initiatives |
| Initiative 2.2 | Partner and collaborate with First Peoples to ensure a culturally respectful and appropriate approach to our collections and research, in line with the First Peoples Strategy 2020–25 |
| Initiative 2.3 | Develop strategic partnerships that grow Museums Victoria's external research funding base |
| Initiative 2.4 | Drive collection preservation and access facilities based on the sustainable collection storage strategy |
| Initiative 2.5 | Develop digital initiatives that enable research and access to Museums Victoria's collections |
-

Strategic objective 3

Museums Victoria engages with, welcomes and celebrates all communities

- | | |
|----------------|---|
| Initiative 3.1 | Transform the Immigration Museum to be a vibrant living multicultural centre for the exploration of identity and multicultural life in Melbourne and Victoria |
| Initiative 3.2 | Implement a year-round seasonal approach to public experiences aligned to our diverse audience targets |
| Initiative 3.3 | Implement Regional Engagement Plan 2020–25 |
| Initiative 3.4 | Strengthen Museums Victoria's multilingual services |
-

Strategic objective 4

Museums Victoria is a centre for technological and scientific expertise and fosters innovation to build economic value

- | | |
|----------------|--|
| Initiative 4.1 | Reposition and redevelop Scienceworks with a focus on enquiry science experiences, showcasing contemporary science research and promotion of futures literacy |
| Initiative 4.2 | Rapidly respond to contemporary science research, emerging opportunities and current events with online and onsite experiences |
| Initiative 4.3 | Develop innovative digital learning experiences online and onsite that connect with visitors of all ages with Museums Victoria's research, collections and experiences |

Strategic objective 5

Museums Victoria is a sustainable and thriving organisation

Initiative 5.1	Develop and maintain a high-performing workplace that is diverse, innovative, responsive, inclusive, safe, and reflects Museums Victoria's values
Initiative 5.2	Grow Museums Victoria's philanthropic, corporate and commercial revenue and optimise existing funding streams
Initiative 5.3	Grow and strengthen the brand, marketing and promotion of Museums Victoria, the individual museums and their unique proposition
Initiative 5.4	Demonstrate Museums Victoria's value, environmental and economic impact, and our local, national and international impact
Initiative 5.4	Deliver Strategic Corporate Services framework that prioritises, plans and delivers sustainable operations across Museums Victoria
Initiative 5.6	Develop and implement a strategic framework for reducing Museums Victoria's environmental impact

For further detail please refer to the *Museums Victoria Strategic Plan 2017–2025* on the Museums Victoria website.



Becoming You: an incomplete guide exhibition, Immigration Museum
Source: Museums Victoria | Photographer: Cesur Sanli

2020–21 Year in review

In the 2020–21 financial year, Museums Victoria progressed from the ‘initiate’ to ‘transformation’ phase of our Strategic Plan, building on a strong foundation established in the first three years of the plan’s implementation.

This year was unlike any other year experienced by Museums Victoria. The COVID-19 global pandemic and city and state-wide restrictions saw our museums close their doors for nearly four months in 2020, with additional ‘circuit-breaker’ lockdowns occurring in February and May/June 2021. Throughout this period Museums Victoria remained active, engaged and connected with our communities. The following is a selection of programming and research highlights from across the year.

Strategic Objective 1:

Museums Victoria provides unmissable experiences for all audiences

We will grow our audiences by creating unique, engaging and contemporary experiences of global relevance that harness our collections, research and stories.

The pandemic forced the closure of our museums for a cumulative total of 24 weeks in 2020–21 – the longest period of closure in Museums Victoria’s history. However, while doors were closed, Museums Victoria remained connected to our audiences across our expanding digital platforms, bringing the wonder of our museums to our audiences wherever they were. In November 2020, our online content platform *Museum at Home* received an Australian Museums and Galleries Association (AMaGA) Victoria Award in the large museums category, with judges commending it as an ‘impressive and innovative’ rapid response to the pandemic.

Additional highlights of Museums Victoria online events and experiences include:

- *River of Language virtual tour* – This virtual tour introduced new audiences to the *River of Language* multimedia exhibition and soundscape, which was on display in the Birrarung Gallery at Bunjilaka Aboriginal Cultural Centre, Melbourne Museum from June 2019 to October 2020.
- *Unboxing the Museum* – This series of short videos – part of the broad suite of content on Museums Victoria YouTube page – brought viewers behind the scenes at our museums to see curators and collection managers ‘unbox’ some of their favourite objects from the State collection.

- *Virtual Discovery Tour of the Royal Exhibition Building* – Stakeholders, Premium Members, donors and prospects attended two webinars and virtual tours of the Royal Exhibition Building. The online events were organised to mark the building’s 140th anniversary and provided an opportunity to preview the dome promenade and restoration works completed in the first phase of the Protection and Promotion Project.
- *Solar System Tour* – This four-part online journey through our Solar System and beyond also gave audiences a glimpse into the workings of the Great Melbourne Telescope, currently being restored at Scienceworks.
- *Triceratops TV* – Following the announcement of our *Triceratops* specimen acquisition, *Triceratops TV* premiered on YouTube in December 2020. This program featured a series of short videos highlighting fascinating scientific information about the *Triceratops* ranging from how it moved to why it became extinct.
- *Online Outreach Reminiscing Kits* – This online adaptation of an activity usually presented in physical form was developed to help support vulnerable residents in aged care facilities during Victoria’s long periods of lockdown, many of whom experienced debilitating isolation from friends and family.
- *Virtual Play Box* – Following the museum’s COVID-19 closure in March 2020, a virtual delivery of the sponsored Play Box program at Melbourne Museum was developed. This online program was designed for carers and parents of preschool aged children and provided educational video content and activities for families to play and learn together.

100 Tiny Dinosaurs and 10 Tiny Dinosaurs

The 100 Tiny Dinosaurs onsite program was launched for Melbourne Museum's reopening in November 2020 as a creative approach to assist social distancing and disperse visitors throughout the museum.

100 dinosaur figurines, including 11 'golden' dinosaurs and one 'diamond' dinosaur, were hidden across Melbourne Museum. Patience and a keen eye were required to find all 100, with an additional challenge to unscramble letters found on each golden dinosaur to reveal the unique code word: 'triceratops'.

When the museums went back into lockdown, 100 Tiny Dinosaurs pivoted to a digital format with the introduction of 10 Tiny Dinosaurs, a multichannel digital scavenger hunt that required online audiences to explore the *Museum at Home* webpages.

100 Tiny Dinosaurs and 10 Tiny Dinosaurs both proved to be great successes with estimated onsite participation of more than 80,000 participants and online reach of more than 277,000.

Museums Victoria welcomed audiences back to our museums in November 2020. Highlights of the exhibitions and activities presented across our museums this year included:

- *Gung | create, make, do, love (Bunjilaka Aboriginal Cultural Centre)* A series of works from acclaimed visual artist Kelly Koumalatsos, Wemba Wemba and Wergaia woman and award-winning Victorian Aboriginal artist with Greek heritage. Featured in the exhibition were works illustrating Koumalatsos' signature technique, uka ngalung wooleh (to paint with possum).
- *Becoming you – an incomplete guide (Immigration Museum)* – Becoming You presented coming-of-age stories by 72 diverse Australian storytellers. These deeply personal experiences spanned different cultures, times and geographies to express universal experiences of self-awareness and self-discovery.
- *Top Designs (Melbourne Museum)* – This series of 95 works, selected by panels of expert educators, provided a glimpse into the future of design and how aspects of

design can be incorporated into many features of our ever-evolving world, including health, environmental and creative industries.

- *Treasures of the Natural World (Melbourne Museum)* – Treasures of the Natural World showcases some of the most fascinating, historically and scientifically significant objects from the collection of the Natural History Museum in London. Melbourne Museum's presentation of the exhibition incorporates First Nations' perspectives, an important first step in acknowledging the deep relationship First Peoples have with the natural world and the complex history of some of these objects.

Goodbye Wild

Wild: Amazing Animals in a Changing World finally closed to the public in January 2021 after more than 11 years as one of Melbourne Museum's favourite attractions.

Wild showcased more than 780 natural history specimens from the collection – including the popular 'Sad Otter' – in a spectacular exhibition setting that won numerous national and international design awards. The open display of specimens, however, presented conservation issues and over the years a growing number of objects required treatment for damage. Once removed from display, the specimens were treated and safely preserved for storage.

The closing of Wild is part of a phased revitalisation and renewal of Melbourne Museum that includes the opening of *Triceratops: Fate of the Dinosaurs* in late 2022, showcasing the spectacular *Triceratops* recently acquired for the state collection. Wild is still available to view through virtual tours, while the natural history collections can be accessed on Museums Victoria website.

Museums Victoria's Strategic Plan 2017–25 is underpinned by a commitment to placing First Peoples' stories, histories and knowledge at the core of our practice. In 2020–21 new installations acknowledging Traditional Owners and Country and featuring artwork by Tati Tati artist Brendan Kennedy, were placed at the entrances of Melbourne Museum, Scienceworks and Immigration Museum.

2021 First Peoples Melbourne Art Installations

Curated by Kimberley Moulton (Yorta Yorta), Museums Victoria presented series of works linked with the Museums Victoria collections for the YIRRAMBOI and RISING festivals.

Mulunma - Inside Within, a filmed contemporary dance work with artist Daniel Riley (Wiradjuri), film director Cass Mortimer-Eipper and composer James Howard (Jaadwa) was projected from dusk to dawn on Melbourne Museum's façade. Although COVID-19 restrictions meant the RISING festival itself did not proceed, *Mulunma - Inside Within* was displayed between 6 May to 6 June 2021.



Pteronura brasiliensis, Giant Otter mounted mammal specimen. Known as "Sad Otter"
Source: Museums Victoria | Photographer: Benjamin Healley

Strategic objective 2:

Museums Victoria has the primary material collection that inspires and allows excellent enquiry into our region's big contemporary and historical questions

Our collections and research focus on subjects and material where there is regional relevance, where we have comparative advantage or where they are required to provide unmissable museum experiences.

Museums Victoria is custodian of the State Collection, comprising more than 17.2 million items that trace our natural, social and cultural histories. Formed over more than 165 years, the collection (currently valued at approximately \$894 million) is an asset of inestimable significance to today's and future generations and continues to inspire research of national and international significance.

In October 2020 the Museums Board of Victoria formally approved the Museums Victoria First Peoples Strategy. The Strategy builds on vital foundational work by staff and First Peoples community members who have been making changes with and within Museums Victoria over time. While there is still much to be done, the Strategy is an important step in setting a path to elevate Indigenous cultures and knowledge systems within our organisation.

Museums Victoria commenced a major repatriation of First Peoples cultural heritage to the Gunditj Mirring Traditional Owners Aboriginal Corporation. Many of these cultural objects had been kept at Museums Victoria since the 1880s, and they will now be returned to a new Gunditj Mirring Keeping Place in south-western Victoria, where they will be back on Country and accessible to community for cultural use.

Collecting the Curve – Victorian Stories of the COVID-19 Pandemic:

Throughout 2020–21 Museums Victoria's researchers and curators have continued to collect and record Victoria's experience of the COVID-19 pandemic and its impact on our way of life.

This dynamic collecting project has so far acquired more than 800 objects, photographs and oral histories ranging from the first vial and syringe used at the Melbourne Airport Vaccination Hub to signage, digital images and handmade face masks.

Museums Victoria's Research and Collections Strategy 2019–25 drove a number of initiatives this year including research funding achievements and a major object acquisition. An initiative involving interdisciplinary place-based projects continued, following on from the success of the initial project which focussed on the Yarra Bend precinct in inner Melbourne in early-2020. The second phase of place-based projects has been planned for the Yarra River or Gippsland. In addition, the launch of our new Collection

Digitisation Plan 2020–25 outlined a proposed program for digital imaging of the State collections for the next five years, including continuation of the Legacy Collection Registration Program with support from Creative Victoria.

Fieldwork resumed on several vital bushfire response and recovery projects in regional Victoria, following the easing of COVID-19 restrictions affecting travel during 2020. This included Museums Victoria partnering with the Victorian Department of Environment, Water, Land and Planning and Parks Victoria on surveys on Victoria's threatened small mammal species, to assess the impact of the catastrophic 2019–20 Victorian bushfires, and how these species are responding or recovering.

Dame Nellie Melba 160th Birthday Anniversary

In celebration of the 160th anniversary of the birth of Dame Nellie Melba on 19 May 1861, Museums Victoria delivered a pop-up display of collection items relating to Melba's extraordinary life as an internationally acclaimed opera singer, philanthropist and proud Australian, including a set of Dame Nellie Melba's hair pins and a sterling silver cigar box inscribed "to Papa from Nellie 1902".

Queen Victoria Jubilee Five Pound Coin

A rare five-pound coin from the collection – one of only three struck by the Sydney Mint in 1887 to mark Queen Victoria's Jubilee, and currently valued at more than \$850,000 – was displayed at Melbourne Museum for the April 2021 school holidays. The obverse of the coin features a portrait of the monarch by Austrian-born sculptor Sir Joseph Edgar Boehm, however the design was discarded in 1893 after being publicly criticised for portraying the Queen as 'stern or sour'.

Generous funding over three years from the Ian Potter Foundation has made possible the appointment of an Early Career Researcher to undertake a scientific study of the impacts of fire frequency on reptile and invertebrate biodiversity in the Little Desert region of western Victoria, and contribute to conservation management strategies.

Museums Victoria's senior curator of terrestrial vertebrates, Dr Jane Melville, was awarded a three-year Discovery Grant by the Australian Research Council to study the effects of climate change on frog and reptile populations in Australia. Dr Melville is the chief investigator on the collaborative project, which will be administered at Monash University.

Funding was also received from the Victorian Department of Environment, Land, Water and Planning for "Maximising resilience: Field sampling of priority terrestrial invertebrate groups", a study to assess the impact of the 2019–2020 bushfires on native bees in Victoria's Eastern Alps and East Gippsland. The region's native bees play a significant role as pollinators for flowering plants, and the research will help develop a model for researching other key invertebrate species.

Peacock spider discovery

New scientific research at Museums Victoria has led to the formal description of seven new species of peacock spiders in the *Maratus* genus. In March 2021 Museums Victoria's announced a new species of dancing peacock spider described by researcher Joseph Schubert. *Maratus nemo*'s vibrant orange face with white stripes resembles a clownfish, and the species has been named in recognition of its famous namesake from Finding Nemo, the animated Pixar film. The formal description was published in the scientific journal, *Evolutionary Systematics*. The discovery was made with the assistance of citizen scientist, Sheryl Holliday, near Mount Gambier.

In December 2020, the Minister for Creative Industries, the Hon Danny Pearson MP announced the historic acquisition of a near-complete *Triceratops horridus* fossil for the State collection. The specimen was found in

Montana, USA under 1.5 metres of sandstone and is the most complete and finely preserved *Triceratops* fossil found to date, including skin impressions and tendons, and the complete skull and spine.

The exceptional quality of this *Triceratops* makes it one of the most informative dinosaur fossils in the history of palaeontology. Scientific communities from all over the world will be able to visit Melbourne Museum to study this specimen and make new discoveries about the species' evolution, biology, development, and behaviour. The first scientific publication including data from the specimen appeared in March 2021. The collaborative research between Museums Victoria and Monash University produced a new universal model ('The Tooth Power Cascade') that explains the growth and evolution of pointed structures (such as horns, claws and teeth) in animals, providing a breakthrough discovery that can predict the age of individual animals just from these structures.



Couple attend ANZAC Day Dawn Service in their street during COVID-19 Lockdown
Source: Museums Victoria | Photographer: Julie Ewing

Strategic objective 3:

Museums Victoria engages with, welcomes and celebrates all communities

We welcome and are inclusive of all communities and actively seek to engage under-represented audiences.

This year the Immigration Museum piloted a new program aimed at local councils and community leadership groups with 21 senior leaders of Moreland City Council. The guided discussion explored themes of identity, belonging, prejudice, racism, privilege, representation and trust through empathetic experiences in the context of the museum's culturally grounded and safe spaces. The successful pilot program enabled the group to then apply these lessons to their own organisational policies, processes and community engagement practices within a social justice framework.

The African Music and Cultural Festival (AMCF) at the Immigration Museum was held during Cultural Diversity week in March 2021. AMCF was a COVIDSafe pop-up event celebrating the rich cultures of Africa through food, music, fashion, art, poetry and reflective conversations around cultural identity. The highly successful event attracted more than 1,000 visitors and reinforced the valuable partnership the Immigration Museum maintains with Victoria's African community.

The Immigration Museum Neighbourhood Circle was formed in May 2021 to contribute to the social, economic and cultural recovery of the Melbourne CBD following the economic downturn from the COVID-19 global pandemic.

The Midsumma: Immigration Museum collaborated with Midsumma, Australia's premier queer arts and cultural organisation, to deliver a number of events including Night

at the Museum: Minus18 Youth Party. The program, which centred around the *Becoming You* exhibition, attracted nearly 400 young people aged between 12 and 19 years, more than half of whom were attending the Immigration Museum for the first time. Night at the Museum: Minus18 Youth Party received overwhelmingly positive feedback with the majority of attendees surveyed indicating the event had made them feel less isolated and had a positive impact on their wellbeing.

In January 2021, Melbourne Museum joined with Melbourne Music Week and the Melbourne International Comedy Festival to present Summer Sessions, a series of 18 daytime and evening events featuring film screenings and live performances by more than 120 local musicians and performers. The program, which was supported by Creative Victoria with the goal of re-engaging cultural audiences following Melbourne's long lockdown, proved highly popular with seven sold-out events. A Summer Sessions event was also held at the Immigration Museum in partnership with Melbourne Music Week and PHOTO 2021.

Because our museums were closed during Children's Week (24 October – 1 November 2020), Museums Victoria created a digital Children's Week Play and Learning Hub featuring puzzles, games, storytelling, singalongs and other activities. The Hub reached more than 15,000 people during Children's Week and was shared across a variety of local WeChat channels including WeMums.

Museums Victoria also moved online to celebrate the Lunar New Year, the Year of the Ox, and drive awareness and engagement with Chinese-speaking communities. A digital hub created especially for the festival featured family activities, quizzes and recipes. In addition, IMAX Melbourne presented two new Chinese language films in the fully immersive IMAX 3D experience.



Victorian Challenge and Enrichment series: School Holidays Program, Melbourne Museum
Source: Museums Victoria | Photographer: Jon Augier

Strategic objective 4:

Museums Victoria is a centre for technological and scientific expertise and fosters innovation to build economic value

We create economic value by driving innovation and enterprise through creating experiences that engage public and commercial audiences with the possibilities of the future.

Scienceworks continued to provide enquiry-based science experiences during lockdown through *Museum at Home*, with a series of short videos exploring topics including the science of rainbows, space and our solar system. The videos were accompanied by home-based science experiments for eager and enquiring minds. Online programming included *Secrets of the Sky*, a presenter-led show that explored star constellations, visible planets and seasonal variations in the day and night sky. In June 2021 we launched a new program, *Astro Hour*, featuring informal discussions of contemporary topics in space and astronomy with Senior Curator of Astronomy Dr Tanya Hill. The first *Astro Hour* focused on water and where it can be found in the solar system.

In April 2021, *Born or Built? Our Robotic Future* – designed by Questacon, opened at Scienceworks. The exhibition examines the similarities and differences between humans and machines, explores our shared future and questions the choices we will need to make to get there. The exhibition was complemented by a series of programs and workshops exploring artificial intelligence and robotics and exploring the role they play in our lives.

The Little Kids Day In series of early-years STEM programs for children under five reached more than 3,500 visitors across 2020–21. This much-loved and long-running program has been a key part of Scienceworks' strategy to support parents as first teachers, mentoring them in how to create STEM habits of mind when learning at home.

Scienceworks continued to grow its education partnerships in 2020–21, with much activity taking place online.

In January 2021 Scienceworks ran two intensive STEM extension programs for high ability students, STEM Camp and Moon Base Camp, as part of the Department of Education and Training's Challenge and Enrichment Programs.

Restoring the Great Melbourne Telescope

Although work on the Great Melbourne Telescope was delayed during lockdown, the restoration team – comprising Museums Victoria volunteers and honorary appointments – began gradually returning to site in 2021 as restrictions were eased. Work in the Engineering Workshop at Spotswood Pumping Station (Scienceworks) is currently focused on restoring the telescope's optical system in readiness for the new 1.22 metre-diameter, sandwich-style borosilicate glass primary mirror being manufactured by Fullum Brunet Large Optical Systems (Canada) for delivery in late 2021.

The restoration of the Great Melbourne Telescope has been supported through the generosity of donors including the Ian Potter Foundation, the Copland Foundation, the Myer Foundation, Mr Martyn Myer AO, Dr Steve Roberts and Creative Victoria.

This year the Melbourne Learning Lab continued to deliver inspiring online and onsite digital programs to motivate audiences to act for a thriving future. These ground-breaking immersive learning experiences encourage audiences to see the interconnectedness in all living things and our impact on the environment while developing digital art techniques. A series of programs aimed at teachers and students were delivered on a wide range of topics from climate science, to documentary film making and geological sciences. When workshops or programs were not running, the Learning Lab screened a showcase of immersive stories including the multi-award-winning *River Connections* projection experience. In this projection scenes, images and sounds were developed through a consultative and collaborative process of Deep Listening sessions and visiting Elders on Country.

Strategic objective 5: Museums Victoria is a sustainable and thriving organisation

Our future is underpinned by financial growth, a strong brand and an engaged and high-performing workforce.

In August 2020, Museums Victoria was one of ten organisations selected to participate in Fair Play: Equity, Inclusion and the Creative Industries project, managed by Diversity Arts and funded by Creative Victoria. The six-month program aimed to identify and address barriers to participation by under-represented groups in Victoria's creative industries, with a focus on three groups: First Nations people, people with disability and people from under-represented culturally and linguistically diverse backgrounds. Museums Victoria was awarded a Fair Play Participant Recognition Award and is now developing an Accessibility and Inclusion Action Plan and the Gender Equity Action Plan for implementation in 2021–22.

First People's Cultural Competency Program

In 2020–21 Museums Victoria delivered its First People's Cultural Competency Program to all Museums Victoria staff. The program provides an in-depth exploration of Victorian Koori history and culture ranging from First Peoples' relationship with the natural environment, to how family and community shape identity and the impact of institutional racism. At the end of the program, participants could demonstrate a greater understanding of Museums Victoria's cultural history as well as Victorian Koori history & culture, what cultural competency is and why it's necessary, and First Peoples cultural protocols and why they are important.

A version of the program for corporate clients was piloted in April 2021 and will continue to be offered externally on a commercial basis. The five-hour program can be delivered virtually or onsite and is designed to enhance the audiences' knowledge and understanding of First Peoples' history and culture in Australia within a work context.

Museums Victoria continued to focus on driving revenue through philanthropy and corporate partnerships in 2020–21.

Leading gifts were provided by Gandel Philanthropy to help to deliver *Gondwana Garden*, a new outdoor adventure space dedicated to the megafauna of Ice Age Australia; the estate of Inna Narodowski in memoriam of Sam and Nina Narodowski, to support the delivery of transformational new experiences at Melbourne Museum, including *Triceratops* and *Gondwana Garden*; the King Family Foundation and the Stuart Leslie Foundation, Mr Andrew Butcher and Ms Sara James, towards regional outreach and disability support programs at the Museum; the Piers K Fowler Scholarship Fund, towards STEM education programming and the installation of new lightboxes at Scienceworks. A bequest was generously

contributed by the Estate of Marion Isabel Jennings towards Melbourne Museum. Professor Andrew Cuthbertson and Ms Christobel Botten continued their legacy of supporting the professional development and advancement of Museums Victoria staff members through the multi-year Botten-Cuthbertson Bursary. This year's bursary was awarded to Dr Joanna Sumner, senior manager of genetic resources, sciences who will use the support to participate in the Homeward Bound learning voyage to the Antarctic.

Additionally, support was received from the Toyota Community Trust towards the development and delivery of a new STEM workshop program at Scienceworks; and a grant from the John T Reid Charitable Trusts to fund a digitally enhanced First Peoples interpretive overlay for the Forest Gallery at Melbourne Museum.

Through its partnership with VicHealth, Museums Victoria acquired touchless water fountains for Melbourne Museum and collaborated on a number of initiatives including the *Grow, Gather, Share* program promoting healthy and seasonal recipes, and a Gardening Workshop series, hosted at the Immigration Museum Community Garden. The partnership also delivered a *Dino Moves* video activity series as part of *Museum at Home* to encourage children to maintain a healthy level of physical activity. *Dino Moves* has now been integrated into the museum's Outreach kindergarten incursions as well as a new learning kit, *Securing Food Futures*.

The Autumn school holiday program at Melbourne Museum, featured an immersive learning experience inspired by the Metro Tunnel, delivered in partnership with Rail Projects Victoria.

Museums Victoria continued to drive engagement with supporters, donors and stakeholders through virtual and in-person events. This included *COVID-19: Collecting the Curve* and the race for the vaccine, a special event featuring a discussion and Q & A with Professor Andrew Cuthbertson AO, senior advisor to the CEO and Executive Director, CSL Limited and Dr Nurin Veis, director, Research and Collections, Museums Victoria.

Funding the Future

Museums Victoria's annual fund raising campaign, Funding the Future, launched in May 2021. Supported by a refreshed donations portal on the Museums Victoria website and targeted communications to current and prospective donors, the campaign focuses on:

- First Peoples
- Science and STEM education
- Biodiversity and the Environment (Climate Action)
- Donate a Museum membership (sold via Museums Victoria's online retail store, distributed in partnership with Berry Street)

The campaign also marked the relaunch of the Director's Circle, which offers supporters the opportunity to deepen their connection with Museums Victoria while enjoying exclusive access to special events, opportunities to meet our experts and experiences connected to their areas of interest.

As the state emerged from lockdown in November 2020, a reopening campaign, Open for Everyone, Here for You was launched, connecting audiences with a suite of onsite and virtual programs and activities. Other marketing activity during 2020–21 included the launch of an 'always on' campaign to drive visitation and strengthen the profile and identity of each of the museums.

With the easing of COVID-19 restrictions, Museums Spaces and Events enjoyed welcoming back long-standing partners and major events. These included the Melbourne Food & Wine Festival's signature event, the World's Longest Brunch, which returned to the Royal Exhibition Building in March 2021, and a major product launch for Porsche which showcased its new electric car in an industry event in Melbourne Museum's Touring Hall.

The versatility of Museums Victoria's venues was evident with two major international music acts onsite in late 2020. The Avalanches recorded a performance at the

Planetary for the ABC's The Sound, and Melbourne-based performer Courtney Barnett recorded a performance in the Royal Exhibition Building for a global livestream event.

IMAX documentary distribution

IMAX Melbourne adopted new strategies in response to the disruption to the scheduled release and distribution of major film titles, caused by COVID-19. This included adding popular back-catalogue films to the program, as well as more diverse genre including Japanese anime and alternative content targeting an adult market.

IMAX also worked closely with our international distributors to secure access to a number of educational documentaries free of charge. These documentaries were aligned with Victorian Curriculum topics across primary and secondary education as well as educational events such as Children's Week.

Throughout the year Museums Victoria implemented a series of upgrades to existing business systems and technologies, including the completed roll out of Microsoft Office 365 and comprehensive training of Museums Victoria staff in the new software.



Participant in Design Sprint, a day-long hackathon-style design workshop, Scienceworks
Source: Museums Victoria | Photographer: Jon Augier

Serving All Victorians

Museums Victoria's Regional Engagement Plan 2019–22 seeks to ensure our museum programs, collections and research are available to Victorians wherever they are.

With a focus on collaboration and exchange, Museums Victoria's regional engagement celebrates and deepens our connections with our state's regional places, people and stories. Our year-round program of outreach, online and streamed activities spans education, scientific research, collection item loans and connecting to country through our First Peoples communities.

Education and Outreach

Museums Victoria is a leading contributor to the education sector throughout Victoria and is active in every local government area through our education programs. Of Museums Victoria's total 2020–21 Education attendance, 12% came from regional Victoria.

Museum in a Van

The travelling *Museum in a Van* outreach program brings rich museum learning experiences to participants who aren't able to visit our museums, from kindergarten groups to the aged care sector in outer metropolitan and regional Victoria.

In 2020–21 this program was offered online for the first time in response to the lockdowns in response to the COVID-19. The online format proved popular and is now incorporated into the program's permanent offer. During 2020–21, virtual sessions were experienced by more than 5,500 participants, and in-person *Museum in a Van* sessions reached more than 9,000 participants across the state, almost a third of whom were in regional Victoria.

Future Innovators professional development

In 2020–21 more than 300 regional and rural kindergarten educators from more than 100 kindergartens and day-care centres took part in science, technology, engineering and mathematics (STEM) professional learning workshops presented by Museums Victoria. These workshops provide educators with STEM professional learning and were developed through a four-year partnership with the Department of Education STEM Unit.

Regional Science Champions learning support

The Regional Science Champions project was delivered to build STEM skills and engagement throughout regional Victoria via delivery of programs through the local library network. Regional librarians were upskilled in science program development and STEM equipment kits were provided to supplement the library's teaching resources. More than 40 librarians in regional Victoria received this professional development, supported by funding from the Royal Society of Victoria's Promoting Science in Victoria program.

Compelled to Act: Thriving Futures workshops

In early 2021, 30 Neighbourhood House locations across Victoria participated in the Thriving Futures Workshop program. The six-month program combined public engagement and professional development activities to engage with Victorian community members on the theme of climate change and the environment and enhance climate science literacy in teaching through a series of online workshops, supported by the federal federally funded by the Australian Government's Inspiring Australia: Science Engagement Program.

Research, Collecting and Field Work

Collecting the records of our changing world gives us the power to understand how our lands, species and societies will respond to future threats. To be able to act in response to major events such as pandemics, bushfires and climate change, information is needed about where things were at before these events happen.

Museums Victoria aims to inform understanding of our changing environment and contribute to the long-term protection and recovery of Australia's endangered species and native fauna.

Eastern Victorian Alps: Threatened Rodents study

In late 2020 Dr Kevin Rowe, Senior Curator, Mammalogy completed the latest round of urgent fieldwork in the eastern Victorian Alps contributing to long-term studies on Victorian threatened rodents. These latest in a series of field surveys focussed on the recovery of the Broad-toothed rat and Smoky mouse following the catastrophic 2019–20 Victorian bushfires, and were completed in collaboration with Parks Victoria and the Department of Environment, Land, Water and Planning.

Little Desert Region, Western Victoria: Fire impact on reptiles and invertebrates

Funded by the Ian Potter Foundation over three years, research led by Museums Victoria has commenced on a scientific study of the impacts of fire frequency on reptile and invertebrate biodiversity in the Little Desert region of North Western Victoria that will contribute to conservation management strategies in the area.

East Gippsland: Fire impacts on native bees

The Maximising resilience: Field sampling of priority terrestrial invertebrate groups study assessed the impact of the 2019–20 bushfires on native bees in Victoria's Eastern Alps and East Gippsland. The region's native bees play a crucial role as pollinators for flowering plants, with the research contributing to development of a model for researching and preserving other key invertebrate species that form the local ecosystem.

Collecting the Curve – Victorian Stories of the COVID-19 Pandemic

This collecting project has acquired more than 800 objects, photographs and oral histories to date from across Victoria that provide a rich primary material resource. Acquisitions of community thank you messages, artwork responses and documentation of family hubs were collected from Ballarat to Barwon Heads to the Mornington Peninsula, adding to other notable collection items that include the first vials of the Pfizer and Astra-Zeneca vaccines from the Austin Hospital in Melbourne.

Victorian Collections Online: digital access to 200,000 collection items across Victoria

Launched in December 2020, victoriancollections.net.au is a website that celebrates the diversity of collections held in the state of Victoria, offering a free collections management system for Victorian collecting organisations, and a platform for all to discover more about our State through easy access to collection items and collection-based stories.

The new website, featuring improved accessibility, was delivered through a partnership between Museums Victoria and the Australian Museums and Galleries Association (Victoria) with program funding provided by Creative Victoria. Victorian Collections provides a central portal to Victoria's rich cultural heritage and diverse histories and now showcases nearly 200,000 collection items.

First Peoples Connections

Gunditjmarra, south-western Victoria: Gunditj Mirring Repatriation

The repatriation of 54 Gunditj Mirring cultural heritage objects and materials from the State Collection back to Country commenced in June 2021, one of the largest repatriations of open collection material achieved by Museums Victoria. This is a deep realisation of our First Peoples strategic objective Back to Country: Bring collections to Country, giving self-determination for material in our care to First Peoples and building ethical and reciprocal partnerships between Museums Victoria and communities.

Many of these cultural objects had been housed at Museums Victoria since the 1880s and are now returned to a new Gunditj Mirring Keeping Place in south-western Victoria, where they are accessible to community for cultural use.

Barengi Gadjin Land Council, western Victoria: Ancestral Remains repatriation

In 2019 responsibility for repatriation of Ancestral Remains previously held in state collections was transferred to the Victorian Aboriginal Heritage Council. Commencing in June 2021, commencement of the repatriation of 80 individual sets of Ancestral Remains to the Barengi Gadjin Land Council Aboriginal Corporation in Western Victoria will finalise the remaining repatriation to Victorian communities for which Museums Victoria had responsibility.

Jardwadjali, north western Victoria: Rising Festival composer

Despite the cancellation of Melbourne's RISING festival due to COVID-19 in May 2021, some of the works commissioned in partnership with Museums Victoria in response to the museum's First Peoples collections were still able to be shared. *Mulunma: Inside Within* was a filmed contemporary dance work collaboration by Wiradjuri (NSW) artist Daniel Riley and film director Cass Mortimer-Eipper. The film's composer James Howard is from Jardwadjali (Yartwatjali), also known as the Jaadwa, whose traditional lands occupy the upper Wimmera River watershed east to Gariwerd (Grampians). The filmed work was projected from dusk to dawn on the Melbourne Museum facade throughout May and June 2021.

Communication and Brand

Treasures of the Natural World supported by ABC Local Radio Victoria

In support of the *Treasures of the Natural World* exhibition, Museums Victoria secured a media and marketing partnership with ABC Local Radio Victoria. Working with the ABC, MV created a competition in which listeners could win a weekend in Melbourne to visit the exhibition.

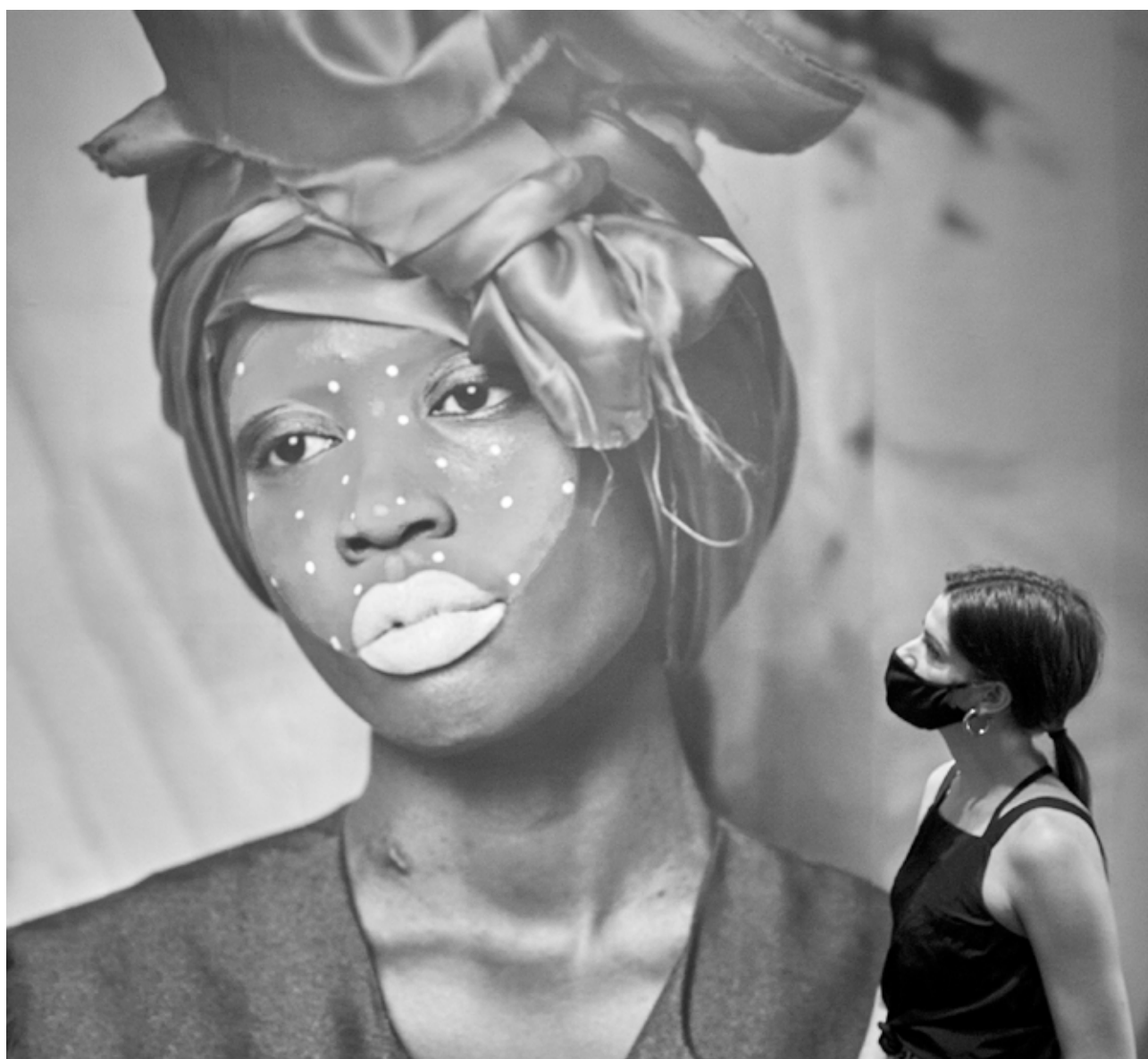
This opportunity was used as a vehicle to further promote Museums Victoria's education outreach work in regional Victoria and to tell our story and build relationships and reputation with key local regional media.

Temporary exhibitions on view during 2020–21

Location	Exhibition	Dates	Description
Bunjilaka Aboriginal Cultural Centre	<i>Gung / create, make, do, love</i>	December 2020– May 2021	An exhibition by acclaimed visual artist Kelly Koumalatsos featuring 24 new and existing works. A Wemba Wemba and Wergaia woman, Kelly Koumalatsos is an award-winning Victorian Aboriginal artist with Greek heritage. She is renowned for her signature technique, uka ngalung wooleh (to paint with possum).
Immigration Museum	<i>Atong Atem: To Be Real</i>	November 2020– March 2021	As part of PHOTO 2021 International Festival of Photography, award-winning artist Atong Atem created a new series of large-scale photographic works for the Immigration Museum. Exploring mythology and fantasy, belonging and truth, Atong Atem's work explores identity and the ways in which we construct images and stories to understand ourselves and our surroundings.
Immigration Museum	<i>Becoming You: An incomplete Guide</i>	Nov 2020– September 2021	Becoming You presented 71 Australian coming of age stories by 72 storytellers in all their diversity. These personal experiences traverse landscapes of time, gender, orientation, culture, age, and distance, reflecting Immigration Museum's commitment to celebrating our shared humanity.
Scienceworks	<i>Born or Built</i>	April 2021– January 2022	Designed by Questacon, Born or Built examines the similarities and differences between humans and machines, explores our overlapping shared future and questions the choices that we make to get there.
Melbourne Museum	<i>Top Designs 2020</i>	April–July 2021	A series of 95 works selected by panels of expert educators in areas including VCE Media, Product Design and Technology, Systems Engineering, Theatre Studies and Visual Communication Design, as well as VCE VET Creative and Digital Media and Integrated Technologies. This year's exhibitors provide us a glimpse into the future of design and how aspects of design can be incorporated into many features of our ever-evolving world, including health, environmental and creative industries.
Melbourne Museum	<i>Treasures of the Natural World</i>	June 2021– January 2022	Treasures of the Natural World showcases some of the most fascinating, historically and scientifically significant objects from the collection of the Natural History Museum, London. Melbourne Museum's interpretation of the exhibition is enriched by the addition of First Peoples' narratives, offering an important acknowledgement of the complex history of some of these objects and the deep relationship First Peoples have with the natural world.
Melbourne Museum	<i>Mini Mega Model Museum</i>	7 December 2019–11 July 2021	Exploring why humans are fascinated with the world of miniaturised objects both big and small. This exhibition features over 300 models from the museum's own collection, with some dating back to the museums founding from 1854.

Touring exhibitions

Location	Exhibition	Dates	Description
Migration Museum, Adelaide	<i>British Migrants: Instant Australians?</i>	22 February–6 December 2020	Developed by Museums Victoria and currently on display at the Migration Museum, Adelaide, <i>British Migrants: Instant Australians?</i> examines the post-war boom migration of nearly 1.5 million Britons using digital animation to tell the stories and experiences of these migrants.
Incinerator Gallery, Moonee Valley	<i>Silent Witness: A Witness to the Past</i>	26 June–13 July 2021	Developed by Museums Victoria with Uncle Jim Berg, <i>Silent Witness</i> was displayed in Birrarung Gallery in 2019 and has now toured to the Incinerator Gallery. Originally intended for their Reconciliation Week celebrations of 2020, but delayed due to COVID-19 until NAIDOC Week 2021, the exhibition showcases moving poetry and images of scarred trees by Uncle Jim, highlighting the meaning and importance of these trees in the lives of the Traditional Owners of the Wotjobaluk Country.



Atong Atem: To Be Real photographic exhibition, Immigration Museum
Source: Museums Victoria | Photographer: Ben Healley

Museums Victoria collaborations

Location	Project	Partner	When
With sector organisations			
Museums Victoria	Victorian Collections website	Australia Museums and Galleries Association (AMaGA) Victoria	December 2020
Scienceworks	Using Rainbows in the Lab digital content co-creation	Australian Research Council Centre of Excellence in Exciton Science	September 2020
Scienceworks	STEM Professional Development	Catholic Education Commission of Victoria	March 2021
Museums Victoria	Creative Futures Annual Design Education Camp	Creative Futures Ltd	April 2021
Immigration Museum	Reflections on Australian identity and values Pilot Program	Moreland City Council	June 2021
Melbourne Museum	<i>Mulunma: Inside Within</i> , contemporary dance projection and curatorial support	RISING	May 2021
Museums Victoria	One Year On online exhibition	Suburban Development, Department of Jobs, Precincts and Regions	April 2021
Immigration Museum	The Turning Circle Project	The Turning Circle Collective, in association with RMIT University	September 2020
With other Creative Industries Portfolio Agencies			
Museums Victoria	Fair Play: Equity, Inclusion and the Creative Industries program	Diversity Arts and Creative Industries	August 2020
With individual creative practitioners			
Immigration Museum	African Museum and Cultural Festival	More than 25 Creative Practitioners including: Ajak Kwai (South Sudanese) Habesha Dance Company (Ethiopia) Kora by Amadou Suso (Senegal/Gambia)	March 2021
Immigration Museum	<i>Atong Atem: To Be Real</i>	Atong Atem	November 2020 to January 2021
Bunjilaka Aboriginal Cultural Centre, Melbourne Museum	<i>Gung create, make, do, love</i>	Kelly Koumalatsos	December 2020 to May 2021
Melbourne Museum	Melbourne Design Week: Designing WORLDS Immersive	Josef Gatti, Filmmaker Rob Innes, Producer	March 2021
Melbourne Museum	Melbourne International Comedy Festival: The (Very) Big Laugh Out	5 Angry Men with The Bells	April 2021

Location	Project	Partner	When
Melbourne Museum Plaza	Melbourne Museum Summer Session	More than 120 local performers including: DJ MzRizk, TATAFU, Bananagun, Josh Earl, Geraldine Quinn, Queens in Science, Nevo Zisin, Adolfo Aranjuez, Frances Cannon , Jax Jacki Brown.	January 2021
Melbourne Museum	Musica Viva	Sutherland Trio Water, Water Everywhere Wattleseed Ensemble	March 2021
With regionally based outcomes			
Western Victoria	Ancestral Remains Repatriation	Barengi Gadjin Land Council	June 2021
Regional Victoria	Future Innovators Program: Regional Engagement for Early Childhood Educators STEM Professional Development	Department of Education	2020–21
Victoria's Eastern Alps East Gippsland	Regional Victoria Bushfire Impact Research Collaboration: Native Bees	Department of Environment, Land, Water and Planning (Victoria)	2020–21
Eastern Victoria Alps	Regional Victoria Bushfire Impact Research Collaboration: Threatened Rodents	Department of Environment, Land, Water and Planning (Victoria)	2020
South-West Victoria	Repatriation of 54 Gunditj Mirring cultural heritage objects and materials from the State Collection	Parks Victoria	June 2021
Little Desert, Victoria	Fire frequency impact study on reptile and invertebrate fauna	Gunditj Mirring Gunditj Mirring Traditional Owners Aboriginal Corporation	2020–21
Across Victoria	Thriving Futures Workshops: Climate Change and the Environment Program	Ian Potter Foundation	2021
Regional Victoria	Regional Science Champions	Neighbourhood House Network	February to June 2021

Location	Project	Partner	When
With international organisations			
London, United Kingdom	2021 Global Leadership Experience	Common Purpose	2021
London, United Kingdom	<i>Treasures of the Natural World</i> Presenting partner	Natural History Museum, London	2020–21
Washington DC, USA	Solar System Tour astronomy program presentation with Alice Bowman, Mission Operations Manager for the New Horizons mission	NASA (National Aeronautics and Space Administration)	June 2021
Victoria, Canada	<i>Triceratops</i> fossil specimen preparation	Pangea Fossils Ltd	2020–21
Zagreb, Croatia	The Best in Heritage annual conference Imagines Interviews featuring Learning Lab's, River Connections	The Best in Heritage	March 2021
Scienceworks, Melbourne, Australia	Public Diplomacy Program support for the production of Melbourne Planetarium show, Tycho Goes to Mars	U.S. Consul General Melbourne	September 2020

The year in brief

Attendance

Museums Victoria overall annual attendance was primarily influenced by the impacts of the COVID-19 pandemic and the associated venue closures across the year. Melbourne Museum, Scienceworks, Immigration Museum and IMAX all reopened on 16 November 2020, however physical distancing requirements resulted in limited daily capacities. The Royal Exhibition Building experienced 31 cancelled or postponed events due to the COVID-19 pandemic closures in 2020–21.

With our venues closed, traffic to our web pages related to visiting and ticket purchasing was much lower than usual. This drop in traffic has been offset by a breadth of new online content including the Museum at Home platform, which has reached more than 51 million new and returning visitors on our social media, YouTube and other digital channels.

The Key Performance Indicator results below for Total ticketed attendance, Outreach (in-person) and Website form part of the published Victorian Government Budget Paper 3 (BP3) measures tracking Museums Victoria's Performance.

	2020–21	2019–20	2018–19	2017–18	2016–17
Immigration Museum	26,342	85,621	135,372	117,757	122,574
Scienceworks	184,780	369,194	506,342	481,037	433,472
Melbourne Museum	391,301	754,309 ¹	1,106,169	1,191,862	1,140,618
IMAX	87,217	170,199	224,903	261,495	230,040
Total ticketed attendance	689,640	1,379,323	1,972,786	2,052,151	1,926,704
Outreach Program	13,860 ²	110,206	141,233	182,451	134,318
Website ³	5,438,382	5,876,777	6,213,921	5,192,921	5,327,403
Total offsite attendance	5,452,242	5,986,983	6,355,154	5,375,372	5,461,721
Royal Exhibition Building	1,312	382,747	701,267	635,218	567,136
Total attendance	6,141,882	7,749,053	9,029,207	8,062,741	7,955,561

Notes:

The 'Total Ticketed Attendance' (689,640) and 'Outreach in-person' (8,130) categories have been combined to report the total 'Attendance/users' BP3 measure of 697,770.

Key performance indicators

The level of visitor satisfaction is down at all three museums, but particularly at Scienceworks (86% compared to 97% last year) where the removal of some hands-on exhibits for COVIDSafe requirements has impacted the visitor experience. It's important to note that our survey methodology has changed since the previous financial year so that all visitors are invited to give feedback, rather than a fixed sample at each museum. This makes data non-comparable with previous years.

Education visitation was subject to the same impacts as General Admissions resulting from the COVID-19 pandemic and resulting museum closures.

Volunteer opportunities at Museums Victoria had increased in 2021 with the newly introduced *Volunteer from Home* program and involvement in the Great Melbourne Telescope project. However, the overall volunteer contribution to Museums Victoria has been greatly impacted with no onsite volunteer participation allowed in 2020.

These Key Performance Indicator results, along with 'Attendance/users' (comprising the sum of Total Ticketed Visitation and Outreach) and Website from Table 1, form part of the published Victorian Government Budget Paper 3 (BP3) measures tracking Museums Victoria's Performance.

1 Melbourne Museum actual ticketed attendance was 752,903 for 2019–20. This figure above includes tours of the Royal Exhibition Building which are conducted by Melbourne Museum Visitor Engagement Officers (1,406 attendees).

2 Incorporates 8,130 in-person outreach program attendees and 5,730 virtual outreach program attendees.

3 Website total is an aggregate of web sessions across a range of Museums Victoria websites and Museums Victoria supported project websites including Museums Victoria, Melbourne Museum, Scienceworks, Immigration Museum, IMAX, MV Collections Online, Museums Spaces, Bunjilaka and Victorian Collections Online.

	2020-21	2019-20	2018-19	2017-18	2016-17
Collection stored to industry standard	76%	78%	74%	74%	74%
Visitors satisfied with visit overall	90%	97%	97%	96%	98%
Students participating in education programs	54,521	177,492	255,552	255,725	272,731
Volunteer hours	4,006	34,917	43,349	40,012	41,692
Memberships	21,597	23,299	23,522	29,216	20,307

Financial summary

Museums Victoria's net result before depreciation was a surplus of \$8.753 million for 2020-21.

The net result after depreciation was a deficit of \$24.972 million, which comprises depreciation expense of \$33.725 million and offsetting 'Other economic inflows included in net result' totalling \$0.767 million.

	2020-21 \$'000	2019-20 \$'000	2018-19 \$'000	2017-18 \$'000	2016-17 \$'000
Revenue from government	100,716	89,512	86,894	85,799	86,474
Total income from transactions	123,251	119,463	124,944	137,009	125,047
Total expenses from transactions*	(148,990)	(153,263)	(155,320)	(163,135)	(145,893)
Net result from transactions after depreciation	(25,739)	(33,800)	(30,376)	(26,126)	(20,936)
Net result for the period	(24,972)	(34,158)	(31,326)	(26,044)	(20,577)
Net result (before depreciation)**	8,753	(661)	(1,099)	3,338	7,710
Net cash flow from operating activities	8,245	(2,274)	(5,462)	12,414	4,469 ⁴
Total assets	2,029,697	1,841,899	1,870,462	1,719,362	1,646,097
Total liabilities	30,235	32,951	32,802	30,798	23,955

Notes to Financial Summary:

Income from transactions increased by \$3.788 million (3%) from \$119.463 million to \$123.251 million, mainly due to increased state government business interruption funding and other income, despite reduced self-generated revenue due to the COVID-19 pandemic lockdowns that total 163 days in the 2020-21 year.

Expenses from transactions decreased by \$4.273 million (3%) from \$153.263 million to \$148.990 million, mainly from lower operating expenses due to the COVID-19 pandemic lockdowns.

The net cash inflow from operating activities improved by \$10.519 million to \$8.245 million, primarily due to increased state government grants receipted due to COVID-19 business interruption funding.

Assets increased by \$187.798 million (10%) from \$1,841.899 million to \$2,029.697 million because of comprehensive revaluations on Land, Buildings and Collections. Liabilities decreased by \$2.716 million (8%) from \$32.951 million to \$30.235 million. This decrease is mainly due to two years of advance/loan repayments for Energy Performance Contract \$3.234 million partly offset by the receipt of the Triceratops loan of \$1.5 million.

* Previously reported as 'total expenses from transactions (before depreciation)'. Data for preceding financial years have been adjusted to ensure figures are directly comparable.

** Previously reported as 'net result from transactions before depreciation'. Data for preceding financial years have been adjusted to ensure figures are directly comparable.

⁴ This figure has altered since the 2016-17 Annual Report, due to an accounting change warranting the movement of \$17,000 to Financing Activities

Environmental performance

	2020–21	2019–20	2018–19	2017–18	2016–17
Energy					
Total electricity consumption (gigajoules)	32,567	39,853	72,284	61,728	100,100
Total natural gas consumption (gigajoules)	32,371	44,206	52,507	44,347	61,770
Greenhouse emissions associated with energy use (tonnes – CO ₂)	10,697	13,113	14,512	16,196	19,195
Waste					
Percentage of total waste recycled	46%	52%	46%	45%	51%
Water					
Water consumption (kilolitres)	68,254	71,548	73,185	77,588	67,924

Notes:

Museums Victoria engages in sustainable management practices under the State Government's Energy Management Program. This is reflected in a reduction in the total energy consumption which can be attributed to more than 2,700 solar panels installed at four Museums Victoria sites. The project is one of many being delivered under the Victorian Government's Greener Government Buildings program and involves a combination of new efficient lighting, heating and cooling upgrades, solar panels and building automation and controls.

Museums Victoria commenced reporting of natural gas consumption in 2020–21. This table has been adjusted to include historical gas consumption data, and is not directly comparable with previous reports.

Greenhouse Gas emissions figures for 2020–21 are based on purchased electricity and gas from external sources. Electricity generated from Museums Victoria's solar arrays has been deducted from total electricity usage and is not included in Greenhouse Gas emissions calculations.

COVID-19 Impact

One Year On: Stories of COVID-19 in Melbourne's Suburbs:

In April 2021, Museums Victoria and the Victorian Office for Suburban Development launched a digital showcase One Year On: Stories of COVID-19 in Melbourne's Suburbs, offering a cross-section of community and neighbourhood life in the first year of the COVID-19 pandemic. From this project, a selection of 12 stories about resilience and hardship collected across Melbourne suburbs was selected for acquisition for Collecting the Curve. The project was supported by funding from the Victorian Office for Suburban Development. Museums Victoria presented a three-part public lecture series relating to the Collecting the Curve project in September–November 2020.

The 2020–21 financial year was unlike any other experienced by Museums Victoria. During the year, the Museum's operations adapted and responded to the various periods of closures and restrictions implemented by the State Government in order to manage transmission of COVID-19. Staff continued working remotely with a range of online resources in place to provide support in areas including mental health and wellbeing, along with more than 69 learning and professional development programs.

Museums Victoria has in place and continues to maintain a COVIDSafe Plan for each operating site. The plans, associated procedures and guidance material, ensure our business operations are undertaken in a COVIDSafe manner and in line with the requirements of public health directions.

In response to the pandemic as an emerging risk, Museums Victoria's Strategic Risk Register has also been updated, noting the pandemic as an emerging risk and with the addition of a dedicated *COVID-19 (Coronavirus) Business Continuity* as Strategic Risk SR13.

Royal Exhibition Building vaccination hub

In March the Royal Exhibition Building (REB) was selected by the Department of Health as a mass vaccination clinic to administer COVID-19 vaccines, with capacity to vaccinate more than 10,000 people a week. This is not the first time that the REB has played a critical role for Victoria during a pandemic: from February to September 1919 the building was transformed into a hospital to accommodate patients suffering from Spanish Flu.

Future priorities

Transforming Museums Victoria

Museums Victoria has received \$33.5 million funding in the 2021–22 State Budget that will support the revitalisation of Melbourne Museum, part of a strategy to transform Museums Victoria's three signature destinations – Melbourne Museum, Scienceworks and the Immigration Museum. Some of the major projects that will be delivered next year with this funding are outlined below:

Triceratops: The Fate of the Dinosaurs

In December 2020 the Minister for Creative Industries announced the acquisition of the most complete *Triceratops* fossils found to date for the State collection. This acquisition is of huge scientific significance and reinforces Museums Victoria's prominent position in the scientific community. In 2021–22 Museums Victoria will finish development of the new purpose-built gallery to house this iconic specimen in a stunning new exhibition, *Triceratops: Fate of the Dinosaurs*.

Gondwana Garden

Development of the *Gondwana Garden* at Melbourne Museum will commence in the 2021–22 financial year. Linking the Pauline Gandel Children's Gallery and *Triceratops: Fate of the Dinosaurs*, this play-led learning experience will create an outdoor adventure space for children up to 9 years old who will discover the epic yet little-known megafauna of Ice Age Australia.

Immersive Digital Experience

Melbourne Museum's Touring Hall space will house a flexible and incredible digital experience combining large-scale multimedia presentations and visually stunning imagery, creating an unmissable new attraction for our audiences. This immersive experience will use soundscapes and stunning high-resolution images to create multi-sensory environments with a wide range of themes, while providing a versatile platform for events and as a centrepiece for creative industries partnerships and cultural festivals.

Scienceworks redevelopment business case

Scienceworks has become one of Victoria's most popular destinations, attracting twice the number of visitors that it was originally designed to accommodate when first opened in 1992. In 2021–22 Museums Victoria will complete a full business case for Scienceworks' transformation that will increase its capacity to provide compelling, innovative STEM-based experiences.

Country is always talking

Development of First Peoples language interpretive layer in the Forest Gallery at Melbourne Museum titled *Country is always talking* will commence in 2021–22, supported through a grant from the John T Reid Charitable Trusts.

Collections storage upgrade and deaccession:

As part of the Creative State funding package announced in the 2021–22 State Budget, Museums Victoria received \$6.575 million for the Collection Storage Upgrade Program 2021–2023 to address priority elements under the Sustainable Collection Storage Strategy 2020–2040. Funding will also enable the installation of more space-efficient compactus storage at Moreland and additional collection storage cabinetry in Melbourne Museum collection stores.

Discussions are also underway with other Arts Agency partners on collection storage opportunities at Avalon Airport.

The Victorian Government has also committed \$450,000 across three years to support critical collection storage needs and fund deaccessioning costs as part of Museums Victoria's Collection Deaccession Plan 2021–2026 (currently being finalised) and five-year deaccessioning program.

Collections Documentation Plan

The Collection Documentation Plan March 2021 maps out our plan for electronic registration of our collections and feeds into the Collection Digitisation Plan 2020–25. Museums Victoria has received funding in the 2021–22 state budget as part of the Museum Victoria's Legacy Collection Registration program from 2021–2025.

Royal Exhibition Building Dome Promenade

The first phase of a major program of maintenance and upgrades on the southern façade and turret of the Royal Exhibition Building Protection and Promotion Project was completed in 2020, delivering significant conservation works for this World Heritage Listed building. In 2021–22, the spectacular 1880's Dome Promenade will open to the public.

Purpose, functions and corporate governance

Museums Board of Victoria

Museums Victoria is governed by the Museums Board of Victoria, a statutory body established under the *Museums Act 1983* (the Act). 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. During the reporting period, the responsible Ministers were The Hon. Martin Foley MP, Minister for Creative Industries (1 July 2020 to 28 September 2020) and The Hon. Danny Pearson MP, Minister for Creative Industries (from 29 September 2020 to 30 June 2021).

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

The Board is responsible for maintaining the standards of management of Museums Victoria set out in the *Museums Act 1983*, Section 23, which has the following Statutory Functions:

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

Number of meetings during the financial year: 6

Board member	No. of meetings attended
Mr Leon Kempler AM (President)	6
Ms Linda Bardo Nicholls AO (Treasurer)	6
Dr Bronte Adams AM	6
Mr Andrew Butcher	6
Mr Wilkin Fon	6
Mr Tim Goodwin	5
Dr Alison Inglis AM	6
Ms Mary Stuart	6
Mr Peter Tullin	6

Board member profiles

Mr Leon Kempler AM – President

Appointed 2019

As a leading figure and contributor to Australia's business and cultural sectors, Leon's current board roles include Chairman of the Advisory Council of Questacon and Director of the Royal Children's Hospital Foundation Victoria, among many others. In 2018 Leon received the Order of Australia for his significant service to the community through contributions across cultural, charitable, education and children's medical foundation sectors. Leon is Chair of the Nominations, Remuneration and Governance Committee.

Ms Linda Bardo Nicholls AO – Deputy President & Treasurer

Appointed 2017

Linda is a corporate advisor and a non-executive director of a number of leading Australian companies and organisations. She is Chair of both Melbourne Health and Japara Healthcare and a Director of Medibank Private and Ingham's Enterprises. Previously Linda was a Director of Fairfax Media, Olivia Newton John Cancer Research Institute, Pacific Brands, Sigma Pharmaceuticals and St George Bank; and Chair of Healthscope, Australia Post and Keolis Downer (trading as Yarra Trams). In 2007 she was made an Officer in the General Division of the Order of Australia; in 2014 she was named as a Victorian Distinguished Fellow by the Australian Institute of Company Directors and in 2015 was made a Life Fellow. Linda is Treasurer of the Museums Board of Victoria and Chair of the Audit and Risk Committee and member of the Nominations, Remuneration and Governance Committee.

Dr Bronte Adams AM

Appointed 2020

Bronte is currently Director and founder of dandolopartners, a management consulting firm specialising in public policy, advising a wide range of clients across the innovation, health, technology, science and research, start-up, cultural, and education sectors. Bronte is a Rhodes Scholar and has formerly held roles as a consultant with McKinsey & Co, and in a variety of senior government executive positions. Bronte is actively involved in public life with current and past board/director positions including the UNESCO High Commission; Innovation and Science Australia; Melbourne Symphony Orchestra; Melbourne University Publishing; Australia Council's Visual Arts Board; Science Technology and Innovation VicStart Assessment Panel the Victorian Office of Science and Technology's \$60 million infrastructure grants committee and the Australian Government's Broadband Advisory Group. Bronte is a member of the Audit and Risk Committee and Nominations, Remuneration and Governance Committee.

Mr Andrew Butcher

Appointed 2013

Andrew has worked in the media since 1988, initially as a journalist before switching to corporate affairs at News Corporation in New York in 1999, where Andrew became the Senior Vice President of Corporate Affairs and Communication. He returned to Australia to become Executive Director of Communication and Media Relations at Telstra. Andrew is now Joint Managing Partner of corporate advisory firm Bespoke Approach and advised some of Australia's best known companies, including BHP, ANZ and Telstra. Andrew is Chair of the Development Committee and member of the People, Culture and Industrial Relations Committee.

Mr Wilkin Fon

Appointed 2012

Wilkin has extensive experience in retail, finance and investment sectors. He maintains a number of directorships in various companies in these business sectors. Wilkin is a member of the Audit and Risk Committee.

Wilkin's appointment on the Museum's Board of Victoria ceased on 30 June 2021

Mr Tim Goodwin

Appointed 2019

Tim is a member of the Yuin people of the South East Coast of New South Wales and is a barrister at the Victorian Bar practicing in commercial and public law. Tim serves on a number of boards including the Human Rights Law Centre and, in 2018, received the Federal Attorney General's National Indigenous Legal Professional of the Year Award. Tim is Chair of the Aboriginal Cultural Heritage Advisory Committee and member of the Research Committee.

Dr Alison Inglis AM

Appointed 2015

Alison is currently Associate Professor, Art History Program; and Course Coordinator, Master of Art Curatorship at the University of Melbourne. Alison teaches subjects on 19th century art history and museum studies and researches and publishes in the area of 19th century British art and museum collections and exhibitions. Alison formerly served on the boards of the Heide Museum of Modern Art and the Donald Thomson Collection Administration Committee. She was appointed as an Emeritus Trustee of the National Gallery of Victoria in 2010. In 2020, Alison received a member of the Order of Australia for her significant service to education, and to the museum and galleries sector. Alison is Chair of the Research Committee and a member of the Development Committee.

Ms Mary Stuart

Appointed 2019

Mary is Executive Director of the iconic Luna Park Melbourne, which opened in 1912. Mary has a background in industrial relations, industry development and corporate governance with national ACTU Officer responsibilities for a range of industries across Printing and Newspapers, Building and Construction, Pulp and Paper, Timber and Forrest Products, Coal Mining and Maritime industries. Mary has also achieved pay equity test cases and professional rates for industry sectors dominated by women such as nursing and education/teaching. Mary has held several state and federal statutory positions and appointments and has been responsible for the establishment of organisations specialising in training, advocacy and social justice. Mary is also Vice President of the Australian Amusement, Leisure and Recreations Association Inc (AALARA), Deputy Chair of St Kilda Tourism Association and remains actively involved in a range of community and social justice organisations. Mary is Chair of the People, Culture and Industrial Relations Committee and a member of the Development Committee and Aboriginal Cultural Heritage Advisory Committee.

Mr Peter Tullin

Appointed 2017

A successful entrepreneur, Peter is the co-founder of CultureLabel.com, a venture capital-funded ecommerce site retailing art and design products from leading international culture brands. He is co-author of the book *Intelligent Naivety*, created to help entrepreneurs turn their ideas into reality, and his second book, *REMIX*, was published by The Guardian and later became *REMIX Summits*, a series of leading global ideas conferences that explore the intersection of culture, technology and entrepreneurship. Peter is a member of Creative Victoria's Creative State Advisory Group and has served on similar groups for the BBC and UK government. Peter is a member of the Development Committee.

Committees

The Board has established a number of Committees under the Act, to focus on specified matters within the Board's responsibilities and to provide advice back to the full Board.

Aboriginal Cultural Heritage Advisory Committee

The Aboriginal Cultural Heritage Advisory Committee provides advice to the Board for governance, compliance and cultural guidance on matters relevant to First Peoples cultural heritage as they apply to Museums Victoria, and on matters referred to it by the Board.

Its members include representatives from First Peoples communities throughout Victoria. In December 2020 the existing members of Aboriginal Cultural Heritage Advisory Committee finished their three year tenure. New members were appointed in early 2021.

Number of meetings during the financial year: 3

Committee member	No. of meetings attended
Mr Tim Goodwin (Chair)	3
Mary Stuart (appointed 4 March 2021)	1 (of 1)
Dr Julie Andrews (released 1 February 2021)	1 (of 2)
Professor Henry Atkinson	3
Dr Carolyn Briggs AM	3
Mr Leonard Clarke (appointed 4 March 2021)	1 (of 1)
Ms Gail Harradine (released 1 February 2021)	1 (of 2)
Ms Katherine Mullett (appointed 4 March 2021)	1 (of 1)
Mr Ricky Mullett (released 1 February 2021)	0 (of 1)

Committee member	No. of meetings attended
Mr Russell Mullett (appointed 4 March 2021)	0 (of 2)
Dr Lois Peeler AM (appointed 4 March 2021)	1 (of 1)

Audit and Risk Committee

The Audit and Risk Committee maintains oversight of Museums Victoria's custodial responsibilities, strategic risk matters, internal controls and governance processes. All members serving on the Audit and Risk Committee listed in the following table are independent members.

Number of meetings during the financial year: 6

Committee member	No. of meetings attended
Ms Linda Bardo Nicholls AO (Chair)	5
Mr Tim Goodwin (released 29 October 2020)	1 (of 2)
Mr Wilkin Fon	6
Dr Bronte Adams AM	6
Mr Colin Golvan AM QC ⁵	6
Mr Matthew Hunt ⁶	6
Mr Dale McKee ⁷	5

Development Committee

The Development Committee drives the planning and implementation of the Museum's fundraising, philanthropy and partnership pipeline activities, to grow Museums Victoria's sustainable funding base.

Number of meetings during the financial year: 4⁸

Committee member	No. of meetings attended
Mr Andrew Butcher (Chair)	4
Dr Alison Inglis AM	4
Mr Peter Tullin	4
Ms Mary Stuart	4
Mr Jim Cousins AO ⁹	3

5 Non-voting external member

6 Non-voting external member

7 Non-voting external member

8 Leon Kempler also attended two Development Committee Meetings (11 November 2020 and 2 March 2021)

9 External member

Nominations Remuneration and Governance Committee

The Nominations, Remuneration and Governance Committee acts as a delegate of the Board to provide advice and recommendations to the Board in the areas of executive recruitment, CEO performance and remuneration, and strategic oversight of Board self-assessment.

Number of meetings during the financial year: 2

Committee member	No. of meetings attended
Leon Kempler AM (Chair)	2
Linda Bardo Nicholls AO (Treasurer)	2
Dr Bronte Adams AM	2

People, Culture and Governance Committee

The People, Culture and Industrial Relations Committee acts as a delegate of the Board to provide advice and recommendations to the Board in the areas of people and culture; health and safety; workforce conditions and enterprise agreement process.

Number of meetings during the financial year: 4

Committee member	No. of meetings attended
Ms Mary Stuart (Chair)	4
Mr Andrew Butcher	4

Research Committee

The Research Committee steers the development, conduct and management of research undertaken by Museums Victoria. The committee oversees the Museums Board of Victoria's Animal Ethics Committee, which was established in February 2007.

Number of meetings during the financial year: 4

Committee member	No. of meetings attended
Dr Alison Inglis AM (Chair)	4
Mr Tim Goodwin (from 29 October 2020)	3 (of 3)
Professor Lynette Russell AM	3
Professor Alistair Thomson	4
Professor Gregor Kennedy	2
Dr Mark Norman PSM (from 4 March 2021)	2 (of 2)

Museums Victoria Foundation Committee

The Board approved the establishment of the Museums Victoria Foundation Committee in May 2021. The role of the Committee is to provide advice and recommendations regarding philanthropic fundraising activities, donations, gifts and bequests to Museums Victoria, and build donor groups and philanthropic networks for Museums Victoria.

The Museums Victoria Foundation Committee did not meet in 2020–21. The committee membership and meetings cycle will be confirmed in 2021–22.

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

Our workplace

Organisation functions

Corporate Services

Led by the Chief Operating Officer and Chief Financial Officer, the division supports the continued success of Museums Victoria by developing an agile, responsive and accountable organisation. The division's key areas of activity are finance; financial planning and analysis; legal and risk; security and emergency management; strategic facilities management; strategic information and compliance; and technology strategy and delivery.

Development and Commercial Operations

Led by the Director, Development and Commercial, the department focuses on growing and nurturing philanthropic and corporate partnerships, museum memberships, and fundraising income from individuals and the community, and leading all commercial activities incorporating Museums Spaces, Commercial, Retail Services, Car Park and IMAX.

Exhibitions and Audience Experiences

The Director, Exhibitions and Audience Experiences is responsible for leading Museums Victoria's engagement with communities and individuals onsite, online and offsite. The division's functions include exhibition and experience development at Melbourne Museum, Scienceworks, Immigration Museum and the Royal Exhibition Building, as well as related Victoria-wide education and outreach programs. This division also includes Audience Insights, the team responsible for identifying the needs of our audiences that will drive content selection, and Digital Life who create audio, video and other digital content to distribute across a wide variety of online platforms and channels, connecting the audiences beyond our walls with our people, research, collections and programs.

Governance and Communications

Led by the Chief Governance and Communications Officer, the Governance and Accountability has responsibility for governance, strategy, planning and reporting, marketing and communications. The Marketing and Communications function encompasses corporate communications, brand and marketing and public relations delivering reputation management and publicity, product development, marketing core product and special exhibitions and driving brand and positioning.

People and Engagement

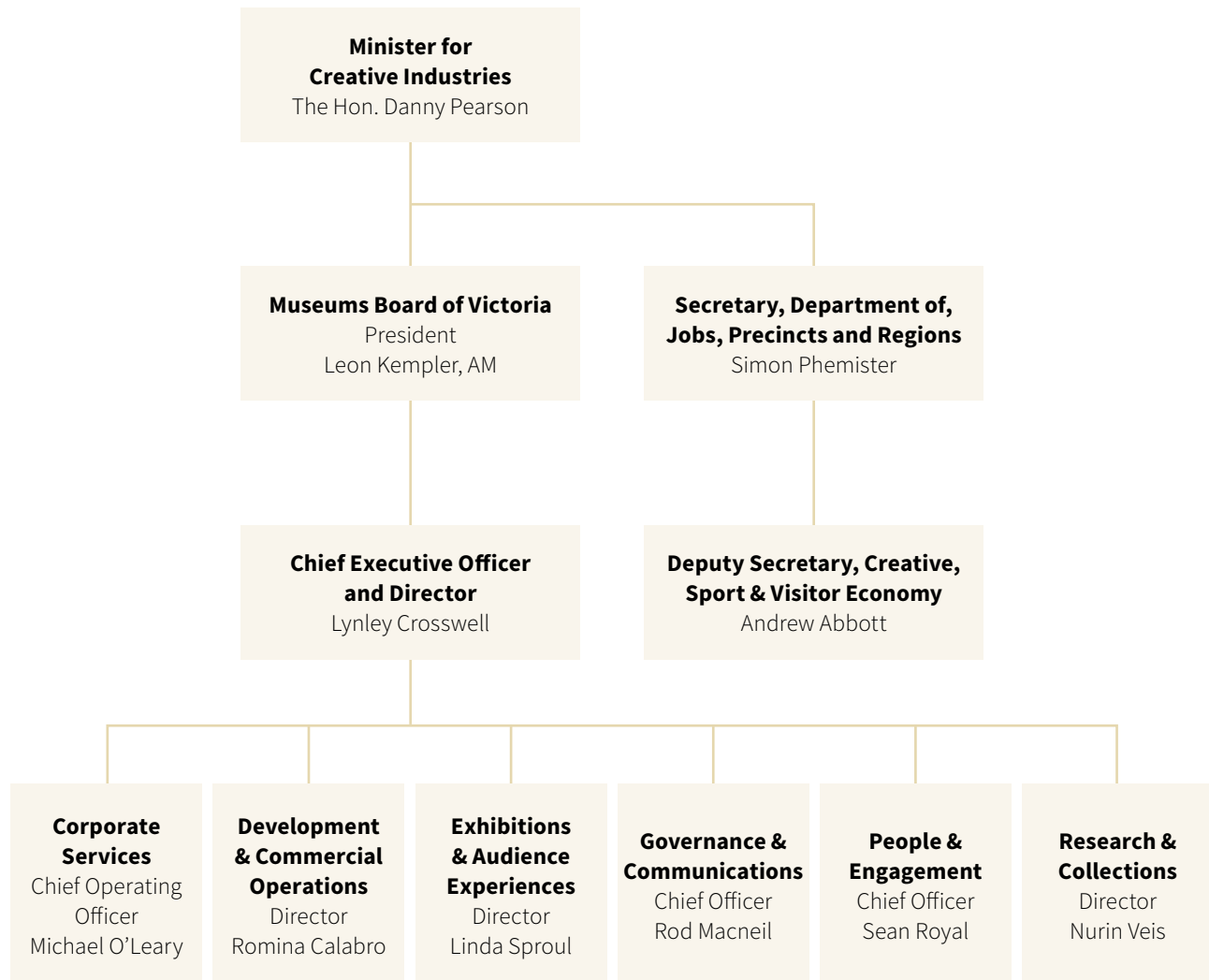
Led by the Chief People and Engagement Officer, this department is responsible for all human resources and occupational health, safety and wellbeing functions and support, including recruitment, engagement and retention strategies, payroll, workforce planning, learning and development and by ensuring Museums Victoria complies with all relevant Occupational Health and Safety (OHS) legislation, compliance codes, codes of practice, and relevant standards. From 2019 to 2020, oversight of the Museum General Management roles at our three Museum sites, and visitor service operations at Melbourne Museum and Scienceworks come under the responsibilities of People and Engagement.

Research and Collections

The division is led by the Director, Research and Collections, with responsibility for the development, preservation and promotion of the State collection through the acquisition and registration of new collection items, by making the collections available to scholars, community groups and other audiences; and by conducting research to address local, national and international issues. The division is also home to our First Peoples department, who provide strategic leadership to position First Peoples' living cultures, histories and knowledge at the core of Museums Victoria's practice.

Organisation structure

At 30 June 2021



Staff profile

Museums Victoria commenced 2020–21 with 463 full-time equivalent employees (FTE) and ended the period with 474.

Employee Count

	Ongoing Employees				Fixed term & Casual		Total Headcount	Total FTE*
	Employees (Headcount)	Full-time (Headcount)	Part-time (Headcount)	FTE	Employees (Headcount)	FTE	Employees (Headcount)	FTE
June 2021	416	284	132	363	200	111	616	474
June 2020	422	290	132	363	228	100	650	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.

Employee gender, age and classification¹⁰

	2020–21				2019–20			
	Ongoing		Fixed-term & Casual		Ongoing		Fixed-term & Casual	
	Employees (Headcount)	FTE	Employees (Headcount)	FTE	Employees (Headcount)	FTE	Employees (Headcount)	FTE
Gender								
Female	253	213	107	58	263	218	122	55
Male	163	150	93	53	159	145	106	45
Self-described**	0	0	0	0	0	0	0	0
Total	416	363	200	111	422	363	228	100
Age								
Under 25	5	4	22	11	7	5	31	8
25-34	80	67	89	41	82	68	95	36
35-44	118	103	42	26	126	109	57	30
45-54	104	91	31	21	102	88	25	15
55-64	80	74	15	10	82	74	17	11
Over 64	29	24	1	1	23	18	3	1
Total	416	363	200	111	422	363	228	100
Classification								
VPS 1	0	0	0	0	0	0	0	0
VPS 2	135	102	140	57	148	107	163	43
VPS 3	105	96	23	20	107	98	27	24
VPS 4	82	75	23	20	78	71	26	22
VPS 5	65	63	7	7	61	59	5	5
VPS 6	27	27	3	2	25	25	4	3
STS 7	2	2	0	0	2	2	0	0
Executive Officers	0	0	4	4	0	0	3	3
Total	416	363	200	111	422	363	228	100

**From 2017–18 existing staff were invited to verify their details in the personal details section of Museums Victoria's Employee Self Service (ESS) portal and the on-boarding processes for new employees allowed for capture of gender descriptor preferences.

¹⁰ FTE total may not tally due to rounding as per FRD 29C

Executive officers by gender

Classification	All No.	Male No.	Female No.	Self-described* No.
Executive Officer 1	0	0	0	0
Executive Officer 2	1	0	1	0
Executive Officer 3	3	1	2	0
Total	4	1	3	0

*From 2017–18 existing staff were invited to verify their details in the personal details section of Museums Victoria's Employee Self Service (ESS) portal and the on-boarding processes for new employees allowed for capture of gender descriptor preferences.

Reconciliation of executive movements throughout the year

Classification	2021	2020
Executives	4	4
Accountable Officer (CEO)	1	1
Less Separations	0	1
Total executive numbers at 30 June	4	3

Note: Staffing numbers are as at the last pay cycle in the financial year. Employees have been correctly classified in workforce data collections.

Salary bands of executive staff

The following table discloses the annualised total salary for senior employees at 30 June 2021, categorised by classification. The salary amount is reported as the full-time annualised salary.

Income band (salary)	Executives	Senior Technical Specialist
<\$160,000		
\$160,000 - \$179,999	2	1
\$180,000 - \$199,999		
\$200,000 - \$219,999		1
\$220,000 - \$239,999	1	
\$240,000 - \$259,999		
\$260,000 - \$279,999		
\$280,000 - \$299,999		
\$300,000 - \$319,999		
\$320,000 - \$339,999		
\$340,000 - \$359,999	1	
\$360,000 - \$379,999		
\$380,000 - \$399,999		
Total Headcount	4	2

Note: The salaries reported above are at a full-time rate and exclude superannuation.

Staff development

Museums Victoria's learning and development framework aims to improve the capabilities of our people, not just through technical skills and knowledge, but also through their attributes, attitudes and behaviours. In 2020–21, COVID-19 restrictions had a significant impact on the delivery of our overall corporate learning and development program, requiring a major shift to online delivery of all programs.

During COVID-19 restrictions, our corporate learning and development program delivered remotely a diverse range of online programs and workshops, while continuing to cater to the unique learning styles of our employees in an online environment that is conducive to learning. Our e-learning compliance training modules are an integral component for establishing a clear understanding of the expected behaviours amongst our employees, which support our organisational values. In total, Museums Victoria offered 69 individual corporate learning and development programs.

Our First Peoples Cultural Competency Program is a cornerstone for the education and development of staff knowledge, systems and procedures relating to working with and representing the history and culture of the First Peoples of Australia.

Museums Victoria celebrated the annual International Women's Day (IWD) with a number of activities available online and in person, themed events in support of the campaign #ChoosetoChallenge. In recognition of Choose to Challenge, we delivered events showcasing many of Museums Victoria's female contributors with a focus on women from the First Peoples community.

Museums Victoria continued to encourage external opportunities for individuals to attend both local and/or online international seminars and conferences, undertake temporary assignments, and participate in mentoring programs and cross-divisional project opportunities.

Employee relations

Museums Victoria continues to maintain an excellent working relationship with staff and with their primary representative, the Community and Public Sector Union (CPSU). Regular CPSU Consultative Committee meetings were held, facilitating effective communication between management and the CPSU in relation to major issues affecting Museums Victoria. There has been no industrial action.

Public sector employment principles

During 2020–21 Museums 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 the Museums Victoria intranet. Staff are also required to complete regular additional online e-learning modules linked with key policies and procedures, including equal opportunity and harassment, anti-discrimination and workplace bullying.

Public sector and Museums Victoria values

Museums Victoria adheres to and upholds the Victorian Public Sector Values (*Public Administration Act 2004*). The Public Sector Values – Responsiveness, Integrity, Impartiality, Accountability, Respect, Leadership and Human Rights – compliment Museums Victoria's organisational values – Strive, Embrace, Explore, Respect, Illuminate and Sustain.

Statutory reports

Accessibility Action Plan

The *Disability Act 2006* reaffirms and strengthens the rights of people with a disability and recognises that this requires support across the government sector and within the community. *The Disability Act 2006* requires Museums Victoria to prepare an Accessibility Action Plan and report on its implementation in the annual report. In the 2020–21 reporting period Museums Victoria has achieved the following:

Museums Victoria has appointed a Manager of Attraction, Engagement & Inclusion to support delivery of an Attraction and Retention Strategy, delivery of a Reward and Recognition Framework celebrating the contributions of Museums Victoria staff and volunteers, and delivery of key diversity and inclusion initiatives, including key deliverables in support of Museums Victoria's response to the introduction of the *Gender Equality Act 2020* and development of a new Accessibility and Inclusion Action Plan.

Museums Victoria participated in a research project titled "Co-designing Autism-Friendly Public Built Environments" with Valerie Watchorn, PhD Candidate in the Faculty of Health at Deakin University. The project explores the experiences of people who have been involved in co-design processes that aim to improve the accessibility and usability of Museums Victoria facilities. In this study, co-design means that the design process included people who have lived experience of disability.

During the museum closures throughout 2020–21, the Autism Friendly Museum Project dedicated website saw over 9,000 virtual visitors across all our museum sites, and over 3,600 online visitors accessing the social stories.

In April, Melbourne Museum co-hosted a family day with Expression Australia (Victorian Society for the Deaf). The event included storytelling, tours, a dinosaur show by the museum's Outreach presenters and family classes - all in Auslan, along with the launch of a new application called Auslan Anywhere.

The Museums Victoria Outreach program continues to offer bilingual Auslan/English programs across its existing suite. All sessions are delivered by a Deaf Learning Facilitator and a hearing Learning Facilitator. In 2020–21 the Auslan/English bilingual program was delivered across the state to mainstream kindergartens which reached more than 870 children over 29 sessions.

In response to feedback from kindergarten teachers requesting resources to practice the signs they have learnt in one of our bilingual sessions, Museums Victoria commissioned production of Auslan sign illustrations. These illustrations have been made into printable Auslan sign resources to support learning Auslan and are provided to all groups that access the bilingual program, as well as being available to download to use as a resource from the Museums Victoria website.

All Museums Victoria staff were provided the opportunity to enrol in an online Auslan course during 2020–21, which was accessed by 100 staff. An Auslan channel was also launched on the Museums Victoria Yammer social network for staff to practise and maintain their skills.

The Melbourne Museum Auslan tours, designed and run by Museums Victoria staff, were reinstated when our Museums reopened after COVID-19 lockdown closures, and have been running monthly again from May 2021.

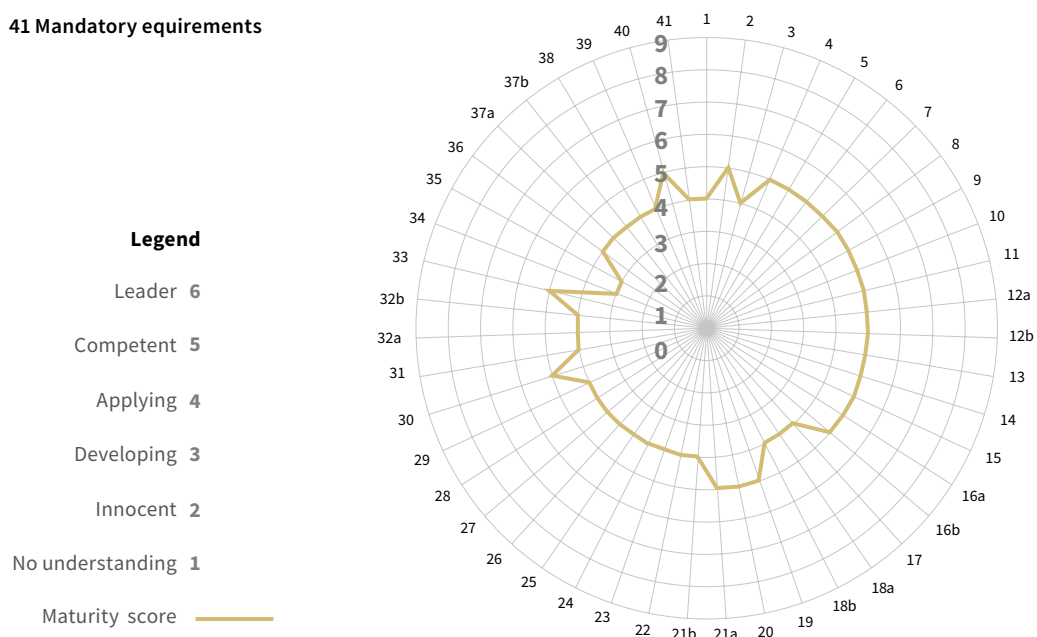
Asset Management Accountability Framework (AMAF) maturity assessment

The following sections summarise Museums Victoria's assessment of maturity against the requirements of the Asset Management Accountability Framework (AMAF). The AMAF is a non-prescriptive, devolved accountability model of asset management that requires compliance with 41 mandatory requirements. These requirements can be found on the DTF website –

<https://www.dtf.vic.gov.au/infrastructure-investment/asset-management-accountability-framework>.

Museums Victoria's target maturity rating is 'competence', meaning systems and processes fully in place, consistently applied and systematically meeting the AMAF requirement, including a continuous improvement process to expand system performance above AMAF minimum requirements.

41 Mandatory requirements



Leadership and Accountability (requirements 1-19)

Museums Victoria has met its target maturity level for most requirements in this category. There is no non-compliance reported in this category. An action plan is in place to improve the maturity rating in this category.

Planning (requirements 20-23)

Museums Victoria has partially met its target maturity level in this category. There is no non-compliance reported in this category. An action plan is in place to improve the maturity rating in this category.

Acquisition (requirements 24 and 25)

Museums Victoria has not met its target maturity level in this category. There is no non-compliance reported in this category. An action plan is in place to improve the maturity rating in this category.

Operation (requirements 26-40)

Museums Victoria has met its target maturity level for some requirements in this category. Museums Victoria is non-compliant with two requirements related to an established asset information management system (AIMS). There is no material non-compliance reported in this category. An action plan is in place to address this non-compliance.

Disposal (requirement 41)

Museums Victoria has met its target maturity level in this category.

Building and maintenance compliance

As at 30 June 2021, Museums Victoria was responsible for six government-owned buildings and also occupied premises at Swann House, Melbourne, as a tenant. Museums Victoria subsequently vacated the leased premises at Swann House in October 2020. Museums Victoria complied with all provisions of the *Building Act 1993*.

All works undertaken by Museums Victoria during 2020–21 complied with the Building Code of Australia and with the relevant Australian Standards for building and maintenance works.

Appropriate mechanisms are in place for the service, inspection, completion and monitoring of maintenance and rectification works on existing buildings.

Major works (more than \$50,000) – figures exclude GST.

Melbourne Museum

- Toilet upgrades
- Timber flooring rejuvenation Melbourne Museum glass safety works
- Cloak room upgrade
- Glass balustrade upgrade
- Replacement of carbon monoxide detection system and sensors in car park

Scienceworks

- Exit Signage and Emergency Lighting Upgrades
- Planetarium boiler upgrade

Royal Exhibition Building

- Smoke detection system upgrade
- Protection and Promotion Project Works

Moreland Annexe

- Smoke detection system upgrade

Immigration Museum

- Hazardous materials remediation in Long Room roof cavity

Building permits, occupancy permits and certificates of final inspection

During 2020–21 the following were issued in relation to buildings owned by Museums Victoria:

Building permits	15
Occupancy permits	0
Certificates of final inspection	10
Emergency orders	0
Building orders	0
Buildings brought into conformity with the building standards	0

Carers Recognition Act 2012

Museums Victoria recognises its 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 that support staff who are carers through the Accessibility Policy Museums Victoria actively works to reduce accessibility barriers to its venues, experiences and services.

Competitive neutrality policy

Museums Victoria continues to comply with the requirements of the National Competition Policy, in being committed to competitive neutrality principles, and ensuring fair and open competition. Many non-core activities have been outsourced, such as cleaning, food and beverage services, and security.

Consultancies

In 2020–21, six consultancies attracted total fees payable of \$10,000 or greater. The total expenditure incurred during the year in relation to these consultancies is \$174,405 as outlined in the table of consultancies below.

There were zero consultancies during the year with fees of less than \$10,000.

Consultant	Purpose	Total approved project fee (excl. GST)	Expenditure 2020–21 (excl. GST)	Future expenditure (excl. GST)
Aalto Pty Ltd	Asset Management Accountability Framework (AMAF) Support Services	\$30,000	\$13,750	\$16,250
Bureau Veritas Asset Integrity and Reliability Services Australia Pty Ltd	Provision of Asbestos Management Plan	\$20,000	\$18,095	\$1,905
Deloitte Touche Tohmatsu	Review of Operational Funding Model	\$91,560	\$91,560	-
GML Heritage Victoria Pty Ltd trading as Context	Consultation on Traditional Owner and First People's Cultural Values for the Royal Exhibition Building and Carlton Gardens	\$99,026	\$25,469	\$73,557
Northmore Gordon Pty Ltd	Energy Purchasing Strategy	\$14,480	\$14,480	-
Studio Methy Pty Ltd	Exhibition Design Services	\$89,498	\$11,051	\$78,447

Disclosure of major contracts

In 2020–21, there was no major contract that was \$10,000,000 or greater.

DataVic Access Policy

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

Museums Victoria makes more than 1.3 million collection records freely available on the Museums Victoria Collections website (<https://collections.museums victoria.com.au>) and shares data with major national and international data aggregators, including:

- *Trove*, the National Library of Australia's portal, through which we share humanities collections data, with approximately 132,000 item and image records available.
- *Atlas of Living Australia*, through which we share science specimen data, with approximately 981,500 specimen records of which 20,627 have one or more images. More than 32 million individual specimen records have been downloaded between July 2012 and June 2021.
- *DigitalNZ*, through which we share collections data related to New Zealand, with approximately 2,500 items and image records from our collection available.
- *Biodiversity Heritage Library (BHL)*, through which we digitise biodiversity literature from 29 organisations across Australia and make that literature freely accessible online, with over 391,000 pages contributed.

Freedom of information

The *Freedom of Information Act 1982* allows the public a right of access to documents held by Museums Victoria. The purpose of the Act is to extend as far as possible the right of the community to access information held by government departments and agencies, local councils, Ministers and other bodies subject to the Act.

An applicant has a right to apply for access to documents held by a government agency. This comprises documents both created by Museums Victoria or supplied to Museums Victoria by an external organisation or individual, and may also include maps, films, microfiche, photographs, computer printouts, computer discs, tape recordings and videotapes.

The Act allows Museums Victoria to refuse access, either fully or partially, to certain documents or information. Examples of documents that may not be accessed include: cabinet documents; some internal working documents; law enforcement documents; documents covered by legal professional privilege, such as legal advice; personal information about other people; and information provided to Museums Victoria in confidence.

From 1 September 2017, the Act has been amended to reduce the Freedom of Information (FOI) processing time

for requests received from 45 to 30 days. However, when external consultation is required under ss29, 29A, 31, 31A, 33, 34 or 35, the processing time automatically reverts to 45 days. Processing time may also be extended by periods of 30 days, in consultation with the applicant. With the applicant's agreement this may occur any number of times. However, obtaining an applicant's agreement for an extension cannot occur after the expiry of the timeframe for deciding a request.

If an applicant is not satisfied by a decision made by Museums Victoria, under section 49A of the Act, they have the right to seek a review by the Office of the Victorian Information Commissioner (OVIC) within 28 days of receiving a decision letter.

Making a request

Access to documents can also be obtained through a written request to Museums Victoria's Freedom of Information Officer, as detailed in s17 of the Act.

When making an FOI request, applicants should ensure requests are in writing, and clearly identify what types of material/documents are being sought.

Requests for documents in the possession of Museums Victoria should be addressed to:

Freedom of Information Officer
Museums Victoria
GPO Box 666
Melbourne VIC 3001

FOI statistics/timeliness

During 2020–21, Museums Victoria received no Freedom of Information applications.

Further information

Further information regarding the operation and scope of FOI can be obtained from the Act; regulations made under the Act; and <https://ovic.vic.gov.au/freedom-of-information/for-the-public/>

Availability of Additional Information

In compliance with the requirements of the Standing Directions 2018 under the *Financial Management Act 1994*, details in respect of the items listed below have been retained by the Department and are available on request, subject to the provisions of the *Freedom of Information Act 1982*:

- 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 Museums Victoria about the museum, and the places where publications can be obtained

- details of changes in prices, fees, charges, rates and levies charged by Museums Victoria
- details of any major external reviews carried out on Museums Victoria
- details of major research and development activities undertaken by Museums 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 Museums Victoria to develop community awareness of and engagement with 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 Museums Victoria and details of time lost through industrial accidents and disputes
- a list of major committees sponsored by Museums 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.

The information is available on request from:

Freedom of Information Officer

Museums Victoria
GPO Box 66
Melbourne VIC 3001

Gender Equity Action Plan

The *Gender Equality Act 2020* aims to improve workplace gender equality across the Victorian public sector, universities, and local councils. As a defined entity, Museums Victoria has legislative obligations to develop and submit a Gender Equity Action Plan every four years to the Public Sector Gender Equality Commissioner. The first Gender Equity Action Plan is due on 1 December 2021.

Government advertising expenditure

Name of campaign	Campaign	Advertising	Creative and	Research and	Print and	Other	
Start/end date	summary	(media)	campaign	evaluation	collateral	campaign	
		expenditure	expenditure	expenditure	expenditure	costs	Total
		(excl. GST)	(excl. GST)	(excl. GST)	(excl. GST)	(excl. GST)	
Treasures of the Natural World	Touring Hall exhibition	\$102,383.98	\$69,076.83	\$0	\$23,580.90	\$10,000	\$205,041.71
Dec 2019–Apr 2020							
COVID-19 BREAK							
March 21–onwards							

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 2020–21 expenditure.

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

Health and safety incidents

Visitors

	Visitors	Incidents	Incidents per 100 visitors
2020–21	602,423	175	0.0290
2019–20	1,379,323	450	0.0326
2018–19	1,972,786	697	0.0353

Staff

	Staff FTE	Incidents	Incidents per 100 staff members	Lost time standard claims	Lost time standard claims per 100 staff members	Average cost per claim
2020–21	474	64	13.50	2	0.421	\$59,368
2019–20	463	159	34.34	4	0.86	\$5489
2018–19	551	269	48.8	4	0.73	\$77,411

Notes:

The reduction in lost time standard claims is a result of significant improvements in the claims management process and has also been influenced by the impact of COVID-19. The effectiveness of claims management is reflected in Museums Victoria's Employer Performance Rating which has been calculated at 0.500181 meaning the organisation is performing 49.98% better than industry peers. Note: average cost per claim includes payments to 30 June 2021 as well as an estimate on future claims costs.

Information and communication technology expenditure

For the 2020–21 reporting period, Museums Victoria had a total ICT expenditure of \$ 4,704,016 with details shown below.

All operational ICT expenditure	ICT expenditure related to projects to create or enhance ICT capabilities		
Business As Usual (BAU) ICT expenditure \$'000	Non-BAU ICT expenditure \$'000	Operational expenditure \$'000	Capital expenditure \$'000
<i>Total</i>	<i>Total A+B</i>	<i>A</i>	<i>B</i>
4 619	85	0	85

Local Jobs First – Victorian Industry Participation Policy (VIPP)

The *Local Jobs First Act 2003* introduced in August 2018 brings together the Victorian Industry Participation Policy (VIPP) and Major Project Skills Guarantee (MPSG) policy which were previously administered separately.

During 2020–21, Museums Victoria did not commence or complete any Local Jobs First Standard projects.

Museums Board of Victoria Financial Management Compliance Attestation Statement

I Leon Kempler, on behalf of the Museums Board of Victoria, certify that the Museums Board of Victoria has no Material Compliance Deficiency with respect to the applicable Standing Directions under the *Financial Management Act 1994* and Instructions.



Mr Leon Kempler AM

President

Museums Board of Victoria

26 August 2021

Public Interest disclosures

Museums Victoria is committed to the aims and objectives of the *Public Interest Disclosures Act 2012*. Museums Victoria does not tolerate improper conduct by staff or reprisals against those who come forward to disclose such conduct.

Museums 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: www.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 Museums Victoria or its staff are available on the museum website: museums victoria.com.au.

Social Procurement Framework

The Victorian Government has introduced a Social Procurement Framework across all departments and agencies.

Social procurement's main requirement and aim is to use Museums Victoria's (MV) procurement spend to create additional social benefit in the community through several societal-facing initiatives. These initiatives include:

- Employing people from disadvantaged backgrounds by setting targets for employment and training for disadvantaged Victorians (employment of people with a disability; long-term unemployed; disengaged youth; single parents; migrants and refugees; and workers in transition).
- Purchasing from accredited Victorian-based Aboriginal and Torres Strait Islander majority-owned businesses and increased employment of Victorian Aboriginal people.

- Purchasing from Victorian social enterprises and Australian Disability Enterprises (ADE) and increased employment of Victorians with a disability.
- Supporting safe and fair workplaces through procurement from ethically accredited uniform and personal protective equipment (PPE) suppliers.
- Environmentally sustainable outputs through project-specific requirements to use sustainable resources and manage waste and pollution and use recycled content in construction.
- Adopting environmentally sustainable business practices through waste and airborne pollution reduction. Adopting equality and safety practices through the adoption of family violence leave and gender equality support.

MV has recently developed its own social procurement plan for the period 2021–2023. This plan is now in draft form.

The onset of COVID-19 and resultant extensive MV site closures has significantly impacted any increase in social procurement across Museums Victoria. There has been a shift away from expenditure on retail and general operating during COVID-19 lockdowns, which typically includes a large percentage of small businesses, to infrastructure upgrades that use larger companies.

During 2020–21 the following progress was made on social procurement within MV:

- Social procurement principles were included in the revised MV 2021–2023 Procurement Policy and are planned to be further developed in 2021 as part of the revised Procurement Standard Operating Procedures. The 2021–2023 Procurement Policy has been re-written to reflect new Victorian Government Purchasing Board requirements. Social procurement principles have been included in the Draft Museums Victoria First Peoples Strategy and the Draft Museums Victoria Sustainability Plan.
- Following discussions in 2019–20 with MV's First People's Department, Exhibition Development and Retail, initial planning has been completed to identify currently used Victorian-based Aboriginal and Torres Strait Islander owned businesses. This listing has been incorporated into MV's new eProcurement platform, WorkPlace, with a "Social Procurement" supplier category added to help identify Aboriginal and Torres Strait Islander owned businesses and social enterprises.
- Introduction of mandatory requirement to source uniform and personal protective equipment from Australian and New Zealand accredited ethical clothing suppliers. MV has now commenced sourcing staff uniforms from accredited ethical clothing suppliers.
- Audience testing and consultations with MV stakeholders of a new draft Social Procurement Plan for 2021–2023 were undertaken, with further work to follow in the second half of 2021.

Financial overview of operations

Museums Victoria's net result before depreciation was a surplus of \$8.753 million for 2020-21. The net result after depreciation was a deficit of \$24.972 million, which comprises depreciation expense of \$33.725 million and offsetting 'Other economic inflows included in net result' totalling \$0.767 million.

General Operations

The net result (after depreciation) increased from a deficit of \$0.661 million in 2019-20 to a gain of \$8.753 million in 2020-21. This was offset by increase in income (due to government business interruption funding to offset reduced self-generating income) and reduced expenses during the COVID-19 pandemic shutdown. Contributing to this net result were also gains from 'other economic flows included in net result' of \$0.767 million, mainly attributable to a net gain arising from revaluation of long service leave liability and net gain on financial instruments.

Income

Income from transactions increased by \$3.788 million (3%) from \$119.463 million to \$123.251 million, mainly due to increased state government funding from business interruption funding and other income despite reduced self-generating income due to the COVID-19 pandemic lockdowns that amount to 163 days in the 2020-21 year.

Expenses

Expenses from transactions before depreciation decreased by \$4.501 million (4%) from \$119.766 million to \$115.265 million, mainly from lower operating expenses due to the COVID-19 pandemic lockdowns.

Depreciation marginally increased by \$0.228 million (1%).

'Other economic flows included in net result' improved by \$1.125 million due to the net gains in the revaluation of Long Service Leave Liability and financial instruments.

Financial statements

Museums Board of Victoria

Declaration in the Financial Statements

We certify that the attached financial statements for the Museums Board of Victoria have been prepared in accordance with Standing Direction 5.2 of the Assistant Treasurer under the *Financial Management Act 1994*, applicable Financial Reporting Directions, Australian Accounting Standards including interpretations, 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 accompanying notes, presents fairly the financial transactions during the year ended 30 June 2021 and financial position of the Museums Board of Victoria as at 30 June 2021.

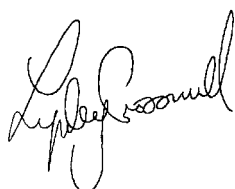
At the date of signing these financial statements, we are not aware of any circumstance which would render any particulars to be misleading or inaccurate.

We authorise the attached financial statements for issue on 26 August 2021.



.....
Ms Linda Bardo Nicholls AO

Treasurer, Museums Board of Victoria



.....
Ms Lynley Crosswell

Chief Executive Officer and Director



.....
Mr Michael O'Leary

Chief Financial Officer and Chief Operating Officer

26 August 2021

.....
Dated

Financial statements table of contents for the financial year ended 30 June 2021

Museums Board of Victoria (Museums Victoria) has presented its audited general-purpose financial statements for the financial year ended 30 June 2021 in the following structure to provide users with the information about Museums Victoria's stewardship of resources entrusted to it.

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Financial statements

Comprehensive operating statement for the financial year ended 30 June 2021

	Notes	2021 \$'000	2020 \$'000
Continuing Operations			
Income from transactions			
Grants	2.2	105,219	92,052
Self-Generated Income	2.3	13,585	25,113
Other Income	2.4	4,447	2,298
Total income from transactions		123,251	119,463
Expenses from transactions			
Employee benefit expenses	3.2	(49,655)	(51,931)
Capital asset charge	3.3	(38,822)	(38,122)
Operating expenses	3.4	(26,788)	(29,713)
Depreciation	4.2	(33,725)	(33,497)
Total expenses from transactions		(148,990)	(153,263)
Net deficit from transactions		(25,739)	(33,800)
Other economic flows included in net result			
Net gain/(loss) on disposal of property, plant and equipment		-	12
Net gain/(loss) arising from revaluation of long service leave liability ⁱ		505	(370)
Net gain/(loss) on financial instrument		262	-
Total other economic flows included in net result		767	(358)
Net result		(24,972)	(34,158)
Other economic flows – other comprehensive income/expenditure			
Items that will not be reclassified to Net result			
Changes in Physical Asset Revaluation Surplus		210,626	-
Changes in Fair Value of Foreign Currency Hedging Contracts	8.2.2	(95)	(54)
Comprehensive result		185,559	(34,212)

i. Revaluation gain/(loss) due to changes in bond rates.

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

Balance sheet as at 30 June 2021

	Notes	2021 \$'000	2020 \$'000
Financial Assets			
Cash and deposits	6.1	21,235	12,367
Receivables	5.1	1,385	1,029
Total Financial Assets		22,620	13,396
Non-Financial Assets			
Property, plant, equipment, exhibitions and collections	4.1	2,001,292	1,823,723
Other non-financial assets	5.4	5,785	4,780
Total Non-Financial Assets		2,007,077	1,828,503
Total Assets		2,029,697	1,841,899
Liabilities			
Payables	5.2	6,718	6,798
Advance from Victorian Government	5.3	7,113	9,487
Leases	6.2.1	1,252	1,652
Employee related provisions	3.2.2	15,004	14,961
Foreign exchange forward contract payable	7.1.2	148	53
Total Liabilities		30,235	32,951
Net Assets		1,999,462	1,808,948
Equity			
Accumulated deficit	8.2.1	(292,731)	(260,130)
Reserves	8.2.2	1,681,823	1,463,208
Contributed capital	8.2.3	610,370	605,870
Net Worth		1,999,462	1,808,948

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

Cash flow statement for the financial year ended 30 June 2021

	Notes	2021 \$'000	2020 \$'000
Cash Flows from Operating Activities			
Receipts			
Receipts from government		105,469	91,922
Receipts from other entities		18,676	30,574
Interest received		68	241
Goods and Services Tax Recovered from the ATO		1,157	1,858
Total Receipts		125,370	124,595
Payments			
Payments to suppliers and employees		(78,303)	(88,747)
Capital asset charge payments		(38,822)	(38,122)
Total Payments		(117,125)	(126,869)
Net Cash Flows Provided by Operating Activities	6.1.1	8,245	(2,274)
Cash Flows from Investing Activities			
Proceeds from sale of non-financial assets		-	61
Purchases of non-financial assets		(1,444)	(13,012)
Net Cash Flows Used in Investing Activities		(1,444)	(12,951)
Cash Flows from Financing Activities			
Finance costs		(223)	(60)
Proceeds of advance from Victorian Government and lease liabilities		1,500	19
Repayments of advance from Victorian Government and lease liabilities		(3,710)	(497)
Capital Contribution Received		4,500	5,500
Net Cash Flows Used in Financing Activities		2,067	4,962
Net Increase/(Decrease) in Cash Held		8,868	(10,263)
Cash and Deposits at the Beginning of the Financial Year		12,367	22,630
Cash and Deposits for the Period Ending 30 June 2021	6.1	21,235	12,367

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

Statement of changes in equity for the financial year ended 30 June 2021

		Accumulated Deficit	Board Reserves	Trust Funds Reserves	Special Purpose Reserves	Physical Asset Revaluation Surplus Reserve	Foreign Currency Hedging Reserve	Contributions by Owner	Total
	Notes	8.2.1	8.2.2	8.2.2	8.2.2	8.2.2	8.2.2	8.2.3	\$'000
Balance at 1 July 2019		(228,953)	2,929	2,579	8,133	1,452,601	1	600,370	1,837,660
Net result for the year		(34,158)	-	-	-	-	-	-	(34,158)
Other Comprehensive income for the year		-	-	-	-	-	(54)	-	(54)
Transfer (to)/from Accumulated Deficit		3,304	(11)	131	(3,424)	-	-	-	-
Transfer (to)/from Reserves		(323)	1,769	(276)	(1,170)	-	-	-	-
Capital contributions		-	-	-	-	-	-	5,500	5,500
Balance at 30 June 2020		(260,130)	4,687	2,434	3,539	1,452,601	(53)	605,870	1,808,948
Change in accounting policy	8.9	455	-	-	-	-	-	-	455
Balance at 1 July 2020 (restated)		(259,675)	4,687	2,434	3,539	1,452,601	(53)	605,870	1,809,403
Net result for the year		(24,972)	-	-	-	-	-	-	(24,972)
Other Comprehensive income for the year		-	-	-	-	210,626	(95)	-	210,531
Transfer (to)/from Accumulated Deficit		(8,084)	2,894	993	4,197	-	-	-	-
Transfer (to)/from Reserves		-	381	(464)	83	-	-	-	-
Capital contributions		-	-	-	-	-	-	4,500	4,500
Balance at 30 June 2021		(292,731)	7,962	2,963	7,819	1,663,227	(148)	610,370	1,999,462

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

Notes to the financial statements

1. About this report

Museums Board of Victoria (Museums Victoria) is a Victorian Government statutory authority of Creative Victoria, a division of the Department of Jobs, Precincts and Regions.

Its principal address is:
Museums Victoria
11 Nicholson Street
Carlton 3053
Victoria, Australia

A description of the nature of Museums Victoria's operations and principal activities is included in the Report of operations, which does not form part of these financial statements.

Basis of Accounting Preparation And Measurement

These financial statements are in Australian dollars and the historical cost convention is used unless a different measurement basis is specifically disclosed in the note associated with the item measured on a different basis.

The accrual basis of accounting has been applied in preparing 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.

Consistent with the requirements of AASB 1004 *Contribution*, contributions by owners (that is, contributed capital and its repayment) are treated as equity transactions and, therefore, do not form part of the income and expenses of Museums Victoria.

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 to or distributions by owners have also been designated as contributions by owners.

Judgements, estimates and assumptions are required to be made about financial information being presented. The significant judgements made in the preparation of these financial statements are disclosed in the notes where amounts affected by those judgements are disclosed. 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.

Revisions to accounting estimates are recognised in the period in which the estimate is revised and also in future periods that are affected by the revision. Judgements and assumptions made by management in applying AAS that have significant effects on the financial statements and estimates are disclosed in the notes under the heading: 'Significant judgement or estimates'.

All amounts in the financial statements have been rounded to the nearest \$1,000 unless otherwise stated.

COVID-19 Impact on Going Concern

The COVID-19 pandemic continues to impact the arts and cultural heritage sectors substantially. The global health crisis and the uncertainty resulting from it profoundly affected organisations' operations and individuals – both employed and independent – across the sector. Arts and culture sector organisations attempted to uphold their (often publicly funded) mission to provide access to cultural heritage to the community; maintain the safety of their employees, collections, and the public; while reacting to the unexpected change in their business model with an unknown end. Museums Victoria has made intensive efforts to provide alternative or additional services through digital platforms, maintain essential activities with minimal resources, document the events themselves through new acquisitions, and simultaneously create many new creative works that had been inspired by the event.

In these highly uncertain times, Museums Victoria's self-generated income has been, and will continue to be, materially impacted given all the organisation's museums were closed for 163 days due to lockdowns in the 2020-21 financial year. There is also much uncertainty around when they will re-open, the risk of further lockdowns, what restrictions will be imposed should they occur, and the public's confidence to return to public gathering places.

Museums Victoria is highly dependent on the government's continued support to provide functions additional to self-generated income. The government, through its Crisis Council of Cabinet, has consistently indicated that the government will ensure public institutions, including Museums Victoria will be supported through the COVID-19 crisis to ensure timely re-opening and full preservation of employment.

The Department of Jobs, Precincts and Regions (DJPR), Creative Victoria (CV) and the Department of Treasury and Finance (DTF) are working closely with Museums Victoria to consider and assess any additional funding requirements.

To provide comfort that funding will be available when needed the Minister for Creative Industries has provided a Letter of Support to the Museums Board of Victoria to give it confidence that it can prepare its Annual Financial Report for 2020-21 on a going concern basis to meet the requirements of Australian accounting standard AASB 101 *Presentation of Financial Statements*. In addition to this letter, Museums Victoria has received other indications from government that funding support will continue for as long as the impacts of the COVID-19 crisis are felt, extending into the 2021-22 and 2022-23 financial years, if necessary. The support requires that Museums Victoria comply with the following conditions agreed to by the Crisis Council of Cabinet:

- All necessary steps must be taken to minimise expenditure, including deferring discretionary internal projects, while maintaining core activities as required to ensure programs and services can rebound once restrictions are lifted;
- The consistent application of the COVID-19 guidance notes and any subsequent policies determined by the Victorian Government;
- Existing sources of funding are drawn down, including uncommitted cash reserves and liquidating tradeable equity investments (unless significantly disadvantageous); and
- Provision of monthly cash flow reports and other information to support the application of these conditions and any future funding requests is provided to DJPR and DTF as requested.

From Museums Victoria's close interactions with government we believe that we will be able to continue to comply with these conditions. Central to this belief is that Museums Victoria has already demonstrated its ability to comply with these conditions resulting in Museums Victoria having received \$15.658 million of business interruption funding in the 2020-21 financial year.

On this basis, the Museums Board of Victoria and management believe funding shortfalls will continue to be addressed by business interruption funding from the government to ensure that Museums Victoria can continue to pay its debts as and when they fall due and that it is appropriate to prepare these financial statements on a going concern basis.

Compliance information

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

Where appropriate, those AASs paragraphs applicable to not-for-profit entities have been applied. Accounting policies selected and applied in these financial statements ensure 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.

2. Funding delivery of our services

Introduction

The objective of Museums Victoria is to enrich the lives of people through wondrous discovery and trusted knowledge. Museums Victoria's role in sharing and exchanging knowledge, experiences, and expertise is critical in helping audiences make sense of this world and fostering a greater understanding of the deep connections we have to each other and our environment.

Museums Victoria meets its objectives through funding from grants, self-generated income (e.g. fees and charges and rent revenue) and other income (e.g. interest income and donations). The grants comprised Victorian government appropriation, capital funding, research and education grants.

Structure

- 2.1 Summary of revenue and income that funds the delivery of our services
- 2.2 Grants
- 2.3 Self-Generated income
- 2.4 Other income

2.1 Summary of revenue and income that funds the delivery of our services

	Notes	2021 \$'000	2020 \$'000
Grants	2.2	105,219	92,052
Self-Generated income	2.3	13,585	25,113
Other income	2.4	4,447	2,298
Total income from transactions		123,251	119,463

Revenue and income that fund delivery of Museums Victoria's services are accounted for consistently with the requirements of the relevant accounting standards disclosed in the following notes.

2.2 Grants

	Notes	2021 \$'000	2020 \$'000
Victorian government grants	2.2.1	104,196	91,551
Commonwealth government grants		540	99
Other grants		483	402
Total grants		105,219	92,052

Grants recognised under AASB 1058

Museums Victoria has determined that the grant income included in the table above under AASB 1058 has been earned under arrangements that are either not enforceable and/or linked to sufficiently specific performance obligations.

Income from grants without any sufficiently specific performance obligations, or that are not enforceable, is recognised when Museums Victoria has an unconditional right to receive cash which usually coincides with receipt of cash. On initial recognition of the asset, Museums Victoria recognises any related contributions by owners, increases in liabilities, decreases in assets, and revenue ('related amounts') in accordance with other Australian Accounting Standards. Related amounts may take the form of:

- contributions by owners, in accordance with AASB 1004;
- revenue or a contract liability arising from a contract with a customer, in accordance with AASB 15;
- a lease liability in accordance with AASB 16;
- a financial instrument, in accordance with AASB 9; or
- a provision, in accordance with AASB 137 *Provisions, Contingent Liabilities and Contingent Assets*.

Grants recognised under AASB 15

Income from grants that are enforceable and with sufficiently specific performance obligations are accounted for as revenue from contracts with customers under AASB 15. Revenue is recognised when Museums Victoria satisfies the performance obligation by providing services and is recognised based on the consideration specified in the funding agreement and to the extent that it is highly probable a significant reversal of the revenue will not occur. The funding payments are normally received in advance or shortly after the relevant obligation is satisfied.

2.2.1 Victorian government grants

Museums Victoria received the following grants from the Victorian Government.

	2021 \$'000	2020 \$'000
Recurrent grant		
Applied to operations	61,438	49,279
Capital Asset Charge	38,822	38,122
Total recurrent grant	100,260	87,401
Capital Funding	456	2,110
Other Grants from Victorian Government Entities	3,480	2,040
Total Victorian Government Grants	104,196	91,551

2.3 Self-Generated income

	2021 \$'000	2020 \$'000
Fees and Charges	7,786	14,833
Sales of Goods and Services	2,531	3,129
Rent Revenue	1,055	3,563
Sponsorship	392	1,470
Memberships	1,083	1,464
Income TAC – Road to Safety Education Complex (Operational)	738	654
Total self-generated income	13,585	25,113

The categories included in the table above are transactions that Museums Victoria has determined to be classified as revenue from contracts with customers in accordance with AASB 15.

Performance obligations and revenue recognition policies

Revenue is measured based on the consideration specified in the contract with the customer. Museum Victoria recognises revenue when it transfers control of a good or service to the customer.

Revenue is recognised when, or as, the performance obligations for the sale of goods and services to the customer are satisfied. Income from the rendering of services is recognised at a point in time when the performance obligation is satisfied when the service is completed; and over time when the customer simultaneously receives and consumes the services as it is provided. Consideration received in advance of recognising the associated revenue from the customer is recorded as a contract liability. Where the performance obligations are satisfied but not yet billed, a contract asset is recorded.

Fees and charges consists of income received from admissions, education and community programs, outreach services and onsite car parking facilities. It is recognised at the time of attendance by visitors paying fees and charges.

Income from sale of goods and services comprise mainly of retail shop sales at Melbourne Museum, Scienceworks and Immigration Museum. It is recognised upon delivery of the goods and services to the customer.

Rental revenue at museum venues is recognised in the month when the event is held.

Membership fees are recognised over the membership period to which it relates.

Sponsorship income represents the cash, goods and services received from sponsorship contracts. Goods and services received free of charge are only recognised when the fair value can be reliably determined and control is obtained over any goods and services provided.

2.4 Other income

	2021 \$'000	2020 \$'000
Donations income	2,906	206
Donated cultural assets at fair value	-	83
Interest from Financial Assets	57	223
Royalties Received	14	18
Miscellaneous Income	1,470	1,768
Total other income	4,447	2,298

Donations income is recognised on receipt.

Donated cultural assets are recognised when the gift is accepted by Museums Victoria and control of the asset or right to receive the asset exists. The donated cultural assets are recorded at fair value, which is determined either by independent valuations or by curatorial or other assessment by Museums Victoria.

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

Miscellaneous income consists mainly of recoveries of event costs and trust income. All other income for provision of goods and services is recognised when received or receivable.

Voluntary Services: Contributions in the form of services are only recognised when a fair value can be reliably determined and the services would have been purchased if not donated. Museums Victoria does not recognise volunteer services due to lack of reliable measurements.

3. The cost of delivering services

Introduction

This section provides an account of the expenses incurred by Museums Victoria in delivering its objectives. In Section 2, the funds that enable the provision of services were disclosed and in this note the cost associated with the provision of services are recorded.

Structure

- 3.1 Expenses incurred in delivery of services
- 3.2 Employee benefit expenses
- 3.3 Capital asset charge
- 3.4 Operating expenses

3.1 Expenses incurred in delivery of services

	Notes	2021 \$'000	2020 \$'000
Employee benefit expenses	3.2	49,655	51,931
Capital asset charge	3.3	38,822	38,122
Operating expenses	3.4	26,788	29,713
Total expenses from transactions		115,265	119,766

3.2 Employee benefit expenses

3.2.1 Employee benefits in the comprehensive operating statement

	2021 \$'000	2020 \$'000
Salaries and wages, annual leave and long service leave	45,702	47,276
Defined contribution superannuation expense	3,624	3,821
Defined benefit superannuation expense	329	333
Termination benefits	-	501
Total employee expenses	49,655	51,931

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

The amount recognised in the Comprehensive Operating Statement in relation to superannuation is employer contributions for members of both defined benefit and defined contribution superannuation plans that are paid or payable during the reporting period. Museums Victoria does not recognise any defined benefit liabilities because it has no legal or constructive obligation to pay future benefits relating to its employees. Instead, the Department of Treasury and Finance (DTF) discloses in its annual financial statements the net defined benefit cost related to the members of these plans as an administered liability (on behalf of the State as the sponsoring employer).

Termination benefits are payable when employment is terminated before normal retirement date, or when an employee accepts an offer of benefits in exchange for the termination of employment. Termination benefits are recognised when Museums Victoria is demonstrably committed to terminating the employment of current employees according to a detailed formal plan without the possibility of withdrawal or providing termination benefits as a result of an offer made to encourage voluntary redundancy.

3.2.2 Employee benefits in the balance sheet

Provision is made for benefits accruing to employees in respect of wages and salaries, annual leave and long service leave (LSL) for services rendered to the reporting date and recorded as an expense during the period the services are delivered.

	2021 \$'000	2020 \$'000
Current provisions:		
Annual leave		
Unconditional and expected to be settled within 12 months ⁱ	1,910	1,814
Unconditional and expected to be settled after 12 months ⁱⁱ	1,974	1,651
Long service leave		
Unconditional and expected to be settled within 12 months ⁱ	565	530
Unconditional and expected to be settled after 12 months ⁱⁱ	7,528	7,782
Provisions for on-costs		
Unconditional and expected to be settled within 12 months ⁱ	705	637
Unconditional and expected to be settled after 12 months ⁱⁱ	1,167	1,225
Total current provisions for employee benefits	13,849	13,639
Non-current provisions:		
Employee benefits ⁱⁱ	1,000	1,142
On-costs ⁱⁱ	155	180
Total non-current provisions for employee benefits	1,155	1,322
Total provisions for employee benefits	15,004	14,961

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

ii. The amounts disclosed are discounted using bond rate to present values.

Reconciliation of movement in on-cost provision

	2021 \$'000	2020 \$'000
Opening balance	2,042	1,786
Additional provisions recognised	53	206
Unwind of discount and effect of changes in the discount rate	(68)	50
Closing balance	2,027	2,042
Current	1,872	1,862
Non-current	155	180
Total on-cost	2,027	2,042

Wages and salaries, annual leave and sick leave: Liabilities for wages and salaries (including non-monetary benefits, annual leave and on-costs) are recognised as part of the employee benefit provision as current liabilities, because Museums Victoria does not have an unconditional right to defer settlements of these liabilities.

The liability for salaries and wages is recognised in the balance sheet at remuneration rates which are current at the reporting date. As Museums Victoria expects the liabilities to be wholly settled within 12 months of reporting date, they are measured at undiscounted amounts.

All annual leave liability is classified as a current liability since Museums Victoria does not have a conditional right to defer the settlement of the entitlement.

No provision has been made for sick leave as all sick leave is non-vesting and it is not considered probable that the average sick leave taken in the future will be greater than the benefits accrued in the future. As sick leave is non-vesting, an expense is recognised in the Statement of Comprehensive Income as it is taken.

Employment on-costs such as payroll tax, workers compensation and superannuation are not employee benefits. They are disclosed separately as a component of the provision for employee benefits when the employment to which they relate has occurred.

Unconditional LSL is disclosed as a current liability even where Museums Victoria does not expect to settle the liability within 12 months because it will not have the unconditional right to defer the settlement of the entitlement should an employee take leave within 12 months.

The components of this current LSL liability are measured at:

- undiscounted value – if Museums Victoria expects to wholly settle within 12 months; or
- present value which has been discounted using bond rate – if Museums Victoria does not expect to wholly settle within 12 months.

Conditional LSL 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. This non-current LSL is measured at present value which has been discounted using bond rate.

Any gain or loss following revaluation of the present value of non-current LSL liability is recognised as a transaction, except to the extent that a gain or loss arises due to changes in bond interest rates for which it is then recognised as an 'other economic flow' in the net result.

3.2.3 Superannuation contributions

Museums Victoria is required to recognise all superannuation payments as expenses in its comprehensive operating statement. The Department of Treasury and Finance recognises the aggregate unfunded superannuation liability relating to employing entities in its financial statements of 30 June 2021 as the Victorian Government has assumed responsibility for this liability.

Below are the major employee superannuation funds and contributions paid or payable by Museums Victoria. The total amount of superannuation excludes amounts paid under salary sacrifice arrangements.

	Paid contribution for the year		Contribution outstanding at year end	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
State Superannuation Fund (VicSuper Scheme)	2,219	2,369	-	-
State Superannuation Fund (Revised Scheme & New)	329	333	-	-
Other funds	1,405	1,452	-	-
Total	3,953	4,154	-	-

3.3 Capital asset charge

The capital asset charge represents the opportunity cost of capital invested in the non-current physical assets, used in the delivery of service. The charge is calculated on the budgeted carrying amount of applicable property, plant and equipment assets.

3.4 Operating expenses

	2021 \$'000	2020 \$'000
Cost of Goods Sold	852	1,534
Finance Costs	223	60
Facilities Expenses	13,584	12,630
Consumables and Corporate Expenses	6,998	8,093
Contractors and Exhibitions	3,633	5,250
Marketing and Promotion	1,458	2,095
Collections Management	40	51
Total operating expenses	26,788	29,713

Operating expenses generally represent the day-to-day running costs incurred in normal operations. Operating expenses are recognised as an expense in the reporting period in which they are incurred.

Cost of Goods Sold is the cost of retail shop inventory sold in the reporting period. 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.

Contractors and Exhibitions expenses consist mainly of film royalties, exhibition fees and construction costs.

Marketing and promotion is expenditure incurred on advertising, public relations and market research.

4. Key assets available to support service delivery

Introduction

Museums Victoria controls assets that are utilised in fulfilling its objectives and conducting its activities. They represent the resources that have been entrusted to Museums Victoria to be utilised for the delivery of services.

Where the assets included in this section are carried at fair value, additional information is disclosed in Note 7.3 in connection with how those fair values were determined.

Structure

4.1 Total property, plant, equipment, exhibitions and collections

4.2 Depreciation

4.1 Total property, plant, equipment, exhibitions and collections

	Gross carrying amount		Accumulated depreciation		Net carrying amount	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Land at fair value	518,650	517,242	-	-	518,650	517,242
Buildings at fair value	555,906	582,212	-	(29,639)	555,906	552,573
Plant, equipment and vehicles at fair value	34,810	33,257	(28,177)	(26,868)	6,633	6,389
Exhibitions at fair value	83,890	82,106	(78,907)	(76,305)	4,983	5,801
Work in progress at cost	21,332	24,002	-	-	21,332	24,002
Collections at fair value ⁱ	893,788	718,116	-	(400)	893,788	717,716
Net carrying amount	2,108,376	1,956,935	(107,084)	(133,212)	2,001,292	1,823,723

i. Depreciation of collections is for Library (non-rare) assets.

The following tables are subsets of buildings, and, plant and equipment by right-of-use assets.

4.1 Total right-of-use assets: plant, equipment and vehicles

	Gross carrying amount	Accumulated depreciation	Net carrying amount	Gross carrying amount	Accumulated depreciation	Net carrying amount
	2021 \$'000	2021 \$'000	2021 \$'000	2020 \$'000	2020 \$'000	2020 \$'000
Plant, equipment and vehicles	2,454	1,228	1,226	2,301	672	1,629
Net carrying amount	2,454	1,228	1,226	2,301	672	1,629

Plant, equipment and vehicles at fair value \$'000	
Opening balance – 1 July 2020	1,629
Additions	153
Depreciation	(556)
Closing balance – 30 June 2021	1,226

	Plant, equipment and vehicles at fair value \$'000
Opening balance – 1 July 2019ⁱ	2,139
Additions	19
Disposals	(11)
Depreciation	(518)
Closing balance – 30 June 2020	1,629

i. This balance represents the initial recognition of right-of-use assets recorded on the balance sheet on 1 July 2019 along with the transfer from finance lease assets (recognised under AASB 117 at 30 June 2019) to right-of-use assets (recognised under AASB 16 at 1 July 2019).

Initial recognition

All non-current physical assets are recognised initially at cost and subsequently measured at fair value less accumulated depreciation. Where an asset is received for no or nominal consideration, the cost is the asset's fair value at the date of acquisition. Full revaluations are made with sufficient regularity to ensure the carrying amount does not differ materially from its fair value. FRD 103I Non-financial physical assets determines the revaluation cycle to occur every five years.

Non-specialised land

Non-specialised land is valued using the market approach, whereby assets are compared to recent comparable sales or sales of comparable assets that are considered to have nominal value.

Specialised land

The market approach is also used for specialised land, although it is adjusted for the community service obligation (CSO) to reflect the specialised nature of the land being valued.

The CSO is an allowance made to reflect the difference between unrestricted freehold land and land held by the public sector which is affected due to political, social and economic restraints. This arises because the land is crown land and in a public zone. The CSO adjustment reflects the valuer's assessment of the impact of restrictions associated with the land.

Buildings

Buildings are valued using a current replacement cost method adjusted for the associated depreciations.

Plant, equipment and exhibitions

Items of plant, equipment and exhibitions, are measured initially at cost and subsequently revalued at fair value less accumulated depreciation. The fair value of plant, equipment and exhibitions is determined by reference to the asset's current replacement cost. For plant, equipment and exhibitions existing depreciated historical cost is generally a reasonable proxy for current replacement cost because of the short lives of the assets concerned.

Collections

Collections are valued based on an independent valuer's comprehensive valuation report (using the market and cost of recollection approach).

4.1.1 Reconciliation of movements in carrying amount of property, plant, equipment, exhibitions and collections

	Land	Buildings	Plant, Equipment & Vehicles	Exhibitions	WIP	Collections	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
2021							
Opening balance	517,242	552,573	6,389	5,801	24,002	717,716	1,823,723
Additions	-	-	358	-	1,240	-	1,598
Asset revaluation	1,408	32,985	-	-	-	176,233	210,626
Transfers	-	-	1,196	1,784	(3,910)	-	(930)
Depreciation	-	(29,652)	(1,310)	(2,602)	-	(161)	(33,725)
Closing balance	518,650	555,906	6,633	4,983	21,332	893,788	2,001,292
2020							
Opening balance	517,242	581,984	5,588	7,717	12,643	717,467	1,842,641
Recognition of right-of-use assets on initial application of AASB 16	-	-	1,617	-	-	-	1,617
Adjusted balance at 1 July 2019	517,242	581,984	7,205	7,717	12,643	717,467	1,844,258
Additions	-	-	320	467	11,837	387	13,011
Diosposals	-	-	(12)	-	-	(37)	(49)
Transfers	-	227	251	-	(478)	-	-
Depreciation	-	(29,638)	(1,375)	(2,383)	-	(101)	(33,497)
Closing balance	517,242	552,573	6,389	5,801	24,002	717,716	1,823,723

4.2 Depreciation

	2021 \$'000	2020 \$'000
Buildings	29,652	29,638
Plant, Equipment & Motor Vehicles	1,310	1,375
Exhibitions	2,602	2,383
Collections-Library (non-Rare)	161	101
Total depreciation	33,725	33,497

All buildings, plant and equipment and other non-financial physical assets that have finite useful lives, are depreciated. The exceptions to this rule include land and collections including library rare and high value books.

Depreciation is generally calculated on a straight-line basis, at rates that allocate the asset's value, less any estimated residual value, over its estimated useful life as determined by management. Typical estimated useful lives for the different asset classes for current and prior years are included in the table below:

Asset	Useful life (years)
Buildings	6 to 34
Plant, Equipment & Motor Vehicles	1 to 20
Exhibitions	1 to 5
Collections-Library (non-Rare)	50

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term. Where Museums Victoria obtains ownership of the underlying leased asset or if the cost of the right-of-use asset reflects that the Museums Victoria will exercise a purchase option, Museums Victoria depreciates the right-of-use asset over its useful life.

Indefinite life assets: Land and Collections including library rare and high value books which are considered to have an indefinite life are not depreciated. Depreciation is not recognised in respect of these assets because their service potential has not, in any material sense, been consumed during the reporting period.

The recoverable amount for most assets is measured at the higher of depreciated replacement cost and fair value less costs to sell. Recoverable amount for assets held primarily to generate net cash inflows is measured at the higher of the present value of future cash flows expected to be obtained from the asset and fair value less costs to sell.

5. Other assets and liabilities

Introduction

This section sets out those assets and liabilities that arose from Museums Victoria's controlled operations.

Structure

- 5.1 Receivables
- 5.2 Payables
- 5.3 Advance from Victorian Government
- 5.4 Other non-financial assets

5.1 Receivables

	2021 \$'000	2020 \$'000
Contractual		
Debtors	1,058	714
Allowance for impairment losses of contractual receivables	(21)	(22)
Interest receivable	-	11
Statutory		
GST input tax credit recoverable	348	326
Total receivables	1,385	1,029
<i>Represented by:</i>		
Current receivables	1,385	1,029

Contractual receivables are classified as financial instruments and categorised as ‘financial assets at amortised costs’. They are initially recognised at fair value plus any directly attributable transaction costs. Museums Victoria holds the contractual receivables to collect the contractual cash flows and therefore subsequently measured at amortised cost using the effective interest method, less any impairment.

Statutory receivables do not arise from contracts and are recognised and measured similarly to contractual receivables (except for impairment), but are not classified as financial instruments. Museums Victoria applies AASB 9 for initial measurement of the statutory receivables and as a result statutory receivables are initially recognised at fair value plus any directly attributable transaction cost.

Details about Museum Victoria’s impairment policies, the Museum Victoria’s exposure to credit risk, and the calculation of the loss allowance are set out in Note 7.1.1.

5.2 Payables

	2021 \$'000	2020 \$'000
Contractual		
Trade Creditors	364	710
Other Payables	3,047	2,598
Unearned Income	1,962	1,510
Accrued Salaries	729	1,482
Statutory		
Payroll Tax	303	190
Car Park Levy	313	308
Total payables	6,718	6,798
<i>Represented by:</i>		
Current payables	6,718	6,798

Payables consist of:

Contractual payables are classified as financial instruments and measured at amortised cost. They represent liabilities for goods and services provided to Museums Victoria prior to the end of the financial year and which are unpaid. These amounts are unsecured and usually paid within 30 days following the month of recognition.

Contractual payables consist of trade creditors, unearned income, accrued salaries and other payables. Unearned income is made up of Royal Exhibition Building events income and the deferral of membership income.

Statutory payables are recognised and measured similarly to contractual payables. However, these statutory obligations are not classified as financial instruments and are not included in the category of financial liabilities because they do not arise from contracts.

Maturity analysis of contractual payables

	Carrying amount \$'000	Nominal amount \$'000	Maturity dates			
			Less than 1 month \$'000	1-3 months \$'000	3 months- 1 year \$'000	1-5 years \$'000
2021						
Trade Creditors	364	364	148	8	14	-
Other Payables	3,047	3,047	-	-	-	-
Unearned Income	1,962	1,962	-	-	-	-
Accrued Salaries	729	729	-	-	-	-
Total	6,102	6,102	148	8	14	-
2020						
Trade Creditors	710	584	51	19	56	-
Other Payables	2,598	2,598	-	-	-	-
Unearned Income	1,510	1,510	-	-	-	-
Accrued Salaries	1,482	1,482	-	-	-	-
Total	6,300	6,174	51	19	56	-

5.3 Advance from Victorian Government

	2021 \$'000	2020 \$'000
Advance from Victorian Government	7,113	9,487
Represented by:		
Current advance	1,570	3,236
Non-current advance	5,543	6,251

These are unsecured loans which bear no interest. The term of a loan is generally agreed by the Minister at the time the advance was provided.

Creative Victoria provided an advance for the Energy Management Program (EMP) to reduce utility costs and carbon emissions (\$6.251 million remaining). The portion of EMP advance that is not payable in the next financial year has been reflected as a non-current advance above.

Department of Treasury and Finance provided an advance of \$1.500m to acquire the Triceratops fossil. \$0.100 million was repaid in the 2021 financial year.

The advance has been valued according to AASB 1058 Income of Not-for-Profit Entities, where the value is recognised at present value using the effective interest method, with the difference recognised as a gain on receipt of an interest-free loan. The gain is recognised in the Comprehensive Operating Statement. The interest rate used in determining the present value of the advance is the TCV yield rate as at 30 June 2021.

Details about the impact on accounting for concessionary loans are set out in Note 8.9.

5.4 Other non-financial assets

	2021 \$'000	2020 \$'000
Current other assets		
Inventories	818	976
Prepayments	4,967	3,804
Total other non-financial assets	5,785	4,780

Inventories include goods and other property held either for sale or for distribution at zero or nominal cost in the ordinary course of business operations. Inventories are measured at the lower of cost and net realisable value.

Prepayments represent payments in advance of receipt of goods or services or that part of expenditure made in one accounting period covering a term extending beyond that period. The current year includes an acquisition of a significant Collections Asset.

6. How we financed our operations

Introduction

This section provides information on sources of finance used by Museums Victoria during its operations.

Structure

- 6.1 Cash and deposits
- 6.2 Leases
- 6.3 Commitments for expenditure

6.1 Cash and deposits

	2021 \$'000	2020 \$'000
Cash at call deposits	20,780	9,289
Cash	455	3,078
Total cash and deposits	21,235	12,367

Cash and deposits, including cash equivalents, comprise cash on hand, cash at bank and at call accounts. They are held for the purpose of meeting short-term cash commitments rather than for investment purposes, and are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value.

6.1.1 Reconciliation of net result for the period to cash flow from operating activities

	2021 \$'000	2020 \$'000
Net result for the year	(24,972)	(34,158)
Non-cash movements		
Loss /(Gain) on sale of non-financial assets	-	(12)
Loss/(Gain) arising from revaluation of long service leave liability	(506)	370
Depreciation expense	33,725	33,497
Other non-cash movements	668	-
Movements included in financing activities		
Finance costs	223	60
Movement in assets and liabilities		
Decrease/(Increase) in receivables	(356)	1,270
Decrease/(Increase) in other non-financial assets	(1,005)	(1,961)
Increase/(Decrease) in payables	(80)	(2,769)
Increase/(Decrease) in employee related provisions	548	1,429
Net cash flows from/(used in) operating activities	8,245	(2,274)

6.2 Leases

6.2.1 Leases

Information about leases for which Museums Victoria is a lessee is presented below.

Museums Victoria leasing activities

Museums Victoria leases various equipment and motor vehicles. The lease contracts are typically made for fixed periods of 3-5 years, with an option to renew the lease after that date.

6.2.1 Right-of-use Assets

Leases of IT equipment that are under \$10,000 are considered low-value items. Museums Victoria has elected not to recognise right-of-use assets and lease liabilities for these leases.

6.2.2 Amounts recognised in the Comprehensive Operating Statement

The following amounts are recognised in the Comprehensive Operating Statement relating to leases:

	2021 \$'000	2020 \$'000
Interest expense on lease liabilities	44	60
Expenses relating to leases of low-value assets	546	663
Total amount recognised in the Comprehensive Operating Statement	590	723

6.2.3 Amounts recognised in the Statement of Cashflows

The following amounts are recognised in the Statement of Cashflows for the year ending 30 June 2021 relating to leases:

	2021 \$'000	2020 \$'000
Total cash outflow for leases	465	428

	Minimum future lease payments		Present value of minimum future lease payments	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Leases				
Leases are payable as follows:				
Not longer than 1 year	628	635	603	595
Longer than 1 year but not longer than 5 years	659	1,091	649	1,057
Minimum lease payments	1,287	1,726	1,252	1,652
Less future finance charges	(35)	(74)	-	-
Present value of minimum lease payments	1,252	1,652	1,252	1,652
Represented by:				
Current lease liabilities			603	595
Non-current lease liabilities			649	1,057
Total Lease Liabilities			1,252	1,652

Finance leases relate to motor vehicles leased from Department of Treasury and Finance and various IT equipment leases.

6.3 Commitments for expenditure

Commitments for future expenditure include operating and capital commitments arising from contracts. These commitments are recorded below at their nominal value and inclusive of GST. Where it is considered appropriate and provides additional relevant information to users, the net present values of significant individual projects are stated. These future expenditures cease to be disclosed as commitments once the related liabilities are recognised in the balance sheet.

6.3.1 Total commitments payable

	Less than 1 year \$'000	1-5 years \$'000	5+ years \$'000	Total \$'000
Nominal amounts 2021				
Capital expenditure commitments	2,266	-	-	2,266
Low value and short term lease commitments	397	240	-	637
Operating expenditure commitments	3,431	63	-	3,494
Total commitments (inclusive of GST)	6,094	303	-	6,397
Less GST recoverable				639
Total commitments (exclusive of GST)				5,758

	Less than 1 year \$'000	1-5 years \$'000	5+ years \$'000	Total \$'000
Nominal amounts 2020				
Capital expenditure commitments	2,348	296	-	2,644
Low value and short term lease commitments	454	510	-	964
Operating expenditure commitments	6,286	3,547	-	9,833
Total commitments (inclusive of GST)	9,088	4,353	-	13,441
Less GST recoverable				1,344
Total commitments (exclusive of GST)				12,097

Commitments decreased mainly due to lower operating expenditure commitments from short term variation to large contracts, including MSS Security and Origin Energy from the COVID-19 lockdown uncertainty, and reduction to works completed on Ticketing, Essential Safety Maintenance and Temporary Exhibitions.

7. Risks, contingencies and valuation judgements

Introduction

Museums Victoria is exposed to risk from its activities and outside factors. As a result, it is often necessary to make judgements and estimates associated with recognising and measuring items in the financial statements. This section sets out financial instrument-specific information (including exposures to financial risks) and those items that are contingent in nature or require a higher level of judgement to be applied, which for Museums Victoria related mainly to fair value determination.

Structure

- 7.1 Financial instruments specific disclosures
- 7.2 Contingent assets and contingent liabilities
- 7.3 Fair value determination and impairment

7.1 Financial instruments specific disclosures

7.1.1 Financial risk management objectives and policies

As a whole, Museums Victoria's financial risk management program seeks to manage financial risks and the associated volatility of its financial performance.

The main purpose of holding financial instruments is to prudentially manage Museums Victoria's financial risks within the government policy parameters.

Museums Victoria's main financial risks include credit risk, liquidity risk, interest rate risk and foreign currency risk. Museums Victoria manages these financial risks in accordance with its Financial Management and Risk policies.

Cash investments are governed by an investment policy approved by the Board of Museums Victoria. The policy restricts investment to only the Central Banking System(CBS) At Call Account with the Westpac Bank.

Categories of financial assets

Financial assets at amortised cost

Financial assets are measured at amortised costs if both of the following criteria are met and the assets are not designated as fair value through net result:

- the assets are held by Museums Victoria to collect the contractual cash flows, and
- the assets' contractual terms give rise to cash flows that are solely payments of principal and interests.

These assets are initially recognised at fair value plus any directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method less any impairment.

Museums Victoria recognises the following assets in this category:

- cash and deposits; and
- receivables (excluding statutory receivables).

Categories of financial liabilities

Financial liabilities at amortised cost are initially recognised on the date they are originated. They are initially measured at fair value plus any directly attributable transaction costs. After initial recognition, these financial instruments are measured at amortised cost with any difference between the initially recognised amount and the redemption value being recognised in profit and loss over the period of the interest-bearing liability, using the effective interest rate method.

Museums Victoria recognises the following liabilities in this category:

- payables (excluding statutory payables); and
- borrowings (including lease liabilities).

7.1.2 Financial instruments: Categorisation

	\$'000			
2021	Financial assets / liabilities measured at fair value through other comprehensive income	Financial assets at amortised cost	Financial liabilities at amortised cost	Total
Contractual financial assets				
Cash and deposits	-	21,235	-	21,235
<i>Receivablesⁱ</i>				
Sale of goods and services	-	1,058	-	1,058
Total contractual financial assets	-	22,293	-	22,293
Contractual financial liabilities				
<i>Payablesⁱ</i>				
Supplies and services	-	-	3,411	3,411
Advance from Victorian Government	-	-	7,113	7,113
Lease liabilities	-	-	1,252	1,252
Foreign exchange forward contract used for hedging	148	-	-	148
Total contractual financial liabilities	148	-	11,776	11,924

\$'000

2020	Financial assets / liabilities measured at fair value through other comprehensive income	Financial assets at amortised cost	Financial liabilities at amortised cost	Total
Contractual financial assets				
Cash and deposits	-	12,367	-	12,367
<i>Receivablesⁱ:</i>				
Sale of goods and services	-	725	-	725
Total contractual financial assets	-	13,092	-	13,092
Contractual financial liabilities				
<i>Payablesⁱ:</i>				
Supplies and services	-	-	3,308	3,308
Advance from Victorian Government	-	-	9,487	9,487
Leases liabilities	-	-	1,652	1,652
Foreign exchange forward contract used for hedging	53	-	-	53
Total contractual financial liabilities	53	-	14,447	14,500

i. Receivables & Payables excludes statutory receivables & payables.

7.1.3 Financial Risk: Credit risk

Credit risk refers to the possibility that a borrower will default on its financial obligations as and when they fall due. Museums Victoria's exposure to credit risk arises from the potential default of a counter party on their contractual obligations resulting in financial loss to Museums Victoria. Credit risk is measured at fair value and is monitored regularly.

The maximum exposure to credit risk on financial assets recognised on the Balance Sheet is the carrying amount, net of any provisions for doubtful debts. Currently, Museums Victoria does not hold any collateral as security or credit enhancements relating to its financial assets.

Museums Victoria follows a process of reviewing all trade debtors during the year to identify doubtful debts or other possible impairments. Provision of impairment for contractual financial assets is recognised when there is objective evidence that Museums Victoria will not be able to collect a receivable. Objective evidence includes financial difficulties of the debtor, default payments, debts that are more than 60 days overdue, and changes in debtor credit ratings.

Contract financial assets are written off against the carrying amount when there is no reasonable expectation of recovery. Bad debt written off by mutual consent is classified as a transaction expense. Bad debt written off following a unilateral decision is recognised as other economic flows in the net result.

Except as otherwise detailed in the following table, the carrying amount of contractual financial assets recorded in the financial statements, net of any allowances for losses, represents Museums Victoria's maximum exposure to credit risk. There has been no material change to Museums Victoria's credit risk profile in 2020-21.

Credit quality of financial assets
\$'000

2021	Government agencies (A-1+ credit rating)	Financial institution (A-1+ credit rating)	Not rated	Total
Financial assets with loss allowance measured at 12-month expected credit loss				
Cash and deposits	-	21,227	8	21,235
Statutory receivables (with no impairment loss recognised)	348	-	-	348
Financial assets with loss allowance measured at lifetime expected credit loss				
Contractual receivables applying the simplified approach for impairment	-	-	1,058	1,058
Total contractual financial assets	348	21,227	1,066	22,641

Credit quality of financial assets
\$'000

2020	Government agencies (A-1+ credit ratings)	Financial institution (A-1+ credit ratings)	Not rated	Total
Contractual financial assets				
Financial assets with loss allowance measured at 12-month expected credit loss				
Cash and deposits	-	12,308	59	12,367
Statutory receivables (with no impairment loss recognised)	326	-	-	326
Financial assets with loss allowance measured at lifetime expected credit loss				
Contractual receivables applying the simplified approach for impairment	-	-	725	725
Total contractual financial assets	326	12,308	784	13,418

Impairment of financial assets under AASB 9

Museums Victoria records the allowance for expected credit loss for the relevant financial instruments, applying AASB 9's Expected Credit Loss approach. Subject to AASB 9 impairment assessment include the Museums Victoria's contractual receivables and statutory receivables.

Contractual receivables at amortised cost

Museums Victoria applies AASB 9 simplified approach for all contractual receivables to measure expected credit losses using a lifetime expected loss allowance based on the assumptions about the risk of default and expected loss rates. Museums Victoria has grouped contractual receivables on shared credit risk characteristics and days past due and select the expected credit loss rate based on Museum Victoria's history, existing market conditions, as well as forward-looking estimates at the end of the financial year.

On this basis, Museums Victoria determines the opening loss allowance on initial application date of AASB 9 and the closing loss allowance at end of the financial year as follows:

						\$'000
30 June 2021	Current	Less than 1 month	1-3 months	3 months-1 year	1 year-5 years	Total
Expected loss rate	0%	1%	5%	10%	100%	
Gross carrying amount of contractual receivables	925	48	41	28	16	1,058
Loss allowance	-	-	2	3	16	21

1 July 2020	Current	Less than 1 month	1-3 months	3 months-1 year	1 year-5 years	Total
Expected loss rate	0%	1%	5%	10%	100%	
Gross carrying amount of contractual receivables	465	104	107	25	13	714
Loss allowance	-	1	5	3	13	22

	2021 \$'000	2020 \$'000
Balance at beginning of the year	(22)	(28)
Opening Loss Allowance	(22)	(28)
Increase in provision recognised in the net result	1	-
Reversal of unused provision recognised in the net result	-	6
Balance at end of the year	(21)	(22)

Credit loss allowance is classified as other economic flows in the net result. Contractual receivables are written off when there is no reasonable expectation of recovery, and impairment losses are classified as a transaction expense. Subsequent recoveries of amounts previously written off are credited against the same line item.

In prior years, a provision for doubtful debts is recognised when there is objective evidence that the debts may not be collected and bad debts are written off when identified. A provision is made for estimated irrecoverable amounts from the sale of goods when there is objective evidence that an individual receivable is impaired. Bad debts are considered as written off by mutual consent.

Statutory receivables at amortised cost

Museums Victoria's non-contractual receivables arising from statutory requirements are not financial instruments. However, they are nevertheless recognised and measured in accordance with AASB 9 requirements as if those receivables are financial instruments.

7.1.4 Financial Risk: Market risk

Museums Victoria's exposure to market risk is primarily through exposure to foreign currency. Objectives, policies and processes used to manage each of these risks are disclosed in the paragraphs below.

Foreign currency risk

All foreign currency transactions during the financial year are brought to account using the exchange rate in effect at the transaction date. Foreign monetary items existing at the end of the reporting period are translated at the closing rate at end of the reporting period.

Museums Victoria's exposure to foreign currency risk is mainly through its purchases of supplies and consumables from overseas. Museums Victoria has a limited amount of transactions denominated in foreign currencies, and there is a relatively short timeframe between commitment and settlement. Therefore the risk is minimal.

Where goods and services purchased from overseas suppliers, which are denominated in foreign currency and are over of the equivalent of \$AUD 300,000 and have a clear commitment in terms of the timing and amount of the obligations, Museums Victoria will enter into foreign exchange forward contracts to hedge exposure to exchange rate movements. All hedging is contracted with the Treasury Corporation of Victoria (TCV).

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

7.2 Contingent assets and contingent liabilities

Contingent assets and contingent liabilities are not recognised in the balance sheet but are disclosed, and if quantifiable, are measured at nominal value.

Contingent assets

Museums Victoria is not aware of any quantifiable or non-quantifiable contingent assets in financial year 2020–21 (2020: Nil).

Contingent liabilities

	2021 \$'000	2020 \$'000
Quantifiable contingent liabilities		
Retrospective payment for employee benefit entitlements ⁱ	-	214
Total Contingent liabilities	-	214

- i. In 2019-20, Museums Victoria was awaiting a decision to process a payment in retrospect (backpay) to all employees covered under the Museums Victoria Staff Partnership Agreement 2020 for all employee benefit entitlements from 30 March 2020. The decision was pending the successful conclusion of the Museums Victoria Staff Partnership Agreement 2020. This contingent amount was at that time estimated at \$0.2 million. In the 2021 financial year, Museums Victoria has accrued for this retrospect (backpay) to all employees as a liability.

7.3 Fair value determination and impairment

Fair value determination requires judgement and the use of assumptions. This section sets out information on how Museums Victoria determined fair value for financial reporting purposes. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The following assets and liabilities are carried at fair value:

- financial assets and liabilities at fair value through operating results; and
- land, buildings, plant and equipment, exhibitions and collections.

Museums Victoria determines the policies and procedures for determining fair values for both financial and non-financial assets and liabilities as required.

Fair value hierarchy

In determining fair values a number of inputs are used. To increase consistency and comparability in the financial statements, these inputs are categorised into three levels, also known as the fair value hierarchy. The levels are as follows:

- 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.

Museums Victoria determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

How this section is structured

For those assets and liabilities for which fair values are determined, the following disclosures are provided:

7.3.1 Fair value determination of financial assets and liabilities

7.3.2 Fair value determination of non-financial physical assets

7.3.1 Fair value determination of financial assets and liabilities

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 inputs. (Unobservable inputs are inputs used in fair value accounting for which there is no market information available, which instead use the best information available for pricing assets or liabilities. An unobservable input may include reporting Museum Victoria's own data, adjusted for other reasonably available information).

Museums Victoria currently holds a range of financial instruments recorded in the financial statements where the carrying amounts are at fair value, either due to their short-term nature or the expectation that they will be paid in full by the end of the 2020-21 reporting period.

These financial instruments include:

Financial assets

Cash and deposits
Receivables

Financial liabilities

Payables
Advance from Victorian Government
Leases
Foreign exchange forward contract payable

Financial assets and liabilities measured at fair value
\$'000

	Carrying amount as at 30 Jun 21	Fair value measurement at end of reporting period using:		
		Level 1	Level 2	Level 3
2021				
Financial liabilities at fair value through Other economic flows – Foreign Currency Hedging Reserve:				
Foreign exchange forward contract payable	(148)	-	(148)	-
Total	(148)	-	(148)	-

	Carrying amount as at 30 Jun 20	Fair value measurement at end of reporting period using:		
		Level 1	Level 2	Level 3
2020				
Financial assets at fair value through Other economic flows – Foreign Currency Hedging Reserve:				
Foreign exchange forward contract payable	(53)	-	(53)	-
Total	(53)	-	(53)	-

There have been no transfers between levels during the 2020–21 period.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The estimated fair value of the foreign exchange forward contract was based on Treasury Corporation of Victoria's indicative market valuation report as at the financial year-end.

7.3.2 Fair value determination: Non-financial physical assets
Fair value measurement hierarchy
\$'000

	Carrying amount as at 30 Jun 21	Fair value measurement at end of reporting period using:		
		Level 1	Level 2	Level 3
2021				
Non-specialised land	33,000	-	33,000	-
Specialised land	485,650	-	-	485,650
Total Land at fair value	518,650	-	33,000	485,650
Buildings	555,906	-	-	555,906
Total Buildings at fair value	555,906	-	-	555,906
Plant, Equipment & Vehicles ⁱ	6,633	-	-	6,633
Total Plant, Equipment & Vehicles at fair value	6,633	-	-	6,633
Exhibitions	4,983	-	-	4,983
Total Exhibitions at fair value	4,983	-	-	4,983
Collections	893,788	-	-	893,788
Total Collections at fair value	893,788	-	-	893,788

Fair value measurement hierarchy

\$'000

2020	Carrying amount as at 30 Jun 20	Fair value measurement at end of reporting period using:		
		Level 1	Level 2	Level 3
Non-specialised land	29,688	-	29,688	-
Specialised land	487,554	-	-	487,554
Total Land at fair value	517,242	-	29,688	487,554
Buildings	552,573	-	-	552,573
Total Buildings at fair value	552,573	-	-	552,573
Plant, Equipment & Vehicles ⁱ	6,389	-	-	6,389
Total Plant, Equipment & Vehicles at fair value	6,389	-	-	6,389
Exhibitions	5,801	-	-	5,801
Total Exhibitions at fair value	5,801	-	-	5,801
Collections	717,716	-	-	717,716
Total Collections at fair value	717,716	-	-	717,716

i. Classified in accordance with the fair value hierarchy, see Note 7.3.

Museums Victoria monitored conditions and events up to the date of signing the financial report for any indications of a decline in the value of Land, Buildings and Collections assets that may need to be either adjusted or disclosed in the financial statements. If information was made available post-period end, which impacted the assumptions made in its impairment analysis, Museums Victoria considered whether those assumptions could be reasonably expected to be made at period end. Given the uncertainty surrounding COVID-19 as disclosed in Note 1, any potential material adjustment cannot be reasonably quantified and it is impracticable to disclose the extent of the possible effects of an assumption or another source of estimation uncertainty at the end of this reporting period.

Land Valuation

Non-specialised land (at the Moreland site) is valued using the market approach, whereby assets are compared to recent comparable sales or sales of comparable assets that are considered to have nominal value.

Valuer-General Victoria performed an independent valuation to determine fair value using the market approach. Valuation of the non-specialised land was determined by analysing comparable sales and considering factors such as land size, location, zoning and development potential. From this analysis, an appropriate rate per square metre has been applied to the land. The effective date of the valuation was 30 June 2021. To the extent that non-specialised land does not contain significant, unobservable adjustments, this asset is classified as Level 2 under the market approach.

Specialised land is valued using the market approach adjusted for the community service obligation (CSO) to reflect the specialised nature of the land being valued.

The CSO adjustment reflects the valuer's assessment of the impact of restrictions associated with an asset

to the extent that it is also equally applicable to market participants. This approach is in light of the highest and best use consideration required for fair value measurement. It considers the use of the physically possible asset, legally permissible and financially feasible. As adjustments of CSO (20%-30%) are regarded as significant unobservable inputs, specialised land would be classified as Level 3 assets.

Since the 2016 financial year, Museums Victoria performed annual fair value assessments on land using the Victorian Valuer General's indices and under Financial policy and disclosure FRD103 issued by the Assistant Treasurer. Based on Museums Victoria's 2021 full and comprehensive assessment, there was a 30.11% increase in land valuation since the last independent valuation in 2016. This increase is mainly due to increased land prices in all sites, notably Melbourne Museum, Immigration Museum, and the Royal Exhibition Building, adjusted for CSO. However, when compared with the carrying amount of 30 June 2020, there was only a 0.27% net increase in value between 1 July 2020 to 30 June 2021. This is fully supported by the government's guidance materials (FRD 103I Non-financial physical assets).

Building Valuation

Buildings are valued under a current replacement cost method adjusted for the associated depreciation. As depreciation adjustments are considered significant, unobservable inputs in nature, specialised buildings are classified as Level 3 fair value measurements.

Since the last comprehensive and independent assessment valuation in the 2016 financial year, Museums Victoria has performed annual fair value assessments on buildings under Financial policy and disclosure FRD103 issued by the Assistant Treasurer.

Based on Museums Victoria's recent full or comprehensive assessment by the Victorian Valuer-General in 2021 financial

year, there was a 15% increase in the current replacement cost between the 2016 and 2021 comprehensive valuations. Movement in values was primarily due to increases in the valuation of the current replacement costs and the estimated useful lives of the buildings in the Melbourne Museum and the Royal Exhibition Building. However, these increases in current replacement costs were offset by a lower proportion of the remaining useful life of the buildings, following a revision to the estimated building useful lives.

Plant and Equipment is held at fair value, which has been determined using the current replacement cost method. As depreciation adjustments are considered significant, unobservable inputs in nature, Plant and Equipment is classified as Level 3 fair value measurements. There were no material movements in Plant and Equipment in the 2021 financial year.

Exhibitions are held at fair value, which has been determined using the current replacement cost method. As depreciation adjustments are considered significant, unobservable inputs in nature, Exhibitions are classified as Level 3 fair value measurements.

State Collection Valuation

Museums Victoria is required to undertake a comprehensive revaluation of the State Collection and Library (Collections) every five years under Financial Reporting Direction (FRD) 103I Non-financial physical assets. The valuation scope, methodologies, and calculations applied to the Collection's valuation were examined and certified by Valuer-General Victoria as meeting the relevant Australian Accounting Standards and FRD 103I.

The Museum's Collection comprises more than 17 million items across the three main collection areas: Society and Technology, First Peoples and Natural Sciences, with the Library holding around 40,000 items. For the year ended 30 June 2021, the fair value assessments have been performed on an individual basis for the high-value Collection items (> \$50,000) and a stratified multi-stage sampling basis for the low-value Collection items (< \$50,000).

All valuation techniques have been reviewed this year to ensure they are entirely consistent with the appropriate application of fair value (AASB 13). Due to the Collection's size and diversity, the vast bulk of the Collection (low-value items) was valued using a stratified multistage sampling method. The multistage sampling involves subdividing the low-value collections into smaller, concentrated representative strata for valuation purposes and applying values to a randomly-generated sample from each sub-collection. The stratification reduces the variability of the sampling outcome.

Items determined to be of high value (items with values more than \$50,000 and Library items worth more than \$4,000) were valued individually. Establishing a fair value for the high-value items requires expert professional judgement from the Valuer, and takes account of various factors associated with each item, including condition, age, rarity, size, provenance and the marketplace. The values are evaluated for reasonableness against market and academic research and other transactions of items with limited levels of comparability.

The process of extrapolating the valuation results from each of the low-value samples across the entire sub collection populations to determine the population values is considered a significant unobservable input to the valuation. This is demonstrated through the range of 'relative standard error' (RSE) for each stratum, which represents the variability within the whole stratum against the sampled portion. This statistical approach utilises average values, and all sample-based valuations are considered to be Level 3 measurements.

In the 2020-21 financial year, Jones Lang Lascelles (JLL) was engaged to perform a full or comprehensive review of the change in the fair value for Museums Victoria's Collection, following the previous full independent valuation in 2016. As at 30 June 2021, the Collection has an estimated value of \$893,787,746 with a relative standard error (RSE) of 3.77%. A 95% confidence interval for this value is \$827,804,799 to \$959,770,714.

The fair value of the Collections in 2020-21 comprises: Indigenous Collections (\$179,536,860), History and Technology Collections (\$124,179,798), Natural Science Collections (\$576,685,334), Library Rare and High Value (\$7,776,250), and Library non-Rare or High Value (\$5,609,504).

The fair value assessment of Museums Victoria's Collection in 2021 indicated a 25.32% increase in value between the 2016 and 2021 comprehensive valuations. Movement in value was primarily due to increases in the Natural Sciences Collection and the Society and Technology Collections. The Natural Sciences Collection has increased in value, due to material increases to the cost inputs, mainly in relation to staff costs and cost of vessel hire for oceanic collection. The Society and Technology Collection has increased due to natural variability within the valuations undertaken and different sample clusters. The 24.53% increase in the carrying amount from 1 July 2020 to 30 June 2021 remains consistent with the comprehensive fair value assessment.

There were no changes in valuation techniques throughout the period to 30 June 2021.

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

Reconciliation of Level 3 fair value
\$'000

2021	Land	Buildings	Plant and Equipment	Exhibitions	Collections
Opening balance	487,554	552,573	6,389	5,801	708,118
Purchases (sales)	-	-	1,554	1,784	-
Transfers in (out) of Level 3	(3,312)	-	-	-	9,598
Depreciation	-	(29,652)	(1,310)	(2,602)	(161)
Subtotal	484,242	522,921	6,633	4,983	717,555
Revaluation	1,408	32,985	-	-	176,233
Closing balance	485,650	555,906	6,633	4,983	893,788
2020	Land	Buildings	Plant and Equipment	Exhibitions	Collections
Opening balance	488,968	581,984	5,588	7,717	709,057
Recognition of right-of-use assets on initial application of AASB 16	-	-	1,617	-	-
Purchases (sales)	-	227	559	467	350
Transfers in (out) of Level 3	(1,414)	-	-	-	(1,188)
Gains or losses recognised in net result	-	-	-	-	-
Depreciation	-	(29,638)	(1,375)	(2,383)	(101)
Subtotal	487,554	552,573	6,389	5,801	708,118
Revaluation	-	-	-	-	-
Closing balance	487,554	552,573	6,389	5,801	708,118

Description of significant unobservable inputs to Level 3 valuation

2021 and 2020	Valuation technique	Significant unobservable inputs
Specialised land	Market approach	Community service obligation (CSO) adjustment (20%–30%)
Specialised buildings	Current replacement cost	Direct cost per square metre Useful life of specialised buildings
Plant and Equipment	Current replacement cost	Cost per unit Useful life of plant and equipment
Exhibitions	Current replacement cost	Cost per unit Useful life of plant and equipment
Collections	Market and recollection approach	Significant professional judgement by the valuation expert Statistical calculation based on extrapolation of sample valuations

8. Other disclosures

Introduction

This section includes additional material disclosures required by accounting standards or otherwise, for the understanding of this financial report.

Structure

- 8.1 Ex gratia expenses
- 8.2 Reserves
- 8.3 Responsible persons
- 8.4 Remuneration of executives
- 8.5 Related parties
- 8.6 Remuneration of auditors
- 8.7 Subsequent events
- 8.8 Australian Accounting Standards issued that are not yet effective
- 8.9 Changes in accounting policies

8.1 Ex gratia expenses

	2021 \$'000	2020 \$'000
Compensation for early termination	-	81
Total ex gratia expensesⁱ	-	81

i. These ex gratia expenses are reported in the Comprehensive Operating Statement as part of Employee, Consumables and Corporate Expenses.

8.2 Reserves

8.2.1 Accumulated Deficit

	2021 \$'000	2020 \$'000
Balance at beginning of financial year	(260,130)	-
Change in accounting policy	455	-
Balance at beginning of financial year (restated)	(259,675)	(228,953)
Net result	(24,972)	(34,158)
Transfers to Reserves:		
Transfer (to)/from Board Reserves	(3,275)	(1,758)
Transfer (to)/from Trust Funds	(529)	145
Transfer (to)/from Externally Funded Special Projects	(4,280)	4,594
Balance at end of financial year	(292,731)	(260,130)

8.2.2 Reserves

	2021 \$'000	2020 \$'000
Board Reserves		
Balance at beginning of financial year	4,687	2,929
Transfer (to)/from Accumulated Deficit	2,894	(11)
Transfer (to)/from Reserves	381	1,769
Balance at end of financial year	7,962	4,687
Board Reserves consist of working capital reserve, acquisition reserve and internally funded projects reserve.		
Trust Funds		
Balance at beginning of financial year	2,434	2,579
Transfer (to)/from Accumulated Deficit	993	131
Transfer (to)/from Reserves	(464)	(276)
Balance at end of financial year	2,963	2,434
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.		
Special Purpose Reserves		
Balance at beginning of financial year	3,539	8,133
Transfer (to)/from Accumulated Deficit	4,197	(3,424)
Transfer (to)/from Reserves	83	(1,170)
Balance at end of financial year	7,819	3,539
Externally Funded Special Projects consists of unexpended Government and other grants tied to a specific purpose.		
Physical Asset Revaluation Surplus		
Balance at beginning of financial year	1,452,601	1,452,601
Asset revaluation increases	210,626	-
Balance at end of financial year	1,663,227	1,452,601

	2021 \$'000	2020 \$'000
Foreign Currency Hedging Reserve		
Balance at beginning of financial year	(53)	1
Changes in Fair Value of Foreign Currency Hedging Contracts	(95)	(54)
Balance at end of financial year	(148)	(53)
Total Reserves	1,681,823	1,463,208

Board Reserves

This represents the Working Capital Reserve and Acquisition Reserve and was established over time through the generation of operating surpluses. Their purpose is to ensure financial sustainability and development and custodianship of collections of the entity. Expenditure in the Acquisition Reserve are recorded as an expense in the Comprehensive Operating Statement and will decrease the Board Reserve balances.

Trust Funds

This represents the balance of unexpended funds from bequests and external trusts, with the proceeds brought to account as revenue upon receipt. Subsequent expenditure is recorded as an expense in the Comprehensive Operating Statement and will decrease the trust fund.

Special Purpose Reserves

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. Proceeds are brought to account as revenue upon receipt. Subsequent expenditure is recorded as an expense in the Comprehensive Operating Statement and will decrease the reserve.

8.2.3 Contributed Capital

	2021 \$'000	2020 \$'000
Balance at beginning of financial year	605,870	600,370
Capital Contribution	4,500	5,500
Balance at end of financial year	610,370	605,870

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.

Contribution by owners

Consistent with the requirements of AASB 1004 *Contributions*, contributions by owners (that is, contributed capital and its repayment) are treated as equity transactions and, therefore, do not form part of the income and expenses of Museums Victoria.

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

8.3 Responsible persons

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

Minister for Creative Industries – Hon Martin Foley MP	1 July 2020–28 September 2020
Minister for Creative Industries – Mr Danny Pearson MP	29 September 2020–30 June 2021
Chief Executive Officer (Accountable Officer) – Ms Lynley Crosswell	1 July 2020–30 June 2021
Board Members:	
Leon Kempler AM (President)	1 July 2020–30 June 2021
Dr Bronte Adams AM	1 July 2020–30 June 2021
Mr Andrew Butcher	1 July 2020–30 June 2021
Mr Wilkin Fon	1 July 2020–30 June 2021
Mr Tim Goodwin	1 July 2020–30 June 2021
Dr Alison Inglis	1 July 2020–30 June 2021
Ms Linda Bardo Nicholls AO (Treasurer)	1 July 2020–30 June 2021
Mr Mary Stuart	1 July 2020–30 June 2021
Mr Peter Tullin	1 July 2020–30 June 2021

8.4 Remuneration of executives

Members of the Board act in an honorary capacity.

Amounts relating to the Minister are reported in the financial statements of the Department of Parliamentary Services.

The remuneration of the Accountable Officer, who is not a Member of the Board, during the reporting period, is in the range of \$410,000 - \$420,000 (\$410,000 - \$420,000 in 2019-20). The remuneration of the Accountable Officer is not included in note 8.4.1 below.

8.4.1 Remuneration of Executive Officers

(includes Key Management Personal disclosed in Note 8.5.1)

	2021 \$'000	2020 \$'000
Short-term employee benefits	1,578	1,417
Post-employment benefits	148	124
Other long-term benefits	40	32
Termination benefits	-	124
Total remuneration	1,766	1,697
Total number of executivesⁱ	7	8
Total annualised employee equivalent (AEE)ⁱⁱ	6	7

i. The total number of executive officers includes persons who meet the definition of Key Management Personnel (KMP) of the entity under AASB 124 *Related Party Disclosures* and are also reported within the related parties note disclosure (Note 8.5.1).

ii. Annualised employee equivalent is based on the time fraction worked over the reporting period.

8.5 Related parties

Museums Board of Victoria is a wholly owned and controlled entity of the State of Victoria.

Key management personnel of the Museums Board of Victoria include the Portfolio Minister, Board members and members of the Executive Team:

Key Management Personnel	Position Title	Period
Hon Martin Foley MP	Minister for Creative Industries	1 July 2020–28 September 2020
Mr Danny Pearson MP	Minister for Creative Industries	29 September 2020–30 June 2021
Ms Lynley Crosswell	Chief Executive Officer and Director	1 July 2020–30 June 2021
Mr Leon Kempler AM	Board Member and President	1 July 2020–30 June 2021
Dr Bronte Adams AM	Board Member	1 July 2020–30 June 2021
Mr Andrew Butcher	Board Member	1 July 2020–30 June 2021
Mr Wilkin Fon	Board Member	1 July 2020–30 June 2021
Mr Tim Goodwin	Board Member	1 July 2020–30 June 2021
Dr Alison Inglis AM	Board Member	1 July 2020–30 June 2021
Ms Linda Bardo Nicholls AO	Board Member	1 July 2020–30 June 2021
Ms Mary Stuart	Board Member	1 July 2020–30 June 2021
Mr Peter Tullin	Board Member	1 July 2020–30 June 2021
Mr Michael O’Leary	Chief Operating Officer and Chief Financial Officer	1 July 2020–30 June 2021
Ms Nurin Veis	Director Research and Collections	1 July 2020–30 June 2021
Mr Rod MacNeil	Chief Governance and Communications Officer	1 July 2020–30 June 2021
Ms Linda Sproul	Director, Exhibitions and Audience Experiences	1 July 2020–30 June 2021
Mr Sean Royal	Chief People and Engagement Officer	1 July 2020–30 June 2021
Ms Romina Calabro	Director, Development and Commercial Operations	1 July 2020–30 June 2021
Ms Natalene Muscat	Acting Director, Marketing, Communications and Commercial	1 July 2020–27 November 2020

8.5.1 Remuneration of Key Management Personnel

	2021 \$’000	2020 \$’000
Short-term employee benefits	1,210	1,786
Post-employment benefits	114	158
Other long-term benefits	31	40
Termination benefits	-	124
Total remunerationⁱ	1,355	2,108

i. Note that KMPs are also reported in the disclosure of remuneration of executive officers (Note 8.4.1).

8.5.2 Related party transactions

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

	2021		2020		KMP	Relationship	Nature of Transactions
	Revenue \$'000	Expenditure \$'000	Revenue \$'000	Expenditure \$'000			
Victorian Arts Centre Trust	32	-	47	-	Mr Danny Pearson MP	Responsible Minister	Storage Income, Long Service Leave entitlement, ASIA TOPA grant
National Gallery of Victoria	56	-	64	-	Mr Danny Pearson MP	Responsible Minister	Storage Income, Program Partner Fee
The University of Melbourne	5	-	212	125	Dr Alison Inglis AM, Board Member	Master/Employee	Venue Hire and School Programs, Scholarships & Research Projects
Questacon-National Science and Technology Centre	-	125	-	-	Mr Leon Kempler AM, Board Member and President	Chairman of the Advisory Council	Loan of objects for the <i>Born or Built</i> Temporary exhibition
LEK Consulting	5	-	-	-	Ms Linda Bardo Nicholls AM (Treasurer)	LEK Australia Advisory Council	Venue Hire Income
Total	98	125	323	125			

As at 30 June 21, there were no amounts outstanding to Museums Victoria with related parties (2020: Nil).

Bronte Adams' company Dandolopartners, provided pro-bono consulting services to Museums Victoria on approaches to monetising digital engagement initiatives. The estimated value of this free service is \$30,000.

All other transactions with KMP and their related parties have not been considered material for disclosure. In this context, transactions are only disclosed when they are considered necessary to draw attention to the possibility that the Museums Victoria's financial position and profit or loss may have been affected by the existence of related parties, and by transactions and outstanding balances, including commitments, with such parties.

8.5.3 Significant Transactions with Government Related Entities

Museums Victoria received funding from and made payments to government-related entities below. All transactions were undertaken in the ordinary course of business and were at arm's length and on normal commercial terms.

Government-related Entity	Transactions	2021 \$'000
Department of Education and Training	Strategic Partnership, Scienceworks Star 6 Funding	625
Department of Education and Training	Early Childhood STEM Professional Learning	120
Department of Treasury and Finance	Capital Asset Charge	38,822
Department of Jobs, Precincts and Regions	2020-21 Operating Funding	45,780
Department of Jobs, Precincts and Regions	COVID-19 cashflow support funding	12,778
Department of Jobs, Precincts and Regions	Working Capital Payment	2,880
Department of Jobs, Precincts and Regions	CFM Capital grant	410
Department of Jobs, Precincts and Regions	Federation Handbells	86
Department of Jobs, Precincts and Regions	Cultural Agencies: Solvency, Recovery and Adaptation	134
Victorian Aboriginal Heritage Council	Relocation of Collections	200
Department of Jobs, Precincts and Regions	Summer Activation	330
Department of Jobs, Precincts and Regions	Collections Legacy Data & Storage Funding	485
Department of Jobs, Precincts and Regions	Special Exhibition Funding	1,000
Department of Jobs, Precincts and Regions	COVIDSafe Funding	275
Department of Jobs, Precincts and Regions	Great Melbourne Telescope Restoration	150
Department of Jobs, Precincts and Regions	Equity Transfer (Capital) Exhibition Renewal	4,500
Department of Treasury and Finance	Capital Asset Charge	(38,822)
Victorian Managed Insurance Authority	General & specialised insurance	(677)
Various Government Departments	Other Minor Transactions ⁱ	750

Government-related Entity	Transactions	2020 \$'000
Department of Jobs, Precincts and Regions	2019–20 Operating Funding	49,280
Department of Treasury and Finance	Capital Asset Charge	38,122
Transport Accident Commission	Road Safety Education Complex Expenditure	324
Department of Education and Training	Strategic Partnership, Scienceworks Star 6 Funding	557
Department of Education and Training	Early Childhood STEM Professional Learning	360
Department of Jobs, Precincts and Regions	CFM Capital grant	610
Department of Jobs, Precincts and Regions	Community Support Fund	1,500
Visit Victoria	Public Programming, White Night Reimagined	100
Department of Jobs, Precincts and Regions	Great Melbourne Telescope Restoration	150
Department of Jobs, Precincts and Regions	Legacy Data & Interim Storage	505
Department of Treasury and Finance	Interest Income, Central Banking System arrangement	221
Victorian Managed Insurance Authority	General & specialised insurance	(770)
Department of Treasury and Finance	Capital Asset Charge	(38,122)
Department of Jobs, Precincts and Regions	Equity Transfer (Capital) Exhibition Renewal and REB Protection and Promotion	5,500
Various Government Departments	Other Minor Transactions ⁱ	443

i. Other minor transactions are transactions less than \$100,000. These transactions relate to government grants offset by finance lease interest on motor vehicles.

Below are the amounts outstanding to and (by) Museums Victoria with government-related entities.

Government-related Entity	Outstanding To/(By)	
	2021 \$'000	2020 \$'000
Department of Jobs, Precincts and Regions	481	485
Owing to Other Government-related entity	61	25
Total Outstanding To Museums Victoria	542	510
Department of Treasury and Finance	(1,468)	(418)
Department of Jobs, Precincts and Regions	(6,263)	(9,487)
Owing by Other Government-related entity	(148)	(103)
Total Outstanding By Museums Victoria	(7,879)	(10,008)
Net Outstanding	(7,337)	(9,498)

8.6 Remuneration of auditors

	2021 \$'000	2020 \$'000
Victorian Auditor-General's Office		
Audit of the financial statement	79	77
Total remuneration of auditors	79	77

8.7 Subsequent events

Museums Victoria is unaware of any other material events after the reporting date that would affect these financial statements. (2020: Nil).

8.8 Australian Accounting Standards issued that are not yet effective

Certain new accounting standards have been published that are not mandatory for the 2020-21 reporting period. Museums Victoria assessed the impact of these new standards and their applicability and early adoption where applicable.

The following table outlines the accounting pronouncements that have been issued but are not effective for 2020-21 reporting year, which may result in potential impacts on public sector reporting for future reporting periods.

Standard/ Interpretation	Summary	Applicable for annual reporting periods beginning on	Impact on Museums Victoria's financial statements
AASB 2020-1 <i>Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-Current</i>	This Standard amends AASB 101 to clarify requirements for the presentation of liabilities in the statement of financial position as current or non-current. It initially applied to annual reporting periods beginning on or after 1 January 2022 with earlier application permitted however the AASB has recently issued AASB 2020-1 <i>Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current – Deferral of Effective Date</i> to defer the application by one year to periods beginning on or after 1 January 2023. Museums Victoria will not early adopt the Standard.	1 January 23	It is not anticipated to have a material impact.

8.9 Change in accounting policies

During the 2020-21 financial year, AASB prepared Staff FAQs to guide not-for-profits (NFP) entities receiving long-term loans on below-market terms. For example, interest-free loans. Concessionary loans are within the scope of AASB 9 *Financial Instruments*. They also fall within the scope of AASB 1058 Income of Not-for-Profit Entities if provided to the NFP principally to further its objectives

Museums Victoria applied AASB 1058 and accordingly has not restated comparative periods; therefore, any adjustments to carrying amounts of financial liabilities are recognised at the beginning of the current reporting period with differences recognised in opening retained earnings.

Interest free loans were determined using the effective interest rates from the Treasury Corporation of Victoria (TCV) of 2% (10 year) and 2.5% (15 years) for the EPC and Triceratops loans respectively. Using these effective rates, gains recognised are \$1.030 million on the EPC loan and \$0.262 million on the Triceratops loan. The gains are then amortised over the life of the loan.

The following tables have summarised the impact of adopting AASB 1058 for concessionary loans on the Comprehensive Operating Statement and Balance Sheet.

Impact on Comprehensive Income as at 1 July 2020 as follows:

	\$'000
Comprehensive operating statement	30 June 2020
Net gain/(loss) on financial instrument	262
Other economic flows included in net result	(262)
Comprehensive income	(262)

Impact on the Balance Sheet at 1 July 2020 for each affected balance sheet item:

			\$'000
Balance Sheet	Amount at 30 June 2020	Re-measurement	Restated amount at 1 July 2020
Total liabilities			
Advance from Victorian Government	9,487	(455)	9,032
Other items in liabilities	23,464	-	23,464
Total liabilities	32,951	(455)	32,496
Accumulated deficit	(260,130)	455	(259,675)
Other items in equity	2,069,078	-	2,069,078
Total equity	1,808,948	455	1,809,403

Auditor–General’s report



Independent Auditor’s Report

To the Board of the Museums Board of Victoria

Opinion	<p>I have audited the financial report of the Museums Board of Victoria (the entity) which comprises the:</p> <ul style="list-style-type: none">• balance sheet as at 30 June 2021• comprehensive operating statement for the year then ended• statement of changes in equity for the year then ended• cash flow statement for the year then ended• notes to the financial statements, including significant accounting policies• declaration in the financial statements. <p>In my opinion the financial report presents fairly, in all material respects, the financial position of the entity as at 30 June 2021 and its financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 7 of the <i>Financial Management Act 1994</i> and applicable Australian Accounting Standards.</p>
Basis for Opinion	<p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the <i>Auditor’s Responsibilities for the Audit of the Financial Report</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. My staff and I are independent of the entity in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board’s APES 110 <i>Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the financial report in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>
Board’s responsibilities for the financial report	<p>The Board of the entity is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the <i>Financial Management Act 1994</i>, and for such internal control as the Board determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.</p> <p>In preparing the financial report, the Board is responsible for assessing the entity’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.</p>

Auditor's responsibilities for the audit of the financial report	<p>As required by the <i>Audit Act 1994</i>, my responsibility is to express an opinion on the financial report based on the audit. My objectives for the audit are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.</p> <p>As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:</p> <ul style="list-style-type: none"> • identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. • obtain an understanding of internal control relevant to the audit 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 • evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board • conclude on the appropriateness of the Board's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern. • evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation. <p>I communicate with the Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.</p>
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MELBOURNE
16 September 2021



Simone Bohan
as delegate for the Auditor-General of Victoria

Disclosure index

The Museums Victoria annual report is prepared in accordance with all relevant Victorian legislations and pronouncements. This index has been prepared to facilitate identification of the Department's compliance with statutory disclosure requirements.

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