



experience

Wellington

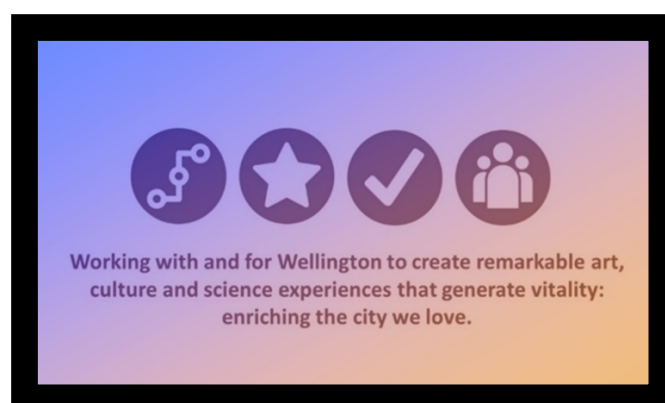
wellington museums trust

**EXPERIENCE WELLINGTON
2020-21 STATEMENT OF INTENT**

Presented to Wellington City Council pursuant to
Section 64 of the Local Government Act 2002

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This Statement of Intent (SOI) was revised as at 31 May 2020 to reflect the impact of the COVID-19 pandemic on Experience Wellington's forecast performance. The SOI reflects the relationship and interest that the Wellington City Council (Council) has in Experience Wellington as a Council Controlled Organisation and our contribution to Council's vision for the future of Wellington. It responds to Council's Letter of Expectations (LOE) of 11 December 2019 (pages [31-34](#)). On pages [6-9](#) we outline our specific response to the LOE and how each expectation directly relates to one of our three strategic pou. Council owns the heritage buildings that house five of our visitor experiences and will provide around 74% of our operational budget in 2020-21 with the other 26% coming from cultural grants, fundraising and trading revenues.

To achieve the best results for Wellington we will continue to work with Council and other Council Controlled Organisations, other visitor experiences, tertiary education partners and relevant national organisations.

We have a contract with **Creative New Zealand** that supports the delivery of the Capital E National Theatre for Children and the biennial Capital E National Arts Festival for Children. The learning experiences we offer are supported through **Ministry of Education Learning Experiences Outside the Classroom (LEOTC)** contracts. We also regularly receive support from the **City Gallery Wellington Foundation** for City Gallery's programme. The **Carter Observatory Trust** supports our fundraising activities for Space Place.

INTRODUCTION

Being prepared for and managing the impact of COVID-19 is a new challenge for our organisation and overshadows our planning for 2020-21 and beyond. This Statement of Intent (SOI) has been revised to reflect the impact that COVID-19 has had and will have during the planning period 1 July 2020 to 30 June 2023. The combination of strict public health measures, closed borders, and the uncertainty of locals to re-engage has meant that our forecast for both visitation and the revenue we generate from visitation, especially international visitors, has been significantly reduced in 2020-21 and beyond.

Our non-Council revenues normally accounts for 30-40% of total revenue. At this stage:

- Pre COVID-19 we were forecasting non-Council revenue of \$4.56 million (representing a 36% increase on 2019-20). We are now forecasting non-Council revenue of \$2.744 million representing a -4% decrease on our 2019-20 forecast.
- We continue to rely on Wellington City Council to allocate \$7.72 million for the core operation including Space Place at Carter Observatory and an accommodation rental subsidy of \$1.78 million for the 2020-21 financial year.
- Contracts for service with Creative New Zealand for the Capital E National Theatre for Children and the biennial Capital E National Arts Festival will continue, and the Ministry of Education will honour current contracts for the delivery of Learning Experiences Outside the Classroom (LEOTC).
- A proportion of the fundraising revenue achieved for projects to be delivered in 2020-21 will be retained but we do not expect to achieve other fundraising revenue in the current environment.
- Trading revenues (admissions, retail, and venue hire), which make up the bulk of our non-Council revenue, will be severely reduced.

Therefore, rather than the full programme of exhibitions and events to attract over a million visitors onsite and online we have reduced our visitor projections to 261,700 and for the first time in many years we are not forecasting a break-even budget and are forecasting a loss of \$1.228 million in 2020-21. To achieve break-even, we will need additional financial support or to reduce operating costs.

With additional financial support our plan will be to rebuild our non-Council revenues over the planning period and to continue to operate our visitor experiences whilst remaining financially viable. The timeframe for the return to our pre-COVID-19 financial position will be influenced by the probability of ongoing restrictions to reduce the risk of community transmission; a three-year timeframe is not unrealistic. We expect that our role of creating remarkable art, culture and science experiences that generate vitality will be even more important as the city we love emerges from the social and economic shock of the COVID-19 pandemic. This SOI outlines our plans for 2020-21 and our Forecast Financial Statements for the three years to 30 June 2023.

Jackie Lloyd
Chair, Experience Wellington
29 May 2020

OUR INTENT IN 2020-21

OUR FOCUS:

We will continue to engage our communities online and, as COVID-19 measures allow, by providing all-year-round experiences at our amazing cultural assets and through every exhibition, public event, learning programme and children's live or film production that we produce and present.

Our Strategic Plan aligns with Council's 2018-28 Long Term Plan and 2019-20 Annual Plan. The inclusion of *Oranga Ahurea Cultural Wellbeing*, as one of the seven Annual Plan strategies, aligns Experience Wellington closely with Council's objective to be the undisputed cultural capital of New Zealand.

Our vision, *Engaged Curious Communities* commits us to deepening our engagement with existing audiences and developing new audiences.

Our reach, organisation effectiveness, and commitment to embracing Te Ao Māori will be advanced in 2020-21.

WE ARE LOOKING FORWARD TO:

- Working with Council's Te Ngākau Planning Team to return Capital E Nōku Te Ao to Te Ngākau, potentially as part of the Central Library Project, and to sit proudly with Wellington's earthquake strengthened Town Hall and City Gallery Wellington Te Whare Toi.
- Launching Creative Collider. This is a new Capital E-led project which will bring together Wellington's creative sector and tamariki to develop and test new works for children. Ideas sparked by this will have the opportunity to access seed funding and support from the Capital E National Theatre for Children and the National Arts Festival for Children.
- Completing design work on the earthquake strengthening and upgrade of the Wellington Museum Te Waka Huia o Ngā Taonga Tuku Iho (shortlisted in Government's Shovel Ready scheme) and using the funding provided in Council's 2018-28 Long Term Plan for this project.
- Attracting art lovers to Wellington for our third high profile international art exhibition at City Gallery Wellington Te Whare Toi which will open in March 2022 (delayed 12 months owing to COVID-19).
- Launching *The Navigators* planetarium show for Space Place Te Ara Whānui ki te Rangi which will tell the story of the arrival of two cultures on the shores of Aotearoa New Zealand.
- Continuing our staff learning and development programmes building confidence and understanding of Te Reo and Tikanga Māori.
- Going live with a new customer relationship management (CRM) system which will help our communication and engagement with supporters and funders.
- Leveraging, where we can, the Council operating grant to fundraise.
- Being kinder on our environment by working with Council's City Resilience and Sustainability Team to reduce our carbon footprint.
- Working with and for Wellington to create remarkable art, culture and science experiences that generate vitality: enriching the city we love.

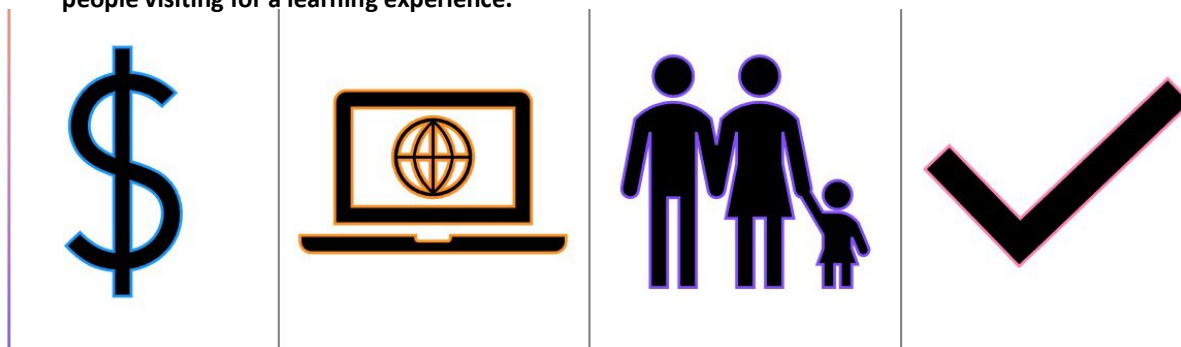
Please refer to the section on Council's Expectations on [page 6](#) for more information on our plans.



OUR PERFORMANCE is measured by our Key Result Indicators (KRI).

In 2020-21 we expect to:

- **Raise \$2.744m (26.2%) of our operating costs from trading initiatives and fundraising.**
- **Receive a 90% approval rate from our visitors for the quality of their experience at our institutions.**
- **Expand our reach via our websites and social media channels to engage with well over 200,000 visitors.**
- **Attract over 260,000 on-site visitors to our experiences, of which, around 21,000 will be children and young people visiting for a learning experience.**



OUR FINANCIAL PERFORMANCE For the first time in many years we are not forecasting a break-even budget. The 2020-21 Budget is based on the following key assumptions:

- We will receive \$7.72 million from Council (exclusive of cash underwrites) for the operation of Experience Wellington inclusive of Space Place Te Ara a Whānui Ki Te Rangi, and an accommodation rental subsidy of \$1.77 million for the 2020-21 financial year.
- Due to COVID-19 we have reduced our visitor projections to 261,700 and for the first time in many years we are not forecasting a break-even budget and are forecasting a loss of \$1.228 million in 2020-21.
- Pre COVID-19 we were forecasting non-Council revenue of \$4.56 million (representing a 36% increase on 2019-20). We are now forecasting a non-Council revenue target of \$2.744 million representing a -4% decrease on our 2019-20 forecast.
- Our visitor experiences will be accessible 24/7 online with restricted opening hours for onsite visitors which will increase as demand grows with some days dedicated to groups including schools.
- Cruise ship business is unlikely to resume in 2020-21, and when it does resume, it may never achieve previous seasonal arrivals.
- There will be no international visitors during 2020-21; trans-Tasman air travel may resume during 2020-21.
- Border closures mean reduced access to international content.
- Domestic tourism will re-engage as confidence builds but not likely to reach previous numbers for some time.
- Domestic visitors (excluding international visitors) are expected to drop by 60% in Q1 (1 July to 30 September), 50% in Q2 (1 October to 31 December 2020), 40% in Q3 (1 January – 31 March 2021) and 40% in Q4 (1 April – 30 June 2021). This is reflected in our projected numbers.
- Regional education groups are expected in Terms 3 and 4 of 2020 but national school groups are unlikely to visit before Term 1 of 2021 (our 3rd Quarter 2020-21).
- Retail significantly reduced in line with visitation and lack of international tourists.
- Venue hire for Museums Wellington will be reduced by 50%, City Gallery Wellington reduced by 75%.
- No sponsorship is expected within 2020-21; donations likely to be nominal.
- Contracts for service with Ministry of Education and Creative New Zealand will continue as planned.
- Grants reduced by 50%.

The Forecast Financial Statements are provided in Appendix 1 (pages [22-25](#)). Accounting policies are provided in Appendix 2 (pages [26-30](#)).

COUNCIL'S EXPECTATIONS

We have developed our 2019-29 Strategic Plan which centres around our three strategic pou;

- **We Change Lives** commits us to deepening our engagement with existing audiences and developing new audiences for our remarkable experiences.
- **Embracing Te Ao Māori** commits us to acknowledging Tangata Whenua as Kaitiaki and Te Tiriti o Waitangi. We strive to reflect this in our work and what audiences see, feel and experience.
- **Leading the Way** commits us to continuous improvement of our organisation effectiveness.

Council's Letter of Expectation, which closely aligns with our Strategic Plan, was provided in December 2019, and did not anticipate the COVID-19 crisis. The following response has been revised to take into consideration the impact of COVID-19. Our ability to respond fully to Council's expectations will depend on our financial position.

We Change Lives

Council's Expectations	Experience Wellington's Response
<p>We demonstrate on-going alignment to the Council's annual and 2018-28 Long Term Plan.</p> <p><i>"We provide opportunities to develop the city's cultural scene and build engaged and curious communities. We provide support for galleries and museums, community arts and cultural support and arts partnerships."</i></p> <p><i>- Council's Cultural Wellbeing Strategic Priority.</i></p>	<p>Our vision is <i>Engaged Curious Communities</i>.</p> <p>Our purpose is to work together, with and for Wellington to create remarkable art, culture and science experiences that generate vitality, enriching the city we love.</p> <p>Our visitor experiences will be accessible 24/7 online with restricted opening hours for onsite visitors which will increase as demand grows with some days dedicated to groups including school.</p> <p>We will keep you informed throughout the year with quarterly reporting and updates, and whenever possible bringing you to our places to see for yourself the work we do to support Council's plans.</p>
<p>Update Council on the status of the planned upgrade works at the Wellington Museum, including the necessary structural works needed to address the earthquake risks associated with the Bond Store, and opportunities to upgrade exhibition spaces.</p> <p><i>Council's commitment from the 10-Year Plan is "to earthquake strengthen the Bond Store at an estimated cost of \$10m. The strengthening work will also include the remodelling of the ground floor of the museum to improve customer experience."</i></p>	<p>Planning is advanced for the Wellington Museum Project to complete earthquake strengthening and the redevelopment of the visitor experience to open early 2023.</p> <p>This project continues the development of Wellington Museum's role within the region as the teller of Wellington's stories, including an authentic Māori dimension.</p> <p>It will give new life to this 130-year-old Category One Heritage building ensuring its landmark status on Wellington's world-renowned waterfront.</p> <p>Council included the Project in its "shovel ready" submission to Government's infrastructure funding scheme.</p> <p>The Business Case, inclusive of completed design work and an updated cost estimate (which is considerably more than the 2018 estimate) will be presented to Council for its consideration and decision.</p>

<p>An update on accommodation issues- short-term operational perspective and a more strategic view.</p>	<p>Our vision aligns with Council’s objective that Capital E will form part of a revitalised Te Ngākau and possibly within a reimagined Central Library. We will work closely with Council to explore this option and, if necessary, other accommodation options for Capital E.</p> <p>Our medium-term office accommodation strategy – to create a central office accommodation hub – will be refreshed as opportunities present and our financial position allows.</p>
<p>An update on the international exhibition programme at the City Gallery including planning of future programmes, noting these are above and beyond the normal Gallery programming and we note that funding support through the City Growth Fund is likely to be required to secure stand out exhibitions.</p>	<p>Planning for a third exhibition in City Gallery’s high value international art programme is underway but delayed 12 months to March 2022 owing to COVID-19.</p> <p>The first two exhibitions in the contemporary art programme were <i>Cindy Sherman</i>, presented in 2016-17; and <i>Eva Rothschild: Kosmos and Semiconductor: The Technological Sublime</i>, presented in 2018-19. Both were supported by Council and WellingtonNZ through the City Growth Fund/Major Events Fund.</p> <p>This programme enhances Wellington’s and City Gallery’s reputation as a destination for contemporary art lovers. It would not be possible without the city’s support.</p>
<p>Support Council’s Accessible Wellington, The Accessible Journey Action Plan 2019</p>	<p>Experience Wellington has a kaupapa that enables and facilitates access and inclusion for visitors and staff. Initiatives include multi-language brochures, sign language introductions at each venue and a commitment to ensure that facilities, exhibitions, and public programmes are welcoming and accessible, accommodating all abilities. This commitment was recognised when we won the inaugural Wellington City Council Innovative Design in Accessibility for The Attic at Wellington Museum.</p> <p>We undertake regular audits and our work to improve facilities for visitors and staff is ongoing. We are grateful to Council as building owner for its support of our efforts.</p>
<p>Suggestions from the Trust on how it, and in particular the City Gallery, could partner with Council to activate Te Ngākau Civic Square</p>	<p>City Gallery Wellington is currently the only Te Ngākau attraction and will present an exciting programme of exhibitions and events during 2020-21.</p> <p>We will continue to use Te Ngākau as an extension of our programming and we will partner with Council as resourcing allows on bespoke Te Ngākau events.</p> <p>Access to Te Ngākau has been compromised by construction activity which is likely to get worse. We therefore agree that it is important to ensure directional signage makes it easy for people to find their way into Te Ngākau, and that the great exhibitions we present at City Gallery Wellington mean there is always a reason to visit.</p>
<p>The Trust is to remain a strong advocate for the return of Capital E in any Te Ngākau Civic Square discussion and, with an existing strong presence in the square through the City Gallery, contribute constructively to this process</p>	<p>Our vision aligns with Council’s objective that Capital E will form part of a revitalised Te Ngākau and we will work with Council to realise that outcome. Te Ngākau is the heart of the city, and we welcome, and are excited to be part of the planning, to realise this important objective for the city we love. We consider that a formal agreement between Council and Experience Wellington is necessary to ensure that the opportunity of Capital E’s return to Te Ngākau (possibly as part of the redeveloped Central Library) is fully explored.</p>

Embracing Te Ao Māori

Council's Expectations

Experience Wellington's Response

Support Council's Te Tauihu Te Reo Māori Policy

Experience Wellington's commitment to embracing Te Ao Māori is the central pou of our 2019-29 Strategic Plan and we believe aligns with Council's many initiatives to acknowledge Te Tiriti o Waitangi including Te Tauihu Te Reo Māori Policy. We applaud Council's aspiration to be a Te Reo Māori city by 2040.

Our initiatives include:

- Māori engagement.
- Reviewing our vision and values to ensure that they support our developing tikanga.
- Continuing to offer staff opportunities to learn and use Te Reo.
- Ensuring that our recruitment processes reflect our commitment to Te Ao Māori.

Our goal for our visitor experiences is that there is a Māori dimension in all plans and activities and in what visitors see, feel and experience. The Wellington Museum Te Waka Huia o Ngā Taonga Tuku Iho development is a good example of how this is working with the involvement of mana whenua in the formative stages of projects as advisors and partners.

Other examples include the Capital E National Theatre for Children's partnership with Taki Rua which produced a full Te Reo Māori version of Patricia Grace's *The Kuia and the Spider* *Te Kuia me te Pūngāwerewere* and *The Navigators* which is a new planetarium show for Space Place and will tell the story about the arrival of two cultures to Aotearoa New Zealand.

Leading the Way

Council's Expectations

Experience Wellington's Response

Support Council's Te Māpihi Maurea Naming Policy

The introduction of Te Māpihi Maurea Naming Policy is an important initiative to protect the city's unique culture and historical identity and we will ensure that the guidelines are applied to our work.

Support Council's Te Atakura First to Zero Policy.

We are pleased to have achieved Toitū Carbon Zero accreditation under Wellington City Council's programme and will continue to work with Council to meet the goals outlined in *Te Atakura, the First to Zero* Policy.

A key contributor has been the reduction in electricity use achieved through close monitoring of air conditioning and temperature control systems at Wellington Museum and City Gallery Wellington.

We look forward to working with Council to develop and implement a waste management plan for Experience Wellington which contributes to the goal of reducing waste to landfill by one third. We have started by looking at ways we can reduce waste across the organisation, including rubbish audits, increasing the availability of recycling, and encouraging our staff to make more sustainable choices.

This is an area that staff are deeply committed to, and where we can, we raise awareness through the public programmes we offer e.g. *Sustainaville* in Capital E's PlayHQ and *The Great Big Waterfront Clean Up* now a regular part of Wellington Museum's programming are examples of our leadership role in this area.

Support the vision for Wellington as a creative city <i>Wellington Towards 2040: Smart Capital “an inclusive place where talent wants to live”</i>	We will work tirelessly with Council to play a key role in helping our city recover and rebound from the effects of COVID-19, as well as leveraging promotional activity to attract domestic visitors, ensuring the city’s reputation as the undisputed Cultural Capital of New Zealand is retained and strengthened.
Maintain alignment with Council’s Living Wage remuneration policy.	We are committed to supporting Council’s Living Wage Policy and responsible employment and fair remuneration.

Governance

The Board aspires to be a leading governance group with the safety and wellbeing of our people of the utmost importance. The Board is confident that it will comply with Council's expectations regarding legislative compliance including the Health and Safety at Work Act 2015.

Our legislative compliance schedule is reviewed annually by the Board and our compliance is closely monitored through a rolling audit programme.

Our health and safety goal is a zero-harm culture and our Key Result Indicator is no notifiable incidents. We have adopted systems and processes to ensure our Health and Safety compliance and we work closely with Council to ensure that our approach is consistent with its expectations. This is particularly relevant in the context of building management where our Health and Safety obligations overlap.

The Sections on the Board’s Approach to Governance ([page 18](#)) and Management, Organisational Health, Capability and Risk Assessment ([pages 20-21](#)) cover these expectations in more detail.

OPERATING ENVIRONMENT UPDATE

COVID-19

The immediate effects of COVID-19 for Experience Wellington are the reduction in visitation and visitor spend. The combination of strict public health measures, closed borders, and the uncertainty of locals to re-engage threatens our financial viability. May and June of 2020 have seen a tentative and restricted return to opening to the public in a contingent operating environment dominated by the risks created by the COVID-19 pandemic.

OUR PEOPLE

Our people are our greatest asset and in response to the COVID-19 crisis we have managed and implemented plans responding to the risks and needs of wellbeing, health and safety. These plans have included mechanisms to support remote working, redeployment to alternate work programmes, and considered health and safety procedures at each Alert Level. A crisis wellbeing team has been established to care for, check in and respond to any concerns and to provide increased support to our vulnerable or other team members finding the current situation challenging.

OUR PLACES

We expect that the operating environment and Government's public health measures will dominate decision-making for the next three years. The COVID-19 crisis has already driven change in how we develop and deliver public programming with much greater emphasis placed on online engagement. Our digital offerings will continue and grow to be a significant aspect of our delivery.

We will stand firm in our commitment to Wellingtonians for their access to their places to enjoy remarkable experiences of contemporary art, to explore our Wellington stories and the southern skies and to bring out their creativity. We are at the heart of the city's cultural and social wellbeing. Ensuring that visitors are welcomed, included, connected, and feel safe in our buildings is the highest priority.

ACCESS

We are committed to ensuring that Te Ngākau maintains its status as the heart of the city, and we will work with Council and other stakeholders to mitigate access issues and to ensure that there is always a reason to visit City Gallery Wellington Te Whare Toi. We expect to be part of Council's planning process to develop a reimagined Te Ngākau which includes a permanent home for Capital E Nōku Te Ao.

While the Wellington Museum Te Waka Huia o Ngā Taonga Tuku Iho is undergoing earthquake strengthening we will ensure that Wellingtonians and visitors to the city continue to have access to Wellington's heritage collections and our stories.

FUNDING SOURCES

Fundraising has been affected by COVID-19 and we anticipate it may take two to three years to recover.

Trading revenue through retail and venue hire will be affected in the short to medium term by lower visitation due to COVID-19.

The Wellington Museum Project will mean a temporary closure of its retail outlet, but once earthquake strengthening is complete an expanded retail operation will provide a welcome boost to this source of revenue.

We also plan to expand retail at Space Place to coincide with the opening of *The Navigators*, a new planetarium show, which will be premiered in June 2021.

STAKEHOLDERS AND PARTNERS

We continue to develop relationships with stakeholders and organisations particularly in the development of visitor experiences. These partnerships contribute to our success and bring new experiences to Wellington. The Wellington Museum development has provided further opportunity to work closely with Mana Whenua which will help us build organisation capability and result in a richer Māori dimension within the visitor experience.

SECTOR ACTIVITY

We monitor trends and activities within the arts and culture sector in New Zealand and overseas, looking for opportunities to increase our reach and revenue.

TECHNOLOGY

New technology is helping with online fundraising options and extending our reach as well as improving our business systems. To improve our organisation effectiveness and efficiency we are changing many of our systems to cloud-based programmes that allow real time reporting, data collection for our Customer Relationship Management (CRM) system and enhanced flexible working conditions for our staff. We will continue to take advantage of the growth in new technologies to enhance our business effectiveness and to enhance our reach and relevance to the communities we serve.

NATURE AND SCOPE OF EXPERIENCE WELLINGTON'S ACTIVITIES

Experience Wellington's purpose is **working with and for Wellington to create remarkable art, culture and science experiences that generate vitality: enriching the city we love** and with our vision, **Engaged Curious Communities** defines our value proposition and how we contribute to Wellington's liveability and prosperity.

City Gallery Wellington Te Whare Toi a contemporary art gallery with an international reputation – the hub of art-life in New Zealand's capital

Cable Car Museum encourages visitors to explore and share the technology, history and experience of Wellington's Cable Car.

Capital E Nōku Te Ao ignites and fuels children's creative spark



Wellington Museum Te Waka Huia o Ngā Taonga Tuku Iho* shares the stories and objects of Wellington.

Space Place Te Ara a Whānui Ki Te Rangi transports visitors from Wellington to outer space.

Nairn Street Cottage illustrates the story of Wellington through the Wallis family.

Our planned visitor experience programme for 2020-21 has been affected by COVID-19 and we are continuing to work through the implications including financial, development and delivery. Despite these challenges we are confident that we will be able to offer programming. Examples include:

- Exciting international art, exhibitions that respond to the current environment, and support for New Zealand artists whose livelihoods have been affected by Covid-19.
- Launching our new project, Creative Collider, which will bring together Wellington's creative sector with tamariki to collaborate, develop, and test new and exciting works for children.
- Working with Wellington's creative ecosystems to produce three nationally touring Capital E theatre productions performing to children aged 3-13 – *Lost Letter Office*, *Story Studio LIVE* and *Seasons* and two new installations in PlayHQ, our free creative space for under 5s and their caregivers.
- *The Navigators*, Planetarium show at Space Place

Experience Wellington cares for the recovered Plimmer's Ark timbers and Wellington city's heritage collections in storage.

We also have a management agreement with the New Zealand Cricket Museum Trust to provide in-kind support, including financial management, for the New Zealand Cricket Museum. *Including the Plimmer's Ark display in the Old Bank Arcade.

PERFORMANCE MEASUREMENT

We will continue to refine performance measurement over the planning period to better reflect the needs of stakeholders for information that helps to assess the impact Experience Wellington makes on Wellington's prosperity and liveability. Any changes will be made in consultation with Council.

The impacts of COVID-19 on visitation and our financial position are reflected in the following performance measures.

Proposed earthquake strengthening and upgrade of Wellington Museum will mean a period of closure of approximately two years which will affect visitation results and revenue generation.

Our City

Key Result Indicators

City Residents' Awareness: The number of Wellingtonians who know about our institutions as assessed through the Annual Residents' Survey conducted by Council.

Residents' Awareness	2018-19 Actual	2019-20 SOI	2020-21	2021-22	2022-2023
City Gallery Wellington	93%	95%	95%	95%	95%
Wellington Museum	94%	95%	95%	95%	95%
Capital E	92%	90%	90%	90%	90%
Cable Car Museum	96%	95%	95%	95%	95%
Space Place	92%	92%	92%	92%	92%
Nairn Street Cottage	60%	54%	54%	54%	54%

Our Visitors

Key Result Indicators

Physical Visitation: The total number of on-site visits to institutions including general public, education and function attendees. The annual target is reviewed each year and benchmarked against the average visitation for the institution during the previous three years. Due to border closures we are not expecting international visitors for the 2020-21 year, and a significant drop in our domestic visitors from FY2019-20 (60% drop Q1, 50% drop Q2, and 40% drop in Q3 & Q4)

Visitor Numbers	2018-19 Actual	2019-20 SOI	2020-21	Q1 Jul-Sep	Q2 Oct-Dec	Q3 Jan-Mar	Q4 Apr-Jun	2021-22	2022-23
City Gallery Wellington	153,676	150,000	56,200	11,200	13,400	13,400	18,200	110,250	112,300
Wellington Museum	132,953	130,000	56,000	9,000	12,500	20,500	14,000	75,000	90,000
Capital E	137,015	70,500	45,500	9,250	12,500	9,750	14,000	60,000	100,000
Cable Car Museum	288,889	256,000	79,000	17,500	17,500	25,500	18,500	100,000	125,000
Space Place	55,683	57,000	24,000	4,000	6,000	8,000	6,000	30,500	40,000
Nairn Street Cottage	2,104	2,000	1,000	0	250	500	250	1500	2,000
Experience Wellington Total	770,320	665,500	261,700	50,950	62,150	77,650	70,950	377,250	469,300

Adjustments to visitation reflect the impact of Covid-19 - rescheduling the 3rd high value art exhibition and construction works on Te Ngākau. The 10th Capital E National Arts Festival for Children will take place in 2023 deferred from 2021 owing to COVID-19 increasing visitation in that year.

Virtual Visitation: The total number of unique user visits to institutional web/mobile sites.

Virtual Visitor Numbers	2018-19 Actual	2019-20 SOI	2020-21	2021-22	2022-23
City Gallery Wellington	87,922	75,000	78,000	80,000	83,000
Museums Wellington	140,646	96,000	110,000	113,000	118,000
Capital E	45,525	45,500	35,000	38,000	40,000
Experience Wellington Total	274,093	216,500	223,000	231,000	241,000

Social Media Profile: A snapshot of Facebook friends, Instagram and Twitter followers.

Social Media Numbers	2018-19 Actual	2019-20 SOI	2020-21	2021-22	2022-23
City Gallery Wellington	37,923	35,000	41,500	43,000	45,000
Museums Wellington	12,218	12,000	13,500	13,800	14,200
Capital E	8,040	8,000	9,500	10,000	10,500
Space Place	9,878	10,000	10,800	12,000	11,50
Experience Wellington Total	68,059	65,000	75,300	78,800	81,200

Quality of Visit: Visitor feedback based on comfort, access, experience, knowledge gained, the friendliness of staff, the length of visit and overall enjoyment.

Quality of the Visitor Experience	2018-19 Actual	2019-20 SOI	2020-21	2021-22	2022-23
City Gallery Wellington	86%	90%	88%	88%	88%
Wellington Museum	93%	90%	90%	90%	90%
Capital E	95%	90%	90%	90%	90%
Cable Car Museum	84%	90%	80%	80%	80%
Space Place	91%	90%	90%	90%	90%
Nairn Street Cottage	96%	90%	90%	90%	90%

Children & Young People Visiting for a Learning Experience: The number of students (aged 0-18 years) participating in a learning experience organised by their education provider. All sites will be open for school visits but likely to be significantly limited until Q3 and Q4.

Learning experience visitors	2018-19 Actual	2019-20 SOI	2020-21	2021-22	2022-23
City Gallery Wellington	4,038	4,500	4,500	3,600	3,600
Museums Wellington	5,627	7,000	3,500	5,000	7,000
Capital E	64,422	20,500	10,000	12,000	38,000
Space Place	6,121	8,250	3,000	5,000	6,000
Experience Wellington Total		40,250	21,000	25,600	54,600

Figures include curriculum aligned learning experiences which are supported by the Ministry of Education through its LEOTC programme and self-directed and outreach learning experiences. The 10th Capital E National Arts Festival for Children will take place in 2023 deferred from 2021 owing to COVID-19 increasing visitation in that year.

Museums Wellington includes the Wellington Museum, Cable Car Museum and Nairn Street Cottage. Proposed earthquake strengthening and upgrade of Wellington Museum will mean a period of closure which will affect visitation results.

Our Sustainability

Key Result Indicators

Financial Performance: A break-even budget and fully funded depreciation.

Non-Council Revenue: The total amount of revenue (net of costs) generated from non-Council sources:

Trading includes admissions, retail, venue hire, sub-letting, and interest.

Fundraising includes donations, sponsorships, other grants and cultural grants (CNZ and MoE for LEOTC). Retail sales and venue hire are significantly reduced in line with forecast visitation.

Trading (\$'000)	2018-19 Actual \$000	2019-20 SOI \$000	2020-21 \$000	2021-22 \$000	2022-23 \$000
City Gallery Wellington	363	296	99	129	300
Museums Wellington	1,056	837	144	187	230
Capital E	608	252	127	165	430
Space Place	570	566	136	177	540
Sub Total	2,597	1,951	506	660	1,500
Sub-letting, Interest & Other	228	206	30	30	30
Experience Wellington Total	2,825	2,157	536	690	1,530
Fundraising (\$'000)	2018-19 Actual \$000	2019-20 SOI \$000	2020-21 \$000	2021-22 \$000	2022-23 \$000
City Gallery Wellington	467	574	395	519	538
Museums Wellington	148	158	100	143	148
Capital E	784	858	942	776	804
Space Place	81	111	485	100	104
Experience Wellington Total	1,480	1,701	1921	1540	1595

Museums Wellington includes the Wellington Museum, Cable Car Museum and Nairn Street Cottage.

The 10th Capital E National Arts Festival for Children will take place in 2023 deferred from 2021 owing to COVID-19 increasing visitation in that year.

The trading figures from 2020 are shown net of cost of sales.

Spend per Visitor: Visitor related revenue.

Spend per Visit (\$)	2018-19 Actual \$	2019-20 SOI \$	2020-21 \$	2021-22 \$	2022-23 \$
City Gallery Wellington	2.36	1.87	1.76	2.45	2.43 5
Museums Wellington	2.49	2.16	1.06	1.48	1.47
Capital E	4.43	3.29	2.79	3.89	3.86
Space Place	10.25	9.93	5.67	7.9	7.84
Experience Wellington Total	3.63	3.24	1.93	2.69	2.67

Museums Wellington includes Wellington Museum, Cable Car Museum and Nairn Street Cottage.

Capital E will present the Capital E National Arts Festival for Children in 2022-23.

Our People

Key Result Indicators

Health and Safety: No notifiable incidents involving workers or visitors as defined by the Health and Safety at Work Act 2015.

Number of Notifiable Incidents	2018-19 Actual	2019-20 SOI	2020-21	2021-22	2022-23
Experience Wellington Total	0	0	0	0	0

Staff Satisfaction: At least 77% of staff are engaged with the organisation as indicated through the annual Staff Engagement Survey.

Staff Satisfaction	2018-19 Actual	2019-20 SOI	2020-21	2021-22	2022-23
Experience Wellington Total	68%	75%	77%	80%	80%

Our Heritage

Key Result Indicators

Collection Development: Our Heritage Collections contribute to our understanding of Wellington's identity; its history, art and creativity which include visitors to some of Wellington's most important heritage sites (see Visitor Number KRI).

Collection Development	2018-19 Actual	2019-20 SOI	2020-21	2021-22	2022-23
New to the Collection	26	100	200	100	100
Collection Assessment	2044	1,000	800	800	800
Collection Accessibility	6.04%	10%	10%	10%	10%

New to the Collection: Commissions, acquisitions or donations of an item or a collection of items that have been accessioned into the collection.

Collection Assessment: The number of items (individual or type e.g. lifebuoys) that are reviewed for retention or disposal.

Collection Accessibility: The % of the Collection that is on display, on loan, used for research purposes or accessed through other mediums such as online.

Proposed earthquake strengthening and upgrade of Wellington Museum will mean a period of closure. There will be less of the collection on public display during this time.

Council's Subsidy per Visit

The Council subsidy per physical visitor (excluding online engagement) is calculated first by dividing the number of forecast visits into the operating grant received from Council (Table 1). Council's ownership costs such as insurance, maintenance and depreciation are then added (Table 2) to provide an estimate of the full subsidy per visit. The information regarding ownership costs is supplied by Council.

Table 1: Operating subsidy per visit

Subsidy per Visit (\$)	2018-19 Actual \$	2019-20 SOI \$	2020-21 \$	2021-22 \$	2022-23 \$
City Gallery Wellington	15.65	14.96	43.34	28.78	24.41
Museums Wellington	3.89	5.01	15.52	10.31	8.74
Capital E	12.20	23.35	39.26	26.07	22.11
Space Place	8.87	9.48	23.56	15.65	13.27
Experience Wellington Total	-	11.24	29.47	19.57	16.6

Subsidy per Visit forecast is based on the probable percentage of the operating grant received from Council as follows:

City Gallery Wellington – 30%

Museums Wellington (Wellington Museum, Cable Car Museum and Nairn Street Cottage) – 26%

Capital E – 22%

Space Place – 4.9% plus the cash underwrite

Central services provided through the Executive Office – 17.1%

Proposed earthquake strengthening and upgrade of Wellington Museum will mean a period of closure which will affect visitation results.

Capital E will present the Capital E National Arts Festival for Children in 2022-23.

Table 2: Full subsidy per visit inclusive of Council's ownership costs

Full Subsidy per Visit (\$)	2018-19 Actual \$	2019-20 SOI \$	2020-21 \$	2021-22 \$	2022-23 \$
City Gallery Wellington	19.20	16.06	46.87	31.09	26.17
Museums Wellington	4.48	7.41	16.79	11.14	9.38
Capital E	12.20	27.50	42.46	28.16	23.71
Space Place	18.97	10.93	23.56	15.63	13.16
Experience Wellington Total	-	19.64	31.93	21.18	17.83

Council's estimated ownership costs are supplied by Council.

The 10th Capital E National Arts Festival for Children will take place in 2023 deferred from 2021 owing to COVID-19 increasing visitation in that year.

BOARD'S APPROACH TO GOVERNANCE

Governance

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

The Board meets no fewer than nine times per year and operates three committees (listed below) which review relevant matters prior to consideration by the full Board. In addition, the Board will convene *ad hoc* working groups to consider specific issues. Guidance in specialist areas is also provided as appropriate.

Board Committees

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

Chief Executive Performance and Remuneration (CEP&R) Committee to advise the Chair in connection with the performance and remuneration of Experience Wellington's Chief Executive.

People, Performance and Safety (PPS) Committee supports the Chief Executive in carrying out their responsibilities as the employer of all staff and assists the Board to meet its due diligence responsibilities regarding Experience Wellington's compliance with the Health and Safety at Work Act 2015.

Board Membership

Trustee	Term Expires	Committees
Jackie Lloyd, Chair	30 June 2020	Chair CEP&R and <i>ex officio</i> of PPS and A&R
Diane Calvert	31 October 2022	
Rachel Farrant	30 June 2021	Chair A&R and member of CEP&R
Peter Jackson	31 May 2022	PPS
Peter Johnston	31 May 2022	A&R, CEP&R
Jane Wrightson	31 December 2021	Chair PPS and member of CEP&R

Board Performance

The Board strives to meet best practice governance standards and will undertake an annual review of the overall Board, individual Trustees, and the Chair's performance, and report to the Chief Executive of Council by 30 September 2020.

COUNCIL RELATIONSHIP PRINCIPLES

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

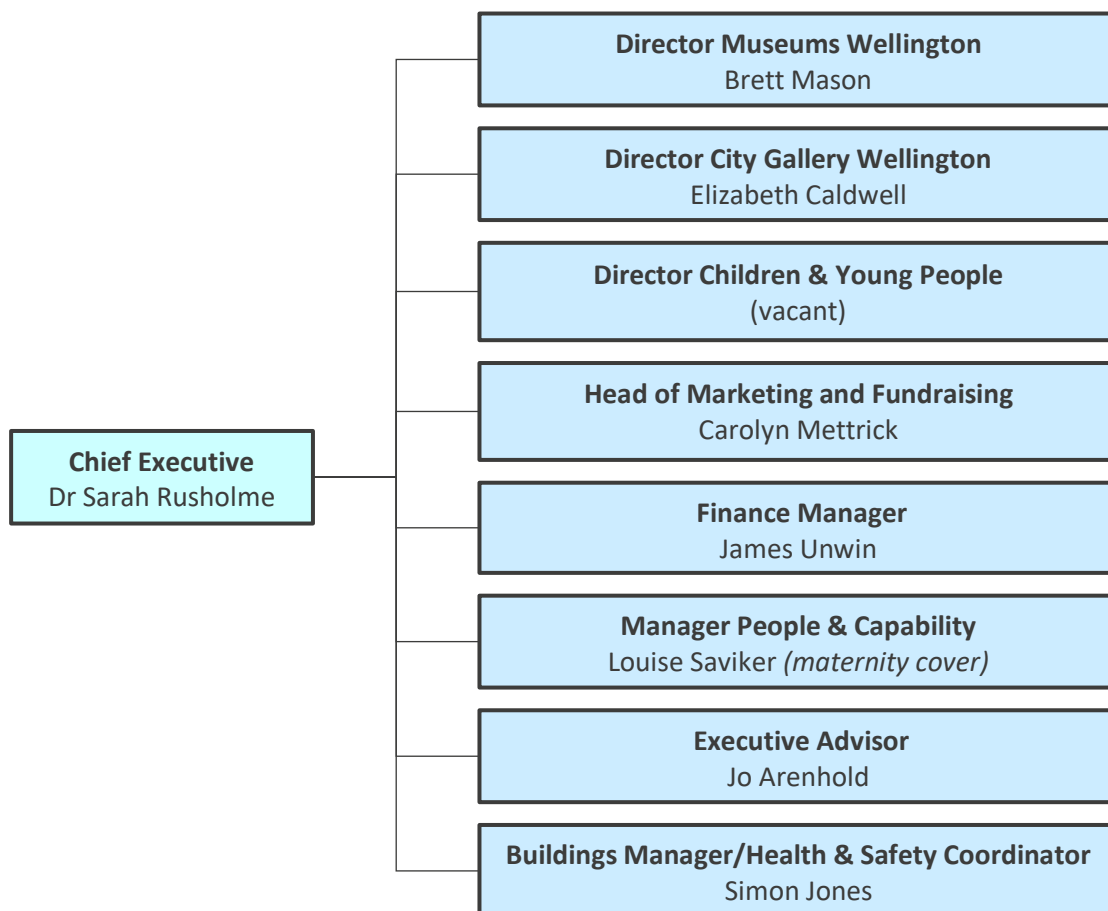
- Operating on a “no surprises” basis so that any significant event that may affect either party is brought to their attention as soon as it can be reasonably done.
- Open and frank communication will occur between Experience Wellington and Council.
- Provide advice to Council on the management and development of museums, art galleries, space science and other relevant services within Wellington.
- Full disclosure of information will be provided to Council from Experience Wellington as deemed necessary by Council to ensure its interests are upheld.
- Disclosing within the Experience Wellington’s Strategic Plan any significant transactions that are planned.

MANAGEMENT, ORGANISATIONAL HEALTH, CAPABILITY AND RISK ASSESSMENT

Management

Our values: *Connected, Quality First, Boldness* and *Leading* are the quadrants of our balanced scorecard and describe the strategies, performance monitoring and reporting that together describe how we wish to go about our business and how we measure performance and success. Central to this is the ability to create and sustain an operating environment that supports the achievement of a high performing organisation.

Dr Sarah Rusholme took up the role of Chief Executive effective 22 June 2020. The senior team reporting to the Chief Executive is outlined below:



Organisational Health and Wellbeing

We are committed to continuous improvement of our organisation effectiveness with the objective of being an employer of choice demonstrating whanaungatanga.

Our wellbeing strategy aims to build a positive working environment. We have invested in training to support managers navigating wellbeing with their teams, and to increase awareness and skill including mental health training programmes.

In response to the COVID-19 crisis, management will ensure careful planning and support for staff, with their wellbeing our top priority.

Capability

Our commitment to presenting thought-provoking and entertaining visitor experiences relies on our staff who bring to their work: leadership; strategic thinking; knowledge of heritage collections, art, science and creativity; commitment to audiences; networks and contacts; and professional standards.

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

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

We are committed to the principle of collaboration and shared services and we are committed to working with Council, its associated organisations, and sector partners.

Risk Management and Business Continuity

Our Risk Profile is reviewed regularly and identifies events and or circumstances and the impact that these have on our operation using a system that ranks the probability and level of impact of the event. It includes risk management strategies such as recovery plans for specific events which carry high risk values.

Our ability to continue to operate following a major event will depend on factors outside of our control such as the extent of material damage to buildings. Business Continuity Plans are being developed at all sites.

We acknowledge that under the Health and Safety at Work Act 2015 we share Person Conducting a Business or Undertaking (PCBU) responsibilities with Council regarding Council buildings we manage and occupy.

Assessed risks which carry a lower risk value tend to be within our operational purview except for risks associated with buildings maintenance and plant performance issues which are Council's responsibility. Building and plant issues that are likely to affect business continuity or present a risk to health and safety of workers and visitors are immediately brought to Council's attention.

Insurance

We have adequate insurance cover to meet specific business needs and deductibles are in line with generally accepted risk management principles and affordability.

APPENDIX 1: FORECAST FINANCIAL STATEMENTS

Forecast	STATEMENT OF FINANCIAL PERFORMANCE Experience Wellington Total (\$'000)	Budget Qtr to	Budget Qtr to	Budget Qtr to	Budget Qtr to	Total YE	Total YE	Total YE
30-06-20		30-09-20	31-12-20	31-03-21	30-06-21	30-06-21	30-06-22	30-06-23
Revenue								
1,417	Trading Income (Net)	86	88	160	171	505	1,050	1,250
7,482	Council Operating Grant	1,930	1,930	1,930	1,930	7,721	7,631	7,784
1,769	Council Rental Grant	442	442	442	442	1,769	1,769	1,769
1312	Grants	327	298	673	346	1,645	1,500	1,550
389	Sponsorships and Donations	78	16	16	166	276	330	360
42	Investment Income	11	4	11	4	30	30	30
338	Other Income	26	26	26	210	288	289	300
12,749	Total Revenue	2,901	2,805	3,259	3,269	12,234	12,599	13,043
Expenditure								
6,233	Employee Costs	1676	1679	1681	1681	6718	6,750	6,830
1,339	Council Rent	335	335	335	335	1339	1,339	1,339
2,215	Exhibitions & Programmes	538	315	542	836	2232	2,250	2,250
589	Marketing & Promotions	178	174	178	259	789	580	580
1,187	Occupancy Costs (excluding Council Rent)	300	301	297	291	1189	1,220	1,225
124	Communication Costs	25	25	25	26	101	100	100
86	Trustee Fees & Expenses	24	24	24	24	94	94	96
158	Technology Costs	51	39	38	40	168	168	168
77	Professional Fees	25	25	25	25	100	80	90
202	Administration Expenses	55	56	52	50	213	208	210
550	Depreciation	130	130	130	130	520	500	450
0	Interest	0	0	0	0	0	0	0
12,760	Total Expenditure	3,337	3,102	3,327	3,696	13,462	13,289	13,338
(11)	Net Surplus/(Deficit) before Taxation	(436)	(297)	(68)	(427)	(1228)	(690)	(295)
	Taxation Expense							
(11)	Net Surplus/(Deficit)	(436)	(297)	(68)	(427)	(1228)	(690)	(295)
-0.09%	Operating Margin	-15.05%	-10.58%	-2.09%	-13.05%	-10.03%	-5.95%	-2.72%

There has been a reallocation of costs from Exhibitions & Programmes to Employee Costs following a legal review where the status of a number of casual contractors has been changed to part-time employees.

Forecast	STATEMENT OF FINANCIAL POSITION (\$'000)	Budget Qtr to	Budget Qtr to	Budget Qtr to	Budget Qtr to	Total YE	Total YE	Total YE
30-06-20		30-09-20	31-12-20	31-03-21	30-06-21	30-06-21	30-06-22	30-06-23
Shareholder/Trust Funds								
2,123	Share Capital/Settled Funds	2,123	2,123	2,123	2,123	2,123	2,123	2,123
0	Revaluation Reserves	0	0	0	0	0	0	0
478	Restricted Funds	478	478	478	478	478	478	478
1,869	Retained Earnings	1,433	1,136	1,068	641	641	-48	-343
4,470	Total Shareholder/Trust Funds	4,034	3,737	3,669	3,242	3,242	2,553	2,258
Current Assets								
40	Cash and Bank	40	40	40	-398	-398	-1,088	-1,383
600	Accounts Receivable	600	600	600	600	600	600	600
150	Other Current Assets	150	150	150	150	150	150	150
790	Total Current Assets	790	790	790	352	352	-338	-633
Investments								
790	Deposits on Call	2,725	55	2,359	0	0	0	0
0	Other Investments	0	0	0	0	0	0	0
790	Total Investments	2,725	55	2,359	0	0	0	0
Non-Current Assets								
4,500	Fixed Assets	4,500	4,500	4,500	4,500	4,500	4,500	4,500
0	Other Non-current Assets	0	0	0	0	0	0	0
4,500	Total Non-current Assets	4,500	4,500	4,500	4,500	4,500	4,500	4,500
6,080	Total Assets	8,015	5,345	7,649	4,852	4,852	4,162	3,867
Current Liabilities								
1310	Accounts Payable and Accruals	2,081	1,278	2,080	1,310	1,310	1,309	1,309
300	Other Current Liabilities	1,900	330	1,900	300	300	300	300
1,610	Total Current Liabilities	3,981	1,608	3,980	1,610	1,610	1,609	1,609
Non-Current Liabilities								
0	Loans - WCC	0	0	0	0	0	0	0
0	Loans - Other	0	0	0	0	0	0	0
0	Other Non-Current Liabilities	0	0	0	0	0	0	0
0	Total Non-Current Liabilities	0	0	0	0	0	0	0
4,470	Net Assets	4,034	3,737	3,669	3,242	3,242	2,553	2,258
0.98	Current Ratio	0.88	0.53	0.79	0.22	0.22	-0.21	-0.39
0.73	Equity Ratio	0.51	0.70	0.48	0.67	0.67	0.61	0.58

Forecast	STATEMENT OF CASH FLOWS (\$'000)	Budget Qtr to	Budget Qtr to	Budget Qtr to	Budget Qtr to	Total YE	Total YE	Total YE
30-06-20		30-09-20	31-12-20	31-03-21	30-06-21	30-06-21	30-06-22	30-06-23
Cash provided from:								
1,905	Trading Receipts	86	88	160	171	505	1,050	1,250
9,105	WCC Grants	4,745	0	4,745	0	9,490	9,400	9,553
1397	Other Grants	327	298	673	346	1,645	1,500	1,550
239	Sponsorships and Donations	78	16	16	166	276	330	360
42	Investment Income	11	4	11	4	30	30	30
468	Other Income	26	26	26	210	288	289	300
13,156		5,273	432	5,631	897	12,234	12,599	13,043
Cash applied to:								
6,237	Payments to Employees	1,677	1,679	1,681	1,681	6,718	6,750	6,830
6,203	Payments to Suppliers	1531	1,293	1,516	1,885	6,224	6,039	6,058
140	Net GST Cash Flow	0	0	0	0	0	0	0
0	Interest Paid	0	0	0	0	0	0	0
12,580		3,208	2,972	3,197	3,566	12,942	12,789	12,888
576	Total Operating Cash Flow	2,065	-2,540	2,434	-2,669	-708	-190	155
Investing Cash Flow								
Cash provided from:								
0	Sale of Fixed Assets	0	0	0	0	0	0	0
0	Other	0	0	0	0	0	0	0
Cash applied to:								
626	Purchase of Fixed Assets	130	130	130	130	520	500	450
0	Other	0	0	0	0	0	0	0
626		130	130	130	130	520	500	450
(626)	Total Investing Cash Flow	(130)	(130)	(130)	(130)	(520)	(500)	(450)
Financing Cash Flow								
Cash provided from:								
0	Drawdown of Loans	0	0	0	0	0	0	0
0	Other WCC Financing	0	0	0	0	0	0	0
Cash applied to:								
0	Repayment of Loans	0	0	0	0	0	0	0
0	Other					0	0	0
0		0	0	0	0	0	0	0
0	Total Financing Cash Flow	0	0	0	0	0	0	0
(50)	Net Increase/(Decrease) in Cash Held	1,935	-2,670	2,304	-2,799	-1,228	-690	-295
880	Opening Cash Equivalents	830	2,765	95	2,399	830	-398	-1,088
830	Closing Cash Equivalents	2,765	95	2,399	39	-398	-1,088	-1,383

The closing cash needs to include \$478k of tagged funds that if not used for earthquake strengthening will need to be repaid to MCH.

Forecast	CASH FLOW RECONCILIATION (\$'000)	Budget Qtr to	Budget Qtr to	Budget Qtr to	Budget Qtr to	Total YE	Total YE	Total YE
30-06-20		30-09-20	31-12-20	31-03-21	30-06-21	30-06-21	30-06-22	30-06-23
(44)	Operating Surplus/(Deficit) for the Year	(436)	(297)	(68)	(427)	(1228)	(690)	(295)
Add Non-Cash Items:								
548	Depreciation	130	130	130	130	520	500	450
0	Other	0	0	0	0	0	0	0
504		(306)	(167)	62	(297)	(708)	(190)	155
Movements in Working Capital								
41	(Increase)/Decrease in Receivables	0	0	0	0	0	0	0
(9)	(Increase)/Decrease in Other Current Assets	0	0	0	0	0	0	0
10	Increase/(Decrease) in Accounts	0	0	0	0	0	0	0
30	Increase/(Decrease) in Other Current Liabilities	0	0	0	0	0	0	0
72		0	0	0	0	0	0	0
Net Gain/(Loss) on Sale:								
0	Fixed Assets	0	0	0	0	0	0	0
0	Investments	0	0	0	0	0	0	0
576	Net Cash Flow from Operations	-306	-167	62	-297	-708	-190	155

APPENDIX 2: ACCOUNTING POLICIES

Significant Accounting Policies

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

1. Reporting entity

The Wellington Museums Trust Incorporated, trading as Experience Wellington, is a Registered Charity CC22571 under the Charities Act 2005. It is a Council Controlled Organisation (CCO) in terms of the Local Government Act 2002.

The forecast financial statements of Experience Wellington for 2020-21 onwards includes the activities of the following business units - the Experience Wellington Executive Office, Capital E, City Gallery Wellington, Museums Wellington covering Wellington Museum, Nairn Street Cottage, the Wellington Cable Car Museum, and Space Place at Carter Observatory.

The principal activity of Experience Wellington is to develop and manage Institutions and to operate them for the benefit of the residents of Wellington and the public generally. For the purposes of financial reporting, Experience Wellington is a public benefit entity (public sector).

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

2. Basis of preparation

a) Statement of compliance and basis of preparation

The forecast financial statements have been prepared in accordance with New Zealand Generally Accepted Accounting Practice (NZGAAP). They comply with Tier 2 PBE Accounting Standards (Public Sector) and disclosure concessions have been applied.

Experience Wellington has elected to report in accordance with Tier 2 PBE Accounting Standards (Public Sector) on the basis that it does not have public accountability and has total annual expenses of equal to or less than \$30 million.

b) Basis of measurement

The forecast financial statements are prepared on the historical cost basis.

c) Presentation currency

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

3. Significant accounting policies

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

a) Property, plant and equipment

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

(i) Subsequent costs

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

(ii) Depreciation

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

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

The residual value of assets is reassessed annually.

b) Collections and artefacts

Collections are artefacts that are of cultural or historical importance. A substantial amount of Experience Wellington's Collections were acquired on 29 February 1996 from the Wellington Maritime Museum Trust (WMMT) with others added either as gifts or purchases since 1996. Collections are carried at historic cost as assessed at the time of transfer from the WMMT. All subsequent acquisitions to the collections are recorded at cost if purchased. Where an asset is acquired through a non-exchange transaction, its cost is measured at its fair value as at the date of acquisition. Where the fair value of the assets is not able to be reliably measured, they are recorded at nil. Because the useful life of the collections is indeterminate, they are not depreciated.

An external valuation of the Collections from an independent valuer is obtained on a periodic basis to ensure that the carrying value of the Collections that are held at cost does not exceed their fair value.

The Trustees obtained a valuation at 30 June 2014 and have confirmed that the carrying value at 30 June 2019 is appropriate and that no impairment has occurred.

c) Intangible assets

Computer software

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

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

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

d) Trade and other receivables

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

e) Inventories

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

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

f) Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits.

g) Impairment

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

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable service amount. The recoverable service amount is the higher of an asset's fair value less costs to sell and value in use.

Value in use is determined using an approach based on either a depreciated replacement cost approach, restoration cost approach, or a service units approach. The most appropriate approach used to measure value in use depends on the nature of the impairment and availability of information.

If an asset's carrying amount exceeds its recoverable service amount, the asset is regarded as impaired and the carrying amount is written-down to the recoverable amount. The total impairment loss is recognised in the surplus or deficit. The reversal of an impairment loss is also recognised in the surplus or deficit.

h) Employee benefits

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

i) Provisions

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

j) Trade and other payables

Trade and other payables are stated at cost.

k) Revenue

(i) Funding

Experience Wellington's activities are supported by grants, sponsorship, admissions and other trading activities. Grants received that have an obligation in substance to return the funds if conditions of the grant are not met are initially recognised as a liability and revenue is recognised only when the services are performed, or conditions are fulfilled.

Funds received that have no such obligation attached and merely a restriction imposed on the use of funds, are recognised as revenue when they become available.

(ii) Services provided

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

(iii) Donations

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

(iv) Sale of merchandise

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

l) Expenses

(i) Operating lease payments

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

(ii) Finance income and expenses

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

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

m) Availability of future funding

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

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

n) Income tax

Experience Wellington is a Registered Charity and is exempt from income tax. Experience Wellington is not exempt from indirect tax legislation such as Goods and Services Tax, Fringe Benefit Tax, PAYE or ACC and accordingly it is required to comply with these regulations.

o) Goods and services tax

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

4. Ratio of Total Assets: Liabilities

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

5. Activities for which compensation from Council is sought

Experience Wellington seeks funding of \$7,720K for the core operation including Space Place at Carter Observatory and an accommodation rental subsidy of \$1,769K for the 2020-21 financial year and an extension of the Wellington Museums Trust Funding Deed executed on 28 October 1999 in accordance with clause 5.2 of the Deed.

6. Ratio of Shareholders' funds to total assets

Based on the forecasted Statement of Financial Position as at 30 June 2020 the ratio of shareholders' funds to total assets is 0.73 and this is maintained in the forecasted Statement of Financial Position as at 30 June 2021.

7. Significant Obligations/Contingent Liabilities

Experience Wellington currently holds no cash reserves to meet operational requirements and to mitigate risks.

Experience Wellington has no contingent liabilities.

8. Distribution to Settlor

Experience Wellington does not make a distribution to the Settlor.

APPENDIX 3: COUNCIL LETTER OF EXPECTATION

11 December 2019

Jackie Lloyd
Chair
Wellington Museums Trust
PO Box 893
WELLINGTON 6140

By email only: jackie.lloydnz@gmail.com

Dear Jackie

Re: 2020/21 Statement of Intent and Wellington City Council Expectations

This letter sets out the Council's expectations of the Wellington Museums Trust for 2020/21. It is intended to assist the Trust in its business planning and with the preparation of its 2020/21 Statement of Intent (SOI).

As Council enters a new triennium we have an opportunity to shape the city through transformational projects such as Let's Get Wellington Moving. The resources and financing for this significant project need to be considered at a time when we are still dealing with the impacts of the Kaikoura earthquake, and the costs associated with resilience have added significantly to Council's budgets. The work programme for the next triennium will require us to look at our priorities as a Council and how we keep costs down for our ratepayers whilst providing good stewardship of the City and delivering the quality of services expected of us.

To a large degree, the Council's expectations of the Trust are enduring and the Trust is expected to ensure on-going alignment to the Council's annual and long term plans. This letter serves to reiterate or emphasise some of these while also alerting the Trust to new Council initiatives or programmes, or expected outcomes from the Trust.

There are a range of relatively new and significant Council strategies and policies which have been adopted over the past year that are drawn to your attention. The Trust is expected to be familiar with these and to the extent they are relevant engage with the policies and strategies and respond accordingly.

These include:-

- Te Tauihu Te Reo Maori Policy;
- Te Mapihi Maurea Naming Policy;
- Te Atakura First to Zero Policy (given that 83.8% of the Council's emissions are from waste, we refer you to the existing Wellington Region Waste Management and Minimisation Plan 2017-2023).
- Accessible Wellington, The Accessible Journey Action Plan 2019; and
- The vision for Wellington as a creative city (Aho-Tini Strategy).

In addition, Council makes the following comments in relation to its expectations of the Trust.

The Trust has made significant progress across a range of key initiatives for Experience Wellington and retains Council's support for continuing these, notably:-

1. Council recognises the importance of Te Ngākau Civic Square to the community and is mindful of the effect of the building closures and associated construction works. As a key stakeholder in Te Ngākau Civic Square we welcome suggestions from the Trust on how it, and in particular the City Gallery, could partner with Council to activate this area.
2. Capital E continues to provide a valued amenity for the young people of the City. Council expects the Trust to remain a strong advocate for the return of Capital E in any Te Ngākau Civic Square discussions and, with an existing strong presence in the square through the City Gallery, to contribute constructively in this process.
3. The SOI should provide an update on the status of the planned upgrade works at the Wellington Museum. Council acknowledges that this is an important project for the Trust and in addition to the necessary structural works needed to address the earthquake risks associated with the Bond Store the investment provides an opportunity to upgrade the exhibition spaces.
4. The continued spatial demand on Capital E for its programming and the Bond Store upgrade will present the Trust with a range of issues relating to staff accommodation. The SOI provides an opportunity to traverse these issues both from a short term operational perspective and also a more strategic view.
5. The international exhibition programme at the City Gallery is a welcome addition to the Gallery's programme and the SOI should discuss the planning around future programmes. These are viewed by Council as being above and beyond the normal Gallery programming and we note that funding support through the City Growth Fund is likely to be required to secure stand out exhibitions.
6. The Trust has implemented the payment of the Living Wage across Experience Wellington and Council expects that the Trust now maintains this.

Governance

The Council expects the Trust to maintain a high degree of awareness of legislation that is applicable to its activities and in particular on relevant Health and Safety legislation.

The Council expects the Trust to comply with its obligations under the Health and Safety at Work Act 2015. This includes having in place an effective health and safety management framework that identifies and prioritises the management of critical areas of health and safety risk and that this management framework is reviewed, monitored and verified for effectiveness. Where the Council and the Trust have shared responsibilities and overlapping duties as they relate to the health and safety risks of the activities and services of the Trust and the Council, then all parties will ensure that there is effective consultation, co-operation and co-ordination of activities and responsibilities to eliminate or minimise the health and safety risks and that our organisations are aligned and influencing good outcomes that keep all those in or in the vicinity of our workplaces safe and free from harm.

The Trust is expected to meet best practice governance standards and, in support of this, to undertake a performance review of the overall board, individual board members and the board chair. On completion of this review, the Council's Chief Executive should receive an update that describes the form the review took and the outcomes of the review. The review is to be completed by 30 September 2020.

Timetable

The Council's 2018-28 Ten Year Plan includes a number of performance measures involving Experience Wellington that the Trust is expected to support by supplying its performance measures and activity highlights to the Council and observing the reporting timetable attached to this letter.

We look forward to receiving the Trust's draft Statement of Intent no later than 14 February 2020. Please refer to the reporting timetable attached for other reporting dates.

Should you have any queries or comments in regard to this letter, or wish to discuss the Council's strategies and the outcomes we are seeking in more detail, please contact Warwick Hayes in the first instance on 021 247 8377.

Yours sincerely



Cr Jenny Condie
Chair, Council-controlled Organisations Subcommittee
 Ph: (021) 972 763
 Email: jenny.condie@wcc.govt.nz

cc: Pat Stuart, Chief Executive
pats@experiencewellington.org.nz

Performance Measures

The following are performance measures that are relevant to Council's own reporting framework.

Performance Measure (KPI)	KPI Basis	Report Basis	Report Due
Visitors	Quarter	Quarter	7 days
Student & education visits	Annual	Quarter	7 days
Percentage of satisfied visitors	Annual	Year To Date	30 days
Council operating grant per visitor	Annual	Year To Date	30 days
Full cost to Council	Annual	Year To Date	30 days
Trading revenue per visit (excl. grants & interest)	Annual	Year To Date	30 days
Non-Council donations & funding	Annual	Year To Date	30 days

Reporting Timetable

Report	Reference Date	Due Date	Committee Date^
1st Quarter Report <ul style="list-style-type: none"> Non-financial performance measures Full Q1 report with financial statements 	30 Sep	7 Oct 31 Oct	Nov / Dec
2nd Quarter Report <ul style="list-style-type: none"> Non-financial performance measures Full Q2 report with financial statements 	31 Dec	7 Jan 31 Jan	Mar / Apr
Draft Statement of Intent	n/a	14 Feb	Mar / Apr
3rd Quarter Report <ul style="list-style-type: none"> Non-financial performance measures Full Q3 report with financial statements 	31 Mar	7 Apr 30 Apr	May / Jun
Statement of Intent	n/a	30 Apr	May / Jun
4th Quarter Report <ul style="list-style-type: none"> Non-financial performance measures Annual Report & Financial Statements 	30 Jun	7 Jul 30 Sep	Nov / Dec

^ Committee dates may vary each year between the months indicated.

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Guidelines for the preparation of Council's Annual Report and Financial Statements

The following information is required by Council to support the preparation its annual report. Council officers will liaise directly during the process. Your Council contacts will be Annemarie Booth and Brendan Murphy.

- Related party template (due 11 May)
- Related party balances & transactions (due 31 May)
- Performance measures (due 11 Jul)
- Consolidation template (as applicable) and draft financial statements (due 16 Jul)
- Audit clearance or audited financial statements, and draft report commentary (due 7 Sep)
- Letter of representation to Council's CFO (due 7 Sep)

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EXPERIENCE WELLINGTON DIRECTORY

Experience Wellington Executive Office

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PO Box 893, Wellington
P: 04 471 0919
E: experience@experiencewellington.org.nz
www.experiencewellington.org.nz

City Gallery Wellington Te Whare Toi

Te Ngākau Civic Square
101 Wakefield Street
PO Box 893, Wellington
P: 04 913 9032
E: citygallery@experiencewellington.org.nz
www.citygallery.org.nz

Capital E Nōku Te Ao

4 Queens Wharf
PO Box 893, Wellington
P: 04 913 3740
E: capitale@experiencewellington.org.nz
www.capitale.org.nz

Space Place Te Ara a Whānui Ki Te Rangi

Botanic Gardens
PO Box 893, Wellington
P: 04 910 3140
E: spaceplace@experiencewellington.org.nz
www.museumswellington.org.nz/space-place

Wellington Museum Te Waka Huia o Ngā Taonga Tuku Iho

The Bond Store, Queens Wharf
PO Box 893, Wellington
P: 04 472 8904, F: 04 496 1949
E: museumswellington@experiencewellington.org.nz
www.museumswellington.org.nz/wellington-museum

Cable Car Museum

1 Upland Road
PO Box 893, Wellington
P: 04 475 3578
E: cablecar@experiencewellington.org.nz
www.museumswellington.org.nz/cable-car-museum

Nairn Street Cottage

68 Nairn Street
PO Box 893, Wellington
P: 04 384 9122
E: cottage@experiencewellington.org.nz
www.museumswellington.org.nz/nairn-street-cottage

Plimmer's Ark Galleries

Old Bank Arcade (timbers *in situ*)

New Zealand Cricket Museum Ngā Taonga Kirikiti

The Old Grandstand, Basin Reserve
PO Box 578, Wellington
P: 04 385 6602
E: cricket@experiencewellington.org.nz
<http://nzcricketmuseum.co.nz/>

Note: The New Zealand Cricket Museum is currently closed and is expected to re-open in October 2020.

Our Experiences

