

National Portrait Gallery of Australia

Agency resources and planned performance

NATIONAL PORTRAIT GALLERY OF AUSTRALIA

Section 1: Agency overview and resources	263
1.1 Strategic direction statement	263
1.2 Agency resource statement	264
1.3 Budget measures.....	264
Section 2: Outcomes and planned performance	265
2.1 Outcomes and performance information	265
Section 3: Explanatory tables and budgeted financial statements	271
3.1 Explanatory tables	271
3.2 Budgeted financial statements	272

NATIONAL PORTRAIT GALLERY OF AUSTRALIA

Section 1: Agency overview and resources

1.1 STRATEGIC DIRECTION STATEMENT

The *National Portrait Gallery of Australia Act 2012* establishes the National Portrait Gallery of Australia (NPGA) from 1 July 2013 as a Commonwealth authority and statutory agency.

The NPGA's role is to increase the understanding and appreciation of the Australian people – their identity, history, culture, creativity and diversity – through portraiture. In fulfilling its national charter, the NPGA will:

- Develop and maintain a representative collection of high quality portraits of subjects who have made a major impact upon Australia.
- Enhance the cultural value and accessibility of portraiture through displays, exhibitions, publications, partnerships and online programs.
- Foster enquiry, research, discussion, interpretation, participation and enjoyment of portraiture through learning and public access programs.

The functions of the NPGA are expressed in the *National Portrait Gallery of Australia Act 2012* which requires the NPGA to develop, preserve, maintain, promote and provide access to a national collection of portraits; and develop and engage a national audience in relation to that collection and other portraits through exhibitions, education, research, publications and public and online programs.

1.2 AGENCY RESOURCE STATEMENT

Table 1.1 shows the total resources from all sources. The table summarises how resources will be applied by outcome and by administered and departmental classification.

Table 1.1: National Portrait Gallery of Australia Resource Statement — Budget Estimates for 2013-14 as at Budget May 2013

	Estimate of prior year amounts available in 2013-14 \$'000	Proposed at Budget = 2013-14 \$'000	Total estimate 2013-14 \$'000	Actual available appropriation 2012-13 \$'000
Opening balance/Reserves at bank	8,101	-	8,101	-
REVENUE FROM GOVERNMENT				
Ordinary annual services ¹				
Outcome 1	-	11,767	11,767	-
Total ordinary annual services	-	11,767	11,767	-
Other services ²				
Total other services	-	-	-	-
Total annual appropriations	-	11,767	11,767	-
Total funds from Government	-	11,767	11,767	-
FUNDS FROM OTHER SOURCES				
Interest	-	300	300	-
Sale of goods and services	-	615	615	-
Other	-	800	800	-
Total	-	1,715	1,715	-
Total net resourcing for agency	8,101	13,482	21,583	-

The NPGA is not directly appropriated as it is a CAC Act body. Appropriations are made to DRALGAS which are then paid to the NPGA and are considered 'departmental' for all purposes.

1 Appropriation Bill No.1 2013-14.

2 Appropriation Bill No.2 2013-14.

Prior to 1 July 2013 the NPGA was part of DRALGAS. The NPGA 2012-13 figures are incorporated within the DRALGAS budget statements.

All figures are GST exclusive.

1.3 BUDGET MEASURES

There are no budget measures for the National Portrait Gallery of Australia in the 2013-14 Budget.

Section 2: Outcomes and planned performance

2.1 OUTCOMES AND PERFORMANCE INFORMATION

Government outcomes are the intended results, impacts or consequences of actions by the Government on the Australian community. Commonwealth programs are the primary vehicle by which government agencies achieve the intended results of their outcome statements. Agencies are required to identify the programs which contribute to Government outcomes over the Budget and forward years.

The NPGA's outcome is described below together with its related programs, specifying the performance indicators and targets used to assess and monitor the performance of NPGA in achieving Government outcomes.

OUTCOME 1

Outcome 1: Enhanced understanding and appreciation of Australian identity, culture and diversity through portraiture by engaging the public in education programs and exhibitions, and by developing and preserving the national portrait collection.

Outcome 1 Strategy

The NPGA will develop and maintain an outstanding collection of high quality portraits across time and media that reflects the diversity and culture of Australia by:

- Seeking out significant portraits for acquisition by sale, commission or gift with an emphasis on the diversity of subjects.
- Maintaining, conserving, storing and protecting the collection and supporting the effective management of all collection material and associated documentation.

The NPGA aims to increase the understanding of, and the engagement with, the collection and the art of portraiture by:

- Providing a rich and innovative exhibition program and program themed enhancements to collection displays.
- Touring exhibitions regionally, nationally and internationally.
- Providing learning programs and resource materials as well as public programs suitable for all ages and abilities.
- Re-developing the NPGA website to allow enhanced access to the Gallery's collection, programs and resources.

The NPGA will increase support for the collection and programs by developing creative collaborations and encouraging philanthropy by:

- Seeking out opportunities to develop collaborative partnerships with other cultural institutions and organisations to enhance the range and delivery of NPGA programs.
- Developing relationships and fostering partnerships with stakeholders and organisations that recognise achievements by Australians.
- Optimising formal sharing opportunities with the network of international portrait galleries.
- Seeking out opportunities for increased philanthropy and sponsorship support of the NPGA.

The NPGA will achieve organisational excellence by:

- Operating ethically and in an environmentally sustainable way.
- Diversifying funding sources.
- Optimising returns to Government and the Australian public through efficient, ethical and effective financial management.
- Providing staff with a professional environment in which to work.

Outcome 1 Expense statement

Table 2.1 provides an overview of the total expenses for Outcome 1, by program.

Table 2.1: Budgeted expenses for Outcome 1

Outcome 1: Enhanced understanding and appreciation of Australian identity, culture and diversity through portraiture, by engaging the public in education programs and exhibitions, and by developing and preserving the national portrait collection.	2012-13 Estimated actual expenses \$'000	2013-14 Estimated expenses \$'000
Program 1.1: Develop, maintain and provide access to Australia's national portrait collection		
Revenue from Government		
Ordinary annual services (Appropriation Bill No. 1)	-	11,767
Revenues from other independent sources	-	1,715
Expenses not requiring appropriation in the Budget year ¹	-	758
Total for Program 1.1	-	14,240
Outcome 1 Totals by resource type		
Revenue from Government		
Ordinary annual services (Appropriation Bill No. 1)	-	11,767
Revenues from other independent sources	-	1,715
Expenses not requiring appropriation in the Budget year ¹	-	758
Total expenses for Outcome 1	-	14,240
	2012-13	2013-14
Average Staffing Level (number)	-	59

¹ Expenses not requiring appropriation in the Budget year reflects unfunded depreciation and amortisation expenses.

Prior to 1 July 2013 the NPGA was part of DRALGAS. The NPGA 2012-13 figures are incorporated within the DRALGAS budget statements.

Contributions to Outcome 1

Program 1.1: Develop, maintain and provide access to Australia's national portrait collection

Program 1.1 Objective

The NPGA seeks to increase the understanding of the Australian people – their identity, history, culture, creativity and diversity – by developing, maintaining and providing access to a national collection of portraiture.

Program 1.1 Expenses

	2012-13 Estimated actual \$'000	2013-14 Budget \$'000	2014-15 Forw ard year 1 \$'000	2015-16 Forw ard year 2 \$'000	2016-17 Forw ard year 3 \$'000
Annual departmental expenses:					
Departmental item	-	14,240	14,321	14,460	14,607
Total departmental expenses	-	14,240	14,321	14,460	14,607

Program 1.1 Deliverables

Develop, maintain and provide access to a representative collection of high quality portraits of subjects who have made a major impact upon Australia.

Deliverables	2013-14 Budget	2014-15 Forward year 1	2015-16 Forward year 2	2016-17 Forward year 3
Works acquired in accordance with collection development policy	150	150	150	150
Percentage of collection digitised	70%	70%	70%	70%
Percentage of the collection stored in accordance with international museum standards	100%	100%	100%	100%
Number of temporary and travelling exhibitions delivered	2	2	2	2

Program 1.1 Key performance indicators¹

The NPGA is committed to building and maintaining an outstanding collection of portraiture for the nation and providing access to the collection, in Canberra, regionally, nationally and internationally. This will be achieved through the ongoing development of the portrait collection and delivery of an innovative and diverse exhibition and collection display program underpinned by a range of public access learning programs and events.

The performance of the program will be measured through increased access to the collection and enhanced levels of visitor satisfaction.

	2013-14 Budget	2014-15 Forward year 1	2015-16 Forward year 2	2016-17 Forward year 3
Key Performance Indicators				
Visitor Interactions:				
<i>Total number of visits to the organisation</i>	600,000	600,000	600,000	600,000
<i>Total number of visits to the organisation's website</i>	250,000	250,000	250,000	250,000
<i>Total number of on-site visits by students as part of an organised educational group</i>	9,500	9,500	9,500	9,500
Participation in public and school programs:				
<i>Number of people participating in public programs</i>	9,000	9,000	9,000	9,000
<i>Number of students participating in school programs</i>	16,500	16,500	16,500	16,500
Quantity of school learning programs delivered:				
<i>Number of organised programs delivered on-site</i>	350	350	350	350
<i>Number of program packages available on-line</i>	5	5	5	5
<i>Number of educational institutions participating in organised school learning programs</i>	340	340	340	340
Visitor Satisfaction:				
<i>Percentage of visitors that were satisfied or very satisfied with their visit</i>	>90%	>90%	>90%	>90%
Program survey rating (by teachers):				
<i>Percentage of teachers reporting overall positive experience</i>	80%	80%	80%	80%
<i>Percentage of teachers reporting relevance to the classroom curriculum</i>	75%	75%	75%	75%

continued on next page

¹ The national arts and cultural agencies are progressively implementing a range of cross-agency key performance indicators (KPIs) from 2012-13 to 2014-15 to standardise reporting and enable aggregation of data across the agencies. Some of the 2012-13 cross-agency KPIs will be supplemented by new cross-agency KPIs for 2013-14. The NPGA will report in DRALGAS's annual report against those cross-agency KPIs included in the 2012-13 Portfolio Budget Statements to finalise the 2012-13 reporting period.

Program 1.1 Key performance indicators (continued)

Key Performance Indicators	2013-14 Budget	2014-15 Forward year 1	2015-16 Forward year 2	2016-17 Forward year 3
Expenditure mix:				
<i>Expenditure on collection development (as a % of total expenditure)</i>	1.51%	1.51%	1.51%	1.51%
<i>Expenditure on other capital items (as a % of total expenditure)</i>	13.20%	13.20%	13.20%	13.20%
<i>Expenditure on other (i.e. non-collection development) Labour costs (as a % of total expenditure)</i>	42.69%	42.69%	42.69%	42.69%
<i>Other expenses (as a % of total expenditure)</i>	42.60%	42.60%	42.60%	42.60%
Collection Management and Access:				
<i>Number of acquisitions (made in the reporting period)</i>	150	150	150	150
<i>Total number of objects accessioned (in the reporting period)</i>	150	150	150	150
<i>% of the total collection available to the public</i>	95%	95%	95%	95%
<i>% of the total collection available to the public online(text)</i>	95%	95%	95%	95%
<i>% of the total collection available to the public on display</i>	12.00%	12.00%	12.00%	12.00%
<i>% of the total collection available to the public on tour</i>	0.40%	0.40%	0.40%	0.40%
<i>% of the total collection digitised</i>	70%	70%	70%	70%

Section 3: Explanatory tables and budgeted financial statements

Section 3 presents explanatory tables and budgeted financial statements which provide a comprehensive snapshot of agency finances for the 2013-14 budget year. It explains how budget plans are incorporated into the financial statements and provides further details of the reconciliation between appropriations and program expenses, movements in administered funds, special accounts and government Indigenous expenditure.

3.1 EXPLANATORY TABLES

3.1.1 Movement of administered funds between years

The NPGA does not have any administered funds.

3.1.2 Special accounts

The NPGA does not manage any special accounts.

3.1.3 Australian Government Indigenous Expenditure

The NPGA has no Indigenous specific expenditure.

3.2 BUDGETED FINANCIAL STATEMENTS

3.2.1 Differences in agency resourcing and financial statements

The agency resource statement (table 1.1) provides a consolidated view of all the resources available in 2013-14. This includes operating appropriation, funds from other sources and cash to cover payables and provisions on the balance sheet. Operating appropriation is shown as Revenue from Government in the Comprehensive Income Statement (table 3.2.1).

3.2.2 Analysis of budgeted financial statements

The budget statements for the National Portrait Gallery of Australia (NPGA) reflect the estimates from 1 July 2013 being the commencement of the *National Portrait Gallery of Australia Act 2012* which establishes the NPGA.

Prior to this date the NPGA was part of the Department of Regional Australia, Local Government, Arts and Sport and its 2012-13 estimated actuals are incorporated within that department's PB Statements.

Comprehensive income statement

After adjusting for unfunded depreciation expense, the NPGA is budgeting for a break-even position in 2013-14 and across the forward estimates. The NPGA is estimating own source income of \$1.82 million in 2013-14 increasing to \$1.97 million over the forward estimates period. This revenue principally represents the recovery of costs for the provision of services, interest and rental income.

Budgeted departmental balance sheet

The NPGA is estimating to have net assets of \$114.96 million at 30 June 2014. This includes assets transferred from Department of Regional Australia, Local Government, Arts and Sport at the estimated net book value upon establishment on 1 July 2013. Total assets at 30 June 2014 are estimated at \$117.08 million, 81 per cent of which represents the National Portrait Gallery building and collection. The NPGA has financial assets estimated at \$8.20 million against total liabilities estimated at \$2.12 million.

As a result of net cash appropriation arrangements the NPGA will continue to budget for a technical accounting loss equivalent to unfunded depreciation expense over the Budget and forward estimates periods resulting in a slight decline to the net asset position over the forward estimates period.

3.2.3 Budgeted financial statements tables

Table 3.2.1 Comprehensive income statement (showing net cost of services) for the period ended 30 June

	Estimated actual	Budget estimate	Forw ard estimate	Forw ard estimate	Forw ard estimate
	2012-13	2013-14	2014-15	2015-16	2016-17
	\$'000	\$'000	\$'000	\$'000	\$'000
EXPENSES					
Employee benefits	-	5,636	5,804	5,978	6,159
Supplier expenses	-	5,627	5,580	5,540	5,505
Depreciation and amortisation	-	2,977	2,937	2,942	2,943
Total expenses	-	14,240	14,321	14,460	14,607
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	-	615	665	715	765
Interest	-	300	300	300	300
Rental income	-	250	250	250	250
Other	-	550	550	550	550
Total own-source revenue	-	1,715	1,765	1,815	1,865
Gains					
Other	-	100	100	100	100
Total gains	-	100	100	100	100
Total own-source income	-	1,815	1,865	1,915	1,965
Net cost of (contribution by) services	-	12,425	12,456	12,545	12,642
Revenue from Government	-	11,767	11,837	12,085	12,221
Total comprehensive income (loss) attributable to the Australian	-	(658)	(619)	(460)	(421)

Note: Impact of Net Cash Appropriation Arrangements

	2012-13	2013-14	2014-15	2015-16	2016-17
	\$'000	\$'000	\$'000	\$'000	\$'000
Total Comprehensive Income (loss) less depreciation/amortisation expenses previously funded through revenue appropriations	-	-	-	-	-
less depreciation expense previously funded through revenue appropriations ¹	-	(658)	(619)	(460)	(421)
Total Comprehensive Income (loss) - as per the Statement of Comprehensive Income	-	(658)	(619)	(460)	(421)

¹ From 2010-11, the Government introduced net cash appropriation arrangements where Bill 1 revenue appropriations for depreciation and amortisation were replaced with a separate capital budget provided through Bill 1 equity appropriations. Refer table 3.2.5 Departmental Capital Budget Statement.

Prepared on Australian Accounting Standards basis.

Prior to 1 July 2013 the NPGA was part of DRALGAS. The NPGA 2012-13 figures are incorporated within the DRALGAS budget statements.

Table 3.2.2: Budgeted departmental balance sheet (as at 30 June)

	Estimated actual	Budget estimate	Forw ard estimate	Forw ard estimate	Forw ard estimate
	2012-13	2013-14	2014-15	2015-16	2016-17
	\$'000	\$'000	\$'000	\$'000	\$'000
ASSETS					
Financial assets					
Cash and cash equivalents	-	6,111	6,111	6,111	6,111
Trade and other receivables	-	2,090	2,190	2,289	2,389
Total financial assets	-	8,201	8,301	8,400	8,500
Non-financial assets					
Land and buildings	-	67,665	66,930	66,373	65,315
Property, plant and equipment	-	13,351	12,693	12,231	12,216
Intangibles	-	313	522	516	603
Heritage and cultural assets	-	27,540	28,105	28,670	29,235
Inventories	-	11	11	11	11
Total non-financial assets	-	108,880	108,261	107,801	107,380
Total assets	-	117,081	116,562	116,201	115,880
LIABILITIES					
Payables					
Other	-	932	932	932	932
Total payables	-	932	932	932	932
Provisions					
Employee provisions	-	1,192	1,292	1,391	1,491
Total provisions	-	1,192	1,292	1,391	1,491
Total liabilities	-	2,124	2,224	2,323	2,423
Net assets	-	114,957	114,338	113,878	113,457
EQUITY					
Contributed equity	-	115,615	115,615	115,615	115,615
Retained surplus (accumulated deficit)	-	(658)	(1,277)	(1,737)	(2,158)
Total Equity	-	114,957	114,338	113,878	113,457

Prepared on Australian Accounting Standards basis.

Table 3.2.3: Departmental statement of changes in equity — summary of movement (Budget year 2013-14)

	Retained earnings	Asset revaluation reserve	Other reserves	Contributed equity/ capital	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000
Opening balance as at 1 July 2013					
Balance carried forward from previous period	-	-	-	-	-
Adjusted opening balance	-	-	-	-	-
Comprehensive income					
Surplus (deficit) for the period	(658)	-	-	-	(658)
Total comprehensive income	(658)	-	-	-	(658)
Transactions with owners					
Contributions by owners	-	-	-	-	-
Restructuring	-	-	-	115,615	115,615
Sub-total transactions with owners	-	-	-	115,615	115,615
Transfers between equity components	-	-	-	-	-
Closing balance attributable to the Australian Government	(658)	-	-	115,615	114,957

Prepared on Australian Accounting Standards basis.

**Table 3.2.4: Budgeted departmental statement of cash flows
(for the period ended 30 June)**

	Estimated actual	Budget estimate	Forward estimate	Forward estimate	Forward estimate
	2012-13 \$'000	2013-14 \$'000	2014-15 \$'000	2015-16 \$'000	2016-17 \$'000
OPERATING ACTIVITIES					
Cash received					
Goods and services	-	952	1,007	1,062	1,117
Appropriations	-	11,667	11,737	11,986	12,121
Interest	-	300	300	300	300
Net GST received	-	476	466	457	449
Other	-	550	550	550	550
Total cash received	-	13,945	14,060	14,355	14,537
Cash used					
Employees	-	5,536	5,704	5,879	6,059
Suppliers	-	6,190	6,138	6,094	6,056
Borrowing costs	-	-	-	-	-
Net GST paid	-	-	-	-	-
Cash to the OPA	-	-	-	-	-
Total cash used	-	11,726	11,842	11,973	12,115
Net cash from (used by) operating activities	-	2,219	2,218	2,382	2,422
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment	-	2,219	2,218	2,382	2,422
Total cash used	-	2,219	2,218	2,382	2,422
Net cash from (used by) investing activities	-	(2,219)	(2,218)	(2,382)	(2,422)
Net increase (decrease) in cash held					
Cash and cash equivalents at the beginning of the reporting period	-	-	6,111	6,111	6,111
Cash received - restructuring	-	6,111	-	-	-
Cash and cash equivalents at the end of the reporting period	-	6,111	6,111	6,111	6,111

Prepared on Australian Accounting Standards basis.

Table 3.2.5: Departmental capital budget statement

	Estimated actual	Budget estimate	Forw ard estimate	Forw ard estimate	Forw ard estimate
	2012-13	2013-14	2014-15	2015-16	2016-17
	\$'000	\$'000	\$'000	\$'000	\$'000
PURCHASE OF NON-FINANCIAL ASSETS					
Funded internally from departmental resources ¹	-	2,319	2,318	2,482	2,522
TOTAL	-	2,319	2,318	2,482	2,522
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	-	2,319	2,318	2,482	2,522
less gifted assets	-	100	100	100	100
Total cash used to acquire assets	-	2,219	2,218	2,382	2,422

¹ May include assets funded from: annual and prior year appropriations, donations and contributions, gifts, internally developed assets and proceeds from the sale of assets.

Prepared on Australian Accounting Standards basis.

Table 3.2.6: Statement of asset movements - departmental (2013-14)

	Buildings	Other property, plant and equipment	Heritage and cultural assets	Computer software and intangibles	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
As at 1 July 2013					
Gross book value	-	-	-	-	-
Accumulated depreciation/ amortisation and impairment	-	-	-	-	-
Opening net book balance	-	-	-	-	-
CAPITAL ASSET ADDITIONS					
Estimated expenditure on new or replacement assets					
By purchase - appropriation ordinary annual services ¹	1,469	85	200	200	1,954
By purchase - donated funds	-	-	265	-	265
Assets received as gifts/donations	-	-	100	-	100
Restructuring	67,860	14,551	26,975	141	109,527
Total additions	69,329	14,636	27,540	341	111,846
Other movements					
Depreciation/amortisation expense	(1,664)	(1,285)	-	(28)	(2,977)
As at 30 June 2014					
Gross book value	71,671	19,323	27,540	384	118,918
Accumulated depreciation/ amortisation and impairment	(4,006)	(5,972)	-	(71)	(10,049)
Closing net book balance	67,665	13,351	27,540	313	108,869

¹ 'Appropriation ordinary annual services' refers to funding provided through Appropriation Bill No.1 2013-14 for depreciation / amortisation expenses or other operational expenses.

Prepared on Australian Accounting Standards basis.

**Estimated operating expenditure in income statement for
heritage and cultural assets**

Operations and maintenance	-
Preservation and conservation	792
Total operating expenditure on heritage and cultural assets	792